

BY EMAIL AND RESS

February 1, 2022

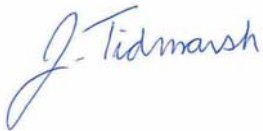
Ms. Christine E. Long
Board Secretary
Ontario Energy Board
Suite 2700, 2300 Yonge Street
P.O. Box 2319
Toronto, ON M4P 1E4

Re: NextBridge-HONI Connection and Cost Recovery Agreement

Dear Ms. Long:

Pursuant the direction in the Board's Decision and Order, EB-2020-0150 at 47 (June 17, 2021), NextBridge Infrastructure LP ("NextBridge") hereby submits the NextBridge and Hydro One Networks, Inc. ("HONI") Connection and Cost Recovery Agreement ("Agreement"). The attached Agreement has redacted out critical infrastructure information that could pose a cyber and/or physical security risk at the request of HONI. The unredacted, confidential version of the Agreement is being provided to the Board in accordance with the Board's *Practice Direction on Confidential Filings*.

Sincerely,

A handwritten signature in blue ink that reads "J. Tidmarsh". The signature is stylized with a large, flowing 'J' and a cursive 'Tidmarsh'.

Jennifer Tidmarsh
Project Director, NextBridge

Neighbouring Ontario Transmitter Connection and Cost Recovery Agreement

between

Upper Canada Transmission, Inc.

and

Hydro One Networks Inc.



for

**CONNECTION OF NEIGHBOURING ONTARIO TRANSMITTER'S
FACILITIES TO HYDRO ONE'S TRANSMISSION SYSTEM**

This Neighbouring Ontario Transmitter Connection and Cost Recovery Agreement made in duplicate as of the _____ day of _____, 20____

I. Upper Canada Transmission, Inc. (the “**Neighbouring Ontario Transmitter**”) has requested and Hydro One Networks Inc. (“**Hydro One**”) is agreeable to performing the work required to connect the Neighbouring Ontario Transmitter’s Facilities to Hydro One’s transmission system at the Connection Point on the terms and conditions set forth in this agreement, Schedules “A” – Scope of Work- Hydro One Work, “B” Scope of Work- Neighbouring Ontario Transmitter Work, “C” - Miscellaneous and the Neighbouring Ontario Transmitter Standard Terms and Conditions V2018-1 attached hereto (the “**Standard Terms and Conditions**” or “**T&C**”) (collectively, the “**Agreement**”).

II. Term

Subject to Section 13 of the Standard Terms and Conditions, this Agreement shall be in full force and effect and binding on the parties as of the date first written above and shall expire on the In Service Date (the “**Term**”). The obligation to pay any amount due and payable under the terms of this Agreement shall survive the termination of this Agreement.

III. Representations and Warranties

Each party represents and warrants to the other that:

- (a) it is duly incorporated, formed or registered (as applicable) under the laws of its jurisdiction of incorporation, formation or registration (as applicable);
- (b) it has all the necessary corporate power, authority and capacity to enter into this Agreement and to perform its obligations hereunder;
- (c) the execution, delivery and performance of this Agreement by it has been duly authorized by all necessary corporate and/or governmental and/or other organizational action and does not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition) result in a violation, a breach or a default under or give rise to termination, greater rights or increased costs, amendment or cancellation or the acceleration of any obligation under (i) its charter or by-law instruments; (ii) any contracts or instruments to which it is bound; or any laws applicable to it;
- (d) any individual executing this Agreement, and any document in connection herewith, on its behalf has been duly authorized by it to execute this Agreement and has the full power and authority to bind it;
- (e) this Agreement constitutes a legal and binding obligation on it, enforceable against it in accordance with its terms;
- (f) it is a HST registrant in good standing under Part IX of the *Excise Tax Act* (Canada). The HST registration number for Hydro One is 87086-5821 RT0001 and the HST registration number for the Neighbouring Ontario Transmitter is 81444 7330 RT0001 (NextBridge Infrastructure Partners, LP); and
- (g) no proceedings have been instituted by or against it with respect to bankruptcy, insolvency, liquidation or dissolution.

IV. Ready for Service Date Terms

IVA. Hydro One agrees to use reasonable efforts to complete the Hydro One Work pertaining to the connection of the Neighbouring Ontario Transmitter’s facilities by March 31, 2022 (the “**Ready for Service Date**”) subject to:

- (i) subsection IVB below; and
- (ii) the Neighbouring Ontario Transmitter executing and delivering this Agreement to Hydro One by no later than November 15, 2021 (the “**Execution Date**”).

IVB. Any one or more of the following occurrences may delay the Hydro One Work; and if the Hydro One Work is thereby delayed, the Neighbouring Ontario Transmitter acknowledges and agrees that the Ready for Service Date specified in Subsection IVA above may be postponed by Hydro One, and Hydro One shall not be responsible for any losses or damages suffered as a result of any delays associated with any of the foregoing to the extent that the said occurrences delay the Hydro One Work, where applicable:

- (a) the Neighbouring Ontario Transmitter does not fully complete all of the Neighbouring Ontario Transmitter Work described in Schedule “B” (including, but not limited to the Neighbouring Ontario Transmitter’s Facilities being fully constructed) in accordance with the terms and conditions of this Agreement and is not ready for commissioning by February 4, 2022;
- (b) the Neighbouring Ontario Transmitter is not in compliance with all of its obligations under this Agreement;
- (c) Hydro One not being able to obtain outages from the IESO required for any portion of the Hydro One Work when required;
- (d) the IESO making any changes to any portion of the Hydro One Work or the scheduling of all or any portion of the Hydro One Work;
- (e) the terms of any approvals required under any Applicable Laws for the Hydro One Work result in a need for changes to any portion of the Hydro One Work or the scheduling of all or any portion of the Hydro One Work;
- (f) Hydro One or the Neighbouring Ontario Transmitter having to perform a full class Environmental Assessment or an individual Environmental Assessment in respect of all or any portion of the Hydro One Work;
- (g) Hydro One not receiving or obtaining prior to the dates upon which Hydro One requires any or one or more of the following under any Applicable Laws, which it will make commercially reasonable efforts to obtain:
 - (i) environmental approvals, permits or certificates;
 - (ii) land use permits from the Crown; and
 - (iii) building permits and site plan approvals;
- (g) Hydro One having to use its employees, agents and contractors performing the Hydro One Work elsewhere on its transmission system or distribution system due to an Emergency (as that term is defined in the Transmission System Code) or an Event of Force Majeure;
- (h) Hydro One not being able to obtain materials or equipment required from suppliers in time to meet the project schedule for any portion of the Hydro One Work after making commercially reasonable efforts to obtain same;
- (i) The Neighbouring Ontario Transmitter not obtaining, on Hydro One’s behalf, all of the easement and other land agreements that Hydro One requires the Neighbouring Ontario Transmitter to obtain on Hydro One’s behalf in accordance with the terms of this Agreement as identified in Schedule “B” by the dates specified in Schedule “B”;
- (j) Hydro One not receiving Leave to Construct by the Approval Date specified in Schedule “C” of this Agreement;
- (k) Hydro One not being able to rely upon and use the Neighbouring Ontario Transmitter’s Environmental and Archaeological Studies and similar studies including but not limited to geotechnical reports and endangered species reports, Provincial and Federal Agency Feedback, Notifications and Consultation Records for the purposes of Hydro One: (i) determining what environmental approvals, permits or certificates are required to be obtained by Hydro One in respect

- of all or any portion of the Hydro One Work; and (ii) obtaining any environmental approvals (including, but not limited to its, Class EA screen-out), permits or certificates required in respect of all or any portion of the Hydro One Work;
- (l) Hydro One encountering delays due to any persons challenging the adequacy or sufficiency of the Environmental and Archaeological Studies and/or the Consultations in respect of all or any portion of the Hydro One Work; or
 - (m) Tile drainage or other buried facilities located are found to be within the property where Hydro One needs to construct all or any portion of the Hydro One Work.

IVC. The Neighbouring Ontario Transmitter acknowledges and agrees that the Ready for Service Date may be materially affected by difficulties with obtaining or the inability to obtain all necessary land rights and/or environmental approvals, permits or certificates.

IVD. In addition to the circumstances described in Part IVB above, the Ready for Service Date is subject to any delays from Hydro One being unable to commence all or any part of the Hydro One Work and/or or delays that result in Hydro One having to cease performing all or any portion of the Hydro One Work from time to time due to the impacts that the COVID-19 pandemic may have on our company during these uncertain times, including, without limitation:

- (a) Hydro One prioritizing work on other projects where the other customer must be prioritized as they are or will be performing an essential service in Ontario or are considered an essential construction project in Ontario;
- (b) we may have limited availability of our personnel which may mean re-deploying our personnel working on your Project to perform Hydro One's own essential service work or work on other customer connection projects where customers either executed agreements for connections to Hydro One's transmission system prior to this one being executed or where the other customer must be prioritized as they are or will be performing an essential service in Ontario or are considered an essential construction project in Ontario;
- (c) the productivity of our personnel being diminished or impacted including by reason of ensuring that our employees are appropriately social distanced;
- (d) our contractors and supply chains being impacted by the pandemic such that we cannot obtain or must wait longer for services we require from third parties or there are shortages in either availability of equipment and materials required to perform the Hydro One Work; and
- (e) our work sites (such as stations) not being available or having limited availability including, without limitation, by reason of a person who was previously at that site develops symptoms of COVID-19 and the site must be deep cleaned.

V. Cost of Hydro One Work

The Engineering and Construction Cost of the Hydro One Work will be included in Hydro One's rate base in accordance with the decision(s) of the Ontario Energy Board in EB-2017-0194. For greater certainty, Hydro One shall not be responsible for any of the cost incurred by the Neighbouring Ontario Transmitter to comply with its obligations under this Agreement, including, without limitation, its cost of performing the Neighbouring Ontario Transmitter Work.

VI. Notice

Any written notice required by this Agreement shall be deemed properly given only if either mailed or delivered to the Chief Legal Officer, Hydro One Networks Inc., 483 Bay Street, South Tower, 8th Floor, Toronto, Ontario M5G 2P5, fax (416) 345-6240 on behalf of Hydro One, and to (NextBridge Infrastructure Partners, LP, 390 Bay Street, Suite 1720, Toronto, Ontario, M5H 2Y2 and fax number 1-561-691-2323) on behalf of the Neighbouring Ontario Transmitter. A faxed notice will be deemed to be received on the date of the fax if received before 4 p.m. or on the next Business Day if received after 4 p.m. Notices sent by courier or registered mail shall be deemed to have been received on the date indicated on the delivery receipt. The designation of the person to be so notified or the address of such person may be changed at any time by either party by written notice.

VII. General

This Agreement:

- (a) subject to Section 39 of the Standard Terms and Conditions, constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and supersedes all prior oral or written representations and agreements concerning the subject matter of this Agreement;
- (b) shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of the Province of Ontario and the laws of Canada applicable therein; and
- (c) may be executed by the parties in writing or via electronic signatures and in one or more counterparts, each of which shall be deemed an original and together shall constitute one and the same agreement. Counterparts may be delivered via fax, electronic mail (in portable document format) or other transmission method and any counterpart so delivered is deemed to have been duly and validly delivered and be valid and effective for all purposes.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by the signatures of their proper officers, as of the day and year first written above.

HYDRO ONE NETWORKS INC.



Dec 14, 2021

Name: David Lebeter

Title: Chief Operating Officer

I have the authority to bind the Corporation.

UPPER CANADA TRANSMISSION, INC.

Name: Jennifer Tidmarsh

Title: President and Project Director

I have the authority to bind the Corporation

Digitally signed

by Jennifer

Tidmarsh

Date: 2021.10.27

13:17:36 -04'00'

Schedule “A”: Scope of Work – Hydro One Work

Hydro One will provide project management, engineering, equipment and material, construction and commissioning of new and modified Hydro One facilities for the East-West Tie Connection work, which consists of,

- a) all work pertaining to the Connection of the Neighbouring Ontario Transmitter’s Facilities, namely four new 230 kV circuits W35M, W36M, M37L and M38L, to Hydro One’s transmission system at Wawa TS, Marathon TS and Lakehead TS, and
- b) all work pertaining to the reconfiguration of the existing facilities and addition of new facilities at the three terminal stations of the East-West Tie, namely Wawa TS, Marathon TS and Lakehead TS, to provide 450 MW east-west power transfer capability,

as described in this Schedule “A”.

The scope of the East-West Tie Connection work is based on the requirements from:

- the IESO’s System Impact Assessment (SIA) Report, “Ontario 230 kV East-West Tie Connections”, dated December 22, 2016 (CAA ID #2016-568);
- the IESO’s System Impact Assessment (SIA) Addendum Report, “Ontario 230 kV East-West Tie”, dated December 22, 2016 (CAA ID #2014-514); and
- Hydro One’s Customer Impact Assessment (CIA) Report dated January 16, 2017.

As part of the above work, Hydro One will modify and expand the Northwest Special Protection Scheme and replace or install new control and teleprotection facilities at other stations as required.

Hydro One, or its agents:

- Will supply and install all materials and equipment not specifically described herein

- that are required or may be necessary to complete the work for the purpose required;
- shall repair any damage caused to lands, owned by Hydro One or third parties, associated with or related to the Hydro One Work;
- where Hydro One deems necessary, install appropriate solutions to address public safety concerns regarding the facilities being constructed by Hydro One, which may include, but is not limited to, safety enclosures and signage;
- scrap all materials and equipment removed by Hydro One, or its agents, at site unless specifically stated otherwise; and
- provide the Neighbouring Ontario Transmitter with such technical parameters as may be required to assist the Neighbouring Ontario Transmitter in ensuring that the design of the Neighbouring Ontario Transmitter’s Facilities is consistent with Hydro One’s requirements applicable to connections to Hydro One’s transmission system and where applicable, the basic general performance standards for facilities set out in the Code, including Appendix 2 thereof.

Scope of Work:

Part 1: Lines Work

Hydro One will connect the Neighbouring Ontario Transmitter’s new 230 kV circuits between Wawa TS, Marathon TS and Lakehead TS to these three terminal stations and modify the termination of some of the existing 230 kV circuits at Wawa TS and Marathon TS as described in the following.

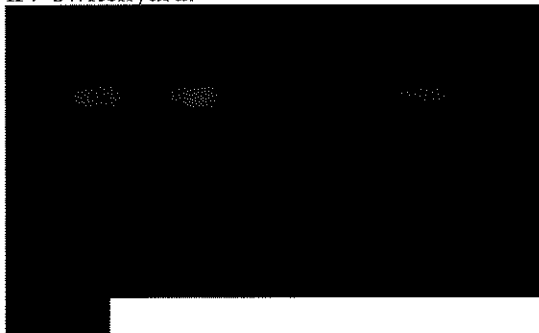
1.1 Line Work at Wawa TS

Hydro One will perform the following activities and/or provide the following deliverables:

- Connect the conductors of new 230 kV circuit W35M (from Wawa TS to Marathon TS) from the Neighbouring Ontario Transmitter’s last dead-end structure to the

appropriate vangs of the three pole steel line terminating structures located on the east side of the 230 kV switchyard.

- Install three pole steel line terminating structures inside the station fenced-in area on the east side of the 230 kV switchyard.
- Connect the conductors of new 230 kV circuit W36M (from Wawa TS to Marathon TS) from the Neighbouring Ontario Transmitter's last dead-end structure to the appropriate vang of the line terminating structure located on the west side of the 230 kV switchyard.
- Connect the skywire of new 230 kV circuit W35M from the Neighbouring Ontario Transmitter's last dead-end structure to the appropriate vang of the line terminating structure located on the east side of the 230 kV switchyard.



In addition, to provide 450 MW east-west tie transfer capability, according to the SIA, Hydro One will re-terminate the existing 230 kV circuits W21M and W23K at the station.

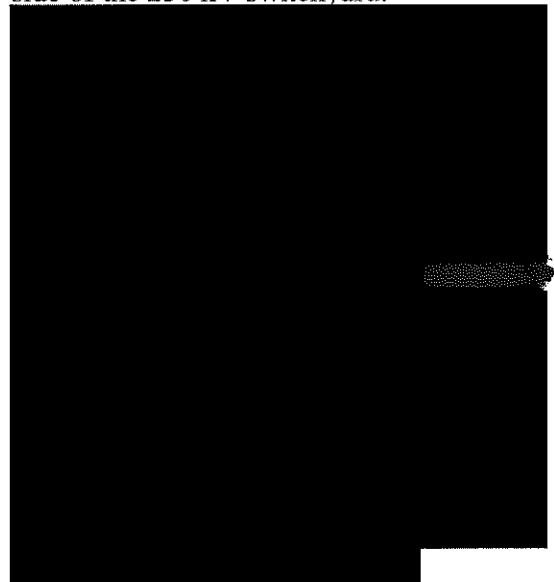
1.2 Line Work at Marathon TS

Hydro One will perform the following activities and/or provide the following deliverables:

- Connect two (2) new 230 kV circuits M37L and M38L (from Marathon TS to Lakehead TS) from the Neighbouring Ontario Transmitter's last dead-end structure to the appropriate vangs of the line terminating structure located on the west side of the 230 kV switchyard.
- Connect two (2) new 230 kV circuits W35M and W36M (from Wawa TS to Marathon TS) from the Neighbouring Ontario Transmitter's last dead-end

structure to the appropriate vangs of the line terminating structure located on the east side of the 230 kV switchyard.

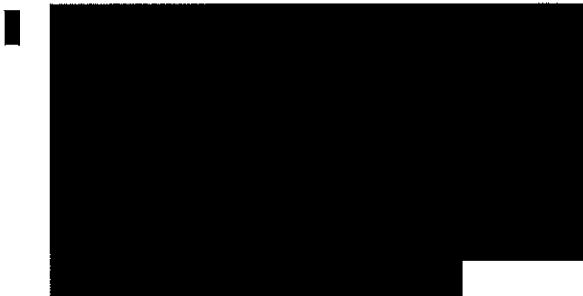
- Connect the skywire of new 230 kV line M37L-M38L from the Neighbouring Ontario Transmitter's last dead-end structure to the appropriate vangs of the line terminating structure located on the west side of the 230 kV switchyard.
- Connect the skywire of new 230 kV line W35M-W36M from the Neighbouring Ontario Transmitter's last dead-end structure to the appropriate vang of the line terminating structure located on the east side of the 230 kV switchyard.



1.3 Line Work at Lakehead TS

Hydro One will perform the following activities and/or provide the following deliverables:

- Connect two (2) new 230 kV circuits M37L and M38L from Marathon TS from the Neighbouring Ontario Transmitter's last dead-end structure to the appropriate vangs of the line terminating structure located on the north side of the 230 kV switchyard.
- Connect the skywire of the new 230 kV line M37L-M38L from the Neighbouring Ontario Transmitter's last dead-end structure to the appropriate vangs of the line terminating structure located on the north side of the 230 kV switchyard.



1.4 Assumptions/Risks

It is assumed that,

- i. the affected existing conductor, shieldwire, hardware, wood poles and steel structures are in good condition, satisfactory and do not require any refurbishment;
- ii. Neighbouring Ontario Transmitter dead-end structures are designed to HONI clearance standards;
- iii. outages are available when required;
- iv. no issues will arise due to tree removal;
- v. the soil is in good condition; normal, stable soil conditions exist and permanent soil erosion and sediment controls will not be required at new structures; and
- vi. locations of new facilities and surrounding areas are free of environmental issues, underground utilities, archaeological concerns, conservation area issues, hazardous waste disposal considerations.

Part 2: Stations Work

Hydro One has acquired additional properties for Wawa TS and Marathon TS and will expand the footprint of the three terminal stations, extend and upgrade the bus work, install new 230 kV circuit breakers and switches for connection of the Neighbouring Ontario Transmitter's new 230 kV circuits between Wawa TS, Marathon TS and Lakehead TS, and install required new protection, control and telecommunication facilities in new relay rooms at the three terminal stations.

In addition, Hydro One will install new 230 kV circuit breakers, switches, shunt reactors and

capacitor bank, as well as protection, control and telecommunication facilities for the new and existing facilities in new relay rooms at the three terminal stations. Hydro One will also revise and expand the Northwest Remedial Action Scheme (NW RAS) to incorporate the new and revised contingency detections and control actions.

2.1 Station Work at Wawa TS

The scope of work at Wawa TS includes the following activities:

- i. Work on existing bus and line exits in the 230 kV switchyard:
 - Upgrading the two main 230 kV buses of the 230 kV switchyard to a summer rating of not less than 3000A,
 - Upgrading the ampacity of the existing diameters, in the 230 kV switchyard, to a summer rating of not less than 2000A.
- ii. Work in the 230 kV switchyard:
 - Adding one new diameter in Bay IV with three circuit breakers – the new diameter will have a summer rating of not less than 3000A,
 - Connecting the two new EWT 230 kV Wawa-Marathon circuits, W35M and W36M, to the new 230 kV diameter- the line exits will have a summer rating of not less than 1660A,
 - Adding one new diameter in Bay III with two circuit breakers – the new diameter will have a summer rating of not less than 3000 A,
 - Re-terminating circuit W23K from its current position in Bay II into the new diameter in Bay III,
 - Re-terminating circuit W21M from its current position in Bay III to Bay II,
 - Adding a new 230 kV circuit breaker in the existing diameter in Bay I for termination of circuit W22M,
 - Adding twelve new disconnect switches for the above new circuit breakers,
 - Adding two new disconnect/ground switches for the new EWT circuits,
 - Upgrading two disconnect/ground switches for the existing EWT circuits.

- iii. Upgrading the 600V AC Station Services to the requirements of Hydro One's functional standard.
- iv. Adding a new 250V, 800A DC Station Services Manual Transfer Scheme (MTS) and associated batteries and chargers for supply of all 230 kV protection and control equipment to meet the requirements of Hydro One's functional standard.



- vi. Separating all existing and new protection and control equipment and cable routings into two systems.

Assumptions/Risks:

The station layout featuring proposed civil works was based on the Basic Layout drawing BD-KoS-2391 and partial topographical survey. It is assumed that,

- i. outages are available when required;
- ii. no Part II Order requests for Class EA Screen-Out;
- iii. no issues will arise due to tree removal;
- iv. no Species at Risk issues will arise;
- v. no Stage 3 Archaeological Assessment required;
- vi. Hydro One work is exempt from site plan after EA Approval;
- vii. there is no Provincially Significant Wetlands within the vicinity of Wawa TS;
- viii. the soil is in good condition; normal, stable soil conditions exist and permanent soil erosion and sediment controls will not be required at new facilities;
- ix. excavated soil assumed not contaminated and is subject to on-site storage;
- x. all construction equipment, contracts and civil material can be obtained from suppliers;
- xi. locations of new facilities and surrounding areas are free of environmental issues, underground utilities, archaeological concerns,

conservation area issues, hazardous waste disposal considerations;

- xii. the existing grounding of the station is in good conditions and it stays as is; and
- xiii. the Neighbouring Ontario Transmitter's grounding design is in coordination with Hydro One's requirements.

2.2 Station Work at Marathon TS

The Scope of work at Marathon TS includes the following activities:

- i. Work on existing bus and line exits in the 230 kV switchyard:
 - Upgrading the two main 230 kV buses of the 230 kV switchyard to a summer rating of not less than 3000A,
 - Upgrading the ampacity of the existing diameters in the 230 kV switchyard to a summer rating of not less than 2000A.
- ii. Work at the 230 kV switchyard:
 - Adding two new diameters, each with four circuit breakers; the new diameters will have a summer rating of not less than 3000A,
 - Connecting the four new EWT 230 kV Wawa-Marathon and Marathon-Lakehead circuits. The line exits will have a summer rating of not less than 1600A,
 - Adding two new 230 kV circuit breakers in the existing diameter in Bay IV for terminating circuit M23L,
 - Re-terminating circuit W21M in Bay III,
 - Adding twenty new disconnect switches for the above new circuit breakers,
 - Adding four new disconnect/ground switches for the new EWT Lines,
 - Upgrading four existing disconnect/ground switches for the existing EWT Wawa-Marathon and Marathon-Lakehead circuits.
- iii. Adding two 230 kV, 65 MVar, 3-phase shunt reactors, and connect into the new 230 kV diameters with the following:
 - One reactor breaker,

- One disconnect switch,
 - One surge arrester,
 - One surge capacitor.
- iv. Upgrading the 600V AC Station Services to meet the requirements of Hydro One's functional standard.
 - v. Upgrading the 250V DC Station Services to the meet requirements of Hydro One's functional standard.



- vii. Separating all existing and new protection and control equipment and cable routings into two systems.

Assumptions/Risks:

Topography and soil/groundwater conditions for the station expansion are unknown due to dense forest in the vicinity of the subject area. The subject area has to be cleared of the trees to allow completion of topographic and geotechnical surveys to confirm viability of the proposed station layout.

The assumptions and risk include,

- i. the site is Exempt from Site Plan after EA Approval;
- ii. the site soil/groundwater conditions are normal - depth of topsoil assumed 0.3m;
- iii. the initially assumed topography within the proposed expansion is not significantly different from the actual topography.
- iv. stripping topsoil and filling in 0.3m of granular A for the road base will be required for Shack Lake trail construction;
- v. locations of new facilities and surrounding areas are free of environmental issues, underground utilities, archaeological concerns, conservation area issues, hazardous waste disposal considerations;
- vi. the soil is in good condition; normal, stable soil conditions exist and permanent soil

erosion and sediment controls will not be required at new facilities;

- vii. no issues will arise due to tree removal;
- viii. the existing grounding of the station perimeter fence is in good conditions and it stays as is; and
- ix. the Neighbouring Ontario Transmitter's grounding design is in accordance with Hydro One's requirements.

2.3 Station Work at Lakehead TS

The scope of work at Lakehead TS includes the following activities:

- i. Existing bus work and line exits in the 230 kV switchyard east:
 - Upgrading the two main 230 kV buses of the 230 kV switchyard east to a summer rating of not less than 3000A,
 - Upgrading the ampacity of the existing diameters, in the 230 kV switchyard east, to a summer rating of not less than 2000A,
 - Adding four line disconnect/ground combination switches.
- ii. Work at the 230 kV switchyard east:
 - Adding one new diameter with four circuit breakers in Bay X and IX – the new diameter will have a summer rating of not less than 3000A,
 - Adding one new 230 kV circuit breaker to the existing diameter in Bay XIV,
 - Connecting the two new EWT 230 kV Marathon-Lakehead circuits to the new diameter – the line exits will have a summer rating of not less than 1600A,
 - Adding ten disconnect switches for the new circuit breakers,
 - Adding two new disconnect/ground switches for the new EWT Lines,
 - Upgrading two existing disconnect/ground switches for the existing EWT circuits.
- iii. Adding a new 230 kV, 125 MVar shunt capacitor bank and connecting it to the diameter in Bay XIV with the following:
 - Two SF6 circuit breakers for capacitor bank switching,

- One disconnect switch,
 - One surge arrester,
 - One surge capacitor,
 - One series reactor,
 - One three-phase and one single-phase two pole ground switch.
- iv. Adding a new 230 kV, 125 MVAR three-phase shunt reactor and connecting it to the new 230 kV diameter in Bay IX with the following:
- One reactor breaker,
 - One disconnect switch,
 - One surge arrester,
 - One surge capacitor.
- v. Upgrading the 600V AC station services to the requirements of Hydro One's functional standard.
- vi. Upgrading of the 250V DC station services to the requirements of Hydro One's functional standard.



- viii. Separating all existing and new protection and control equipment and cable routings into two systems in the new and existing relay rooms.

Assumptions/Risks:

- i. no landscaping is required;
- ii. no permits are required from Conservation Authority;
- iii. there is no need for additional sub-surface drainage since the existing geotechnical survey indicates presence of well-draining sandy subsoil, however this needs to be verified;
- iv. the soil conditions are normal (no soil reinforcement or de-watering is required) - 0.3m depth of topsoil over the expansion area has been assumed, however this needs to be verified;
- v. excavated soil assumed not contaminated and is subject to on-site storage;

- vi. the existing grounding of the station perimeter fence is in good conditions and it stays as is; and
- vii. the Neighbouring Ontario Transmitter's grounding design is in accordance with Hydro One's requirements



Part 4: Environmental

Hydro One will perform the following activities and/or provide the following deliverables:

- For the Hydro One's Line Work and Station Work only, as specified in Part 1 and Part 2 above, Hydro One will provide all environmental engineering planning, design and construction stage services and ensure that all environmental aspects of this project are in, and remain in compliance with all applicable federal, provincial and municipal legislation, and with all Hydro One's internal policies, procedures and HODS (Hydro One Document System) documents.
- For the Hydro One's Line Work and Station Work only, as specified in Part 1 and Part 2 above, Hydro One will perform the work required to obtain all environmental permits and approvals, including the full Class EA via the EA Screen-out process. Hydro One

will not file its EA Screen-out Report until such time as the Ministry of Environment has issued the Neighbouring Ontario Transmitter's REA. Provide construction support by advising on compliance with EA requirements/commitments

- Obtain all environmental permits and approvals, where applicable, in regards to the Hydro One Work, including, but not limited to:
 - Phase 1 ESA– required before property acquisition
 - Natural Heritage Assessment– required before Class EA screen out
 - Stage 1 and 2 Archaeological Assessment
 - Class EA screen out
 - Drainage ECA
 - Building permit
 - Soil Testing
 - Tree Clearing
- Monitor environmental impact during Hydro One's construction works.
- Perform Soil testing and laboratory assessment for the Hydro One Work, as required to identify any potential soil contamination.
- Review and, where necessary, perform any required work for Hydro One to comply with the Endangered Species Act (Ontario) for any Species at Risk and/or their habitat.
- Provide landscape design and drafting.
- Retain compatible vegetation for seeding/planting and restoration along Hydro One ROW and Hydro One facilities.
- Provide Station Emergency Response Plan (ESP).
- Issue public notification via flyers for the Hydro One Work

Assumptions/Risks:

Where applicable, in regards to the Hydro One Work:

Hydro One will not have to perform a full class Environmental Assessment or an individual Environmental Assessment.

- i. That no federal or provincial land is involved triggering a Federal EA or the requirement for an MNR work permit respectively.
- ii. There are no significant natural environmental issues.
- iii. Work will not require Species at Risk permits.
- iv. Additional studies/information requests by regulatory agencies are not included.
- v. Any requirements for archaeological assessments are not included.
- vi. Municipal, regional and the Ministry of Environment, Conservation and Parks approvals will be obtained in a timely fashion.
- vii. Recommendations stated in the Neighbouring Ontario Transmitter's archaeological assessment in relation to the Neighbouring Ontario Transmitter's facilities that will be installed on Hydro One lands will be accepted by the Ministry of Heritage, Tourism, Sport and Culture Industries.
- viii. No Municipal Site Plan Approval is required.
- ix. No Storm Water Management Plans are required.
- x. No permanent site de-watering due to high groundwater table.
- xi. Building Permit costs are estimates only and will vary depending on municipality and/or township.

Part 5: Real Estate

Hydro One will perform the following activities and/or provide the following deliverables:

Wawa TS:

Hydro One will:

- Ensure no additional property rights are required for the work at the station as Hydro One has expanded the existing Wawa TS property on the north side by approximately 0.5 hectare.

Marathon TS:

Hydro One will:

- Ensure no additional property rights are required for the work at the station as Hydro One has expanded the existing Marathon TS by approximately 5.1 hectares on the north side of the existing Marathon TS property on Peninsula Road.

Lakehead TS:

Hydro One will:

- Ensure no additional property rights are required for the work at the station.

Right-of-Way Outside Hydro One's Station property:

Hydro One will:

- Ensure no additional property rights are required for the Right-of-Way for installing Hydro One's last span of the transmission lines into the stations.

Assumptions/Risks:

No risks are anticipated in relation to Real Estate Activities.

Part 6. Work Staging:

Hydro One will complete the following work, by the specified date in order to meet the timeline of March 31, 2022, for connection of the Neighbouring Ontario Transmitters' Facilities.

Staged work required at Wawa TS by February 28, 2022, includes:

- Property acquisition to accommodate the expansion for the new diameter and building (completed)
- Extend the main buses to Bay IV and install new diameter in Bay IV with 3000A rating

- Install three new circuit breakers and associated six disconnect switches in Bay IV
- Connect new W35M and W36M circuits to the new diameter in Bay IV with associated two line disconnect switches and two interrupter-type ground switches
- Construct new relay building, required PCT facilities, SCADA, AC & DC station service, facility registration, nomenclature and database updates.
- Install grounding required

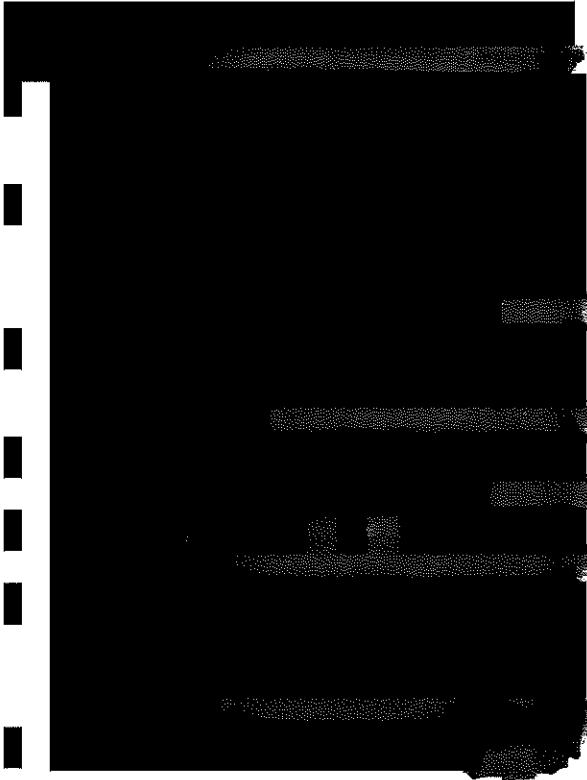
Staged work required at Marathon TS by February 15, 2022, includes:

- Property acquisition to accommodate the expansion for the new diameter and building (completed)
- Extend the main and jitney buses to Bay VIII and install two new full diameters in four Bays V to VIII, with 3000 A rating
- Install one new shunt reactor
- Install seven new circuit breakers and fourteen disconnect switch
- Connect new W35M, W36M, M37L and M38L circuits to the new diameters in Bay V to VIII with associated line disconnect switches (4) and interrupter-type ground switches (4)
- Construct new relay building, required PCT facilities, SCADA, AC & DC station service, facility registration, nomenclature and database updates.
- Install grounding required

Staged Work required at Lakehead TS by February 1, 2022, includes:

- No property acquisition required.
- Extend the main and jitney buses to Bay X and IX and install one new full diameter in these two Bays, with 3000 A rating
- Install three new breakers and six disconnect switches
- Connect new M37L and M38L circuits to the new diameters in Bay X and IX with associated line disconnect switches (2) and interrupter-type ground switches (2)

- Construct new relay building, required PCT facilities, SCADA, AC & DC station service, facility registration, nomenclature and database updates.
- Install grounding required



Schedule "B": Neighbouring Ontario Transmitter Work

Part 1: General Project Requirements:

The Neighbouring Ontario Transmitter will:

- (a) enter into a Connection Facilities Agreement with Hydro One or where applicable, amend its existing Connection Facilities Agreement with Hydro One at least 30 days prior to the first Connection;
- (b) provide Hydro One with Project data required by Hydro One, including, but not limited to (i) the same technical information that the Neighbouring Ontario Transmitter provided the IESO during any connection assessment and facility registration process associated with the Neighbouring Ontario Transmitter's Facilities in the form outlined in the applicable sections of the IESO's public website; and (ii) technical specifications (including electrical drawings) for the Neighbouring Ontario Transmitter's Facilities
- (c) provide a dedicated telephone line for direct communication between Hydro One's Ontario Grid Control Centre ("Hydro One OGCC") operator and the Neighbouring Ontario Transmitter's Facilities control room operator Lone Star Transmission's Control Center ("LSTCC") and will provide round-the-clock monitoring of the Neighbouring Ontario Transmitter's Facilities;
- (d) ensure that the work to be performed by the Neighbouring Ontario Transmitter required for successful installation, testing and commissioning of protective, teleprotection, telecommunication and metering equipment, as may be applicable, is completed as required to enable Hydro One Confirmation of Verification Evidence Report (COVER) verification to confirm satisfactory performance of such systems, provided that, notwithstanding anything to the contrary in Subsection 8(iv) of the T&C, Hydro One shall only have the right to monitoring commissioning, inspection and

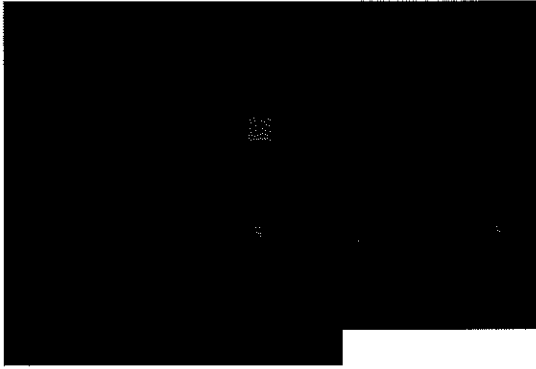
testing of the Neighbouring Ontario Transmitter's Facilities with respect to the tower structures, grounding, OPGW, and conductor at the demarcation points;

- (e) accept operating designations as assigned by Hydro One and install nomenclature plates on the Neighbouring Ontario Transmitter's equipment
- (f) use operating designations on all operating agreements, telemetry and protection documents and any other agreements that refer to equipment designation; and
- (g) satisfy all other requirements specific to the Connection.

Part 2: Lines Work

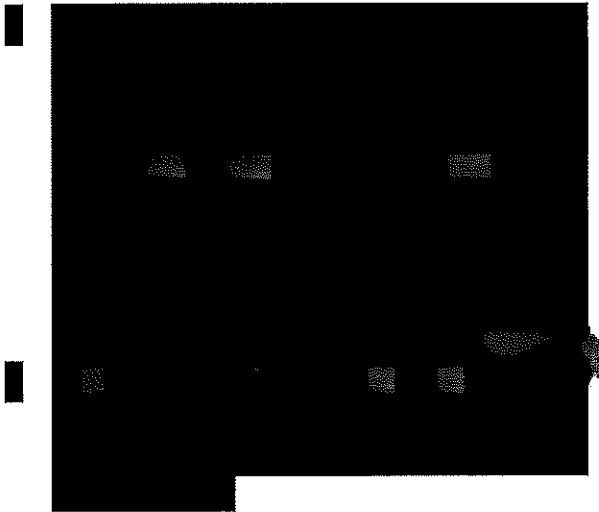
The Neighbouring Ontario Transmitter shall:

- Design, provide, install, own and maintain the Neighbouring Ontario Transmitter's 230 kV transmission lines consisting of,
 - i. W35M and W36M circuits between Wawa TS and Marathon TS; and
 - ii. M37L and M38L circuits between Marathon TS and Lakehead TS.
- Design, provide and install all transmission tower structures, and foundations required to string the aforementioned circuits.
- Design, provide and install one skywire
- Design, provide and install one OPGW, with specifications that are reviewed and approved by Hydro One, on the aforementioned transmission lines.
- Design, provide and install the last deadend structures of W35M, W36M, M37L and M38L circuits outside the fenced-in area of Wawa TS, Marathon TS and Lakehead TS at the locations and with the specifications and orientations reviewed and approved by Hydro One and make them available for Hydro One's Line work for connection of the conductors and skywires from these last deadend structures to the stations.



Assumptions/Notes:

- The point of demarcation of the 230 kV transmission lines and their skywires will be their last structure outside Hydro One stations. For great clarity, the Neighbouring Ontario Transmitter will own the transmission line up to and including the insulator and jumper on the last deadend structures and Hydro One will own the span of conductors and skywire from the last deadend structures to the structures inside the stations.



Part 3: Environmental

The Neighbouring Ontario Transmitter will:

- include the location of the Neighbouring Ontario Transmitter's facilities that will be installed on Hydro One lands (including any associated construction access and laydown areas) in Stage I and/or Stage II Archaeological Studies and environmental

baseline studies, which includes information on vegetation, wildlife habitat, local land and resource uses, aquatic features (e.g. creeks, ponds, wetlands etc.), local fish and wildlife information, rare species and species at risk, etc. ("**Environmental and Archaeological Studies**"), Neighbouring Ontario Transmitter's EA notifications ("**Notifications**") and consultations with provincial and federal government agencies, First Nations and Metis communities, other communities and local residents performed by the Neighbouring Ontario Transmitter in respect of its EA process ("**Consultations**");

- provide Hydro One with copies of the Environmental and Archaeological Studies in relation to the Neighbouring Ontario Transmitter's facilities that will be installed on Hydro One lands, if applicable;
- provide Hydro One with any relevant feedback from the provincial and federal government agencies such as Ministry of Heritage, Tourism, Sport and Culture Industries ("MHTSCI"), Ministry of Environment, Conservation and Parks ("MECP"), Ministry of Natural Resources and Forestry ("MNR") and the Department of Fisheries and Oceans ("DFO"), including any applicable Ministry Sign-offs;
- include on NextBridge.ca for Hydro One to access any and all agreements, written or oral, with the Crown on Duty to Consult obligations;
- perform and provide to Hydro One any studies that Hydro One requires for the purpose of meeting all the requirements under the *Endangered Species Act* (Ontario) in respect of all or any portion of the Hydro One Work; and
- on behalf of Hydro One, obtain and provide to Hydro One any permits and approvals under the *Endangered Species Act*

(Ontario) for any Species at Risk and/or their habitat in relation to the Neighbouring Ontario Transmitter's facilities that will be installed on Hydro One lands, if applicable;

- remove any trees on Hydro One lands where the Neighbouring Ontario Transmitter's facilities will be installed, if applicable; and,

Notes:

- Hydro One's facilities cannot be approved under the Neighbouring Ontario Transmitter's EA but Hydro One does need to rely on the Neighbouring Ontario Transmitter's Environmental and Archaeological Studies, Notifications and Consultations (including records of same) for the purposes of obtaining any environmental approvals, permits or certificates that it requires in respect of all or any part of the Hydro One Work in the interest of time.

Part 4: Real Estate

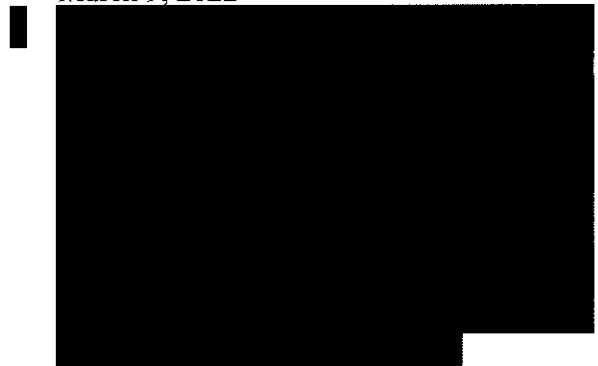
The Neighbouring Ontario Transmitter is,

- responsible for securing all land rights and permits required for the construction of W35M and W36M circuits between Wawa TS and Marathon TS; and
- responsible for securing all land rights and permits required for the construction of M37L and M38L circuits between Marathon TS and Lakehead TS.

Part 5. Work Staging:

The Neighbouring Ontario Transmitter will complete the following work, and provide Hydro One at least two months advance notice of the specified date in order to meet the timeline of March 1, 2022, for connection of the Neighbouring Ontario Transmitters' Facilities.

- Complete the installation of the last deadend structures of W35M and W36M circuits outside the fenced-in area of Wawa TS and provide Hydro One access to these structures for its Line work by March 16, 2022
- Complete the installation of the last deadend structure of W35M and W36M circuits outside the fenced-in area of Marathon TS and provide Hydro One access to this structure for its Line work by March 16, 2022
- Complete the installation of the last deadend structure of M37L and M38L circuits outside the fenced-in area of Marathon TS and provide Hydro One access to this structure for its Line work by March 9, 2022
- Complete the installation of the last deadend structure of M37L and M38L circuits outside the fenced-in area of Lakehead TS and provide Hydro One access to this structure for its Line work by March 9, 2022



Schedule “C”: Miscellaneous

Description of Project:

The Connection of the Neighbouring Ontario Transmitter’s Facilities to Hydro One’s transmission system at the Connection Point.

Connection Point

The Neighbouring Ontario Transmitter’s Facilities will be connected to Hydro One’s transmission system at:

- Wawa transmission station (TS), located southeast of Wawa Ontario;
- Marathon TS, located near Marathon Ontario; and,
- Lakehead TS, located near Thunder Bay Ontario.

Neighbouring Ontario Transmitter’s Facilities

New 210.5 km double circuit 230 kV transmission line commencing at Wawa TS and terminating at Marathon TS, and new 245.5 km double circuit 230 kV transmission line commencing at Marathon TS and terminating at Lakehead TS.

Documentation Required:¹

Documentation describing the as-built electrical characteristics of the Neighbouring Ontario Transmitter’s Facilities shall include, but is not limited to, a detailed single line drawing showing electrical parameters and characteristics of the Neighbouring Ontario Transmitter’s Facilities including, but not limited to [e.g. step up transformer(s), AC and DC protection elementary diagrams, and relay types and setting sheets]

Approval Date²

N/A

¹ Cross-reference Sub-section 7(d) of T&C

² Cross-reference IVB(j) of this Agreement (Section 92 OEB Act)