

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

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

**Reporting Period: July 1, 2022 to September 30, 2022**

**Date Submitted: October 21, 2022**

- 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 License authorizing NextBridge to proceed to the construction, expansion, or reinforcement of the transmission system for the EWT Project, pursuant to a directive from 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 also amended NextBridge's Electricity Transmission License to include conditions requiring NextBridge to report to the Independent Electricity System Operator 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 License.
- 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.
- On June 6, 2022, the OEB issued a letter confirming that NextBridge will continue to file quarterly reports until all land restoration activities are complete. The OEB also directed NextBridge to include in its last quarterly report, projected to be in October, "a table using the same cost categories as all other quarterly reports, that sets out the final construction costs of the East-West Tie Project."

- Only a small amount of restoration remains to be completed, See Table B below. Therefore, pursuant to the June 6, 2022 letter from the OEB, this this quarterly report will be NextBridge’s final quarterly report.
- Although NextBridge is reconciling final Project costs as restoration and reclamation becomes complete, at this time, NextBridge believes all Project costs are now known, contracted and/or incurred. Thus, the cost update provided in this report, subject to the reconciliation, is expected to reflect the amounts NextBridge will file for disposition of in 2023 for COVID-19 and Construction Cost Variance Account (CCVA) costs.
- Since the EWT Project is in service, this report contains the following sections:

<b>1</b>	<b>Summary of the EWT Project Progress</b>	<p>A detailed summary of the status of the EWT Project, including work completed during the Reporting Period, overall progress, and cost updates. This section includes:</p> <ul style="list-style-type: none"> <li>• Table of Key Project Status; and</li> <li>• Summary of Activities within the Reporting Period.</li> </ul>
<b>2</b>	<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 spend;</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>

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

### A. Table of Key Project Statuses

Key Status	Summary
<b>Reclamation Activities</b>	<p>Reclamation activities continued in all work fronts (WFs).</p> <ul style="list-style-type: none"> <li>• All construction activities on the Project are now complete with the exception of reclamation.</li> <li>• All Project work camps are now closed and decommissioning of these camps is underway.</li> </ul>
<b>Costs</b>	<p>NextBridge continued to maintain focus on the budget.</p> <ul style="list-style-type: none"> <li>• NextBridge has worked with the General Contractor (Valard) to quantify the costs related to COVID-19 and other unforeseen construction costs. Details of these costs can be found in Section 3, below.</li> <li>• Additionally, NextBridge’s construction budget and costs can also be found in Section 3, below.</li> </ul>
<b>Indigenous Activities</b>	<ul style="list-style-type: none"> <li>• NextBridge continued to engage with the 18 identified Indigenous communities in the Project area.</li> <li>• The Indigenous Facilitator Program continued during 3Q 2022.</li> <li>• NextBridge continued to be engaged with the six proximate Bankushwada Limited Partnership (BLP) communities in many aspects of the Project and the reclamation schedule. NextBridge and BLP are in advanced negotiations to formalize BLP’s buy-in to the Project, which is expected to be complete by end of 2022.</li> <li>• Additional information on engagement can be found in Section 1. C. below.</li> <li>• Engagement is ongoing with Michipicoten First Nation (MFN) and Biigtigong Nishnaabeg First Nation (BNFN) regarding the Caribou Transfer Strategy.</li> </ul>

<b>Key Status</b>	<b>Summary</b>
<b>HONI Coordination</b>	<ul style="list-style-type: none"><li>• NextBridge continued engagement and coordination activities with Hydro One Networks, Inc. (“HONI”) and executed the HONI/Supercom Operations and Maintenance Service Level Agreement (SLA).</li><li>• Additional information on coordination with HONI can be found in Section 1. C. below.</li></ul>

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

<b>Work Front</b>	<b>Reclamation Work</b>
<b>1</b>	100% reclamation completed.
<b>7</b>	80% reclamation completed.
<b>2</b>	100% reclamation completed.
<b>6</b>	80% reclamation completed.
<b>8</b>	100% reclamation completed.
<b>3</b>	100% reclamation completed.
<b>9</b>	100% reclamation completed.
<b>5</b>	90% reclamation completed.
<b>4</b>	100% reclamation completed.
<b>11</b>	80% reclamation completed.
<b>10</b>	95% reclamation completed.

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

### **Governance**

- Effective September 9, 2022 Jennifer Tidmarsh resigned her position as Project Director for the EWT Project. Adam Rickel, currently Executive Director Development for NextEra Energy Transmission, has been named NextBridge's Project Director effective immediately. Attached as Schedule A is a summary of Mr. Rickel's qualifications.

### **Environment**

- Species at Risk (SAR)
  - Received Overall Benefits Permit (OBP) for SAR from the Ministry of the Environment, Conservation, and Parks (MECP). The OBP included multiple conditions requiring actions to avoid impact to SAR and mitigate for impacts to habitat.
  - Bat Gate Installation Plan has been approved by MECP.
  - Installation of bat rock piles for habitat mitigation has been completed.
  - Implementation of bat habitat restoration effort with Nature Conservancy of Canada began in April and is ongoing.
  - Bat gate installation at two audit locations was completed on July 28, 2022.
  - On June 23, 2022, NextBridge received an amendment to the OBP, adding BNFN as a required community for consultation for the development and implementation of the Caribou Transfer Strategy (CTS). The amendment also provided further clarity regarding the Caribou Capture Area.
  - As a condition of the OBP, NextBridge filed a CTS on March 31, 2021 and will continue to develop this strategy in consultation with the MECP, Ministry of Natural Resources and Forestry (MNRF), and Indigenous communities, including MFN and BNFN.
  - NextBridge received comments from MECP on the CTS on August 19, 2022. A revised version of the CTS was submitted to MECP, Ministry of Natural Resources and Forestry (MNRF), BNFN, and MFN on October 4, 2022. NextBridge is awaiting approval of the CTS by the MECP and MNRF to transfer caribou.
  - 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 MFN and BNFN). In the revised version submitted in October 2022, NextBridge highlighted MFN and BNFN concerns that conflict with the permit conditions and transfer guidance requirements. NextBridge seeks further guidance from MECP and MNRF to address these concerns.
- Permitting Requirements

- Continued consultation with MECP, MNRF, Fisheries and Oceans Canada, Canadian Wildlife Service, and other agencies regarding the Environmental Assessment (EA) requirements and conditions.
- 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.
- Indigenous Facilitator Program
  - Indigenous Facilitators have been present along the right-of-way (ROW) from the commencement of construction 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 continues to uphold safety as a top priority, including during the reclamation process.
  - NextBridge is working with Project partners and Indigenous communities on reclamation activities, upcoming decreased workloads, and the natural evolution of the Indigenous Facilitator Program.

## Land

- Privately Held Land
  - All land agreements are now complete/acquired.
  - Remaining Merchantable timber and damage settlements were concluded throughout reclamation activities.
- Government Land and Permits

- NextBridge continued to follow up with the MNRF to support the use of certain lands administered by Transport Canada and held by His Majesty the King, in the Right of Canada to the Province of Ontario.
- NextBridge received confirmation that all sites have officially been added to the multi-site Land Use Permit.
- General Updates
  - Completion of legal surveys to support the land acquisition and permitting programs.
  - Coordinated meetings between property owners and NextBridge land and construction representatives to discuss ongoing reclamation activities
  - Responded to and tracked directly affected property owner and Crown interest holder inquiries and comments regarding reclamation activities.
  - Obtained settlements with property owners and Crown interest holders pertaining to damage and disturbance claims related to construction and reclamation activities.

## Regulatory

- NextBridge filed its 2023 rate adjustment under the Custom IR plan and pre-filed evidence in support of the application on September 12, 2022.

## 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 engaged with interested communities consulting on Project permitting, construction progress, and other topics that arise during this phase of the Project.
  - NextBridge is facilitating opportunities for community representatives and Indigenous Facilitators to observe construction and reclamation activities via helicopter in inaccessible areas, as requested.
- MFN and BNFN Engagement regarding the CTS
  - NextBridge has been engaging with MFN, BNFN, the MECP, and the MNRF on the requirements associated with the OBP CTS, which is expected to balance the regulatory and biological requirements of the government with the biological and spiritual beliefs of MFN and BNFN.



## **Community/Municipal Engagement**

- Continued Engagement Activities
  - Posted 2023 rate adjustment under the Custom Incentive Rate-setting plan and pre-filed evidence in support of the Application on the Project web site.
  - The Project's Facebook Group membership declined from a high of 179 to 176 members as of the end of Reporting Period.
  - 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**

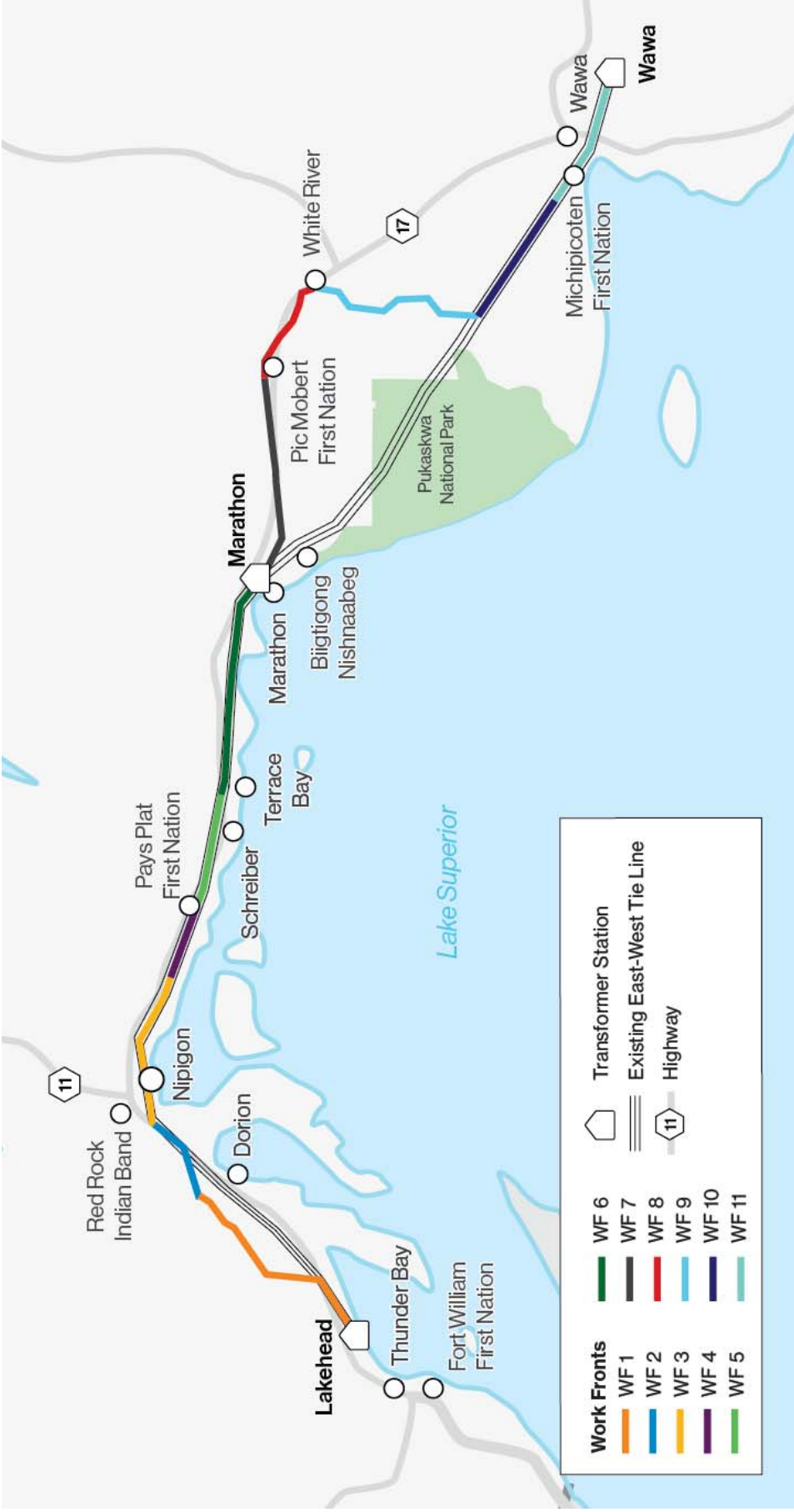
- Reclamation activities progressed in all WFs during 3Q 2022.
- Water course crossings and temporary access roads were removed. ROW areas, including the temporary access roads, were de compacted to allow natural vegetation to regrow.

## **Coordination Efforts with HONI**

- Overview of Key Negotiations, Agreements, and Coordination Efforts Between NextBridge and HONI.
  - NextBridge and HONI/Supercom executed the SLA on July 26, 2022. HONI/Supercom created a new entity called Maagi to execute the agreement.

## 2. Construction Schedule Update

### A. Project Map



### 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, with the exception of COVID-19 and CCVA described in section 3.D. 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.

#### B. Project Cost Update Table

Cost Categories for NextBridge's Construction Costs Reporting	Actuals Spent		C Budget Per LTC Application \$	Budget		Forecast Budget Variance			
	A Spent This Reporting Period \$	B Total Spent To Date \$		D-C-B Budget Remaining	E-D/C*100 Budget Remaining %	F Forecast Budget Change \$	G Forecast Budget Change %	H Revised Total Budget	Reasons For Change
<b>Engineering &amp; Construction</b>	<b>6,277,498</b>	<b>611,229,821</b>	<b>572,761,388</b>	<b>(39,468,433)</b>	<b>-7%</b>	<b>41,505,901</b>	<b>7%</b>	<b>614,267,289</b>	<b>Revised based on in-service date</b>
1 Engineering, Design and Procurement	537,646	9,594,079	19,342,245	9,748,166	50%	(9,335,366)	-48%	10,006,893	
2 Materials and Equipment	362,549	68,631,046	89,408,231	20,777,185	23%	(20,739,018)	-23%	68,669,216	
8 Site Clearing, Access	4,412,868	134,745,249	107,463,339	(27,281,910)	-25%	29,769,412	28%	137,232,751	
9 Construction	304,415	398,259,447	355,547,573	(41,711,874)	-12%	41,810,888	12%	398,368,461	
<b>Environmental &amp; Remediation Activities</b>	<b>326,179</b>	<b>29,946,879</b>	<b>26,929,260</b>	<b>(3,019,619)</b>	<b>-11%</b>	<b>4,642,005</b>	<b>17%</b>	<b>31,571,265</b>	<b>Revised based on in-service date</b>
3 Environmental and Regulatory Approvals	58,837	19,069,861	13,030,561	(6,059,300)	-47%	6,087,566	47%	19,118,127	
10 Site Remediation	267,342	10,889,017	13,898,699	3,039,682	22%	(1,445,561)	-10%	12,453,138	
<b>Indigenous Activities</b>	<b>122,625</b>	<b>23,611,978</b>	<b>20,211,000</b>	<b>(3,300,978)</b>	<b>-16%</b>	<b>3,442,655</b>	<b>17%</b>	<b>23,653,555</b>	<b>Revised based on in-service date</b>
5 Indigenous Economic Participation	63,455	9,821,746	7,000,000	(2,821,746)	-40%	2,830,452	40%	9,830,452	
6 Indigenous Consultation	59,170	13,690,232	13,211,000	(479,232)	-4%	612,103	5%	13,823,103	
4 Land Rights (excludes Aboriginal)	721,642	21,975,113	23,830,512	1,855,399	8%	(500,000)	-2%	23,330,512	
7 Other Consultation	47,751	1,605,840	2,530,194	924,354	37%	(816,000)	-32%	1,714,194	
11 Contingency	-	-	49,399,445	49,399,445	100%	(49,399,445)	-100%	-	Allocation of Contingency
12 Regulatory	19,821	5,670,941	5,405,078	(165,863)	-3%	166,000	3%	5,671,078	
13 EWT Management	203,389	5,648,127	4,900,644	(747,483)	-15%	900,000	18%	5,800,644	
<b>Total Project Spend</b>	<b>7,718,704</b>	<b>699,490,698</b>	<b>705,967,621</b>	<b>6,476,823</b>	<b>1%</b>	<b>(58,984)</b>	<b>0%</b>	<b>705,908,537</b>	
14 Interest During Construction (IDC)	-	31,289,208	31,003,000	(286,208)	-1%	286,208	1%	31,289,208	
<b>Total Construction Costs <sup>1,2,3,4</sup></b>	<b>7,718,704</b>	<b>730,779,906</b>	<b>736,970,621</b>	<b>6,190,615</b>	<b>1%</b>	<b>227,224</b>	<b>0%</b>	<b>737,197,745</b>	

1 On the record (EB-2020-0150)  
 2 Development Costs eligible for consideration as construction costs of \$5.3 MM not reflected in column B. (OEB Decision, December 20, 2018)  
 3 Construction related costs due to COVID-19 are not included in the table above, as of Q3 2022. \$111M is estimated to have been incurred and will be recorded in Account 1503  
 4 Construction costs expected to be recovered through CCVA not included in the table above (EB-2020-0150)

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

### **Engineering and Construction**

- The Project cost forecast for Engineering and Construction has changed within individual categories since last Reporting Period, but has remained the same in total, due to the following activities:
- \$0.3MM Cost Category 1, Engineering, Design and Procurement – increased LIDAR and aerial survey costs for reclamation.
- (\$1.0MM) Cost Category 2, Materials and Equipment – reduction due to construction finalization and excess materials moved to spare inventory.
- \$2.3MM Cost Category 8, Site Clearing, Access – refined cost estimate for civil work as reclamation progresses and nears completion.
- (\$1.7MM) Cost Category 9, Construction – reduced labor and supervision costs as Project reached in-service, and less resources were needed in the field.

### **Environment and Remediation Activities**

- The Project cost forecast for Environmental and Remediation has not changed since the last Reporting Period.

### **Indigenous Activities**

- The Project cost forecast for Indigenous Activities has not changed since the last Reporting Period.

### **Land Rights (Excludes Aboriginal Engagement)**

- The Project cost forecast for Land Rights has not changed since the last Reporting Period.

### **Other Consultation**

- The Project cost forecast for Other Consultation has not changed since the last Reporting Period.

### **Regulatory**

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

### **EWT Management**

- The Project cost forecast for WET Management has not changed since the last Reporting Period.
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#### **D. COVID-19 and Incremental Construction Costs Account Treatment**

- 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 was deferred by the OEB and will be determined in a separate application to dispose of these costs after the in-service date.
  - Also, in accordance with the OEB's decision, NextBridge is tracking construction cost differences between forecasted construction costs in its revenue requirement application and the actual final Project construction costs, the revenue requirement for these costs is tracked in the CCVA. NextBridge will bring forward the balance of costs for prudence and recovery in a separate application to dispose of these costs after the in-service date
  - NextBridge will file for disposition of the COVID-19 costs in Account 1509 and CCVA construction costs in early 2023, for inclusion in rate year 2024.
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**E. Construction Cost Overages (COVID-19 & CCVA)**

- The Project has faced additional cost pressures in five key areas: (i) COVID protocols implemented to safeguard the local community and meet Provincial directives; (ii) direction from the MECP to use helicopter transportation instead of access roads in Kama Cliffs; (iii) construction stoppages amid 2021 wildfires; (iv) changes to Project routing and tower specifications to accommodate Indigenous traditional values in the White Lake Narrows; and (v) additional consultation with a non-partner First Nation which delayed the issuance of construction permits.
- A summary of these costs (CCVA and COVID-19) is provided. Evidence in support of the recovery of these costs will be provided when NextBridge files for disposition of the CCVA and COVID-19 accounts in 2023.
- Subject to final reconciliations, the table below provides the expected final construction cost of the Project:

NextBridge Project Cost - East West Tie		\$MM CAD	Comment
<b>Engineering &amp; Construction</b>		<b>614.3</b>	<b>Per Q3 2022 Report</b>
1	Engineering, Design and Procurement	10.0	Per Q3 2022 Report
2	Materials and Equipment	68.7	Per Q3 2022 Report
8	Site Clearing, Access	137.2	Per Q3 2022 Report
9	Construction	398.4	Per Q3 2022 Report
<b>Environmental &amp; Remediation Activities</b>		<b>31.6</b>	<b>Per Q3 2022 Report</b>
3	Environmental and Regulatory Approvals	19.1	Per Q3 2022 Report
10	Site Remediation	12.5	Per Q3 2022 Report
<b>Indigenous Activities</b>		<b>23.7</b>	<b>Per Q3 2022 Report</b>
5	Indigenous Economic Participation	9.8	Per Q3 2022 Report
6	Indigenous Consultation	13.8	Per Q3 2022 Report
4	<b>Land Rights (excludes Aboriginal)</b>	<b>23.3</b>	<b>Per Q3 2022 Report</b>
7	<b>Other Consultation</b>	<b>1.7</b>	<b>Per Q3 2022 Report</b>
11	<b>Contingency</b>	<b>-</b>	<b>Per Q3 2022 Report</b>
12	<b>Regulatory</b>	<b>5.6</b>	<b>Per Q3 2022 Report</b>
13	<b>EWT Management</b>	<b>5.8</b>	<b>Per Q3 2022 Report</b>
<b>Total Project Spend</b>		<b>705.9</b>	<b>Per Q3 2022 Report</b>
14	<b>Interest During Construction (IDC)</b>	<b>31.3</b>	<b>Per Q3 2022 Report</b>
<b>Total Construction Costs</b>		<b>737.2</b>	<b>Approved in D&amp;O from EB-2020-0150</b>

Development	31.2	Approved in D&O from EB-2017-0182
Phase Shift	5.3	Approved in D&O from EB-2020-0150
<b>Total Construction, Development, Phase Shift</b>	<b>773.7</b>	<b>Approved in D&amp;O from EB-2020-0150</b>
Construction Cost Variance: Wildfire	20.8	To be reviewed in 2023; for rate year 2024
Construction Cost Variance: Kama Cliffs	12.1	To be reviewed in 2023; for rate year 2024
Construction Cost Variance: White Lake Narrows	4.8	To be reviewed in 2023; for rate year 2024
Construction Cost Variance: Delay & Other	12.9	To be reviewed in 2023; for rate year 2024
<b>Total Construction Cost Variance</b>	<b>50.6</b>	<b>To be reviewed in 2023; for rate year 2024</b>
COVID-19	111.6	To be reviewed in 2023; for rate year 2024
<b>Total Construction Cost Variance &amp; COVID-19</b>	<b>162.2</b>	<b>To be reviewed in 2023; for rate year 2024</b>
<b>Total</b>	<b>935.9</b>	

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  - Cost Categories
  - COVID Costs (Account 1509)
    - At the beginning of 2020 there were world-wide unprecedented disruptions associated with the COVID-19 virus. As concerns grew over the rapid spread of this contagious and dangerous disease, the World Health Organization declared the COVID-19 virus a pandemic on March 11, 2020.
    - At the onset of the pandemic the Project was shut down for 6 weeks due to concerns from local and First Nations communities until health and safety protocols were implemented.
    - Following the shutdown, NextBridge continued to construct the Project during the pandemic as the EWT was deemed an essential service by the government of Ontario and the IESO had a reliability need.
    - As the COVID-19 pandemic persisted through the entire construction period, the remainder of the Project has been completed in an unpredictable environment with periodic work stoppages, re-mobilizations, seasonal schedule constraints, and the implementation of new and unparalleled health and safety protocols. Municipalities and Indigenous communities declared a state of emergency. Government agencies were providing ongoing instructions and directions designed to protect the workforce by curbing the spread of COVID-19. Specific to Ontario, a state of emergency was declared under the *Emergency Management*
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and Civil Protection Act, which resulted in working inefficiencies for the General Contractor.

- COVID-19 Costs incurred include two categories: hard costs and productivity losses.
- Hard Costs include PPE, the employment of additional safety personnel and security, additional cleaning procedures, the procurement of testing equipment, and additional labour and accommodation costs
- Productivity Loss include:

Mitigation Tracking: lost time due to employees being diverted from normal construction related activities to pandemic related activities. In other words, lost time as a result of having to perform additional unplanned COVID-19 related tasks.

Work Inefficiency: the loss of productivity for the workers while actually performing work tasks (the quantification of the reduction in direct work productivity resulting from factors such as social distancing, staggered shifts, reduced crew sizes, use of increased personal protective equipment, related job site regulations, extra mobilizations/demobilizations, work fatigue from anxiety and excess absenteeism, and altered delivery of materials).

- To account for this loss of productivity a factor (24.7%) has been applied to all labour and materials costs for the duration of the pandemic

- CCVA Costs

- Kama Cliffs

- On July 27, 2020 the MECP denied NextBridge's request to build access roads in the Kama Cliffs Conservation Reserve. This changed the plan to helicopter construction access only, which resulted in additional costs.
- NextBridge reported to the OEB in their Q3 2021 quarterly report filed on October 22, 2021 details of this change and that the costs for this additional work were estimated at \$9M.
- Upon finalization of these costs with Valard, the additional construction cost is \$12.1M. Additional costs were incurred due to helicopter availability being very low during the time the work was set to be performed (due to the forest fire situation in Ontario). The work was replanned using a helicopter with less than ½ lift capacity of heavy lift helicopter initially priced, which caused complex and time-consuming procedures to break towers into smaller parts. Also, the fires caused the work to be shifted to fall and winter causing shorter workdays problematic weather conditions resulting in further delays.

- Wildfires

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- During the summer of 2021, wildfires spread across the Project area. Construction was halted by the Ontario Ministry of Natural Resources for approximately 6 weeks. In order to keep on schedule NextBridge accelerated work.
  - NextBridge reported to the OEB in its Q3 2021 quarterly report filed on October 22, 2021 details of the wildfire work stoppage and that the costs for this additional work were estimated at \$20M. Upon finalization of accounting of costs with Valard, the cost is now \$20.8M.
  - White Lake Narrows
    - On January 23, 2020, a partner First Nations community identified a historically significant site in the White Lake Narrows. To address the First Nation's identification of a historically significant site, NextBridge was required to redesign the Project to avoid the area, increased the size of the towers to span the narrows, and used special construction techniques to mitigate damage. The cost of this work was \$4.8M.
    - NextBridge reported to the OEB in its Q1 2021 quarterly report filed on April 22, 2021 details of the White Lake Narrows change in the routing of the EWT.
  - Changes to ROW due to Delay
    - The Project start date was delayed from the original schedule due to Biinjitiwabik Zaaging Anishnabek ("BZA") claiming that they were improperly consulted on the Project. The government held back issuing permits until the issue was settled. A settlement payment to BZA was made in total of \$0.4M.
    - This initial delay period caused ROW access plans to shift requiring the conversion from winter road construction to all season construction methods. The cost of this change was \$10M.
    - NextBridge reported to the OEB in their Q1 2020 and Q2 2020 quarterly reports filed on January 22, 2020 and April 22, 2020 respectively details of the ROW delay.
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<b>Adam Rickel, Board of Directors</b>	
<b>Biography</b>	
<p>Mr. Rickel is Executive Director, Development at NextEra Energy Transmission, LLC (NEET) where he is responsible for leading efforts to develop, construct and acquire long-range transmission projects in the U.S. and Canada. Mr. Rickel has over fourteen years of development experience in the energy industry.</p>	
<b>Professional Experience</b>	
<p><b>NextEra Energy – Juno Beach, FL</b></p> <p><b>Executive Director, Transmission Development</b></p>	<ul style="list-style-type: none"> <li>Responsible for leading efforts to develop, construct and acquire large, long-distance power transmission and related assets in the U.S. and Canada</li> </ul>
<p><b>NextEra Energy – Juno Beach, FL</b></p> <p><b>Director, Renewables Origination</b></p>	<ul style="list-style-type: none"> <li>Led a team responsible for project pipeline growth, budget management, and executing long-term Power Purchase Agreements and Build-Transfers for all wind, solar, and battery storage sites across an 8-state region in the US Midwest.</li> </ul>
<p><b>NextEra Energy – Juno Beach, FL</b></p> <p><b>Project Director, Renewables Development</b></p>	<ul style="list-style-type: none"> <li>Project Director for 22.4 MW East Durham Wind site in Grey County, Ontario. Assisted with various development activities across 8-site, ~640 MW wind development portfolio in southwest Ontario (all projects online by 2016). Responsible for managing Domestic Content program in Feed-in-Tariff contracts.</li> </ul>
<p><b>NextEra Energy – Juno Beach, FL</b></p> <p><b>Project Manager, Renewables Development</b></p>	<ul style="list-style-type: none"> <li>Responsible for early- and late-stage wind development activities in various states across the US Midwest.</li> </ul>
<b>Education and Credentials</b>	
<ul style="list-style-type: none"> <li>B.A., University of Florida, Gainesville, FL</li> <li>Graduated from NextEra Energy Resources' Business Rotation program in 2009.</li> </ul>	