

1 **INTERROGATORY RESPONSES TO ONTARIO ENERGY BOARD STAFF**

2
3 **2-Staff-86**

4
5 **EVIDENCE REFERENCE:**

6
7 Ref. 1: Exhibit 2 / Tab 5 / Schedule 5 / p. 90 (pdf Exhibit 2 part 4, p. 90)

8
9 **QUESTION(S):**

10
11 a) Hydro Ottawa states “These improvements also support grid modernization, creating improved
12 observability at stations and building the foundation for future grid modernization initiatives.” Is
13 improved observability at stations expected to produce a net increase or decrease in O&M
14 costs? Please explain.

15
16 _____

17 **RESPONSE(S):**

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19 a) Please refer to Hydro Ottawa’s response to interrogatory 2-Staff-121.

1 **INTERROGATORY RESPONSES TO ONTARIO ENERGY BOARD STAFF**

2
3 **2-Staff-87**

4
5 **EVIDENCE REFERENCE:**

6
7 Ref. 1: Exhibit 2 / Tab 5 / Schedule 5 / pp. 98-99 (pdf Exhibit 2 part 4, pp. 98-99)

8
9 **Preamble:**

10 Hydro Ottawa states the “CCRA program is expected to be \$9.7M below the total OEB Approved
11 amount for 2021-2025” and provides a listing of all payments and credits from 2021 through 2025 in
12 Table 34.

13
14 **QUESTION(S):**

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16 a) For each cost owing or credited to Hydro One over 2021-2025:
- 17 i) Please categorize the costs as construction costs or load true-up.
 - 18 ii) Please provide the agreements between Hydro Ottawa and Hydro One.
 - 19 iii) Please provide any invoices and calculations from Hydro One (i.e. output of the Hydro
20 One DCF model). In the absence of estimates from Hydro One, please provide Hydro
21 Ottawa’s detailed calculations of the true-up amount.
 - 22 iv) In cases where Hydro Ottawa was required to make a payment during 2021-2023 due to
23 reduced or unrealized load, please explain why the load forecast at the time of the
24 agreement with Hydro One was not realized.

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26
27 **RESPONSE(S):**

- 28
29 a)
- 30 i) Hydro One uses several specific terms related to connecting new customers to its grid.
31 While they are all part of the overall connection process, they represent different stages

1 and financial aspects of the CCRA process. This request has only two cost categories,
 2 construction costs or load true-up cost; however, there are four possible stages of CCRA
 3 activities with Hydro One; Initial CCRA, Actual Cost Reconciliation, Simplified CCRA and
 4 Load True-up, as per Table A. Note that Brian Colburn (Mer Bleue) is in the Connection
 5 Cost Estimate stage as per Table A of the response to interrogatory 2-Staff-122 part
 6 (a)(i) which is prior to the Initial CCRA; as such, it falls under Construction Cost.

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 8

Table A – Hydro One CCRA Stages

Stage	What it is	Primary Cost Type	Description
Initial CCRA	The main contract for a new connection.	Construction Cost	This agreement sets the initial, estimated construction cost that the customer is responsible for. It is the starting point for defining the capital expenditure.
Simplified CCRA	A streamlined contract for low-risk projects.	Construction Cost	Similar to the Initial CCRA, this is a simplified agreement that establishes the construction cost for smaller projects, often with standardized terms.
Actual Cost Reconciliation	A financial adjustment for final construction costs.	Construction Cost	This is a true-up specifically for the construction costs. It compares the initial estimate from the CCRA to the final, actual costs, resulting in a final bill or credit.
Load True-Up	A periodic adjustment for operational performance.	Load True-Up	This is a true-up based on the operational phase. It compares the customer's actual load or generation against the forecast in the CCRA, leading to a financial adjustment to account for revenue variances.

9
 10 In Table B below, Hydro Ottawa has identified the CCRA stages for all payments and credits
 11 from 2021 through 2025 and mapped the response in part (a) above as per the corresponding
 12 primary cost type identified in Table A. The CCRA stage status is as of August 2025.

1

Table B – Hydro One CCRA Primary Cost Type

CCRA Agreement	CCRA Stage	Primary Cost Type
Richmond South DS	Simplified CCRA	Construction Cost
Cambrian MTS	Cost Reconciliation	Construction Cost
A6R Upgrade	Load True-up	Construction Cost
Merivale MTS Rebuild	Simplified CCRA	Construction Cost
Slater T1 Emergency	Cost Reconciliation	Construction Cost
Limebank MS T4	Cost Reconciliation	Construction Cost
Overbooke TO Switchgear Upgrade	Simplified CCRA	Construction Cost
Riverdale TR	Simplified CCRA	Construction Cost
Piperville MTS	Initial CCRA	Construction Cost
Uplands MTS Rebuild	Simplified CCRA	Construction Cost
Hawthorne 115 kV	Load True-up	Load True-Up Cost
Lincoln Heights B2 Bus	Simplified CCRA	Construction Cost
Woodroffe TW Metering	Simplified CCRA	Construction Cost
Brian Colburn (Mer Bleue)	Connection Cost Estimate	Construction Cost
Terry Fox MTS	Load True-up	Load True-Up Cost

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ii) The following executed agreements¹ have been provided as Attachments to this interrogatory response:²

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- Attachment 2-Staff-87(A) - Executed Richmond South Simplified CCRA - REDACTED

7

- Attachment 2-Staff-87(B) - Executed Cambrian CCRA - REDACTED

8

- Attachment 2-Staff-87(C) - Executed Cambrian CCRA Amended

9

- Attachment 2-Staff-87(D) - Executed A6R CCRA - REDACTED

10

- Attachment 2-Staff-87(E) - Executed Merivale Simplified CCRA - REDACTED

11

- Attachment 2-Staff-87(F) - Executed Slater CCRA - REDACTED

12

- Attachment 2-Staff-87(G) - Executed Limebank T4 CCRA - REDACTED

¹ Please note that confidential and non-relevant information has been redacted in certain CCRA agreements. The rationale for these redactions is outlined in Hydro Ottawa's confidentiality submission.

² Note that not all of the Attachments are in chronological order.

- 1 ● Attachment 2-Staff-87(AL) - Executed Overbrook Simplified CCRA - REDACTED
- 2 ● Attachment 2-Staff-87(AM) - Fully Executed Simplified CCRA Amending Agreement
- 3 Overbrook TS-May 13 2022
- 4 ● Attachment 2-Staff-87(H) - Executed Riverdale Simplified CCRA - REDACTED
- 5 ● Attachment 2-Staff-87(I) - Executed Piperville CCRA - REDACTED
- 6 ● Attachment 2-Staff-87(J) - Executed Uplands Simplified CCRA - REDACTED
- 7 ● Attachment 2-Staff-87(K) - Executed Uplands Simplified CCRA Amendment
- 8 ● Attachment 2-Staff-87(L) - Executed Hawthorne 115kV CCRA - REDACTED
- 9 ● Attachment 2-Staff-87(M) - Executed Lincoln Heights Simplified CCRA - REDACTED
- 10 ● Attachment 2-Staff-87(N) - Executed Woodroffe Simplified CCRA - REDACTED
- 11 ● Attachment 2-Staff-87(O) - Executed Brian Colburn-Mer Bleue CCRA - REDACTED
- 12 ● Attachment 2-Staff-87(P) - Executed Terry Fox CCRA - REDACTED
- 13
- 14 iii) The requested invoices³ and calculations have been provided as Attachments to this
- 15 interrogatory response. Note that Hydro Ottawa is currently in discussions with Hydro
- 16 One for Slater T1 Emergency, Limebank T4, Riverdale TR, Piperville, and Brian Colburn
- 17 (Mer Bleue) so no DCF models or invoices are available at this time for those projects.
- 18
- 19 ● Attachment 2-Staff-87(Q) - Richmond South DS Invoice One
- 20 ● Attachment 2-Staff-87(R) - Richmond South DS Invoice Two - REDACTED
- 21 ● Attachment 2-Staff-87(S) - Cambrian Actual Cost Reconciliation Letter
- 22 ● Attachment 2-Staff-87(T) - Cambrian Credit Invoice
- 23 ● Attachment 2-Staff-87(U) - A6R DCF Model.
- 24 ● Attachment 2-Staff-87(V) - A6R Actual Cost Reconciliation Letter
- 25 ● Attachment 2-Staff-87(W) - A6R Credit Invoice
- 26 ● Attachment 2-Staff-87(X) - Merivale Invoice - REDACTED
- 27 ● Attachment 2-Staff-87(AS) - Merivale Credit Invoice - REDACTED
- 28 ● Attachment 2-Staff-87(Y) - Slater T1 Emergency Invoice - REDACTED

³ Please note that non-relevant information has been redacted in the CCRA invoices. The rationale for these redactions is outlined in Hydro Ottawa's confidentiality submission.

- 1 ● Attachment 2-Staff-87(Z) - Limebank T4 Connection Cost Estimate Invoice -
- 2 REDACTED
- 3 ● Attachment 2-Staff-87(AN) - Overbrook Switchgear Upgrade Invoice #1 - REDACTED
- 4 ● Attachment 2-Staff-87(AO) - Overbrook Switchgear Upgrade Invoice #2 - REDACTED
- 5 ● Attachment 2-Staff-87(AP) - Overbrook Switchgear Upgrade Invoice #3 - REDACTED
- 6 ● Attachment 2-Staff-87(AQ) - Overbrook Switchgear Upgrade Invoice #4 - REDACTED
- 7 ● Attachment 2-Staff-87(AR) - Overbrook Switchgear Upgrade Invoice #5 - REDACTED
- 8 ● Attachment 2-Staff-87(AA) - Hawthorne 115kV Economic Evaluation Summary
- 9 ● Attachment 2-Staff-87(AB) - Hawthorne 115kV DCF Model
- 10 ● Attachment 2-Staff-87(AC) - Hawthorne 115kV Invoice - REDACTED
- 11 ● Attachment 2-Staff-87(AD) - Executed Lincoln Heights Simplified CCRA Amendment
- 12 ● Attachment 2-Staff-87(AE) - Woodroffe TW Metering Invoice - REDACTED
- 13 ● Attachment 2-Staff-87(AF) - Terry Fox MTS Line Pool DCF Model
- 14 ● Attachment 2-Staff-87(AG) - Terry Fox MTS Network Pool DCF Model
- 15 ● Attachment 2-Staff-87(AH) - Terry Fox MTS CCRA Letter
- 16 ● Attachment 2-Staff-87(AI) - Terry Fox MTS Invoice - REDACTED
- 17 ● Attachment 2-Staff-87(AJ) - Executed Lincoln Heights Invoice
- 18 ● Attachment 2-Staff-87(AK) - Uplands Invoice - REDACTED
- 19
- 20 iv) Hydro Ottawa made payments to Hydro One between 2021 and 2023 for two specific
- 21 projects: the Hawthorne 115 kV station and the Terry Fox MTS. These payments were
- 22 necessary because the projected electrical load at the time of the agreement with Hydro
- 23 One did not materialize as anticipated. The reasons for the unrealized load at these two
- 24 sites are as follows:
- 25
- 26 ● **Hawthorne 115 kV (15 yr True-up):** The load forecast for this station was based on
- 27 expected new industrial and commercial developments in the surrounding area.
- 28 However, due to several factors, including delays in municipal planning approvals,
- 29 unexpected challenges with land servicing, and a slower-than-anticipated pace of
- 30 construction, the projected load growth did not occur within the expected timeframe.

- 1 • **Terry Fox MTS (5yr and 10 yr True-up):** While the initial forecast projected an
2 incremental growth of 34MW by 2023, only 24MW was achieved in 2023. Residential
3 and commercial developments are still anticipated, with the revised forecast indicating a
4 45MW incremental growth by the end of the 25-year period, an increase from the original
5 forecast of 37MW.

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – Richmond MTS: Add New Mid Span Openers**

THIS SIMPLIFIED CONNECTION AND COST RECOVERY AGREEMENT made between Hydro One Networks Inc. (“**Hydro One**”) and Hydro Ottawa Limited (the “**Customer**”) dated this 29 of April, 2019.

WHEREAS

(a) The Customer has requested Hydro One to provide a new set of mid span openers (MSOs) at Richmond MTS. Richmond MTS currently has on set of MSOs within the station. The new set will be located at the entrance of the station.

(b) Hydro One is agreeable to performing the work required for the Project on the following terms and conditions, including but not limited to the Project cost and the Project schedule being subject to the Customer executing and delivering this Agreement to Hydro One by no later than the 29th day of April , 2019 (the “**Execution Date**”).

NOW THEREFORE in consideration of the mutual covenants, agreements, terms and conditions herein and other good and valuable consideration, the receipt and sufficiency of which is hereby irrevocably acknowledged, the parties agree as follows:

1. Each of the parties hereto confirms the truth and accuracy of the recitals and agrees that the recitals form part of this Agreement.

2. Subject to Section 13 and the termination rights herein, the Agreement shall be in full force and effect and binding on the parties as of the date that Hydro One executes the Agreement (the “**Effective Date**”) and shall expire on the date that the Customer pays Hydro One the final invoice in full for Work Chargeable to Customer or Hydro One issues a refund to the Customer in accordance with Section 10 hereof (the “**Term**”).

3. 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 the Agreement and to perform its obligations hereunder;

(c) the execution, delivery and performance of the 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 Material contracts or instruments to which it is bound; or (iii) any Applicable Laws;

(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) the Agreement constitutes a legal and binding obligation on it, enforceable against it in accordance with its terms;

(f) it is registered for purposes of Part IX of the Excise Tax Act (Canada). The HST registration number for Hydro One is [REDACTED] and the HST

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registration number for the Customer is as specified in Schedule "C" of the Agreement; and

- (g) no proceedings have been instituted by or against it with respect to bankruptcy, insolvency, liquidation or dissolution.

Part A: Work Chargeable to Customer and Customer Work

4. The Customer and Hydro One shall perform their respective obligations outlined in the Agreement in a manner consistent with Good Utility Practice and the Transmission System Code, in compliance with all Applicable Laws, including, but not limited to the requirements of the Electrical Safety Authority, and using duly qualified and experienced people.

5. The parties acknowledge and agree that:

- (a) Hydro One is responsible for obtaining any and all permits, certificates, reviews and approvals required under any Applicable Laws with respect to the Work Chargeable to Customer;
- (b) the Customer is responsible for obtaining any and all permits, certificates, reviews and approvals required under any Applicable Laws with respect to the Customer Work;
- (c) the Customer shall perform the Customer Work at its own expense;
- (d) the Customer is responsible for installing equipment and facilities such as protection and control equipment to protect its own property, including, but not limited to the Customer's Facilities;
- (e) the Customer shall provide Hydro One with Project data required by Hydro One, including, but not limited to: (i) the same technical information that the

Customer provided the IESO during any connection assessment and facility registration process associated with the Customer'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 Customer's Facilities;

- (f) Hydro One may participate in the commissioning, inspection or testing of the Customer Work at a time that is mutually agreed by Hydro One and the Customer and the Customer shall ensure that the work performed by the Customer and others required for successful commissioning, inspection or testing of protective equipment is completed as required to enable Hydro One witnessing and testing to confirm satisfactory performance of such systems;
- (g) unless otherwise provided herein, Hydro One's responsibilities under the Agreement with respect to the connection of the New or Modified Connection Facilities to Hydro One's transmission system shall be limited to the performance of the Work Chargeable to Customer;
- (h) Hydro One is not permitted to connect any new, modified or replacement Customer's Facilities unless any required connection authorizations, certificate of inspection or other applicable approval have been issued or given by the Ontario Electrical Safety Authority in relation to such facilities;
- (i) Hydro One may require that the Customer provide Hydro One with test certificates certifying that the Customer's Facilities have passed all relevant tests and comply with the

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Transmission System Code, the Market Rules, Good Utility Practice, the standards of all applicable reliability organizations and any Applicable Laws, including, but not limited to any certificates of inspection that may be required by the Ontario Electrical Safety Authority;

- (j) in addition to the Work Chargeable to Customer described in Schedule "A", Hydro One shall provide the Customer with such technical parameters as may be required to assist the Customer in ensuring that the design of the Customer's Facilities is consistent with the requirements applicable to Hydro One's transmission system and the basic general performance standards for facilities set out in the Transmission System Code, including Appendix 2 thereof;
 - (k) if Hydro One requires access to the Customer's Facilities for the purposes of performing the Work Chargeable to Customer or the Customer requires access to Hydro One's facilities for the purposes of the Customer's Work, the parties agree that Section 27.13 of the Connection Agreement shall govern such access and is hereby incorporated in its entirety by reference into, and forms an integral part of the Agreement. All references to "this Agreement" in Section 27.13 of the Connection Agreement shall be deemed to be a reference to this Agreement;
 - (l) the Customer shall enter into a Connection Agreement or amendment as required with Hydro One at least 14 calendar days prior to the connection; and
 - (m) the Customer shall provide Hydro One with copies of the documentation specified in Schedule "C" of the Agreement under the heading "Documentation Required", acceptable to Hydro One, within 120 calendar days after the Ready for Service Date. The Customer shall ensure that Hydro One may retain this documentation for Hydro One's ongoing planning, system design, and operating review. The Customer shall also maintain and revise such documentation to reflect changes to the Customer's Facilities and provide copies to Hydro One on demand and as specified in the Connection Agreement.
6. The Work Chargeable to Customer and Hydro One's rights and requirements hereunder, including, but not limited to Hydro One's:
- (i) specifications of the protection equipment on the Customer's side of the Connection Point;
 - (ii) review and acceptance of power system components on the Customer's side of the Connection Point;
 - (iii) acceptance of the technical specifications (including electrical drawings) for the Customer's Facilities; and
 - (iv) participation in the commissioning, inspection and testing of the Customer's Facilities;
- are solely for the purpose of Hydro One ensuring that the Customer's Facilities will not materially reduce or adversely affect the reliability of Hydro One's transmission system and do not adversely affect other customers connected to Hydro One's transmission system.

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7. Hydro One shall use reasonable efforts to complete the Work Chargeable to Customer by the 29 day of April, 2019 (the "Ready for Service Date") provided that:

- (a) the Customer is in compliance with its obligations under the Agreement;
- (b) any work required to be performed by third parties has been performed in a timely manner and in a manner to the satisfaction of Hydro One, acting reasonably;
- (c) there are no delays resulting from Hydro One not being able to obtain outages from the IESO required for the Work Chargeable to Customer or from the IESO making changes to the Work Chargeable to Customer or the scheduling of all or a portion thereof;
- (d) Hydro One does not have to use its employees, agents and contractors performing the Work Chargeable to Customer elsewhere on its transmission system or distribution system due to an Emergency (as that term is defined in the Transmission System Code) or a Force Majeure Event;
- (e) Hydro One is able to obtain the materials and labour required to perform the Work Chargeable to Customer with the expenditure of Premium Costs where required;
- (f) there are no delays resulting from Hydro One being unable to obtain materials or equipment required from suppliers in time to meet the project schedule for any portion of the Work Chargeable to Customer provided that such delays are beyond the reasonable control of Hydro One; and

(g) the Customer executed the Agreement on or before the date specified as the Execution Date in the recitals.

8. Upon completion of the Work Chargeable to Customer, Hydro One shall own, operate and maintain all equipment and facilities installed by Hydro One as part of the Work Chargeable to the Customer in, under, on, over, along, upon, through and crossing Hydro One's Property(ies).

The Customer acknowledges that:

- (i) ownership and title to the equipment referred to above shall throughout the Term and thereafter remain vested in Hydro One and the Customer shall have no right of property therein; and
- (ii) that any portion of the equipment referred to above that is located on the Customer's Property(ies) shall be and remain the property of Hydro One and shall not be or become fixtures and/or part of the Customer's Property(ies).

9. The Customer acknowledges and agrees that Hydro One is not responsible for the provision of power system components on the Customer's Facilities, including, without limitation, all transformation, switching, metering and auxiliary equipment such as protection and control equipment.

All of the power system components on the Customer's side of the Connection Point including, without limitation, all transformation, switching and auxiliary equipment such as protection and control equipment shall be subject to the acceptance of Hydro One with regard to Hydro One's requirements to permit connection of the New or Modified Connection Facilities to Hydro One's transmission system and shall be installed, maintained and operated in accordance with all Applicable Laws, codes and

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standards, including, but not limited to, the Transmission System Code, at the expense of the Customer.

Where Hydro One has equipment for automatic reclosing of circuit breakers after an interruption for the purpose of improving the continuity of feeder connection, it shall be the obligation of the Customer to provide adequate protective equipment for the Customer's Facilities that might be adversely affected by the operation of such reclosing equipment. The Customer shall provide such equipment as may be required from time to time by Hydro One for the prompt disconnection of any of the Customer's apparatus that might affect the proper functioning of Hydro One's reclosing equipment.

Part B: Work Chargeable to Customer

10. The Customer shall pay Hydro One's Engineering and Construction Cost (plus applicable Taxes) of the Work Chargeable to Customer which is estimated to be the amount specified in Schedule "C" of the Agreement in the manner specified in Schedule "C" of the Agreement.

Within 180 days after the Ready for Service Date, Hydro One shall provide the Customer with an invoice or a credit memorandum specifying the actual Engineering and Construction Cost of the Work Chargeable to Customer (plus applicable Taxes). Any difference between the Engineering and Construction Cost of the Work Chargeable to Customer (plus applicable Taxes) and the amount already paid by the Customer shall be paid within 30 days after the issuance of the invoice or credit memorandum by:

- (a) Hydro One to the Customer, if the amount already paid by the Customer exceeds the Engineering and

Construction Cost of the Work Chargeable to Customer (plus Taxes); or

- (b) the Customer to Hydro One, if the amount already paid by the Customer is less than the Engineering and Construction Cost of the Work Chargeable to Customer (plus Taxes).

Part C: Events of Default

11. Each of the following events shall constitute an "Event of Default" under the Agreement:

- (a) failure by the Customer to pay any amount due under this Agreement, including any amount payable pursuant to Section 10 within the time stipulated for payment;
- (b) breach by the Customer or Hydro One of any Material term, condition or covenant of the Agreement; or
- (c) the making of an order or resolution for the winding up of the Customer or of its operations or the occurrence of any other dissolution, bankruptcy or reorganization or liquidation proceeding instituted by or against the Customer.

For greater certainty, a dispute will not be considered an Event of Default under the Agreement. However, a party's failure to comply with the terms of a settlement or resolution of a dispute by the OEB will be considered an Event of Default under the Agreement.

12. Upon the occurrence of an Event of Default by the Customer hereunder (other than those specified in Section 11(c) of this Agreement, for which no notice is required to be given by Hydro One), Hydro One shall give the Customer written notice of the

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Event of Default and allow the Customer 30 calendar days from the date of receipt of the notice to rectify the Event of Default, at the Customer's sole expense. If such Event of Default is not cured to Hydro One's reasonable satisfaction within the 30 calendar day period, Hydro One may, in its sole discretion, exercise the following remedy in addition to any remedies that may be available to Hydro One under the terms of the Agreement, at common law or in equity: deem the Agreement to be repudiated and, after giving the Customer at least 10 calendar days' prior written notice thereof, recover, as liquidated damages and not as a penalty, the balance of the amounts payable by the Customer pursuant to Section 10.

13. Upon the occurrence of an Event of Default by Hydro One hereunder, the Customer shall give Hydro One written notice of the Event of Default and shall allow Hydro One 30 calendar days from the date of receipt of the notice to rectify the Event of Default at Hydro One's sole expense. If such Event of Default is not cured to the Customer's reasonable satisfaction within the 30 calendar day period, the Customer may pursue any remedies available to it at law or in equity, including at its option the termination of the Agreement.

14. All rights and remedies of Hydro One and the Customer provided herein are not intended to be exclusive but rather are cumulative and are in addition to any other right or remedy otherwise available to Hydro One and the Customer respectively at law or in equity, and any one or more of Hydro One's and the Customer's rights and remedies may from time to time be exercised independently or in combination and without prejudice to any other right or remedy Hydro One or the Customer may have or may have exercised. The parties further agree that where any of the remedies provided for and elected by the

non-defaulting party are found to be unenforceable, the non-defaulting party shall not be precluded from exercising any other right or remedy available to it at law or in equity.

Part D: Disputes

15. All disputes, including, but not limited to, disputes related to:

- (a) the cost and the allocation of the costs under this Agreement;
- (b) the cost and the allocation of costs of the Work Chargeable To Customer and notwithstanding Hydro One's decision not to allocate or to allocate any part of the costs of this work to the Customer at this time; or
- (c) any other costs and the allocation of any other costs associated with, related to, or arising out of the connection of the Project to Hydro One's transmission system or Hydro One's policies in respect of connections generally,

shall be dealt with in accordance with the dispute resolution procedure set out in the OEB-Approved Connection Procedures.

16. Before and after the existence of OEB-Approved Connection Procedures, if a dispute arises while Hydro One is performing the Work Chargeable to Customer, Hydro One shall not cease the work or slow the pace of the work without leave of the OEB.

Part E: Incorporation of Liability and Force Majeure Provisions

17. PART III: LIABILITY AND FORCE MAJEURE (with the exception of Section 15.5 thereof) and Sections 1.1.12 and 1.1.17 of the Connection Agreement are hereby incorporated in their entirety by

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reference into, and form an integral part of the Agreement. Unless the context otherwise requires, all references in PART III: LIABILITY AND FORCE MAJEURE TO "this Agreement" shall be deemed to be a reference to the Agreement and all references to the "the Transmitter" shall be deemed to be a reference to Hydro One.

For the purposes of this Section 17, the parties agree that the reference to:

- (i) the Transmitter in lines 3 and 4 of Section 15.1 means the Transmitter or any party acting on behalf of the Transmitter such as contractors, subcontractors, suppliers, employees and agents; and
- (ii) the Customer in lines 3 and 4 of Section 15.2 means the Customer or any party acting on behalf of the Customer such as contractors, subcontractors, suppliers, employees and agents.

The parties agree that the aggregate liability of Hydro One under the Agreement and in particular under this Section 17 shall at no time exceed the actual Engineering and Construction Cost of the Work Chargeable to Customer.

Part F: General

18. This Agreement is subject to the Transmission System Code and the OEB-Approved Connection Procedures. If any provision of this Agreement is inconsistent with the:

- (a) Transmission System Code, the said provision shall be deemed to be amended so as to comply with the Transmission System Code;
- (b) OEB-Approved Connection Procedures, the said provision shall be deemed to be amended so as to

comply with the OEB-Approved Connection Procedures; or

- (c) Connection Agreement made between the parties, associated with the new customer connection facilities, the Connection Agreement governs.

19. The failure of any party hereto to enforce at any time any of the provisions of the Agreement or to exercise any right or option which is herein provided shall in no way be construed to be a waiver of such provision or any other provision nor in any way affect the validity of the Agreement or any part hereof or the right of any party to enforce thereafter each and every provision and to exercise any right or option. The waiver of any breach of the Agreement shall not be held to be a waiver of any other or subsequent breach. Nothing shall be construed or have the effect of a waiver except an instrument in writing signed by a duly authorized officer of the party against whom such waiver is sought to be enforced which expressly waives a right or rights or an option or options under the Agreement.

20. Other than as provided in this Agreement, no amendment, modification or supplement to the Agreement shall be valid or binding unless set out in writing and executed by the parties with the same degree of formality as the execution of the Agreement.

21. Any written notice required by the Agreement shall be deemed properly given only if either mailed or delivered to the Director, Account Management, Hydro One Networks Inc., 13th Floor, 483 Bay Street, Toronto, Ontario, M5G 2P5, fax no: (416) 345-5957 on behalf of Hydro One, and at the address specified in the customer notice section of Schedule "C" on behalf of the Customer.

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A faxed notice will be deemed to be received on the date of the fax if received before 3 p.m. or on the next Business Day if received after 3 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.

22. The Agreement 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, subject to Section 15, the courts of Ontario shall have exclusive jurisdiction to determine all disputes arising out of the Agreement.

23. The Agreement may be executed in counterparts, including email counterparts, each of which shall be deemed an original, but all of which shall together constitute one and the same Agreement.

24. The obligation to pay any amount due and payable hereunder, including, but not limited to, any amount due under Section 10 shall survive the termination of the Agreement.

25. **Invoices and Interest.** Invoiced amounts are due 30 days after invoice issuance. All overdue amounts including, but not limited to amounts that are not invoiced but required under the terms of this Agreement to be paid in a specified time period, shall bear interest at 1.5% per month compounded monthly (19.56 percent per year) for the time they remain unpaid.

26. This Agreement will supersede the terms of any purchase orders issued by the Customer to Hydro One in respect of the Project irrespective of whether same have been issued by Customer and/or accepted

by Hydro One on or after the execution of this Agreement by the Customer.

27. This Agreement 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. Appendix A attached hereto and Schedules "A", "B" and "C" are to be read with and form part of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by the signatures of their proper authorized signatories, as of the date written below.

HYDRO ~~OTTAWA~~ LIMITED

Paradis, Guillaume

A9115E39C3334D4...

Name: Guillaume Paradis

Title: Director, Distribution Engineering & Asset Management

Date: April 29, 2019

I have the authority to bind the Corporation

HYDRO ONE NETWORKS INC.

Spencer Gill

Name: Spencer Gill

Title: Director, Large Customer Account Management

Date: *MAY 14, 2019*

I have the authority to bind the Corporation

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – Simplified – Richmond MTS: Add New Mid Span Openers

Appendix “A”: Definitions

In the Agreement, unless the context otherwise requires, terms which appear therein without definition, shall have the meanings respectively ascribed thereto in the Transmission System Code and unless there is something in the subject matter or context inconsistent therewith, the following words shall have the following meanings:

“Agreement” means the Simplified Connection and Cost Recovery Agreement, Appendix “A” and Schedules “A”, “B” and “C” attached hereto.

“Applicable Laws” means any and all applicable laws, including environmental laws, statutes, codes, licensing requirements, treaties, directives, rules, regulations, protocols, policies, by-laws, orders, injunctions, rulings, awards, judgments or decrees or any requirement or decision or agreement with or by any government or government department, commission board, court authority or agency.

“Business Day” means a day other than Saturday, Sunday, statutory holiday in Ontario or any other day on which the principal chartered banks located in the City of Toronto, are not open for business during normal banking hours.

“Connection Agreement” means the form of connection agreement appended to the Transmission System Code as Appendix 1, Version A.

“Connection Point” means the point where the Customer’s Facilities are connected to Hydro One’s transmission system or are connected to third party facilities connected to Hydro One’s transmission system, as the case may be.

“Customer Work” means the work to be performed by the Customer, at its sole expense, which is described in Schedule “B” of this Agreement.

“Customer’s Facilities” has the meaning set forth in the Transmission System Code.

“Customer’s Property(ies)” means any lands owned by the Customer in fee simple or where the Customer has easement rights.

“Electricity Act, 1998” means the *Electricity Act, 1998* being Schedule “A” of the *Energy Competition Act*, S.O. 1998, c.15, as amended.

“Engineering and Construction Cost” means Hydro One’s charge for equipment, labour and materials at Hydro One’s standard rates plus Hydro One’s standard overheads as well as interest during construction using Hydro One’s capitalization rate in effect during the construction period.

“Force Majeure Event” has the meaning ascribed thereto in the Connection Agreement.

“Good Utility Practice” has the meaning set forth in the Transmission System Code.

“Hydro One’s Property(ies)” means any lands owned by Hydro One in fee simple or where Hydro One now or hereafter has obtained easement rights.

“IESO” means the Independent Electricity System Operator continued under the Electricity Act, 1998.

“Market Rules” rules made under section 32 of the *Electricity Act, 1998* (Ontario), including, but not limited to Chapter 6 thereof.

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – Richmond MTS: Add New Mid Span Openers**

“In Service Date” has the same meaning ascribed to the term “comes into service” in the Transmission System Code.

“Material” relates to the essence of the contract, more than a mere annoyance to a right, but an actual obstacle preventing the performance or exercise of a right.

“New or Modified Connection Facilities” means the facilities owned by Hydro One as specified in Schedule “C” of the Agreement.

“OEB” means the Ontario Energy Board.

“OEB-Approved Connection Procedures” means Hydro One’s connection procedures as approved by the OEB from time to time.

“Ontario Energy Board Act” means the *Ontario Energy Board Act* being Schedule “B” of the *Energy Competition Act*, S.O. 1998, c. 15, as amended.

“Premium Costs” means those costs incurred by Hydro One in order to maintain or advance the Ready for Service Date, including, but not limited to, additional amounts expended for materials or services due to short time-frame for delivery; and the difference between having Hydro One’s employees, agents and contractors perform work on overtime as opposed to during normal business hours.

“Ready for Service Date” means the date upon which the Work Chargeable to Customer is fully and completely constructed, installed, commissioned and energised to the Connection Point. The Customer’s disconnect switches must be commissioned prior to this date in order to use them as isolation points.

“Taxes” means all property, municipal, sales, use, value added, goods and services, harmonized and any other non-recoverable taxes and other similar charges

(other than taxes imposed upon income, payroll or capital).

“Transmission System Code” means the code of standards and requirements originally issued by the OEB on July 14, 2000, as it may be amended, revised or replaced in whole or in part from time to time in accordance with the Section 70.2 and 70.3 of the *Ontario Energy Board Act*.

“Work Chargeable to Customer” means the work to be performed by Hydro One described in Schedule “A” of this Agreement.

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – Richmond MTS: Add New Mid Span Openers**

Schedule "A" Richmond MTS: Add new mid span openers

PROJECT SCOPE - WORK CHARGEABLE TO CUSTOMER

Hydro One will perform the following work:

- Install a new set of MSOs on 115kV circuit [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – Richmond MTS: Add New Mid Span Openers**

Schedule “B”

CUSTOMER WORK

The Customer will:

- Provide the necessary material for the installation of the MSOs. Material shall meet Hydro One standard.
- Provide Hydro One access to the station to install the MSOs.
- Provide Hydro One access to the station for the operation and maintenance of the MSOs.
- Inform the IESO and obtain any necessary approvals for the new MSOs.

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – Richmond MTS: Add New Mid Span Openers**

Schedule "C" (Project Title):

Part 1: Estimate of Engineering and Construction Cost of the Work Chargeable to Customer:

The estimate of the Engineering and Construction Cost of the Work Chargeable to Customer (excluding HST) is summarized as follows:

Project Description	Estimated Engineering and Construction Cost
Project Management	\$5,000
Engineering	
Equipment & Materials	
Construction	\$10,000
Stations & Operations	
Sub-Total	
Contractor's Contingency	
AFUDC* & Overheads	
Total Price (\$)	\$15,000

(*) AFUDC = Allowance for Funds Used During Construction and is the term used in the OEB accounting procedures meaning interests during construction if applicable.

Notes:

1. Price for preliminary engineering is not included in any of the prices above.
2. Contingency of 16% is included in the total.
3. Capital overheads are included in the total price.
4. Capital interest is included in the total price.
5. HST is not included in the estimate.

Part 2: Manner of Payment

The Engineering and Construction Cost of the Work Chargeable to Customer is estimated to be \$ 15,000.00 (excluding HST) (the "Cost Estimate"). Should the Customer default in paying any amount to Hydro One, Hydro One reserves the right to add the AFUDC as it deems necessary.

The Customer shall pay Hydro One the Cost Estimate (plus HST) by making the progress payments specified below on or before the Payment Milestone Date specified below. If applicable, Hydro One will invoice the Customer for the second payment 30 days prior to the Payment Milestone Date.

Payment Milestone Date	Work Chargeable to Customer (\$)	HST	Total Payment Required (incl. HST)
1. CCRA Execution	\$15,000	\$1,950	\$16,950

2.2 Scope Change

Any change in the Project Scope as detailed and documented in Schedule "A" whether they are initiated by the Customer or not may result in a change to the Project costs estimated in this Schedule "C" and the Project schedule, including the Ready for Service Date.

All Customer initiated scope changes to this Project must be in writing to Hydro One.

Hydro One will advise the Customer of any cost and schedule impacts of any Customer initiated scope changes.

Hydro One will not implement any Customer initiated scope changes until written approval has been received from the

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – Richmond MTS: Add New Mid Span Openers**

Customer accepting the new pricing and schedule impact.

Part 3: Miscellaneous

New or Modified Connection Facilities: A new set of MSOs at the entrance of Richmond MTS

Customer's HST Registration Number:
[REDACTED]

Documentation Required (after In Service Date): Not applicable

Revenue Metering: IESO compliant revenue metering to be provided by the Customer

Customer Notice Info:

Hydro Ottawa Limited
1970 Merivale Road, Ottawa, ON, K2G 6Y9

Attention: Scott Nichols, P.Eng, PMP
Project Manager, Asset Planning



CONNECTION AND COST RECOVERY AGREEMENT (CCRA) - LOAD

between

Hydro Ottawa Limited

and

Hydro One Networks Inc.

for

Connection of Cambrian MTS and S7M Line Upgrade

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

Hydro Ottawa Limited (the “Customer”) had requested and Hydro One Networks Inc. (“Hydro One”) has agreed to perform the work described below under Project Summary (the “Project”) on the terms and conditions set forth in this Agreement dated September 27 2019 (the “Agreement”) and the attached Standard Terms and Conditions for Load Customer Transmission Customer Connection Projects V5 6-2014 (the “Standard Terms and Conditions” or “T&C”). Schedules “A” and “B” attached hereto and the Standard Terms and Conditions are to be read with and form part of this Agreement.

Project Summary

The Customer is constructing a new transformer station, Cambrian MTS in Ottawa, Ontario which will be connecting to Hydro One’s transmission system via [REDACTED] which will involve Hydro One performing the work described in detail in Schedule “A” as the Line Connection Pool Work – New 230 kV Line and the Network Customer Allocated Work – New 230 kV Line.

Hydro One’s existing 115 kV wood pole section of transmission circuit S7M is [REDACTED] has reached end-of-life (the “EOL Existing S7M Assets”). [REDACTED] has not reached end-of-life (the “Non-EOL Existing S7M Assets”).

Hydro One would normally perform the Avoided Cost Work to replace the end-of-life portion like-for-like, at its own expense to continue to supply the Customer’s load.

The Customer wants to be able to use the Existing S7M Circuit as a backup supply to the new Cambrian MTS in the event of a contingency. In order to be able to do so, Hydro One will need to:

- (a) perform the equipment upgrade work described in detail in Schedule “A” as Work Chargeable to Customer to remove:
 - (i) the EOL Existing S7M Assets (instead of performing the Avoided Cost Work); and
 - (ii) the Non-EOL Existing S7M Assets;

and replace them with a new 115 kV 997 kcmil transmission circuit on steel poles as the existing 477 kcmil ACSR and 211.6 kcmil ACSR conductors means that the capacity of the Existing S7M Circuit is insufficient for use as a backup supply; and

- (b) construct a new [REDACTED] steel pole line extension using 997 kcmil ACSR conductor from [REDACTED] which will involve Hydro One performing the work described in detail in Schedule “A” as the Line Connection Pool Work – 115 kV Line Extension and the Network Customer Allocated Work – 115 kV Line Extension.

For greater certainty, the Project does not involve any Transformation Pool Work.

Term:

The term of this Agreement commences on the date first written above and will terminate on the earliest of the 25th anniversary of the In Service Date.

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

Additional Terms:

1) The Standard Terms and Conditions are hereby amended as follows:

(a) by adding the following terms:

“Avoided Cost” means fixed amount that is Hydro One’s estimate of the Engineering and Construction Cost of the Avoided Cost Work as identified in Schedule “B” of the Agreement.

“Avoided Cost Work” means the work described in Schedule “A” of the Agreement as Avoided Cost Work.

“Revised Avoided Cost” means the fixed amount that results from Hydro One performing another estimate of the Engineering and Construction Cost of the Avoided Cost Work in the limited circumstances described in Section 10.5.

(b) by replacing Section 10.1 with the following:

10.1 The Customer agrees to pay Hydro One:

- (a) the Engineering and Construction Cost (not including Taxes) of the Work Chargeable to Customer less the Avoided Cost or where applicable, the Revised Avoided Cost;
- (b) a Capital Contribution towards the Pool Funded Cost of the Line Connection Pool Work - 115 kV Line Extension to the extent that same is not recoverable from the Line Connection Revenue – 115 kV Line Extension during the Economic Evaluation Period;
- (c) a Capital Contribution towards the Pool Funded Cost of the Line Connection Pool Work - New 230 kV Line to the extent that same is not recoverable from the Line Connection Revenue – New 230 kV Line during the Economic Evaluation Period;
- (d) a Capital Contribution towards the Pool Funded Cost of the Network Customer Allocated Work - 115 kV Line Extension to the extent that same is not recoverable from the Network Connection Revenue - 115 kV Line Extension during the Economic Evaluation Period; and
- (e) a Capital Contribution towards the Pool Funded Cost of the Network Customer Allocated Work - New 230 kV Line to the extent that same is not recoverable from the Network Connection Revenue – New 230 kV Line during the Economic Evaluation Period; and
- (f) any amounts payable to Hydro One under Subsection 12(a)(i) hereof.

To reflect that Hydro One will not be performing the Avoided Cost Work by reason of the Work Chargeable to Customer being performed, Hydro One shall deduct the Avoided Cost from the Engineering and Construction Cost of the Work Chargeable to Customer.

An estimate of the Engineering and Construction Cost (not including Taxes) of the Line Connection Pool Work – 115 kV Line Extension, the Line Connection Pool Work – New 230 kV Line, the Network Customer Allocated Work - 115 kV Line Extension, Network Customer Allocated Work - New 230 kV Line; and the Work Chargeable to Customer is provided in Schedule “B” of the Agreement. An estimate of the Capital Contribution for

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

each of the Line Connection Pool Work – 115 kV Line Extension, the Line Connection Pool Work – New 230 kV Line, the Network Customer Allocated Work - 115 kV Line Extension and the Network Customer Allocated Work – New 230 kV Line is also specified in Schedule “B” of the Agreement (plus Taxes).

The Customer shall pay Hydro One the:

- estimated Engineering and Construction Cost of the Work Chargeable to Customer less the Avoided Cost; and
- estimated Capital Contribution(s),

in the manner specified in Schedule “B” of the Agreement.

Within 180 calendar days following the Ready for Service Date, Hydro One shall provide the Customer with a new Schedule “B” to replace Schedule “B” of the Agreement attached hereto which shall identify the following:

- (ii) the actual Engineering and Construction Cost of the Line Connection Pool Work - 115 kV Line Extension;
- (iii) the actual Engineering and Construction Cost of the Line Connection Pool Work - New 230 kV Line;
- (iv) the actual Engineering and Construction Cost of the Network Customer Allocated Work - 115 kV Line Extension;
- (v) the actual Engineering and Construction Cost of the Network Customer Allocated Work – New 230 kV Line;
- (vi) the actual Engineering and Construction Cost of the Work Chargeable to Customer and the actual Engineering and Construction Cost of the Work Chargeable to Customer less the Avoided Cost or where applicable, the Revised Avoided Cost;
- (vii) the actual Capital Contribution required to be paid by the Customer for the Line Connection Pool Work – 115 kV Line Extension;
- (viii) the actual Capital Contribution required to be paid by the Customer for the Line Connection Pool Work – New 230 kV Line;
- (ix) the actual Capital Contribution required to be paid by the Customer for the Network Customer Allocated Work - 115 kV Line Extension;
- (x) the actual Capital Contribution required to be paid by the Customer for the Network Customer Allocated Work – New 230 kV Line;
- (xi) the revised Line Connection Revenue – 115 kV Line Extension based on the Load Forecast or the Adjusted Load Forecast, whichever is applicable;
- (xii) the revised Line Connection Revenue – New 230 kV Line requirements based on the Load Forecast or the Adjusted Load Forecast, whichever is applicable;
- (xiii) the revised Network Revenue – 115 kV Line Extension requirements based on the Load Forecast or the Adjusted Load Forecast, whichever is applicable;
- (xiv) the revised Network Revenue – New 230 kV Line requirements based on the Load Forecast or the Adjusted Load Forecast, whichever is applicable; and
- (xv) where applicable, the Revised Avoided Cost.

The new Schedule “B” shall be made a part hereof as though it had been originally incorporated into the Agreement.

If the total sum of the amounts paid by the Customer in the manner specified in Schedule “B” of the Agreement exceeds the total sum of the actual amounts required to be paid by the Customer identified in the new Schedule “B”, Hydro One shall refund the difference to the Customer (plus Taxes) within 30 days following the issuance of the new Schedule “B”. If the total sum of the amounts paid by the Customer in the manner specified in Schedule “B” of the Agreement is less than the total sum of the actual

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

amounts required to be paid by the Customer identified in the new Schedule “B”, the Customer shall pay Hydro One the difference (plus Taxes) within 30 days following the issuance of the new Schedule “B”.

- (c) by adding the following as Section 10.5:

Subject to the foregoing, the Avoided Cost is a fixed amount. Should:

- (i) After commencing the Hydro One Connection Work, Hydro One determine, acting reasonably, that all or any portion of the scope of the Avoided Cost Work requires revision;
- (ii) Hydro One determine, acting reasonably, that there has been a Material change in the cost of any component used by Hydro One to estimate the cost of the Avoided Cost Work, including, but not limited to the cost of obtaining any approvals required under any Applicable Laws, obtaining land rights, labour, materials or equipment; and/or
- (iii) the Customer request that Hydro One perform another estimate of the cost of the Avoided Cost Work because the Customer reasonably believes that: (a) all or any portion of the scope of the Avoided Cost Work requires revision; and/or (b) that there has been a Material change in the cost of any component used by Hydro One to estimate the cost of the Avoided Cost Work,

Hydro One will provide the Customer with a Revised Avoided Cost in the new Schedule “B” to be provided by Hydro One in accordance with Section 10.1 above.

Acknowledgements re. Estimate Agreement and Letter Agreement

Hydro One and the Customer are parties to: (a) a Connection Estimate & Environmental Assessment Study Agreement dated February 10, 2017 as amended by an Amending Agreement dated November 24, 2017 (collectively, the “**CEEA**”) and a Pre-CCRA Letter Agreement for Advance Payment of Engineering Design Work and Procurement of Certain Equipment Prior to Execution of a Connection and Cost Recovery Agreement dated April 8, 2019; (the “**Letter Agreement**”) (the CEEA and the Letter Agreement are collectively referred to as the “**Pre-CCRA Agreements**”). Hydro One and the Customer acknowledge and agree that:

- (i) pursuant to the CEEA, the Customer made payments of \$1,801,500.00 (plus HST in the amount of \$234,195.00) (the “**CEEA Payments**”) for performance of the Work (as that term is defined in the CEEA) (the “**CEEA Work**”);
- (ii) Hydro One has completed the performance of the CEEA;
- (iii) notwithstanding any term to the contrary in the CEEA, the scope of the CEEA Work is included in the Scope of Work and the estimates of the Engineering and Construction Cost of the work being performed under this Agreement, the CEEA Work Cost is included in the amounts payable by the Customer under the terms of this Agreement; and the CEEA Payment is credited against the amounts payable by the Customer under the terms of this Agreement;
- (iv) pursuant to the Letter Agreement, the Customer provided three payments totalling \$1,519,658.00 plus HST in the amount of \$197,555.54 (the “**Advance Payment(s)**”) towards the cost of the Pre-CCRA Work (as that term is defined in the Letter Agreement); and
- (v) consistent with the terms of the Letter Agreement, the scope of the Pre-CCRA Work is in the Scope of Work and the estimates of the Engineering and Construction Cost of the work being performed under this Agreement, the Actual Cost of the Pre-CCRA Work is included in the amounts payable by the Customer under the terms of this Agreement; and

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

the Advance Payment(s) are credited against the amounts payable by the Customer under the terms of this Agreement.

The Parties further acknowledge and agree that that there will be no separate true-up process under the terms of the CCEA or the Pre-CCRA Letter Agreement.

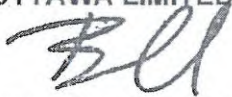
Special Circumstances

In addition to the circumstances described in Section 5 of the Standard Terms and Conditions, the Ready for Service Date is subject to (i) the Customer executing and delivering this Agreement to Hydro One by no later than September 23rd, 2019 (the "Execution Date") and (ii) receipt of the Ontario Energy Board's approval of the application for leave to construct pursuant to Section 92 of the *Ontario Energy Board Act*

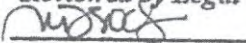
Subject to Section 31 of the Standard Terms and Conditions, this Agreement constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and supersedes all prior oral or written representations and agreements concerning the subject matter of this Agreement.

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

HYDRO OTTAWA LIMITED



Name: Bryce Conrad
Title: President and Chief Executive Officer

Reviewed by Legal




Name: **Geoff Simpson**
Title: Chief Financial Officer
Execution Date:

I/We have the authority to bind the Corporation

HYDRO ONE NETWORKS INC.



Name: Susan Wylie
Title: Director, Key Account Management
Execution Date: *Sept 27/19*

I have the authority to bind the Corporation

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

Schedule “A” (Connection of Cambrian MTS and S7M Line Upgrade):

PROJECT SCOPE

New or Modified Connection Facilities: [REDACTED]
[REDACTED]

Connection Point: Cambrian MTS

Ready for Service Date: November 15, 2021

AVOIDED COST WORK:

Hydro One would have had to provide project management, engineering, equipment and material, construction and commissioning of new and modified Hydro One facilities with respect to the following work but for the Customer’s upgrade request:

Circuit S7M refurbishment from [REDACTED]

Line Refurbishment

- Replace 46 single circuit H-Frame wood pole structure
- Replace 2 composite 3 pole dead end structure with guying and anchors
- Conductor: [REDACTED] of ACSR 477kcmil 26/7
- Skywire: 7#8 Alumoweld

Line bypass:

- Build [REDACTED] of 115kV Wood Pole Bypass parallel to existing [REDACTED] Phase conductor: ACSR 477kcmil 26/7; skywire: 7#10 Alumoweld.
- Connect bypass to [REDACTED]
- Connect bypass to [REDACTED]

Real Estate

- Temporary easement for bypass line.
- Temporary easement for off corridor construction access road to install.

HYDRO ONE CONNECTION WORK

Hydro One will provide project management, engineering, equipment and material, construction and commissioning of the Hydro One Connection Work. The scope of the Hydro One Connection Work includes the requirements from:

- IESO’s SIA Report dated June 26, 2019 (CAA ID #2017-627 and CAA ID #2017-629); and
- Hydro One’s Customer Impact Assessment (CIA) Report dated July 3, 2019.

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

Hydro One, or its agents:

- (i) 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;
- (ii) shall repair any damage caused to lands, owned by Hydro One or third parties, associated with or related to the Hydro One Connection Work;
- (iii) 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; and
- (iv) scrap all materials and equipment removed by Hydro One, or its agents, at site including, but not limited to, all granular material deposited on temporary construction access roads; provided, however, that Customer shall be given the right of first refusal to retain such materials, subject to the payment of any reasonable incremental haulage costs incurred by Hydro One

Part 1: Transformation Connection Pool Work

None.

Part 2: Line Connection Pool Work

I. Line Connection Pool Work – 115 kV Line Extension

Hydro One will [REDACTED] The scope of the work is described below.

Please note: [REDACTED] therefore some of the work description in the following sections is common and is indicated by “[common]” below.

Line work:

- Build and commission [REDACTED] 115kV circuit using a combination of steel poles and lattice towers [common]
- String conductor 997kcmil 26/7 ACSR [REDACTED]
- String skywire 7#15 Alumoweld (note, the towers will have two (2) skywires) from Cambrian JCT to Customer’s site [common].
- Hydro One will terminate conductors at Customer’s line entrance structure.
- Hydro One will terminate skywires at Customer’s line entrance structure [common].
- A set of three (3) mid span openers (MSO) will be installed on the phase conductors between the BPE structures and customer’s entrance structure.
- Remove vegetation, as required, on the Right of Way [common].

Real Estate [common]

- Obtain permanent easement on new section of the line from [REDACTED]
- Land value study, property appraisals, Legal surveys and legal fees.

Environmental Assessment [common]

Ontario Government Class EA has been obtained. Customer and Hydro One were co-applicants in the submission to the MOECC.

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

Federal environmental section 67 application for construction work in crown lands, Canadian Food Inspection Agency (CFIA) and National Capital Commission (NCC), submitted on June 28, 2019.

Leave to Construct - Section 92 [common]

A joint application has been submitted to the Ontario Energy Board on May 28, 2019.

II. Line Connection Pool Work – New 230 kV Line

Hydro One will build a [REDACTED] 230kV circuit from [REDACTED] to the Customer's site. Work includes the removal of a [REDACTED] section of existing 115kV single circuit wood pole S7M to allow for the construction of this 230kV line and the work described under Part 5.

Note: The 230kV line is built on the same towers and in conjunction with the 115kV circuit work described in Part 2-I and Part 5, therefore some of the work description in the following sections is common and is indicated by "[common]" below.

Description of major items of Line work:

- Build and commission [REDACTED] 230kV circuit using a combination of steel poles and lattice towers between [REDACTED] [common]
- Three (3) tapping structures BPE structures will be installed at [REDACTED]
- Line Traps will be installed at [REDACTED]
- Three (3) tapping structures BPE structures will be installed on the ROW near the Customer's site.
- String conductor 997kcmil 26/7 ACSR [REDACTED]
- String skywire 7#15 Alumoweld (note, the towers will have two (2) skywires) from [REDACTED]
- Hydro One will terminate conductors at Customer's line entrance structure.
- Hydro One will terminate skywires at Customer's line entrance structure [common].
- A set of three (3) mid span openers (MSO) will be installed on the phase conductor between the BPE structures and customer's entrance structure.
- Work with MTO to obtain approval for highway closure for stringing of the tower [common].

Description of major items of Line Bypass:

- Build [REDACTED] of 115kV Wood Pole Bypass parallel to existing S7M transmission line. Phase conductor: ACSR 477kcmil 26/7; skywire: 7#10 Alumoweld.
- Connect bypass to S7M at [REDACTED]

Description of major items of Real Estate [common]

- Obtain permanent easement on new section of the line from [REDACTED]
- Land value study, property appraisals, Legal surveys and legal fees.
- Temporary easement for bypass line.
- Temporary easement for off corridor construction access road to install.

Environmental Assessment [common]

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

Ontario Government Class EA has been obtained. Customer and Hydro One were co-applicants in the submission to the MOECC.

- Federal EA. Application under Section 67 has been submitted to the Federal government.

Leave to Construct - Section 92

A joint application has been submitted to the Ontario Energy Board on May 28, 2019. [common]

Part 3: Network Customer Allocated Work

I. Network Customer Allocated Work – 115 kV Line Extension

Protection equipment and settings at the terminal stations will be modified as follow:

Merivale TS

- Upgrade protection relays with HONI standard IEDs.
- Existing scheme will be retained with modifications to include sending/receiving of TT to/from the Customer station.
- Revise protection settings.
- Provide entrance facility to accommodate fiber from Customer.

South March SS

- Review and revise protection settings.

COVER and design review.

II. Network Customer Allocated Work – New 230 kV Line

Protection equipment and settings at the terminal stations will be modified as follow:

Merivale TS

- Review and revise protection settings.
- Existing scheme will be retained with modifications to include sending/receiving of TT to/from the Customer station.
- Modify E34M protections to cascade TT from the new customer MTS to Almonte TS and Terry Fox MTS, as well as to cascade TT from Almonte TS and Terry Fox MTS to the new customer station

Almonte TS

- Review and revise protection settings.

COVER and design review.

Part 4: Network Pool Work (Non-Recoverable from Customer)

None

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

Part 5: Work Chargeable to Customer

Hydro One will upgrade a [REDACTED] [REDACTED] [REDACTED] [REDACTED]. The removal of a [REDACTED] section of existing 115kV single circuit wood pole S7M is required to allow for this upgrade of the 115kV circuit S7M and for the work described under Part 2-II.

Note 1: The upgraded 115kV circuit tap is built on the same towers and in conjunction with the 230kV circuit work described in Part 2-II from [REDACTED] therefore some of the work description in the following sections is common and is indicated by “[common]” below.

Note 2: The cost of the Hydro One avoided work described above will be subtracted from the cost of work described in this section.

Description of major items of Line work:

- Build and commission [REDACTED] 115kV circuit using a combination of steel poles and lattice towers between [REDACTED] [REDACTED]
- Three (3) tapping structures BPE structures will be installed at [REDACTED] T
- String conductor 997kcmil 26/7 ACSR from H [REDACTED]
- String skywire 7#15 Alumoweld (note, the towers will have two (2) skywires) from [REDACTED] Cambrian JCT [common].
- Work with MTO to obtain approval for highway closure for stringing of the tower [common].

Description of major items Line Bypass:

- Build [REDACTED] of 115kV Wood Pole Bypass parallel to existing [REDACTED] Phase conductor: ACSR 477kcmil 26/7; skywire: 7#10 Alumoweld.
- Connect bypass to [REDACTED]

Real Estate [common]

- Obtain permanent easement on new section of the line from [REDACTED] [REDACTED]
- Land value study, property appraisals, Legal surveys and legal fees.
- Temporary easement for bypass line.
- Temporary easement for off corridor construction access road to install.

Environmental Assessment [common]

- Ontario Government Class EA has been obtained.
- Federal EA. Application under Section 67 has been submitted to the Federal government.
- Federal environmental section 67 application for construction work in crown lands, Canadian Food Inspection Agency (CFIA) and National Capital Commission (NCC), submitted on June 28, 2019.

Leave to Construct - Section 92 [common]

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

A joint application has been submitted to the Ontario Energy Board on May 28, 2019.

Part 6: Scope Change

For the purposes of this Part 6 of Schedule “A”, the term “**Non-Customer Initiated Scope Change(s)**” means one or more changes that are required to be made to the Project Scope as detailed and documented in Parts 1 to 5 of this Schedule “A” such as a result of any one or more of the following:

- any environmental assessment(s);
- requirement for Hydro One to obtain approval under Section 92 (leave to construct) of the Ontario Energy Board Act if the transmission line route selected by Hydro One is greater than 2 km in length;
- Hydro One having to expropriate property under the Ontario Energy Board Act;
- conditions included by the OEB in any approval issued by the OEB under Section 92 of the Ontario Energy Board Act or any approval issued by the OEB to expropriate under the Ontario Energy Board Act; and
- any IESO requirements identified in the System Impact Assessment or any revisions thereto.

Any change in the Project Scope as detailed and documented in Parts 1 to 5 of this Schedule “A” whether they are initiated by the Customer (“**Customer Initiated Scope Changes**”) or are Non-Customer Initiated Scope Changes, may result in a change to the Project costs estimated in Schedule “B” of this Agreement and the Project schedule, including the Ready for Service Date.

All Customer Initiated Scope Changes must be made in writing to Hydro One.

Should Hydro One be agreeable to performing any Customer Initiated Scope Changes, Hydro One will advise the Customer of any cost and schedule impacts of such scope changes. Hydro One will not implement any Customer initiated scope changes until written approval has been received from the Customer accepting the new pricing and schedule impact.

Hydro One will advise the Customer of any Material cost and/or Material schedule impacts of any Non-Customer Initiated Scope Changes.

CUSTOMER CONNECTION WORK

The Customer will design, build, and operate the station. Customer will be required to design, install, and commission the follow:

- Provide fiber link between the [REDACTED] Hydro One shall be responsible for the fiber link from [REDACTED]
- Dual line protection to isolate the substation from fault on either 230kV circuit E34M or 115kV circuit S7M.
- Send transfer trip to Merivale TS on breaker failure of the connecting HV breaker. Full opening of the HV breaker disconnect switch will block the transfer trip to Merivale TS.
- Redundant telecom link to Merivale TS for transfer trip
- Provide fast transfer switch scheme to allow the station to be transferred from [REDACTED] to [REDACTED] upon reception of Line End Open (LEO) signal or transfer trip (TT) signal from [REDACTED]. The scheme has to have the ability to be blocked as per instruction from IESO.
- Provide SCADA telemetry and alarms to IESO, OGCC, via ICCP.

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

- Install metering as per IESO requirement
- Update and revise protection at Terry Fox MTS.
- Blocking signal from South Nepean MTS to South March SS for circuit S7M.
- Provide access road for the MSO inside the station fence.
- Any activities required by Transmission System Code.

EXISTING LOAD:

	A	B
Existing Load Facility (Name)	Existing Load (MW) ¹	Normal Capacity (MW) ²
Bridlewood MTS	28.0 ³	
Fallowfield MTS	43.6 ⁴	
Marchwood MTS	43.0 ⁵	
Richmond MTS	6.6 ⁶	
Manotick DS	6.8 ⁷	

Notes:

1. Existing Load means the Customer's Assigned Capacity at the Existing Load Facility as of the date of this Agreement (Section 3.0.3 of the Transmission System Code).
2. Any station load above the Normal Capacity of the Existing Load Facility (Overload) will be determined in accordance with Section 6.7.9 of the Transmission System Code and Hydro One's Connection Procedures. If the Overload is transferred to the New or Modified Connection Facilities, the Overload will be credited to the Line Connection Revenue, Transformation Connection Revenue or Network Revenue requirement, whichever is applicable.

Existing capacity of S7M: 168MW is based on most restricted constraint.

3. Bridlewood MTS existing peak load based on average of May, June, and July 2016 peaks.
4. Fallowfield MTS existing peak load based on average of June, July, August 2018 peaks.
5. Marchwood MTS existing peak load based on average of July, August, September 2015 peaks.
6. Richmond MTS existing peak load based on average of May, June, July 2016 peaks.
7. Manotick DS existing peak load based on average of July, August, September 2018. *This is a Hydro One Distribution station. Listed here as it is also supplied by circuit S7M.*

OTHER RELEVANT CONSIDERATIONS:

N/A

EXCEPTIONAL CIRCUMSTANCES RE. NETWORK CONSTRUCTION OR MODIFICATIONS:

N/A

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

MISCELLANEOUS

Customer Connection Risk Classification: Low Risk

True-Up Points: (a) following the fifth and tenth anniversaries of the In Service Date; and
(b) following the fifteenth anniversary of the In Service Date as the Actual Load was more than 20% lower than the Load Forecast at the end of the tenth anniversary of the In Service Date.

Customer's HST Registration Number: [REDACTED]

Documentation Required (after In Service Date): As built drawings or as prescribed by Hydro One.

Ownership: Hydro One will own all equipment provided by Hydro One as part of the Hydro One Connection Work.

Security Requirements: Nil

Security Date: Not applicable

Easement Required from Customer: No

Easement Date: N/A

Easement Lands: N/A

Easement Term: N/A

Anticipated Approval Date (for OEB leave to construct): 25 day of September, 2019

Revenue Metering: IESO compliant revenue metering provided by the Customer.

Customer Notice Info:

Hydro Ottawa Limited
2711 Hunt Club Rd.
PO Box 8700
Ottawa, Ontario
K1G 3S4

Attention: Fraser Basten,
Project Manager, Major Projects

Contact: 613-738-5499

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

Schedule “B” (Connection of Cambrian MTS and S7M Line Upgrade):

TRANSFORMATION CONNECTION POOL WORK

Not applicable

LINE CONNECTION POOL WORK – 115 KV LINE EXTENSION

Estimate of the Engineering and Construction Cost of the Line Connection Pool Work – 115 kV Line Extension: \$2,947,818.00 plus HST in the amount of \$383,216.34

Estimate of Line Connection Pool Work Capital Contribution – 115 kV Line Extension: \$3,087,500.00 plus HST in the amount of \$401,375.00

Actual Engineering and Construction Cost of the Line Connection Pool Work – 115 kV Line Extension: To be provided 180 days after the Ready for Service Date.

Actual Line Connection Pool Work Capital Contribution – 115 kV Line Extension: To be provided 180 days after the Ready for Service Date.

LINE CONNECTION POOL WORK – NEW 230 KV LINE

Estimate of the Engineering and Construction Cost of the Line Connection Pool Work – New 230 kV Line: \$28,438,143 plus HST in the amount of \$3,696,958.60

Estimate of Line Connection Pool Work Capital Contribution – New 230 kV Line: \$26,963,500.00 plus HST in the amount of \$3,505,255.00

Actual Engineering and Construction Cost of the Line Connection Pool Work – New 230 kV Line: To be provided 180 days after the Ready for Service Date.

Actual Line Connection Pool Work Capital Contribution – New 230 kV Line: To be provided 180 days after the Ready for Service Date.

NETWORK CUSTOMER ALLOCATED WORK - 115 kV Line Extension

Estimate of the Engineering and Construction Cost of the Network Customer Allocated Work - 115 kV Line Extension: \$488,013.00 plus HST in the amount of \$63441.70

Estimate of Network Customer Allocated Work Capital Contribution - 115 kV Line Extension: \$509,900.00 plus HST in the amount of \$66,287.00

Actual Engineering and Construction Cost of the Network Customer Allocated Work - 115 kV Line Extension: To be provided 180 days after the Ready for Service Date.

Actual Network Customer Allocated Work Capital Contribution - 115 kV Line Extension: To be provided 180 days after the Ready for Service Date.

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

NETWORK CUSTOMER ALLOCATED WORK - New 230 kV Line

Estimate of the Engineering and Construction Cost of the Network Customer Allocated Work - New 230 kV Line: \$601,714.00 plus HST in the amount of \$78,222.82

Estimate of Network Customer Allocated Work Capital Contribution - New 230 kV Line: \$0.00 plus HST in the amount of \$0.00

Actual Engineering and Construction Cost of the Network Customer Allocated Work - New 230 kV Line: To be provided 180 days after the Ready for Service Date.

Actual Network Customer Allocated Work Capital Contribution - New 230 kV Line: To be provided 180 days after the Ready for Service Date.

NETWORK POOL WORK (NON-RECOVERABLE FROM CUSTOMER):

Not applicable

WORK CHARGEABLE TO CUSTOMER

Avoided Cost: \$8,717,000.00

Revised Avoided Cost: Where applicable (e.g. in the limited circumstances described in Section 10.5).

Estimate of the Engineering and Construction Cost of the Work Chargeable To Customer: \$26,354,324 plus HST in the amount of \$3,426,062.12

Estimate of the Engineering and Construction Cost of the Work Chargeable To Customer Less Avoided Cost: \$17,637,324.00 plus HST in the amount of \$2,292,852.12

Actual Engineering and Construction Cost of the Work Chargeable To Customer: To be provided 180 days after the Ready for Service Date.

Actual Engineering and Construction Cost of the Work Chargeable To Customer Less the Avoided Cost (or where applicable, the Revised Avoided Cost): To be provided 180 days after the Ready for Service Date.

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

MANNER OF PAYMENT OF THE ESTIMATE OF CAPITAL CONTRIBUTIONS AND WORK CHARGEABLE TO CUSTOMER

The Customer shall pay Hydro One the estimate of the Line Connection Pool Work Capital Contribution – 115 kV Line Extension, Line Connection Pool Work Capital Contribution – New 230 kV Line, Network Customer Allocated Work Capital Contribution - New 230 kV Line, Network Customer Allocated Work Capital Contribution – 115 kV Line Extension; and the estimate of the Engineering and Construction Cost of the Work Chargeable to Customer Less the Avoided Cost by making the progress payments specified below on or before the Payment Milestone Date specified below. Hydro One will invoice the Customer for each progress payment 30 days prior to the Payment Milestone Date.

Payment Milestone Date	Total Payment Required (including HST)
February 8/17 (CEEA)	\$1,661,100.0
November 24/17 (CEEA)	\$374,595.0
April 8 - July 15/19 (Pre-CCRA Letter Agreement Advance Payment(s))	\$1,717,111.8
October 11 th , 2019	\$1,912,277.5
Jan 20 2020	\$5,997,950.7
April 20, 2020	\$8,087,220.2
July 20, 2020	\$10,684,544.4
Oct 19, 2020	\$7,265,885.3
Jan 18, 2021	\$6,146,016.9
April 20, 2021	\$5,555,776.1
July 19, 2021	\$3,569,293.7
Oct 18, 2021	\$1,492,221.5

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

**LINE CONNECTION REVENUE REQUIREMENTS
AND LOAD FORECAST FOR THE LINE CONNECTION WORK – 115 KV LINE EXTENSION**

Annual Period Ending On:	New Load** - (MW)	Part of New Load Exceeding Normal Capacity of Existing Load Facilities [C]	Adjusted Load Forecast (MW) [D]	Line Connection Revenue (k\$) for True-Up, Based on [C] or [D], whichever is applicable
1 st Anniversary of In Service Date	0	0	0	0
2 nd Anniversary of In Service Date	0	0	0	0
3 rd Anniversary of In Service Date	0	0	0	0
4 th Anniversary of In Service Date	0	0	0	0
5 th Anniversary of In Service Date	0	0	0	0
6 th Anniversary of In Service Date	0	0	0	0
7 th Anniversary of In Service Date	0	0	0	0
8 th Anniversary of In Service Date	0	0	0	0
9 th Anniversary of In Service Date	0	0	0	0
10 th Anniversary of In Service Date	0	0	0	0
11 th Anniversary of In Service Date	0	0	0	0
12 th Anniversary of In Service Date	0	0	0	0
13 th Anniversary of In Service Date	0	0	0	0
14 th Anniversary of In Service Date	0	0	0	0
15 th Anniversary of In Service Date	0	0	0	0
16 th Anniversary of In Service Date	0	0	0	0
17 th Anniversary of In Service Date	0	0	0	0
18 th Anniversary of In Service Date	0	0	0	0
19 th Anniversary of In Service Date	0	0	0	0
20 th Anniversary of In Service Date	0	0	0	0
21 st Anniversary of In Service Date	0	0	0	0
22 nd Anniversary of In Service Date	0	0	0	0
23 rd Anniversary of In Service Date	0	0	0	0
24 th Anniversary of In Service Date	0	0	0	0
25 th Anniversary of In Service Date	0	0	0	0

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

**LINE CONNECTION REVENUE REQUIREMENTS
AND LOAD FORECAST FOR THE LINE CONNECTION WORK – NEW 230 KV LINE**

Annual Period Ending On:	New Load** - (MW)	Part of New Load Exceeding Normal Capacity of Existing Load Facilities [C]	Adjusted Load Forecast (MW) [D]	Line Connection Revenue (k\$) for True-Up, Based on [C] or [D], whichever is applicable
1 st Anniversary of In Service Date	0.0	0.0	0.0	0.0
2 nd Anniversary of In Service Date	0.0	0.0	0.0	0.0
3 rd Anniversary of In Service Date	0.0	0.0	0.0	0.0
4 th Anniversary of In Service Date	0.7	0.7	0.7	7.8
5 th Anniversary of In Service Date	7.2	7.2	7.2	80.6
6 th Anniversary of In Service Date	12.1	12.1	12.1	135.5
7 th Anniversary of In Service Date	15.5	15.5	15.5	173.6
8 th Anniversary of In Service Date	18.9	18.9	18.9	212.3
9 th Anniversary of In Service Date	22.0	22.0	22.0	247.3
10 th Anniversary of In Service Date	25.0	25.0	25.0	281.1
11 th Anniversary of In Service Date	26.8	26.8	26.8	300.8
12 th Anniversary of In Service Date	29.0	29.0	29.0	325.9
13 th Anniversary of In Service Date	31.3	31.3	31.3	351.7
14 th Anniversary of In Service Date	33.9	33.9	33.9	380.2
15 th Anniversary of In Service Date	34.4	34.4	34.4	386.8
16 th Anniversary of In Service Date	34.7	34.7	34.7	389.2
17 th Anniversary of In Service Date	35.7	35.7	35.7	400.5
18 th Anniversary of In Service Date	36.8	36.8	36.8	413.6
19 th Anniversary of In Service Date	38.0	38.0	38.0	426.9
20 th Anniversary of In Service Date	39.1	39.1	39.1	439.4
21 st Anniversary of In Service Date	40.3	40.3	40.3	452.6
22 nd Anniversary of In Service Date	41.5	41.5	41.5	465.9
23 rd Anniversary of In Service Date	42.7	42.7	42.7	479.1
24 th Anniversary of In Service Date	43.9	43.9	43.9	493.0
25 th Anniversary of In Service Date	45.0	45.0	45.0	505.7

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

**NETWORK REVENUE REQUIREMENTS AND LOAD FORECAST
AT THE NEW OR MODIFIED CONNECTION FACILITIES – 115 KV LINE EXTENSION**

Annual Period Ending On:	New Load** - (MW)	Part of New Load Exceeding Normal Capacity of Existing Load Facilities [C]	Adjusted Load Forecast (MW) [D]	Network Revenue (k\$) for True-Up, Based on [C] or [D], whichever is applicable
1 st Anniversary of In Service Date	0	0	0	0
2 nd Anniversary of In Service Date	0	0	0	0
3 rd Anniversary of In Service Date	0	0	0	0
4 th Anniversary of In Service Date	0	0	0	0
5 th Anniversary of In Service Date	0	0	0	0
6 th Anniversary of In Service Date	0	0	0	0
7 th Anniversary of In Service Date	0	0	0	0
8 th Anniversary of In Service Date	0	0	0	0
9 th Anniversary of In Service Date	0	0	0	0
10 th Anniversary of In Service Date	0	0	0	0
11 th Anniversary of In Service Date	0	0	0	0
12 th Anniversary of In Service Date	0	0	0	0
13 th Anniversary of In Service Date	0	0	0	0
14 th Anniversary of In Service Date	0	0	0	0
15 th Anniversary of In Service Date	0	0	0	0
16 th Anniversary of In Service Date	0	0	0	0
17 th Anniversary of In Service Date	0	0	0	0
18 th Anniversary of In Service Date	0	0	0	0
19 th Anniversary of In Service Date	0	0	0	0
20 th Anniversary of In Service Date	0	0	0	0
21 st Anniversary of In Service Date	0	0	0	0
22 nd Anniversary of In Service Date	0	0	0	0
23 rd Anniversary of In Service Date	0	0	0	0
24 th Anniversary of In Service Date	0	0	0	0
25 th Anniversary of In Service Date	0	0	0	0

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

**NETWORK REVENUE REQUIREMENTS AND LOAD FORECAST
AT THE NEW OR MODIFIED CONNECTION FACILITIES – NEW 230 KV LINE**

Annual Period Ending On:	New Load** - (MW)	Part of New Load Exceeding Normal Capacity of Existing Load Facilities [C]	Adjusted Load Forecast (MW) [D]	Network Revenue (k\$) for True-Up, Based on [C] or [D], whichever is applicable
1 st Anniversary of In Service Date	0.0	0.0	0.0	0.0
2 nd Anniversary of In Service Date	0.0	0.0	0.0	0.0
3 rd Anniversary of In Service Date	0.0	0.0	0.0	0.0
4 th Anniversary of In Service Date	0.7	0.7	0.0	1.8
5 th Anniversary of In Service Date	7.2	7.2	0.4	18.5
6 th Anniversary of In Service Date	12.1	12.1	0.7	31.2
7 th Anniversary of In Service Date	15.5	15.5	0.9	39.9
8 th Anniversary of In Service Date	18.9	18.9	1.1	48.8
9 th Anniversary of In Service Date	22.0	22.0	1.3	56.9
10 th Anniversary of In Service Date	25.0	25.0	1.5	64.7
11 th Anniversary of In Service Date	26.8	26.8	1.6	69.2
12 th Anniversary of In Service Date	29.0	29.0	1.7	75.0
13 th Anniversary of In Service Date	31.3	31.3	1.8	80.9
14 th Anniversary of In Service Date	33.9	33.9	2.0	87.5
15 th Anniversary of In Service Date	34.4	34.4	2.0	89.0
16 th Anniversary of In Service Date	34.7	34.7	2.0	89.5
17 th Anniversary of In Service Date	35.7	35.7	2.1	92.1
18 th Anniversary of In Service Date	36.8	36.8	2.1	95.2
19 th Anniversary of In Service Date	38.0	38.0	2.2	98.2
20 th Anniversary of In Service Date	39.1	39.1	2.3	101.1
21 st Anniversary of In Service Date	40.3	40.3	2.3	104.1
22 nd Anniversary of In Service Date	41.5	41.5	2.4	107.2
23 rd Anniversary of In Service Date	42.7	42.7	2.5	110.2
24 th Anniversary of In Service Date	43.9	43.9	2.5	113.4
25 th Anniversary of In Service Date	45.0	45.0	2.6	116.3

** New Load based on Customer's Load Forecast which includes Part of New Load Exceeding Normal Capacity of Existing Load Facilities. "Overload" derived in accordance with Section 6.7.9 of the Transmission System Code and the OEB-Approved Connection Procedures. Any Customer load below the Normal Capacity of the Existing Load Facilities transferred to the New or Modified Facilities will not be credited towards the Transformation Connection Revenue Requirements, Line Connection Revenue Requirements or the Network Connection Revenue Requirements. The discounted cash flow calculation for Network Revenue requirements will be based on Incremental Network Load which is New Load less the amount of load, if any, that has been by-passed by the Customer at any of Hydro One's connection facilities.

Standard Terms and Conditions for Load Customer Transmission Customer Connection Projects

1. 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 the Agreement and to perform its obligations hereunder;
- (c) the execution, delivery and performance of the 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 Material contracts or instruments to which it is bound; or (iii) 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) the Agreement constitutes a legal and binding obligation on it, enforceable against it in accordance with its terms;
- (f) it is registered for purposes of Part IX of the *Excise Tax Act* (Canada). The HST registration number for Hydro One is [REDACTED] and the HST registration number for the Customer is as specified in Schedule "A" of the Agreement; and
- (g) no proceedings have been instituted by or against it with respect to bankruptcy, insolvency, liquidation or dissolution.

Part A: Hydro One Connection Work and Customer Connection Work

2. The Customer and Hydro One shall perform their respective obligations outlined in the Agreement in a manner consistent with Good Utility Practice and the Transmission System Code, in compliance with all Applicable Laws, and using duly qualified and experienced people.

3. The parties acknowledge and agree that:

(a) Hydro One is responsible for obtaining any and all permits, certificates, reviews and approvals required under any Applicable Laws with respect to the Hydro One Connection Work and those required for the construction, Connection and operation of the New or Modified Connection Facilities;

(b) the Customer shall perform the Customer Connection Work, at its own expense;

(c) except as specifically provided in the Agreement, the Customer is responsible for obtaining any and all permits, certificates, reviews and approvals required under any Applicable Laws with respect to the Customer Connection Work and those required for the construction, Connection and operation of the Customer's Facilities including, but not limited to, where applicable, leave to construct pursuant to Section 92 of the *Ontario Energy Board Act, 1998*;

(d) the Customer is responsible for installing equipment and facilities such as protection and control equipment to protect its own property, including, but not limited to the Customer's Facilities;

(e) the Customer shall provide Hydro One with Project data required by Hydro One, including, but not limited to (i) the same technical information that the Customer provided the IESO during any connection assessment and facility registration process associated with the Customer'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 Customer's Facilities;

(f) Hydro One may participate in the commissioning, inspection or testing of the Customer's Connection Facilities at a time that is mutually agreed by Hydro One and the Customer and the Customer shall ensure that the work performed by the Customer and others required for successful commissioning, inspection or testing of protective equipment is completed as required to enable Hydro One witnessing and testing to confirm satisfactory performance of such systems;

(g) unless otherwise provided herein, Hydro One's responsibilities under the Agreement with respect to the Connection of the New or Modified

Connection Facilities to Hydro One's transmission system shall be limited to the performance of the Hydro One Connection Work;

(h) Hydro One is not permitted to Connect any new, modified or replacement Customer's Facilities unless any required Connection authorizations, certificate of inspection or other applicable approval have been issued or given by the Ontario Electrical Safety Authority in relation to such facilities;

(i) Hydro One may require that the Customer provide Hydro One with test certificates certifying that the Customer's Facilities have passed all relevant tests and comply with the *Transmission System Code*, the Market Rules, Good Utility Practice, the standards of all applicable reliability organizations and any Applicable Laws, including, but not limited to any certificates of inspection that may be required by the Ontario Electrical Safety Authority;

(j) in addition to the Hydro One Connection Work described in Schedule "A", Hydro One shall: provide the Customer with such technical parameters as may be required to assist the Customer in ensuring that the design of the Customer's Facilities is consistent with the requirements applicable to Hydro One's transmission system and the basic general performance standards for facilities set out in the *Transmission System Code*, including Appendix 2 thereof; and

(k) if Hydro One requires access to the Customer's Facilities for the purposes of performing the Hydro One Connection Work or the Customer requires access to Hydro One's Facilities for the purposes of the Customer Connection Work, the parties agree that Section 27.13 of the Connection Agreement shall govern such access and is hereby incorporated in its entirety by reference into, and forms an integral part of the Agreement. All references to "this Agreement" in Section 27.13 shall be deemed to be a reference to the Agreement;

(l) the Customer shall enter into a Connection Agreement with Hydro One or amend its existing Connection Agreement with Hydro One at least 14 calendar days prior to the Connection;

(m) Hydro One shall use reasonable efforts to ensure that any applications required to be filed to obtain any permits or approvals required under Applicable Laws for the Hydro One Connection Work are filed in a timely manner; and

(n) the Customer shall use reasonable efforts to ensure that any applications required to be filed to obtain any permits or approvals required under Applicable Laws for the Customer Connection Work or for the construction, Connection and operation of the Customer's Facilities are filed in a timely manner.

4. The following aspects of the Hydro One Connection Work and Hydro One's rights and requirements hereunder are solely for the purpose of Hydro One ensuring that the Customer Facilities to be connected to Hydro One's transmission system do not materially reduce or adversely affect the reliability of Hydro One's transmission system and do not adversely affect other customers connected to Hydro One's transmission system, Hydro One's:

- (a) specifications of the protection equipment on the Customer's side of the Connection Point;
- (b) acceptance of power system components on the Customer's side of the Connection Point;
- (c) acceptance of the technical specifications (including electrical drawings) for the Customer's Facilities and/or the Customer Connection Work; and
- (d) participation in the commissioning, inspection or testing of the Customer's Facilities.

The Customer is responsible for installing equipment and facilities such as protection and control equipment to protect its own property, including, but not limited to the Customer's Facilities.

5. Hydro One shall use reasonable efforts to complete the Hydro One Connection Work by the Ready for Service Date specified in Schedule "A" provided that:

- (a) the Customer is in compliance with its obligations under the Agreement;
- (b) any work required to be performed by third parties has been performed in a timely manner and in a manner to the satisfaction of Hydro One, acting reasonably;

- (c) there are no delays resulting from Hydro One not being able to obtain outages from the IESO required for any portion of the Hydro One Connection Work or from the IESO making changes to the Hydro One Connection Work or the scheduling of all or a portion of the Hydro One Connection Work;
- (d) Hydro One does not have to use its employees, agents and contractors performing the Hydro One Connection Work or the Network Pool Work elsewhere on its transmission system or distribution system due to an Emergency (as that term is defined in the *Transmission System Code*) or a Force Majeure Event;
- (e) Hydro One is able to obtain the materials and labour required to perform the Hydro One Connection Work with the expenditure of Premium Costs where required;
- (f) where Hydro One needs to obtain leave to construct pursuant to Section 92 of the *Ontario Energy Board Act, 1998*, such leave is obtained on or before the date specified as the Approval Date in Schedule “A” of the Agreement;
- (g) where applicable, Hydro One received the easement described in Section 24 hereof by the Easement Date specified in Schedule “A” of the Agreement;
- (h) Hydro One has received or obtained prior to the dates upon which Hydro One requires any or one or more of the following under Applicable Laws in order to perform all or any part of the Hydro One Connection Work:
 - (i) environmental approvals, permits or certificates;
 - (ii) land use permits from the Crown; and
 - (iii) building permits and site plan approvals;
- (i) Hydro One is able, using reasonable efforts, to obtain all necessary land rights on terms substantially similar to the form of the easement that is attached hereto as Appendix “B” of these Standard Terms and Conditions for the Project, prior to the dates upon which Hydro One needs to commence construction of the Hydro One Connection Work in order to meet the Ready for Service Date;
- (j) there are no delays resulting from Hydro One being unable to obtain materials or equipment required from suppliers in time to meet the project schedule for any portion of the Hydro One Connection Work provided that such delays are beyond the reasonable control Hydro One; and

- (k) the Customer executed the Agreement on or before the date specified as the Execution Date.

The Customer 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.

6. Upon completion of the Hydro One Connection Work:

- (a) Hydro One shall own, operate and maintain all equipment specified in Schedule “A” of the Agreement under the heading “Ownership”; and
- (b) other than equipment referred to in (a) above that shall be owned, operated and maintained by Hydro One, all other equipment provided by Hydro One as part of the Hydro One Connection Work or provided by the Customer as part of the Customer Connection Work shall be owned, operated and maintained by the Customer.

The Customer acknowledges that:

- (i) ownership and title to the equipment referred to in (a) above shall throughout the Term and thereafter remain vested in Hydro One and the Customer shall have no right of property therein; and
- (ii) any portion of the equipment referred to in (a) above that is located on the Customer’s property shall be and remain the property of Hydro One and shall not be or become fixtures and/or part of the Customer’s property.

7. The Customer acknowledges and agrees that Hydro One is not responsible for the provision of power system components on the Customer’s Facilities, including, without limitation, all transformation, switching, metering and auxiliary equipment such as protection and control equipment.

All of the power system components on the Customer’s side of the Connection Point including, without limitation, all transformation, switching and auxiliary equipment such as protection and control equipment shall be subject to the acceptance of Hydro One with regard to Hydro One’s requirements to permit Connection of the New or

Modified Connection Facilities to Hydro One's transmission system, and shall be installed, maintained and operated in accordance with all Applicable Laws, codes and standards, including, but not limited to, the *Transmission System Code*, at the expense of the Customer.

8. Where Hydro One has equipment for automatic reclosing of circuit breakers after an interruption for the purpose of improving the continuity of supply, it shall be the obligation of the Customer to provide adequate protective equipment for the Customer's facilities that might be adversely affected by the operation of such reclosing equipment. The Customer shall provide such equipment as may be required from time to time by Hydro One for the prompt disconnection of any of the Customer's apparatus that might affect the proper functioning of Hydro One's reclosing equipment.

9. The Customer shall provide Hydro One with copies of the documentation specified in Schedule "A" of the Agreement under the heading "Documentation Required", acceptable to Hydro One, within 120 calendar days after the Ready for Service Date. The Customer shall ensure that Hydro One may retain this documentation for Hydro One's ongoing planning, system design, and operating review. The Customer shall also maintain and revise such documentation to reflect changes to the Customer's Facilities and provide copies to Hydro One on demand and as specified in the Connection Agreement.

Part B: Transformation Connection Pool Work and/or Line Connection Pool Work and/or Network Customer Allocated Work

10.1 To the extent that the Pool Funded Cost of the Hydro One Connection Work is not recoverable by Transformation Connection Revenue for the Transformation Connection Pool Work and/or Line Connection Revenue for the Line Connection Pool Work and/or Network Revenue for the Network Customer Allocated Work during the Economic Evaluation Period, the Customer agrees to pay Hydro One a Capital Contribution towards the Pool Funded Cost of the Transformation Connection Pool Work and/or a Capital Contribution towards the Pool Funded Cost of the Line Connection Pool Work and/or a Capital Contribution towards the Pool Funded Cost of the Network Customer

Allocated Work and any amounts payable to Hydro One under Subsection 12 (a) (i) hereof.

An estimate of the Engineering and Construction Cost (not including Taxes) of the Transformation Connection Pool Work and/or Line Connection Pool Work and/or Network Customer Allocated Work is provided in Schedule "B" of the Agreement.

An estimate of the Capital Contribution for each of the Transformation Connection Pool Work, the Line Connection Pool Work and the Network Customer Allocated Work is specified in Schedule "B" of the Agreement (plus Taxes). The Customer shall pay Hydro One the estimated Capital Contribution(s) in the manner specified in Schedule "B" of the Agreement.

Within 180 calendar days after the Ready for Service Date, Hydro One shall provide the Customer with a new Schedule "B" to replace Schedule "B" of the Agreement attached hereto which shall identify the following:

- (a) the actual Engineering and Construction Cost of the Transformation Connection Pool Work;
- (b) the actual Engineering and Construction Cost of the Line Connection Pool Work;
- (c) the actual Engineering and Construction Cost of the Network Customer Allocated Work;
- (d) the actual Engineering and Construction Cost of the Work Chargeable to Customer;
- (e) the actual Capital Contribution required to be paid by the Customer for each of the Transformation Connection Pool Work, the Line Connection Pool Work and the Network Customer Allocated Work; and
- (f) the revised Transformation Connection Revenue and/or Line Connection Revenue requirements and/or Network Revenue requirements based on the Load Forecast or the Adjusted Load Forecast, whichever is applicable.

The new Schedule "B" shall be made a part hereof as though it had been originally incorporated into the Agreement.

If an estimate of a Capital Contributions paid by the Customer exceeds the actual Capital Contribution required to be paid by the Customer for any or all of the Transformation Connection Pool Work, the

Line Connection Pool Work and the Network Customer Allocated Work, Hydro One shall refund the difference to the Customer (plus Taxes) within 30 days following the issuing of the new Schedule "B". If the estimate of a Capital Contribution paid by the Customer is less than the actual Capital Contributions required to be paid by the Customer for any or all of the Transformation Connection Pool Work, the Line Connection Pool Work and the Network Customer Allocated Work, the Customer shall pay Hydro One the difference (plus Taxes) within 30 days following the issuing of the new Schedule "B".

10.2 Hydro One shall not include the following amounts in the Capital Contributions referenced in Section 10.1, any capital contribution for:

- (a) a Connection Facility that was otherwise planned by Hydro One except for advancement costs;
- (b) capacity added to a Connection Facility in anticipation of future load growth not attributable to the Customer; or
- (c) the construction of or modifications to Hydro One's Network Facilities that may be required to accommodate the New or Modified Connection other than Network Customer Allocated Work unless Hydro One has indicated in Schedule "A" of the Agreement that exceptional circumstances exist so as to reasonably require the Customer to make a Capital Contribution.

10.3 Notwithstanding Sub-section 10.2(c) above, if Hydro One indicates in Schedule "A" of the Agreement that exceptional circumstances exist so as to reasonably require the Customer to make a Capital Contribution towards the Network Pool Work, Hydro One shall not, without the prior written consent of the Customer, refuse to commence or diligently perform the Network Pool Work pending direction from the OEB under section 6.3.5 of the *Transmission System Code* provided that the Customer provides Hydro One with a security deposit in accordance with Section 20 of these Standard Terms and Conditions.

Until such time as Hydro One has actually begun to perform the Network Pool Work, the Customer may request, in writing, that Hydro One not perform the Network Pool Work and Hydro One shall promptly

return to the Customer any outstanding security deposit related to the Network Pool Work.

10.4 If the Customer has made a Capital Contribution under Section 10.1 hereof for the construction or modification of a Hydro One-owned Connection Facility other than an enabler facility and where this Capital Contribution includes the cost of capacity on the Connection Facility in excess of the Customer's needs as indicated in Schedule "B" of the Agreement, Hydro One shall provide the Customer with a refund, calculated in accordance with Section 6.3.17A of the *Transmission System Code* if that capacity is assigned to another Load Customer within fifteen (15) years of the In Service Date of the Connection Facility.

11. Hydro One shall perform a True-Up, based on Actual Load:

- (a) at the True-Up Points specified in Schedule "A" of the Agreement; and
- (b) the time of disconnection where the Customer voluntarily and permanently disconnects the Customer's Facilities from Hydro One's transmission facilities and the prior to the final True-Up Point identified in (a) above.

For True-Up purposes, if the Customer does not pay a Capital Contribution, Hydro One shall provide the Customer with an Adjusted Load Forecast.

Hydro One shall perform True-Ups in a timely manner. Within 30 calendar days following completion of each of the True-Ups referred to in 11(a), Hydro One shall provide the Customer with the results of the True-Up.

12(a) If the result of a True-Up performed in accordance with Section 11 above is that the Actual Load and Updated Load Forecast is:

- (i) less than the load in the Load Forecast or the Adjusted Load Forecast, whichever is applicable, and therefore does not generate the forecasted Transformation Connection Revenue and/or Line Connection Revenue and/or Network Revenue required for the Economic Evaluation Period, the Customer shall pay Hydro One an amount equal to the shortfall adjusted to reflect the time value of money within 30 days after the date of Hydro One's invoice therefor; and

(ii) more than the load in the Load Forecast or the Adjusted Load Forecast, whichever is applicable, and therefore generates more than the forecasted Transformation Connection Revenue and/or Line Connection Revenue and/or Network Revenue required for the Economic Evaluation Period, Hydro One shall post the excess Transformation Connection Revenue and/or Line Connection Revenue and/or Network Revenue as a credit to the Customer in a notional account. Hydro One shall apply this credit against any shortfall in subsequent True-Up calculations. Where the Customer paid a Capital Contribution in accordance with Section 10.1 hereof, Hydro One shall rebate the Customer an amount that is the lesser of the credit balance in the notional account adjusted to reflect the time value of money, and the Capital Contribution adjusted to reflect the time value of money by no later than 30 days following the final True-Up calculation.

12(b) All adjustments to reflect the time value of money to be performed under Subsection 12(a) above shall be performed in accordance with the OEB-Approved Connection Procedures. As of the date of this Agreement, the time value of money is determined using Hydro One's after-tax cost of capital as used in the original economic evaluation performed in accordance with the requirements of the *Transmission System Code*.

13.1 With respect to the installation of embedded generation (as determined in accordance with Section 11.1 of the *Transmission System Code*) during the applicable True-Up period Hydro One shall comply with the requirements of Section 6.5.8 of the *Transmission System Code* when carrying out True-Up calculations if the Customer is a Distributor or the requirements of Section 6.5.9 of the *Transmission System Code* when carrying out True-Up calculations if the Customer is a Load Customer other than a Distributor.

13.2 With respect to energy conservation, energy efficiency, load management or renewable energy activities that occurred during the applicable True-Up period Hydro One shall comply with the requirements of Section 6.5.10 of the *Transmission System Code* when carrying out True-Up calculations provided that the Customer demonstrates to the reasonable satisfaction of

Hydro One (such as by means of an energy study or audit) that the amount of any reduction in the Customer's load has resulted from energy conservation, energy efficiency, load management or renewable energy activities that occurred during the applicable True-Up period.

14. Hydro One shall provide the Customer with all information pertaining to the calculation of all Engineering and Construction Costs, Capital Contributions and True-Ups that the Customer is entitled to receive in accordance with the requirements of the *Transmission System Code*.

Part C: Work Chargeable to Customer, Network Pool Work and Premium Costs

15.1 The Customer shall pay Hydro One's Engineering and Construction Cost (plus Taxes) of the Hydro One Connection Work described as Work Chargeable to Customer in Schedule "A" of the Agreement which is estimated to be the amounts specified in Schedule "B" of the Agreement in the manner specified in Schedule "B" of the Agreement.

Hydro One shall identify the actual Engineering and Construction Cost of the Work Chargeable to Customer in the revised Schedule "B" provided to the Customer in accordance with Section 10.1 of this Agreement. Any difference between the Engineering and Construction Cost of the Work Chargeable to Customer (plus Taxes) and the amount already paid by the Customer shall be paid within 30 days after the issuance of the revised Schedule "B" by:

- (a) Hydro One to the Customer, if the amount already paid by the Customer exceeds the Engineering and Construction Cost of the Work Chargeable to Customer (plus Taxes); or
- (b) the Customer to Hydro One, if the amount already paid by the Customer is less than the Engineering and Construction Cost of the Work Chargeable to Customer (plus Taxes).

15.2 Subject to Sections 10.3 and 18 hereof, Hydro One shall perform the Hydro One Connection Work described as Network Pool Work in Part 3 of Schedule "A" of the Agreement at Hydro One's sole expense.

16. As the Project is schedule-driven and as the estimated costs specified in Schedule "B" of the Agreement are based upon normal timelines for delivery of material and performance of work, in addition to the amounts that the Customer is required to pay pursuant to Section 10.1 and 15.1 above, the Customer agrees to pay Hydro One's Premium Costs if the Customer causes or contributes to any delays, including, but not limited to, the Customer failing to execute the Agreement by the Execution Date specified in Schedule "A" of the Agreement.

Hydro One shall obtain the Customer's approval prior to Hydro One authorizing the purchase of materials or the performance of work that attracts Premium Costs. The Customer acknowledges that its failure to approve an expenditure of Premium Costs may result in further delays and Hydro One shall not be liable to the Customer as a result thereof. Hydro One shall invoice the Customer for expenditures of Premium Costs approved by the Customer within 180 calendar days after the Ready for Service Date.

Part D: Right of Customer to By-Pass Existing Load Facilities

17.1 Obligation to Notify Hydro One of Customer's Intent to Bypass an Existing Load Facility: If the Customer chooses to exercise its rights under the *Transmission System Code* and the Agreement to bypass the Existing Load Facility, the Customer shall notify Hydro One, in writing, in accordance with the requirements of Schedule J of the Connection Agreement prior to transferring load from the Existing Load Facility. Upon receiving the notice, Hydro One will proceed in accordance with Section 6.7 of the *Transmission System Code* and the applicable terms of the Connection Agreement.

17.2 Hydro One has not received a Notice of Customer Intent to Bypass an Existing Load Facility and Customer has Transferred Existing Load: Where Hydro One determines that the Customer has transferred load from the Existing Load Facility without notifying Hydro One in accordance with the requirements of Schedule J of the Connection Agreement, Hydro One will notify the Customer, all other load customers served by the connection facility and the OEB of a potential by-pass situation in accordance with the OEB-

Approved Connection Procedures and its obligations in Section 6.7 of the Code and the applicable terms of the Connection Agreement. If the Customer does not intend to by-pass the Existing Load Facility, the Customer must, in accordance with the OEB-Approved Connection Procedures:

- (a) notify Hydro One and the OEB within 30 days of receiving Hydro One's notification of potential by-pass, that it has no intention of by-passing Hydro One's Existing Load Facility;
- (b) transfer the load back to the Existing Load Facility within an agreed time period; and
- (c) compensate Hydro One for the lost revenues.

17.3 The Customer agrees that Sections 17.1 and 17.2 above shall also be terms of the Connection Agreement.

Part E: Cancellation or Termination of Project and Early Termination of Agreement for Breach

18. Notwithstanding any other term of the Agreement, if at any time prior to the In-Service Date, the Project is cancelled or the Agreement is terminated for any reason whatsoever other than breach of the Agreement by Hydro One, the Customer shall pay Hydro One's Engineering and Construction Cost (plus Taxes) of the Line Connection Pool Work, the Transformation Connection Pool Work, the Network Pool Work, the Network Customer Allocated Work and the Work Chargeable to Customer incurred on and prior to the date that the Project is cancelled or the Agreement is terminated, including the preliminary design costs and all costs associated with the winding up of the Project, including, but not limited to, storage costs, vendor cancellation costs, facility removal expenses and any environmental remediation costs.

If the Customer provides written notice to Hydro One that it is cancelling the Project, Hydro One shall have 10 Business Days to provide written notice to the Customer listing the individual items listed as materials which it agrees to purchase. Hydro One shall deduct the actual cost of those individual items of materials being purchased by Hydro One from the Engineering and Construction Costs referred to above.

If Hydro One does not require all or part of the materials, the Customer may exercise any of the following options or a combination thereof:

- (a) where materials have been ordered but all or part of the materials have not been received by Hydro One, the Customer shall have the right to require Hydro One, at the Customer's sole expense, to continue with the purchase of the materials and transfer title to those materials on an "as is, where is basis" to the Customer upon the Customer paying Hydro One's Engineering and Construction Costs (plus Taxes) provided that the Customer exercises this option within 15 Business Days of the termination or cancellation; or
- (b) where all or part of the materials have been received by Hydro One but have not been installed, the Customer shall have the right to require Hydro One, at the Customer's sole expense, to transfer title to the materials on an "as is, where is basis" to the Customer upon the Customer paying Hydro One's Engineering and Construction Costs (plus Taxes) provided that the Customer exercises this option within 15 Business Days of the termination or cancellation. The Customer shall also be responsible for any warehousing costs associated with the storage of the materials to the date of transfer; or
- (c) where all or part of the materials have been received by Hydro One and have been installed, the Customer shall have the right to require Hydro One, at the Customer's sole expense, to: transfer title to the materials on an "as is, where is basis" to the Customer upon the later of (A) the Customer paying Hydro One's Engineering and Construction Costs (plus Taxes); and (B) the date that Hydro One removes the materials from its property at the risk of the Customer; provided that the Customer exercises this option within 15 Business Days of the termination or cancellation. The Customer shall also be responsible for any Engineering and Construction Costs (plus Taxes) associated with the removal of the materials that have been installed by Hydro One.

The Customer shall pay Hydro One's Engineering and Construction Costs (plus Taxes) which become payable under this Section 18 within 30 calendar days after the date of invoice.

Part F: Sale, Lease, Transfer or Other Disposition of Customer's Facilities

19. In the event that the Customer sells, leases or otherwise transfers or disposes of the Customer's Facilities to a third party during the Term of the Agreement, the Customer shall cause the purchaser, lessee or other third party to whom the Customer's Facilities are transferred or disposed to enter into an assumption agreement with Hydro One to assume all of the Customer's obligations in the Agreement; and notwithstanding such assumption agreement unless Hydro One agrees otherwise, in writing, the Customer shall remain obligated under Sections 10.1, 12, 15.1 and 16 hereof. The Customer further acknowledges and agrees that in the event that all or a portion of the Customer's Facilities are shut down, abandoned or vacated for any period of time during the Term of the Agreement, the Customer shall remain obligated under Sections 10.1, 12, 15.1 and 16 for the said time period.

Part G: Security Requirements

20. If Hydro One requires that the Customer furnish security, which at the Customer's option may be in the form of cash, letter of credit or surety bond, the Customer shall furnish such security in the amount and by the dates specified in Schedule "A" of the Agreement. Hydro One shall return the security deposit to the Customer as follows:

- (a) security deposits in the form of cash shall be returned to the Customer, together with Interest, less the amount of any Capital Contribution owed by the Customer once the Customer's Facilities are connected to Hydro One's New or Modified Connection Facilities; and
- (b) security deposits in any other form shall be returned to the Customer once the Customer's Facilities are connected to Hydro One's New or Modified Connection Facilities and any Capital Contribution has been paid.

Notwithstanding the foregoing, Hydro One may keep all or a part of the security deposit: (a) where and to the extent that the Customer fails to pay any amount due under the Agreement within the time stipulated for payment; or (b) in the circumstances described in the OEB-Approved Connection Procedures.

Part H: Disputes

21. All disputes, including, but not limited to, disputes related to:

- (a) the cost and the allocation of the costs under this Agreement;
- (b) the cost and the allocation of costs of the Hydro One Connection Work and notwithstanding Hydro One's decision not to allocate or to allocate any part of the costs of this work to the Customer at this time; or
- (c) any other costs and the allocation of any other costs associated with, related to, or arising out of the connection of the Project to Hydro One's transmission system or Hydro One's policies in respect of connections generally,

shall be dealt with in accordance with the dispute resolution procedure set out in the OEB-Approved Connection Procedures.

22. If a dispute arises while Hydro One is constructing the New or Modified Connection Facilities, Hydro One shall not cease the work or slow the pace of the work without leave of the OEB.

23. Hydro One shall refund to the Customer or the Customer shall pay to Hydro One any portion of Capital Contributions, as the case may be, which the OEB subsequently determines should not have been allocated to the Customer or should have been allocated to the Customer by Hydro One but were not, as the case may be, or should have been allocated in a manner different from that allocated by Hydro One in this Agreement. This obligation shall survive the termination of this Agreement.

Part I: Easement

24. If specified in Schedule "A" that an easement(s) is required from the Customer, the Customer shall grant an easement to Hydro One substantially in the form of the easement attached hereto as Appendix "B" of these Standard Terms and Conditions for the property(ies) described as the Easement Lands in Schedule "A" on or before the date specified as the Easement Date in Schedule "A" (hereinafter referred to as the "Easement") with good and marketable title thereto, free of all encumbrances, first in priority except as noted herein, and in registerable form, in consideration of the sum of \$2.00.

Part J: Events of Default

25. Each of the following events shall constitute an "Event of Default" under the Agreement:

- (a) failure by the Customer to pay any amount due under the Agreement, including any amount payable pursuant to Sections 10.1, 12, 15.1, 16 or 18 within the time stipulated for payment;
- (b) breach by the Customer or Hydro One of any Material term, condition or covenant of the Agreement; or
- (c) the making of an order or resolution for the winding up of the Customer or Hydro One or of their respective operations or the occurrence of any other dissolution, bankruptcy or reorganization or liquidation proceeding instituted by or against the Customer or Hydro One.

For greater certainty, a dispute shall not be considered an Event of Default under this Agreement. However, a Party's failure to comply, within a reasonable period of time, with the terms of a determination of such a dispute by the OEB or with a decision of a court of competent jurisdiction with respect to a determination made by the OEB shall be considered an Event of Default under the Agreement.

26. Upon the occurrence of an Event of Default by the Customer hereunder (other than those specified in Section 25(c) of the Agreement, for which no notice is required to be given by Hydro One), Hydro One shall give the Customer written notice of the Event of Default and allow the Customer 30 calendar days from the date of receipt of the notice to rectify the Event of Default, at the Customer's sole expense. If such Event of Default is not cured to Hydro One's reasonable satisfaction within the 30 calendar day period, Hydro One may, in its sole discretion, exercise the following remedy in addition to any remedies that may be available to Hydro One under the terms of the Agreement, at common law or in equity: deem the Agreement to be repudiated and, after giving the Customer at least 10 calendar days' prior written notice thereof, recover, as liquidated damages and not as a penalty, the following:

- (a) the sum of the amounts payable by the Customer pursuant to Sections 10.1, 12, 15.1 and where applicable, Section 16 less any amounts already paid by the Customer in accordance with Section 10.1, 12, 15.1 and 16

if this clause is invoked after the In-Service Date; or

- (b) the amounts payable under Section 16 and 18 less any amounts already paid by the Customer in accordance with Sections 10.1, 15.1 and 16 if this clause is invoked prior to the In-Service Date.

27. Upon the occurrence of an Event of Default by Hydro One hereunder (other than those specified in Section 25(c), the Customer shall give Hydro One written notice of the Event of Default and shall allow Hydro One 30 calendar days from the date of receipt of the notice to rectify the Event of Default at Hydro One's sole expense. If such Event of Default is not cured to the Customer's reasonable satisfaction within the 30 calendar day period, the Customer may pursue any remedies available to it at law or in equity, including at its option the termination of the Agreement.

28. All rights and remedies of Hydro One and the Customer provided herein are not intended to be exclusive but rather are cumulative and are in addition to any other right or remedy otherwise available to Hydro One and the Customer respectively at law or in equity, and any one or more of Hydro One's and the Customer's rights and remedies may from time to time be exercised independently or in combination and without prejudice to any other right or remedy Hydro One or the Customer may have or may not have exercised. The parties further agree that where any of the remedies provided for and elected by the non-defaulting party are found to be unenforceable, the non-defaulting party shall not be precluded from exercising any other right or remedy available to it at law or in equity.

Part K: Changes to Transmission Rates

29. In the event that the Transformation Connection Service Rate, the Line Connection Service Rate or the Network Service Rate is rescinded or the methodology of determination or components is materially changed, the Parties agree to negotiate a new mechanism for the purposes of the Agreement, provided that such new mechanism will not result in an increase in the amounts of Capital Contribution or Security Deposits payable by the Customer to Hydro One hereunder. The Parties shall have 90 calendar days from the

effective date of rescission or fundamental change of the Transformation Connection Service Rate, the Line Connection Service Rate or the Network Service Rate to agree to a new mechanism that is, to the extent possible, fair to the parties and constitutes a reasonably comparable replacement for the Transformation Connection Service Rate, the Line Connection Service Rate or the Network Service Rate. If the Parties are unable to successfully negotiate a replacement within that 90 calendar day period, this shall be considered a dispute under the terms of this Agreement and the parties shall follow the dispute resolution procedure set out in the OEB-Approved Connection Procedures.

Any settlement on a new mechanism pursuant to this Section 29 shall apply retroactively from the date on which the Transformation Connection Service Rate, the Line Connection Service Rate or the Network Service Rate was rescinded or fundamentally changed. Until such time as a new mechanism is determined hereunder, any amounts to be paid by the Customer under the Agreement shall be based on the Transformation Connection Service Rate, the Line Connection Service Rate or the Network Service Rate in effect prior to the effective date of any such changes.

Part L: Incorporation of Liability and Force Majeure Provisions

30. PART III: LIABILITY AND FORCE MAJEURE (with the exception of Section 15.5 thereof) and Sections 1.1.12 and 1.1.17 of the Connection Agreement are hereby incorporated in their entirety by reference into, and form an integral part of the Agreement. Unless the context otherwise requires, all references in PART III: LIABILITY AND FORCE MAJEURE TO "this Agreement" shall be deemed to be a reference to the Agreement and all references to the "the Transmitter" shall be deemed to be a reference to Hydro One.

For the purposes of this Section 30, the Parties agree that the reference to:

- (a) the Transmitter in lines 3 and 4 of Section 15.1 means the Transmitter or any party acting on behalf of the Transmitter such as contractors, subcontractors, suppliers, employees and agents; and

- (b) the Customer in lines 3 and 4 of Section 15.2 means the Customer or any party acting on behalf of the Customer such as contractors, subcontractors, suppliers, employees and agents.

Part M: General

31. This Agreement is subject to the *Transmission System Code* and the OEB-Approved Connection Procedures. If any provision of this Agreement is inconsistent with the:

- (a) *Transmission System Code*, the said provision shall be deemed to be amended so as to comply with the *Transmission System Code*;
- (b) OEB-Approved Connection Procedures the said provision shall be deemed to be amended so as to comply with the OEB-Approved Connection Procedures; and
- (c) Connection Agreement made between the parties, associated with the new customer connection facilities, on the same subject matter, the Connection Agreement governs.

32. The failure of either party hereto to enforce at any time any of the provisions of the Agreement or to exercise any right or option which is herein provided shall in no way be construed to be a waiver of such provision or any other provision nor in any way affect the validity of the Agreement or any part hereof or the right of either party to enforce thereafter each and every provision and to exercise any right or option. The waiver of any breach of the Agreement shall not be held to be a waiver of any other or subsequent breach. Nothing shall be construed or have the effect of a waiver except an instrument in writing signed by a duly authorized officer of the party against whom such waiver is sought to be enforced which expressly waives a right or rights or an option or options under the Agreement.

33. Other than as specifically provided in the Agreement, no amendment, modification or supplement to the Agreement shall be valid or binding unless set out in writing and executed by the parties with the same degree of formality as the execution of the Agreement.

34. Any written notice required by the Agreement shall be deemed properly given only if

either mailed or delivered to the Secretary, Hydro One Networks at 483 Bay Street, 8th Floor, South Tower, Toronto, ON M5G 2P5, fax no: (416) 345-6972 on behalf of Hydro One, and to the person at the address specified in Schedule "A" of the Agreement on behalf of the Customer. A faxed notice shall be deemed to be received on the date of the fax if received before 3 p.m. on a business day or on the next business day if received after 3 p.m. or a day that is not a business day. 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.

35. The Agreement 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.

36. The Agreement may be executed in counterparts, including facsimile counterparts, each of which shall be deemed an original, but all of which shall together constitute one and the same agreement.

37. The Customer shall provide Hydro One with a copy of the Customer's final monthly bills associated with the transmission of electricity from the Existing Load Facilities and/or the Customer's Facilities or authorize the IESO to provide Hydro One with same. Hydro One agrees to use this information solely for the purpose of the Agreement.

38. **Invoices and Interest:** Invoiced amounts are due 30 days after invoice issuance. All overdue amounts including, but not limited to amounts that are not invoiced but required under the terms of this Agreement to be paid in a specified time period, shall bear interest at 1.5% per month compounded monthly (19.56 percent per year) for the time they remain unpaid.

39. The obligation to pay any amount due hereunder, including, but not limited to, any amounts due under Sections 10.1, 12, 15.1, 16, 18 or 23 shall survive the termination of the Agreement.

Appendix “A”: Definitions

In the Agreement, unless the context otherwise requires, terms which appear therein without definition, shall have the meanings respectively ascribed thereto in the *Transmission System Code* and unless there is something in the subject matter or context inconsistent therewith, the following words shall have the following meanings:

“**Actual Load**” means the actual load delivered by Hydro One to the Customer up to the True-Up Point in excess of the Normal Capacity of the Existing Load Facilities.

“**Assigned Capacity**” is calculated in accordance with Section 6.2.2 of the *Transmission System Code*.

“**Adjusted Load Forecast**” means a Load Forecast that has been adjusted to the point where the present value of the Transformation Connection Revenue and/or Line Connection Revenue and/or Network Revenue equals the present value of the Pool Funded Cost of the Transformation Connection Pool Work and/or the Pool Funded Cost of the Line Connection Pool Work and/or the Pool Funded Cost of the Network Customer Allocated Work.

“**Agreement**” means the Connection Cost Recovery Agreement, Schedules “A” and “B” attached thereto and these Standard Terms and Conditions.

“**Applicable Laws**” means any and all applicable laws, including environmental laws, statutes, codes, licensing requirements, treaties, directives, rules, regulations, protocols, policies, by-laws, orders, injunctions, rulings, awards, judgments or decrees or any requirement or decision or agreement with or by any government or governmental department, commission board, court authority or agency.

“**Approval Date**” means for the purpose of Subsection 5(f) of the Terms and Conditions, the date specified in Schedule “A” of the Agreement.

“**Capital Contribution**” means a capital contribution calculated using the economic evaluation methodology set out in the *Transmission System Code*.

“**Connect and Connection**” has the same meaning ascribed to the term “Connect” in the *Transmission System Code*.

“**Connection Agreement**” means the form of connection agreement appended to the *Transmission System Code* as Appendix 1, Version 1.

“**Connection Facilities**” has the meaning set forth in the *Transmission System Code*.

“**Connection Point**” has the meaning set forth in the *Transmission System Code* and for this project, is as specified in Schedule “A” of the Agreement.

“**Customer Connection Work**” means the work to be performed by the Customer, at its sole expense, which is described in Schedule “A” of the Agreement.

“**Customer Connection Risk Classification**” is as specified in Schedule “A” of the Agreement.

“**Customer’s Facilities**” has the meaning set forth in the *Transmission System Code*, and includes, but is not limited to any new, modified or replaced Customer’s Facilities.

“**Customer’s Property(ies)**” means any lands owned by the Customer in fee simple or where the Customer has easement rights.

“**Distributor**” has the meaning set forth in the *Transmission System Code*.

“**Economic Evaluation Period**” means the period of five (5) years for high risk connection, ten (10) years for a medium-high risk connection, fifteen (15) years for a medium-low risk connection and twenty-five years for a low risk connection commencing on the In Service Date whichever is applicable to the Customer as specified in Schedule “A” of the Agreement.

“**Engineering and Construction Cost**” means Hydro One’s charge for equipment, labour and materials at Hydro One’s standard rates plus Hydro One’s standard overheads as well as interest during construction using Hydro One’s capitalization rate in effect during the construction period.

“**Electricity Act, 1998**” means the *Electricity Act, 1998* being Schedule “A” of the *Energy Competition Act, S.O. 1998, c.15*, as amended.

“Existing Load” in relation to the Customer and each of the Existing Load Facilities is equal to the Customer’s Assigned Capacity at each of the Existing Load Facilities on the date of this Agreement.

“Existing Load Facility or Existing Load Facilities” means the connection facility(ies) owned by Hydro One as specified in the Existing Load Table in Schedule “A” of the Agreement where the Customer has Existing Load.

“Force Majeure Event” has the meaning ascribed thereto in the Connection Agreement.

“HST” means the Harmonized Sales Tax.

“Hydro One Connection Work” means the work to be performed by Hydro One, which is described in Schedule “A” of the Agreement.

“Hydro One Facilities” means Hydro One’s structures, lines, transformers, breakers, disconnect switches, buses, voltage/current transformers, protection systems, telecommunication systems, cables and any other auxiliary equipment used for the purpose of transmitting electricity.

“Hydro One’s Property(ies)” means any lands owned by Hydro One in fee simple or where Hydro One now or hereafter has obtained easement rights.

“IESO” means the Independent Electricity System Operator continued under the *Electricity Act, 1998*.

“In Service Date” has the same meaning ascribed to the term “comes into service” in the *Transmission System Code*.

“Incremental Network Load” means the Customer’s New Load less the amount of load, if any, that has been by-passed by the Customer at any of Hydro One’s connection facilities.

“Interest” means the interest rates specified by the OEB to be applicable to security deposits in the form of cash as specified in Subsection 6.3.11(b) in the *Transmission System Code*.

“Line Connection Pool Work” means the Hydro One Connection Work specified in Schedule “A” of the Agreement under the heading “Line Connection Pool Work”.

“Line Connection Revenue” means the amount of line connection revenue attributable to that part of the Customer’s New Load to be received by Hydro One through the monthly collection of the Line Connection Service Rate during the Economic Evaluation Period.

“Line Connection Service Rate” means the line connection service rate approved by the OEB in Hydro One’s Rate Order from time to time, or any mechanism instituted in accordance with Section 29.

“Load Customer” has the meaning set forth in the *Transmission System Code*.

“Load Forecast” means the initial load forecast of the New Load in excess of the Normal Capacity of the Existing Load Facilities used in the initial economic evaluation for the Economic Evaluation Period.

“Material” relates to the essence of the contract, more than a mere annoyance to a right, but an actual obstacle preventing the performance or exercise of a right.

“Network Customer Allocated Work” means the construction of or modifications to Network Facilities specified in Schedule “A” of the Agreement under the heading “Network Customer Allocated Work” that are minimum connection requirements.

“Network Facilities” has the meaning set forth in the *Transmission System Code*.

“Network Pool Work” means the Hydro One Connection Work specified in Schedule “A” of the Agreement under the heading “Network Pool Work”.

“Network Revenue” means the amount of network revenue attributable to the Incremental Network Load to be received by Hydro One through the monthly collection of the Network Service Rate during the Economic Evaluation Period.

“Network Service Rate” ” means the network service rate approved by the OEB in Hydro One’s Rate Order from time to time, or any mechanism instituted in accordance with Section 29.

“New Load” means the load at the New or Modified Connection Facility that is in excess of, for each of the Existing Load Facilities, the lesser of the Existing Load or the Normal Capacity.

“New or Modified Connection Facilities” means the facilities owned by Hydro One as specified in Schedule “A” of the Agreement.

“Normal Capacity” means, where the Customer is:

- (a) the only Load Customer supplied by an Existing Load Facility, the total normal supply capacity of the Existing Load Facility as determined in accordance with the OEB-Approved Connection Procedures; and
- (b) one of two or more Load Customers served by an Existing Load Facility, the Customer’s pro-rated share of the total normal supply capacity of the Existing Load Facility as determined in accordance with the OEB-Approved Connection Procedures.

“OEB” means the Ontario Energy Board.

“OEB-Approved Connection Procedures” means Hydro One’s connection procedures as approved by the OEB from time to time.

“Ontario Energy Board Act” means the *Ontario Energy Board Act* being Schedule “B” of the *Energy Competition Act*, S.O. 1998, c. 15, as amended.

“Pool-Funded Cost” means the present value of the Engineering and Construction Cost and projected on-going maintenance and other related incremental costs (including, but not limited to applicable taxes, and net of tax benefits), of each of the Transformation Connection Pool Work, the Line Connection Pool Work and/or the Network Customer Allocated Work calculated in accordance with the principles, criteria and methodology set out in Appendices 4 and 5 of the Transmission System Code.

“Premium Costs” means those costs incurred by Hydro One in order to maintain or advance the Ready for Service Date, including, but not limited to, additional amounts expended for materials or services due to short time-frame for delivery; and the difference between having Hydro One’s employees, agents and contractors perform work on

overtime as opposed to during normal business hours.

“Rate Order” has the meaning ascribed thereto in the *Transmission System Code*.

“Ready for Service Date” means the date upon which the Hydro One Connection Work is fully and completely constructed, installed, commissioned and energised to the Connection Point. The Customer’s disconnect switches must be commissioned prior to this date in order to use them as isolation points.

“Standard Terms and Conditions” means these Standard Terms and Conditions for Low Risk Transmission Customer Connection Projects and Appendices “A” and “B” attached hereto.

“Taxes” means all property, municipal, sales, use, value added, goods and services, harmonized and any other non-recoverable taxes and other similar charges (other than taxes imposed upon income, payroll or capital).

“Transformation Connection Pool Work” means the Hydro One Connection Work specified in Schedule “A” of the Agreement under the heading “Transformation Connection Pool Work”.

“Transformation Connection Revenue” means the amount of transformation connection revenue attributable to that part of the Customer’s New Load to be received by Hydro One through the monthly collection of the Transformation Connection Service Rate during the Economic Evaluation Period.

“Transformation Connection Service Rate” means the line connection service rate approved by the OEB in Hydro One’s Rate Order from time to time, or any mechanism instituted in accordance with Section 29.

“Transmission System Code” or “Code” means the code of standards and requirements issued by the OEB on July 25, 2005 that came into force on August 20, 2005 as published in the Ontario Gazette, as it may be amended, revised or replaced in whole or in part from time to time.

“Transmitter’s Facilities” has the meaning ascribed thereto in the *Transmission System Code*.

“True-Up” means the calculation to be performed by Hydro One, as a transmitter, at each True-Up Point in accordance with the requirements of Subsection 6.5.4 of the *Transmission System Code*.

“True-Up Point” means the points of time based upon the Customer Connection Risk Classification when Hydro One is required to perform a True-Up as described in Section 11 of these Terms and Conditions.

“Updated Load Forecast” means the load forecast of the New Load in excess of the Normal Capacity of the Existing Load Facilities for the remainder of the Economic Evaluation Period.

“Work Chargeable to Customer” means the Hydro One Connection Work specified in Part 4 of Schedule “A” of the Agreement under the heading “Work Chargeable to Customer”.

Appendix "B": Form of Easement

INTEREST / ESTATE TRANSFERRED

The Transferor is the owner in fee simple and in possession of _____

_____ (the "**Lands**").

The Transferee has erected, or is about to erect, certain Works (as more particularly described in paragraph 1(a) hereof) in, through, under, over, across, along and upon the Lands.

1 The Transferor hereby grants and conveys to Hydro One Networks Inc, its successors and assigns the rights and easement, free from all encumbrances and restrictions, the following unobstructed and exclusive rights, easements, rights-of-way, covenants, agreements and privileges in perpetuity (the "**Rights**") in, through, under, over, across, along and upon that portion of the Lands of the Transferor described herein and shown highlighted on Schedule "A" hereto annexed (the "**Strip**") for the following purposes:

- (a) To enter and lay down, install, construct, erect, maintain, open, inspect, add to, enlarge, alter, repair and keep in good condition, move, remove, replace, reinstall, reconstruct, relocate, supplement and operate and maintain at all times in, through, under, over, across, along and upon the Strip an electrical transmission system and telecommunications system consisting in both instances of a pole structures, steel towers, anchors, guys and braces and all such aboveground or underground lines, wires, cables, telecommunications cables, grounding electrodes, conductors, apparatus, works, accessories, associated material and equipment, and appurtenances pertaining to or required by either such system (all or any of which are herein individually or collectively called the "**Works**") as in the opinion of the Transferee are necessary or convenient thereto for use as required by Transferee in its undertaking from time to time, or a related business venture.
- (b) To enter on and selectively cut or prune, and to clear and keep clear, and remove all trees (subject to compensation to Owners for merchantable wood values), branches, bush and shrubs and other obstructions and materials in, over or upon the Strip, and without limitation, to cut and remove all leaning or decayed trees located on the Lands whose proximity to the Works renders them liable to fall and come in contact with the Works or which may in any way interfere with the safe, efficient or serviceable operation of the Works or this easement by the Transferee.
- (c) To conduct all engineering, legal surveys, and make soil tests, soil compaction and environmental studies and audits in, under, on and over the Strip as the Transferee in its discretion considers requisite.
- (d) To erect, install, construct, maintain, repair and keep in good condition, move, remove, replace and use bridges and such gates in all fences which are now or may hereafter be on the Strip as the Transferee may from time to time consider necessary.
- (e) Except for fences and permitted paragraph 2(a) installations, to clear the Strip and keep it clear of all buildings, structures, erections, installations, or other obstructions of any nature (hereinafter collectively called the "**obstruction**") whether above or below ground, including removal of any materials and equipment or plants and natural growth, which in the opinion of the Transferee, endanger its Works or any person or property or which may be likely to become a hazard to any Works of the Transferee or to any persons or property or which do or may in any way interfere with the safe, efficient or serviceable operation of the Works or this easement by the Transferee.
- (e) To enter on and exit by the Transferor's access routes and to pass and repass at all times in, over, along, upon and across the Strip and so much of the Lands as is reasonably required, for

Transferee, its respective officers, employees, agents, servants, contractors, subcontractors, workmen and permittees with or without all plant machinery, material, supplies, vehicles and equipment for all purposes necessary or convenient to the exercise and enjoyment of this easement and

- (f) To remove, relocate and reconstruct the line on or under the Strip.

2. The Transferor agrees that:

- (a) It will not interfere with any Works established on or in the Strip and shall not, without the Transferee's consent in writing, erect or cause to be erected or permit in, under or upon the Strip any obstruction or plant or permit any trees, bush, shrubs, plants or natural growth which does or may interfere with the Rights granted herein. The Transferor agrees it shall not, without the Transferee's consent in writing, change or permit the existing configuration, grade or elevation of the Strip to be changed and the Transferor further agrees that no excavation or opening or work which may disturb or interfere with the existing surface of the Strip shall be done or made unless consent therefore in writing has been obtained from Transferee, provided however, that the Transferor shall not be required to obtain such permission in case of emergency. Notwithstanding the foregoing, in cases where in the reasonable discretion of the Transferee, there is no danger or likelihood of danger to the Works of the Transferee or to any persons or property and the safe or serviceable operation of this easement by the Transferee is not interfered with, the Transferor may at its expense and with the prior written approval of the Transferee, construct and maintain roads, lanes, walks, drains, sewers, water pipes, oil and gas pipelines, fences (not to exceed 2 metres in height) and service cables on or under the Strip (the "**Installation**") or any portion thereof; provided that prior to commencing such Installation, the Transferor shall give to the Transferee thirty (30) days notice in writing thereof to enable the Transferee to have a representative present to inspect the proposed Installation during the performance of such work, and provided further that Transferor comply with all instructions given by such representative and that all such work shall be done to the reasonable satisfaction of such representative. In the event of any unauthorised interference aforesaid or contravention of this paragraph, or if any authorised interference, obstruction or Installation is not maintained in accordance with the Transferee's instructions or in the Transferee's reasonable opinion, may subsequently interfere with the Rights granted herein, the Transferee may at the Transferor's expense, forthwith remove, relocate, clear or correct the offending interference, obstruction, Installation or contravention complained of from the Strip, without being liable for any damages caused thereby.
- (b) notwithstanding any rule of law or equity, the Works installed by the Transferee shall at all times remain the property of the Transferee, notwithstanding that such Works are or may become annexed or affixed to the Strip and shall at anytime and from time to time be removable in whole or in part by Transferee.
- (c) no other easement or permission will be transferred or granted and no encumbrances will be created over or in respect to the Strip, prior to the registration of a Transfer of this grant of Rights.
- (d) the Transferor will execute such further assurances of the Rights in respect of this grant of easement as may be requisite.
- (e) the Rights hereby granted:
 - (i) shall be of the same force and effect to all intents and purposes as a covenant running with the Strip.

(ii) is declared hereby to be appurtenant to and for the benefit of the Works and undertaking of the Transferee described in paragraph 1(a).

3. The Transferee covenants and agrees to obtain at its sole cost and expense all necessary postponements and subordinations (in registrable form) from all current and future prior encumbrancers, postponing their respective rights, title and interests to the Transfer of Easement herein so as to place such Rights and easement in first priority on title to the Lands.
4. There are no representations, covenants, agreements, warranties and conditions in any way relating to the subject matter of this grant of Rights whether expressed or implied, collateral or otherwise except those set forth herein.
5. No waiver of a breach or any of the covenants of this grant of Rights shall be construed to be a waiver of any succeeding breach of the same or any other covenant.
6. The burden and benefit of this transfer of Rights shall run with the Strip and the Works and undertaking of the Transferee and shall extend to, be binding upon and enure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF the Transferor has hereunto set his hand and seal to this Agreement, this ___ day of _____, 200__.

SIGNED, SEALED AND DELIVERED

In the presence of)	
)	_____)
_____ (seal))	
Signature of Witness	)	Transferor's Signature
)	
)	
_____))	
_____ (seal))	
Signature of Witness	)	Transferor's Signature

SIGNED, SEALED AND DELIVERED)	
In the presence of	)	Consent Signature & Release of
	)	Transferor's Spouse, if non-owner.
)	
)	
_____))	
_____ (seal))	
Signature of Witness	)	_____ (seal)

CHARGEES

THE CHARGEE of land described in a Charge/Mortgage of Land dated _____

Between _____ and _____

and registered as Instrument Number _____ on _____ does

hereby consent to this Easement and releases and discharges the rights and easement herein from the said Charge/Mortgage of Land.

Name	Signature(s)	Date of Signatures
		Y M D

Per:

I/We have authority to bind the Corporation

THIS AMENDING AGREEMENT made the 13th day of July, 2021.

BETWEEN:

HYDRO ONE NETWORKS INC., a corporation incorporated pursuant to the laws of the Province of Ontario and licensed by the OEB ("**Hydro One**").

OF THE FIRST PART;

- and -

HYDRO OTTAWA LIMITED (the "**Customer**")

OF THE SECOND PART.

From time to time, Hydro One and the Customer shall be individually referred to in this Agreement as "Party" and collectively as "Parties".

WHEREAS:

1. Hydro One and the Customer entered into a Connection and Cost Recovery Agreement dated September 27, 2019 (collectively, the "**Agreement**");
2. the Parties intend to amend the Agreement to reflect a change to the ready for service date, and
3. the Parties intend to amend the Agreement in the manner set out below:

NOW THEREFORE, in consideration of the foregoing, and of the mutual covenants, agreements, terms and conditions herein contained, the Parties, intending to be legally bound, hereby agree as follows:

1. Each of the Parties represents and warrants that the recitals, to the extent that the recitals are applicable to that Party, are true and accurate and form part of this Amending Agreement.
2. All terms which are defined in the Agreement and which appear in this Amending Agreement without definition, shall have the meanings respectively ascribed thereto in the Agreement.
3. The Agreement is hereby amended by:
 - (a) in Schedule "A" of the Agreement, on page 5, under "**PROJECT SCOPE**" deleting the "**Ready for Service Date: November 15, 2021**" and replacing it with: "**Ready for Service Date: March 29, 2022**".
4. The Parties do hereby reconfirm that the terms and conditions of the Agreement as amended by this Amending Agreement shall continue to be in full force and effect.
5. This Amending Agreement and each of the Parties' respective rights and obligations under this Amending Agreement, shall be binding on and shall inure to the benefit of the Parties hereto and each of their respective successors and permitted assigns.
6. This Amending Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall together constitute one and the same agreement. Transmission of a

copy of an executed signature page of this Amending Agreement by facsimile transmission or e-mail in pdf format by a party shall be as effective as delivery of an original manually executed counterpart hereof.

7. This Amending Agreement 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.


IN WITNESS WHEREOF, the Parties hereto, intending to be legally bound, have caused this Amending Agreement to be executed by the signatures of their proper officers duly authorized in their behalf.

HYDRO ONE NETWORKS INC.



Name: ~~Susan Wylie~~ - Joe Zerdin, P.Eng.
Title: Director, Large Customer Account Management
I have the authority to bind the Corporation
July 13, 2021 | 7:16:12 AM PDT

HYDRO OTTAWA LIMITED

DocuSigned by:

A8115E39C3334D4...

Name: Guillaume Paradis
Title: Chief Electricity Distribution Officer
I have the authority to bind the Corporation

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – LOAD**

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) - LOAD

between

Hydro Ottawa Limited

and

Hydro One Networks Inc.

for

A6R Riverdale JCT x Overbrook TS

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

Hydro Ottawa Limited (the "Customer") has requested and Hydro One Networks Inc. ("Hydro One") has agreed to rebuild 115kV A5RK circuit section from [REDACTED] as a double circuit 115kV line; to connect the new circuit to A6R [REDACTED] and reconfigure the supply to [REDACTED] (the "Project") on the terms and conditions set forth in this Agreement dated 30th day of June, 2017 (the "Agreement") and the attached Standard Terms and Conditions for Load Customer Transmission Customer Connection Projects V5 6-2014 (the "Standard Terms and Conditions" or "T&C"). Schedules "A" and "B" attached hereto and the Standard Terms and Conditions are to be read with and form part of this Agreement.

Project Summary

The purpose of this project is to provide loading relief for the 115kV circuit A4K. Under the load forecast of the Regional Infrastructure Plan and the Integrated Regional Resource Plan, circuit A4K is expected to overload for the loss of A5RK. This project will reduce the loading on A4K by changing the supply to [REDACTED] from A5RK and A4K (existing supply) to A5RK and A6R (project supply). This work involves the rebuild of [REDACTED] long line section of A5RK from [REDACTED] as a double circuit 115kV line. One circuit will remain connected to A5RK, and the other circuit will be connected to A6R at [REDACTED]. At [REDACTED] tower #30 will be modified to allow the connection of A6R to the new circuit on the ROW. Overbrook TS will be reconfigured so that transformer T1's supply is changed from A4K to A6R.

Term: The term of this Agreement commences on the date first written above and terminates on the 25th anniversary of the In Service Date.

Special Circumstances

In addition to the circumstances described in Section 5 of the Standard Terms and Conditions, the Ready for Service Date is subject to:

- (a) the Customer executing and delivering this Agreement to Hydro One by no later than 30 day of June, 2017, (the "Execution Date"); and

Subject to Section 31, this Agreement 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.

[Intentionally left blank]

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – LOAD**

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

HYDRO OTTAWA LIMITED



Name: J. Bryce Conrad
Title: President and Chief Executive Officer
I have the authority to bind the Corporation

APPROVED FOR EXECUTION


General Counsel

HYDRO ONE NETWORKS INC.



Name: Spencer Gill
Title: Director, Large Account Management
Execution Date: **June 30, 2017**
I have the authority to bind the Corporation.

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – LOAD**

Schedule "A" A6R Riverdale x Overbrook

PROJECT SCOPE

New or Modified Connection Facilities

Hydro One will make the following modifications to its Facilities:

- Rebuild 115kV circuit A5RK between [REDACTED] as a double circuit 115kV line by replacing the existing towers and stringing new conductors.
- One of the circuits of the double circuit line will remain connected to A5RK.
- Connect the remaining circuit of the double circuit line to 115kV circuit A6R [REDACTED]
- Reconfigure Overbrook TS by changing the supply to transformer T1 from A4K to A6R. After the reconfiguration, Overbrook TS will be supplied by A5RK and A6R.
- Adjust circuit phasing on A5RK to reduce the EMF at the edge of the ROW of the new A6R/A5RK from [REDACTED].

Connection Point: [REDACTED]

Ready for Service Date: 31 day of May, 2019

HYDRO ONE CONNECTION WORK

Hydro One will provide project management, engineering, equipment and material, construction and commissioning of the Hydro One Connection Work. The scope of the Hydro One Connection Work is based on the requirements from:

- The IESO's System Impact Assessment (SIA) Report CAA ID #2017-600;

Hydro One or its agents:

- (i) 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;
- (ii) shall repair any damage caused to lands, owned by Hydro One or third parties, associated with or related to the Hydro One Connection Work;
- (iii) 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; and
- (iv) scrap all materials and equipment removed by Hydro One, or its agents, at site unless specifically stated otherwise.

Part 1: Transformation Connection Pool Work

Not applicable

Part 2: Line Connection Pool Work

The work described in this section is to rebuild the [REDACTED] single circuit 115kV line A5RK from [REDACTED] as a double circuit line. One circuit will remain connected to A5RK, and the other circuit will be connected to A6R at [REDACTED] and transformer T1 at [REDACTED]. Overbrook TS will be reconfigured to change the supply to its transformers from A5RK and A4K to A5RK and A6R.

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

Hydro One will:



- Rebuild the existing [REDACTED] 115kV single circuit line section of A5RK as double circuit line for a distance of approximately [REDACTED]. This work includes:
 - o Replace existing towers from #O1 to #O6 with steel poles. Six (6)-14S and one (1)-14M type steel poles will be used in the line corridor between existing tower #30 and #O7. Six (6) tapping structures BPE and three (3) tapping structures BPD will be built at Overbrook TS.
 - o Reinforce existing towers #30 and #O7.
 - o Provide new foundations to install new towers.
 - o String new conductor 1443.7kcmil ACSR/TW for both A5RK and A6R.
 - o String new skywire 7#5.
 - o Phasing will be coordinated to reduce the EMF.
- Obtain all environmental permits and approvals required for the completion of this project.
- Remove vegetation, as required, on the Right of Way.
- Work with MTO to obtain approval for highway closure for stringing of the tower.
- Ensure that the public is well informed and made aware of any Hydro One activity within the area.
- Hold pre-construction PIC and resident walk through to mark trees for removal.

Hawthorne TS

- Revise and update line protection
- Provide additional communication path between [REDACTED] on SONNET ring.

Riverdale JCT

- Modify tower #30 at [REDACTED] to accommodate A6R.
- Provide tap to A6R to connect to the new circuit.
- Remove vegetation, as required, on the Right of Way.

Overbrook TS

- Provide tapping into the station.
- Connect A6R to T1 and remove A4K connection to T1.
- Install disconnect switch with ground switch.
- Install CVT to A6R.
- Revise and update line protection and install required P&C equipment.
- Provide additional communication path between [REDACTED] on SONNET ring.

Riverdale TS

- Re-arrange phasing for reduction in EMF: swap the conductors of A5RK on the tower outside the station.
- Revise and update line protection

Russel TS

- Re-arrange phasing for reduction in EMF: swap the conductors of A5RK on the tower outside the station.
- Revise and update line protection

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

OHSC CGS

- Coordinate with OHSC CGS to revise line protection.

Part 3: Network Customer Allocated Work

Not applicable

Part 4: Network Pool Work (Non-Recoverable from Customer)

Not applicable

Part 5: Work Chargeable to Customer

Not applicable

Part 6: Scope Change

For the purposes of this Part 6 of Schedule "A", the term "Non-Customer Initiated Scope Change(s)" means one or more changes that are required to be made to the Project Scope as detailed and documented in Parts 1 to 5 of this Schedule "A" such as a result of any one or more of the following:

- any environmental assessment(s);
- requirement for Hydro One to obtain approval under Section 92 (leave to construct) of the Ontario Energy Board Act if the transmission line route selected by Hydro One is greater than 2 km in length;
- Hydro One having to expropriate property under the Ontario Energy Board Act;
- conditions included by the OEB in any approval issued by the OEB under Section 92 of the Ontario Energy Board Act or any approval issued by the OEB to expropriate under the Ontario Energy Board Act; and
- any IESO requirements identified in the System Impact Assessment or any revisions thereto.

Any change in the Project Scope as detailed and documented in Parts 1 to 5 of this Schedule "A" whether they are initiated by the Customer or are Non-Customer Initiated Scope Changes, may result in a change to the Project costs estimated in Schedule "B" of this Agreement and the Project schedule, including the Ready for Service Date.

All Customer initiated scope changes to this Project must be in writing to Hydro One.

Hydro One will advise the Customer of any cost and schedule impacts of any Customer initiated scope changes. Hydro One will advise the Customer of any Material cost and/or Material schedule impacts of any Non-Customer Initiated Scope Changes.

Hydro One will not implement any Customer initiated scope changes until written approval has been received from the Customer accepting the new pricing and schedule impact.

Hydro One will implement all Non-Customer initiated scope changes until the estimate of the Engineering and Construction Cost of all of the Non-Customer initiated scope changes made by Hydro One reaches 10% of the total sum of the estimates of the Engineering and Construction Cost of:

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – LOAD**

- (i) the Transformation Connection Pool Work,
- (ii) the Line Connection Pool Work;
- (iii) Network Pool Work;
- (iv) Network Customer Allocated Work; and
- (v) The Work Chargeable to Customer.

At that point, no further Non-Customer initiated scope changes may be made by Hydro One without the written consent of the Customer accepting new pricing and schedule impact. If the Customer does not accept the new pricing and schedule impact, Hydro One will not be responsible for any delay in the Ready for Service Date as a consequence thereof.

CUSTOMER CONNECTION WORK

The Customer will: Not applicable

EXISTING LOAD:

	A	B		
Existing Load Facility	Existing Load (MW) ¹	Normal Capacity (MW) ²		
Overbrook TS	81	110 ³		
King Edward TS	79	72		
Moulton MTS	19			
Cyrville MTS	34			

Notes:

1. Existing Load means the Customer's Assigned Capacity at the Existing Load Facility as of the date of this Agreement (Section 3.0.3 of the Transmission System Code). The loads shown in this table are as per the Customer's forecast for the year 2019.
2. Any station load above the Normal Capacity of the Existing Load Facility (Overload) will be determined in accordance with Section 6.7.9 of the Transmission System Code and Hydro One's Connection Procedures. If the Overload is transferred to the New or Modified Connection Facilities, the Overload will be credited to the Line Connection Revenue, Transformation Connection Revenue or Network Revenue requirement, whichever is applicable.
3. Expected capacity following the completion of upgrade work of Overbrook TS transformers. Subject to change.

OTHER RELEVANT CONSIDERATIONS:

The four stations; Overbrook TS, King Edward TS, Moulton MTS and Cyrville TS (called the Project Stations) considered in this CCRA are a subset of the load stations considered in the Hawthorne-Cyrville CCRA. The stations are supplied by A4K, and therefore, contribute to the A4K overload.

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – LOAD**

The capacity of A4K is 204MW. The sum of the incremental Project Stations load above A4K's capacity is used for load revenue calculation.

In order to avoid double-counting of loads between the current CCRA and the Hawthorne-Cyrville CCRA, the Project Stations loads in the Hawthorne-Cyrville CCRA will be capped at A4K's capacity of 204MW. Based on the forecast provided by the Customer, this load will be reached in 2019.

EXCEPTIONAL CIRCUMSTANCES RE. NETWORK CONSTRUCTION OR MODIFICATIONS:

No.

MISCELLANEOUS

Customer Connection Risk Classification: Low Risk

True-Up Points: If Low Risk (a) following the fifth and tenth anniversaries of the In Service Date; and
(b) following the fifteenth anniversary of the In Service Date if the Actual Load is 20% higher or lower than the Load Forecast at the end of the tenth anniversary of the In Service Date.

Customer's HST Registration Number: XXXXXXXXXX

Documentation Required (after In Service Date): As built drawings or as prescribed by Hydro One.

Ownership: Hydro One will own all equipment provided by Hydro One as part of the Hydro One Connection Work.

Approval Date (if Section 92 required to be obtained by Hydro One): Not applicable

Security Requirements: Not applicable

Security Date: Not applicable

Easement Required from Customer: No

Easement Date: Not applicable

Easement Lands: Not applicable

Easement Term: Not applicable

Approval Date (for OEB leave to construct): Not applicable

Revenue Metering: IESO compliant revenue metering to be provided by the Customer.

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – LOAD**

Customer Notice Info:

Hydro Ottawa Limited
P.O Box 8700,
3025 Albion Road,
Ottawa ON K1G 3S4

Attention: Scott Nichols
Acting Supervisor, Engineering
Programs & Major Projects

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – LOAD**

Schedule “B” A6R Riverdale x Overbrook

TRANSFORMATION CONNECTION POOL WORK

Estimate of the Engineering and Construction Cost of the Transformation Connection Pool Work: Not applicable

Estimate of Transformation Connection Pool Work Capital Contribution: Not applicable

Actual Engineering and Construction Cost of the Transformation Connection Pool Work: Not applicable

Actual Transformation Connection Pool Work Capital Contribution: Not applicable

Capital Contribution Includes the Cost of Capacity Not Needed by the Customer: Not applicable

LINE CONNECTION POOL WORK

Estimate of the Engineering and Construction Cost of the Line Connection Pool Work: \$10,472,000 plus HST in the amount of \$1,361,360

Estimate of Line Connection Pool Work Capital Contribution: \$6,962,900.00 plus HST in the amount of \$905,177.00

Actual Engineering and Construction Cost of the Line Connection Pool Work: To be provided 180 days after the Ready for Service Date.

Actual Line Connection Pool Work Capital Contribution: To be provided 180 days after the Ready for Service Date.

Capital Contribution Includes the Cost of Capacity Not Needed by the Customer: \$ amount plus HST in the amount of \$ amount

NETWORK CUSTOMER ALLOCATED WORK

Estimate of the Engineering and Construction Cost of the Network Customer Allocated Work: Not applicable

Actual Engineering and Construction Cost of the Network Customer Allocated Work: Not applicable

NETWORK POOL WORK (NON-RECOVERABLE FROM CUSTOMER):

The estimated Engineering and Construction Cost of the Network Pool Work (Non-Recoverable from Customer) is: N/A. Subject to Sections 10.3 and 18 of the Standard Terms and Conditions, Hydro One will perform this work at its own expense.

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – LOAD**

**MANNER OF PAYMENT OF THE ESTIMATE OF CAPITAL CONTRIBUTIONS
AND WORK CHARGEABLE TO CUSTOMER**

The Customer shall pay Hydro One the estimate of the Transformation Connection Pool Work Capital Contribution, the Estimate of Line Connection Pool Work Capital Contribution, the estimate of the Network Customer Allocated Work Capital Contribution and the estimate of the Engineering and Construction Cost of the Work Chargeable to Customer by making the progress payments specified below on or before the Payment Milestone Date specified below. Hydro One will invoice the Customer for each progress payment 30 days prior to the Payment Milestone Date.

Payment Milestone Date	Transformation Pool Work Capital Contribution	Line Pool Work Capital Contribution	Network Customer Allocated Work Capital Contribution	Work Chargeable To Customer	Total Payment Required
Previously paid has part of CCEA		950,000.00 plus HST			1,073,500.00
On Execution of this Agreement		2,900,000.00 plus HST			3,277,000.00
30 June 2018		2,525,000.00 plus HST			2,853,250.00
Ready for Service Date		\$587,900.00 Plus HST			664,327.00

**TRANSFORMATION CONNECTION REVENUE REQUIREMENTS
AND LOAD FORECAST AT THE NEW OR MODIFIED CONNECTION FACILITIES**

Not Applicable

**LINE CONNECTION REVENUE REQUIREMENTS
AND LOAD FORECAST AT THE NEW OR MODIFIED CONNECTION FACILITIES**

Annual Period Ending On:	New Load** - (MW)	Part of New Load Exceeding Normal Capacity of Existing Load Facilities [C]	Adjusted Load Forecast (MW) [D]	Line Connection Revenue (k\$) for True-Up, Based on [C] or [D], whichever is applicable
1 st Anniversary of In Service Date	9.5	9.5	9.5	99.4
2 nd Anniversary of In Service Date	13.1	13.1	13.1	136.4
3 rd Anniversary of In Service Date	16.2	16.2	16.2	168.7
4 th Anniversary of In Service Date	19.5	19.5	19.5	203.4
5 th Anniversary of In Service Date	22.7	22.7	22.7	237.2
6 th Anniversary of In Service Date	25.2	25.2	25.2	263.5
7 th Anniversary of In Service Date	27.5	27.5	27.5	287

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – LOAD**

8 th Anniversary of In Service Date	30.1	30.1	30.1	314.5
9 th Anniversary of In Service Date	32.3	32.3	32.3	337.3
10 th Anniversary of In Service Date	34.3	34.3	34.3	357.7
11 th Anniversary of In Service Date	36.6	36.6	36.6	382.1
12 th Anniversary of In Service Date	39.5	39.5	39.5	412.5
13 th Anniversary of In Service Date	41.2	41.2	41.2	430.5
14 th Anniversary of In Service Date	43.2	43.2	43.2	451.3
15 th Anniversary of In Service Date	45.6	45.6	45.6	476.2
16 th Anniversary of In Service Date	48.5	48.5	48.5	506.3
17 th Anniversary of In Service Date	50.2	50.2	50.2	524.1
18 th Anniversary of In Service Date	51.9	51.9	51.9	542.4
19 th Anniversary of In Service Date	52.6	52.6	52.6	549.1
20 th Anniversary of In Service Date	53.3	53.3	53.3	556.7
21 st Anniversary of In Service Date	53.9	53.9	53.9	563
22 nd Anniversary of In Service Date	54.7	54.7	54.7	571
23 rd Anniversary of In Service Date	55	55	55	574.3
24 th Anniversary of In Service Date	55.2	55.2	55.2	576.7
25 th Anniversary of In Service Date	55.3	55.3	55.3	577.7

**NETWORK REVENUE REQUIREMENTS AND LOAD FORECAST
AT THE NEW OR MODIFIED CONNECTION FACILITIES**

Not Applicable

** New Load based on Customer's Load Forecast which includes Part of New Load Exceeding Normal Capacity of Existing Load Facilities. "Overload" derived in accordance with Section 6.7.9 of the Transmission System Code and the OEB-Approved Connection Procedures. Any Customer load below the Normal Capacity of the Existing Load Facilities transferred to the New or Modified Facilities will not be credited towards the Transformation Connection Revenue Requirements, Line Connection Revenue Requirements or the Network Connection Revenue Requirements. The discounted cash flow calculation for Network Revenue requirements will be based on Incremental Network Load which is New Load less the amount of load, if any, that has been by-passed by the Customer at any of Hydro One's connection facilities.

Standard Terms and Conditions for Load Customer Transmission Customer Connection Projects

1. 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 the Agreement and to perform its obligations hereunder;
- (c) the execution, delivery and performance of the 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 Material contracts or instruments to which it is bound; or (iii) 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) the Agreement constitutes a legal and binding obligation on it, enforceable against it in accordance with its terms;
- (f) it is registered for purposes of Part IX of the *Excise Tax Act* (Canada). The HST registration number for Hydro One is [REDACTED] and the HST registration number for the Customer is as specified in Schedule "A" of the Agreement; and
- (g) no proceedings have been instituted by or against it with respect to bankruptcy, insolvency, liquidation or dissolution.

Part A: Hydro One Connection Work and Customer Connection Work

2. The Customer and Hydro One shall perform their respective obligations outlined in the Agreement in a manner consistent with Good Utility Practice and the Transmission System Code, in compliance with all Applicable Laws, and using duly qualified and experienced people.

3. The parties acknowledge and agree that:

(a) Hydro One is responsible for obtaining any and all permits, certificates, reviews and approvals required under any Applicable Laws with respect to the Hydro One Connection Work and those required for the construction, Connection and operation of the New or Modified Connection Facilities;

(b) the Customer shall perform the Customer Connection Work, at its own expense;

(c) except as specifically provided in the Agreement, the Customer is responsible for obtaining any and all permits, certificates, reviews and approvals required under any Applicable Laws with respect to the Customer Connection Work and those required for the construction, Connection and operation of the Customer's Facilities including, but not limited to, where applicable, leave to construct pursuant to Section 92 of the *Ontario Energy Board Act, 1998*;

(d) the Customer is responsible for installing equipment and facilities such as protection and control equipment to protect its own property, including, but not limited to the Customer's Facilities;

(e) the Customer shall provide Hydro One with Project data required by Hydro One, including, but not limited to (i) the same technical information that the Customer provided the IESO during any connection assessment and facility registration process associated with the Customer'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 Customer's Facilities;

(f) Hydro One may participate in the commissioning, inspection or testing of the Customer's Connection Facilities at a time that is mutually agreed by Hydro One and the Customer and the Customer shall ensure that the work performed by the Customer and others required for successful commissioning, inspection or testing of protective equipment is completed as required to enable Hydro One witnessing and testing to confirm satisfactory performance of such systems;

(g) unless otherwise provided herein, Hydro One's responsibilities under the Agreement with respect to the Connection of the New or Modified

Connection Facilities to Hydro One's transmission system shall be limited to the performance of the Hydro One Connection Work;

(h) Hydro One is not permitted to Connect any new, modified or replacement Customer's Facilities unless any required Connection authorizations, certificate of inspection or other applicable approval have been issued or given by the Ontario Electrical Safety Authority in relation to such facilities;

(i) Hydro One may require that the Customer provide Hydro One with test certificates certifying that the Customer's Facilities have passed all relevant tests and comply with the *Transmission System Code*, the Market Rules, Good Utility Practice, the standards of all applicable reliability organizations and any Applicable Laws, including, but not limited to any certificates of inspection that may be required by the Ontario Electrical Safety Authority;

(j) in addition to the Hydro One Connection Work described in Schedule "A", Hydro One shall: provide the Customer with such technical parameters as may be required to assist the Customer in ensuring that the design of the Customer's Facilities is consistent with the requirements applicable to Hydro One's transmission system and the basic general performance standards for facilities set out in the *Transmission System Code*, including Appendix 2 thereof; and

(k) if Hydro One requires access to the Customer's Facilities for the purposes of performing the Hydro One Connection Work or the Customer requires access to Hydro One's Facilities for the purposes of the Customer Connection Work, the parties agree that Section 27.13 of the Connection Agreement shall govern such access and is hereby incorporated in its entirety by reference into, and forms an integral part of the Agreement. All references to "this Agreement" in Section 27.13 shall be deemed to be a reference to the Agreement;

(l) the Customer shall enter into a Connection Agreement with Hydro One or amend its existing Connection Agreement with Hydro One at least 14 calendar days prior to the Connection;

(m) Hydro One shall use reasonable efforts to ensure that any applications required to be filed to obtain any permits or approvals required under Applicable Laws for the Hydro One Connection Work are filed in a timely manner; and

(n) the Customer shall use reasonable efforts to ensure that any applications required to be filed to obtain any permits or approvals required under Applicable Laws for the Customer Connection Work or for the construction, Connection and operation of the Customer's Facilities are filed in a timely manner.

4. The following aspects of the Hydro One Connection Work and Hydro One's rights and requirements hereunder are solely for the purpose of Hydro One ensuring that the Customer Facilities to be connected to Hydro One's transmission system do not materially reduce or adversely affect the reliability of Hydro One's transmission system and do not adversely affect other customers connected to Hydro One's transmission system, Hydro One's:

- (a) specifications of the protection equipment on the Customer's side of the Connection Point;
- (b) acceptance of power system components on the Customer's side of the Connection Point;
- (c) acceptance of the technical specifications (including electrical drawings) for the Customer's Facilities and/or the Customer Connection Work; and
- (d) participation in the commissioning, inspection or testing of the Customer's Facilities.

The Customer is responsible for installing equipment and facilities such as protection and control equipment to protect its own property, including, but not limited to the Customer's Facilities.

5. Hydro One shall use reasonable efforts to complete the Hydro One Connection Work by the Ready for Service Date specified in Schedule "A" provided that:

- (a) the Customer is in compliance with its obligations under the Agreement;
- (b) any work required to be performed by third parties has been performed in a timely manner and in a manner to the satisfaction of Hydro One, acting reasonably;

- (c) there are no delays resulting from Hydro One not being able to obtain outages from the IESO required for any portion of the Hydro One Connection Work or from the IESO making changes to the Hydro One Connection Work or the scheduling of all or a portion of the Hydro One Connection Work;
- (d) Hydro One does not have to use its employees, agents and contractors performing the Hydro One Connection Work or the Network Pool Work elsewhere on its transmission system or distribution system due to an Emergency (as that term is defined in the *Transmission System Code*) or a Force Majeure Event;
- (e) Hydro One is able to obtain the materials and labour required to perform the Hydro One Connection Work with the expenditure of Premium Costs where required;
- (f) where Hydro One needs to obtain leave to construct pursuant to Section 92 of the *Ontario Energy Board Act, 1998*, such leave is obtained on or before the date specified as the Approval Date in Schedule "A" of the Agreement;
- (g) where applicable, Hydro One received the easement described in Section 24 hereof by the Easement Date specified in Schedule "A" of the Agreement;
- (h) Hydro One has received or obtained prior to the dates upon which Hydro One requires any or one or more of the following under Applicable Laws in order to perform all or any part of the Hydro One Connection Work:
 - (i) environmental approvals, permits or certificates;
 - (ii) land use permits from the Crown; and
 - (iii) building permits and site plan approvals;
- (i) Hydro One is able, using reasonable efforts, to obtain all necessary land rights on terms substantially similar to the form of the easement that is attached hereto as Appendix "B" of these Standard Terms and Conditions for the Project, prior to the dates upon which Hydro One needs to commence construction of the Hydro One Connection Work in order to meet the Ready for Service Date;
- (j) there are no delays resulting from Hydro One being unable to obtain materials or equipment required from suppliers in time to meet the project schedule for any portion of the Hydro One Connection Work provided that such delays are beyond the reasonable control Hydro One; and

- (k) the Customer executed the Agreement on or before the date specified as the Execution Date.

The Customer 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.

6. Upon completion of the Hydro One Connection Work:

- (a) Hydro One shall own, operate and maintain all equipment specified in Schedule "A" of the Agreement under the heading "Ownership"; and
- (b) other than equipment referred to in (a) above that shall be owned, operated and maintained by Hydro One, all other equipment provided by Hydro One as part of the Hydro One Connection Work or provided by the Customer as part of the Customer Connection Work shall be owned, operated and maintained by the Customer.

The Customer acknowledges that:

- (i) ownership and title to the equipment referred to in (a) above shall throughout the Term and thereafter remain vested in Hydro One and the Customer shall have no right of property therein; and
- (ii) any portion of the equipment referred to in (a) above that is located on the Customer's property shall be and remain the property of Hydro One and shall not be or become fixtures and/or part of the Customer's property.

7. The Customer acknowledges and agrees that Hydro One is not responsible for the provision of power system components on the Customer's Facilities, including, without limitation, all transformation, switching, metering and auxiliary equipment such as protection and control equipment.

All of the power system components on the Customer's side of the Connection Point including, without limitation, all transformation, switching and auxiliary equipment such as protection and control equipment shall be subject to the acceptance of Hydro One with regard to Hydro One's requirements to permit Connection of the New or

Modified Connection Facilities to Hydro One's transmission system, and shall be installed, maintained and operated in accordance with all Applicable Laws, codes and standards, including, but not limited to, the *Transmission System Code*, at the expense of the Customer.

8. Where Hydro One has equipment for automatic reclosing of circuit breakers after an interruption for the purpose of improving the continuity of supply, it shall be the obligation of the Customer to provide adequate protective equipment for the Customer's facilities that might be adversely affected by the operation of such reclosing equipment. The Customer shall provide such equipment as may be required from time to time by Hydro One for the prompt disconnection of any of the Customer's apparatus that might affect the proper functioning of Hydro One's reclosing equipment.

9. The Customer shall provide Hydro One with copies of the documentation specified in Schedule "A" of the Agreement under the heading "Documentation Required", acceptable to Hydro One, within 120 calendar days after the Ready for Service Date. The Customer shall ensure that Hydro One may retain this documentation for Hydro One's ongoing planning, system design, and operating review. The Customer shall also maintain and revise such documentation to reflect changes to the Customer's Facilities and provide copies to Hydro One on demand and as specified in the Connection Agreement.

Part B: Transformation Connection Pool Work and/or Line Connection Pool Work and/or Network Customer Allocated Work

10.1 To the extent that the Pool Funded Cost of the Hydro One Connection Work is not recoverable by Transformation Connection Revenue for the Transformation Connection Pool Work and/or Line Connection Revenue for the Line Connection Pool Work and/or Network Revenue for the Network Customer Allocated Work during the Economic Evaluation Period, the Customer agrees to pay Hydro One a Capital Contribution towards the Pool Funded Cost of the Transformation Connection Pool Work and/or a Capital Contribution towards the Pool Funded Cost of the Line Connection Pool Work and/or a Capital Contribution towards the Pool Funded Cost of the Network Customer

Allocated Work and any amounts payable to Hydro One under Subsection 12 (a) (i) hereof.

An estimate of the Engineering and Construction Cost (not including Taxes) of the Transformation Connection Pool Work and/or Line Connection Pool Work and/or Network Customer Allocated Work is provided in Schedule "B" of the Agreement.

An estimate of the Capital Contribution for each of the Transformation Connection Pool Work, the Line Connection Pool Work and the Network Customer Allocated Work is specified in Schedule "B" of the Agreement (plus Taxes). The Customer shall pay Hydro One the estimated Capital Contribution(s) in the manner specified in Schedule "B" of the Agreement.

Within 180 calendar days after the Ready for Service Date, Hydro One shall provide the Customer with a new Schedule "B" to replace Schedule "B" of the Agreement attached hereto which shall identify the following:

- (a) the actual Engineering and Construction Cost of the Transformation Connection Pool Work;
- (b) the actual Engineering and Construction Cost of the Line Connection Pool Work;
- (c) the actual Engineering and Construction Cost of the Network Customer Allocated Work;
- (d) the actual Engineering and Construction Cost of the Work Chargeable to Customer;
- (e) the actual Capital Contribution required to be paid by the Customer for each of the Transformation Connection Pool Work, the Line Connection Pool Work and the Network Customer Allocated Work; and
- (f) the revised Transformation Connection Revenue and/or Line Connection Revenue requirements and/or Network Revenue requirements based on the Load Forecast or the Adjusted Load Forecast, whichever is applicable.

The new Schedule "B" shall be made a part hereof as though it had been originally incorporated into the Agreement.

If an estimate of a Capital Contributions paid by the Customer exceeds the actual Capital Contribution required to be paid by the Customer for any or all of the Transformation Connection Pool Work, the

Line Connection Pool Work and the Network Customer Allocated Work, Hydro One shall refund the difference to the Customer (plus Taxes) within 30 days following the issuing of the new Schedule "B". If the estimate of a Capital Contribution paid by the Customer is less than the actual Capital Contributions required to be paid by the Customer for any or all of the Transformation Connection Pool Work, the Line Connection Pool Work and the Network Customer Allocated Work, the Customer shall pay Hydro One the difference (plus Taxes) within 30 days following the issuing of the new Schedule "B".

10.2 Hydro One shall not include the following amounts in the Capital Contributions referenced in Section 10.1, any capital contribution for:

- (a) a Connection Facility that was otherwise planned by Hydro One except for advancement costs;
- (b) capacity added to a Connection Facility in anticipation of future load growth not attributable to the Customer; or
- (c) the construction of or modifications to Hydro One's Network Facilities that may be required to accommodate the New or Modified Connection other than Network Customer Allocated Work unless Hydro One has indicated in Schedule "A" of the Agreement that exceptional circumstances exist so as to reasonably require the Customer to make a Capital Contribution.

10.3 Notwithstanding Sub-section 10.2(c) above, if Hydro One indicates in Schedule "A" of the Agreement that exceptional circumstances exist so as to reasonably require the Customer to make a Capital Contribution towards the Network Pool Work, Hydro One shall not, without the prior written consent of the Customer, refuse to commence or diligently perform the Network Pool Work pending direction from the OEB under section 6.3.5 of the *Transmission System Code* provided that the Customer provides Hydro One with a security deposit in accordance with Section 20 of these Standard Terms and Conditions.

Until such time as Hydro One has actually begun to perform the Network Pool Work, the Customer may request, in writing, that Hydro One not perform the Network Pool Work and Hydro One shall promptly

return to the Customer any outstanding security deposit related to the Network Pool Work.

10.4 If the Customer has made a Capital Contribution under Section 10.1 hereof for the construction or modification of a Hydro One-owned Connection Facility other than an enabler facility and where this Capital Contribution includes the cost of capacity on the Connection Facility in excess of the Customer's needs as indicated in Schedule "B" of the Agreement, Hydro One shall provide the Customer with a refund, calculated in accordance with Section 6.3.17A of the *Transmission System Code* if that capacity is assigned to another Load Customer within fifteen (15) years of the In Service Date of the Connection Facility.

11. Hydro One shall perform a True-Up, based on Actual Load:

- (a) at the True-Up Points specified in Schedule "A" of the Agreement; and
- (b) the time of disconnection where the Customer voluntarily and permanently disconnects the Customer's Facilities from Hydro One's transmission facilities and the prior to the final True-Up Point identified in (a) above.

For True-Up purposes, if the Customer does not pay a Capital Contribution, Hydro One shall provide the Customer with an Adjusted Load Forecast.

Hydro One shall perform True-Ups in a timely manner. Within 30 calendar days following completion of each of the True-Ups referred to in 11(a), Hydro One shall provide the Customer with the results of the True-Up.

12(a) If the result of a True-Up performed in accordance with Section 11 above is that the Actual Load and Updated Load Forecast is:

- (i) less than the load in the Load Forecast or the Adjusted Load Forecast, whichever is applicable, and therefore does not generate the forecasted Transformation Connection Revenue and/or Line Connection Revenue and/or Network Revenue required for the Economic Evaluation Period, the Customer shall pay Hydro One an amount equal to the shortfall adjusted to reflect the time value of money within 30 days after the date of Hydro One's invoice therefor; and

(ii) more than the load in the Load Forecast or the Adjusted Load Forecast, whichever is applicable, and therefore generates more than the forecasted Transformation Connection Revenue and/or Line Connection Revenue and/or Network Revenue required for the Economic Evaluation Period, Hydro One shall post the excess Transformation Connection Revenue and/or Line Connection Revenue and/or Network Revenue as a credit to the Customer in a notional account. Hydro One shall apply this credit against any shortfall in subsequent True-Up calculations. Where the Customer paid a Capital Contribution in accordance with Section 10.1 hereof, Hydro One shall rebate the Customer an amount that is the lesser of the credit balance in the notional account adjusted to reflect the time value of money, and the Capital Contribution adjusted to reflect the time value of money by no later than 30 days following the final True-Up calculation.

12(b) All adjustments to reflect the time value of money to be performed under Subsection 12(a) above shall be performed in accordance with the OEB-Approved Connection Procedures. As of the date of this Agreement, the time value of money is determined using Hydro One's after-tax cost of capital as used in the original economic evaluation performed in accordance with the requirements of the *Transmission System Code*.

13.1 With respect to the installation of embedded generation (as determined in accordance with Section 11.1 of the *Transmission System Code*) during the applicable True-Up period Hydro One shall comply with the requirements of Section 6.5.8 of the *Transmission System Code* when carrying out True-Up calculations if the Customer is a Distributor or the requirements of Section 6.5.9 of the *Transmission System Code* when carrying out True-Up calculations if the Customer is a Load Customer other than a Distributor.

13.2 With respect to energy conservation, energy efficiency, load management or renewable energy activities that occurred during the applicable True-Up period Hydro One shall comply with the requirements of Section 6.5.10 of the *Transmission System Code* when carrying out True-Up calculations provided that the Customer demonstrates to the reasonable satisfaction of

Hydro One (such as by means of an energy study or audit) that the amount of any reduction in the Customer's load has resulted from energy conservation, energy efficiency, load management or renewable energy activities that occurred during the applicable True-Up period.

14. Hydro One shall provide the Customer with all information pertaining to the calculation of all Engineering and Construction Costs, Capital Contributions and True-Ups that the Customer is entitled to receive in accordance with the requirements of the *Transmission System Code*.

Part C: Work Chargeable to Customer, Network Pool Work and Premium Costs

15.1 The Customer shall pay Hydro One's Engineering and Construction Cost (plus Taxes) of the Hydro One Connection Work described as Work Chargeable to Customer in Schedule "A" of the Agreement which is estimated to be the amounts specified in Schedule "B" of the Agreement in the manner specified in Schedule "B" of the Agreement.

Hydro One shall identify the actual Engineering and Construction Cost of the Work Chargeable to Customer in the revised Schedule "B" provided to the Customer in accordance with Section 10.1 of this Agreement. Any difference between the Engineering and Construction Cost of the Work Chargeable to Customer (plus Taxes) and the amount already paid by the Customer shall be paid within 30 days after the issuance of the revised Schedule "B" by:

- (a) Hydro One to the Customer, if the amount already paid by the Customer exceeds the Engineering and Construction Cost of the Work Chargeable to Customer (plus Taxes); or
- (b) the Customer to Hydro One, if the amount already paid by the Customer is less than the Engineering and Construction Cost of the Work Chargeable to Customer (plus Taxes).

15.2 Subject to Sections 10.3 and 18 hereof, Hydro One shall perform the Hydro One Connection Work described as Network Pool Work in Part 3 of Schedule "A" of the Agreement at Hydro One's sole expense.

16. As the Project is schedule-driven and as the estimated costs specified in Schedule "B" of the Agreement are based upon normal timelines for delivery of material and performance of work, in addition to the amounts that the Customer is required to pay pursuant to Section 10.1 and 15.1 above, the Customer agrees to pay Hydro One's Premium Costs if the Customer causes or contributes to any delays, including, but not limited to, the Customer failing to execute the Agreement by the Execution Date specified in Schedule "A" of the Agreement.

Hydro One shall obtain the Customer's approval prior to Hydro One authorizing the purchase of materials or the performance of work that attracts Premium Costs. The Customer acknowledges that its failure to approve an expenditure of Premium Costs may result in further delays and Hydro One shall not be liable to the Customer as a result thereof. Hydro One shall invoice the Customer for expenditures of Premium Costs approved by the Customer within 180 calendar days after the Ready for Service Date.

Part D: Right of Customer to By-Pass Existing Load Facilities

17.1 Obligation to Notify Hydro One of Customer's Intent to Bypass an Existing Load Facility: If the Customer chooses to exercise its rights under the *Transmission System Code* and the Agreement to bypass the Existing Load Facility, the Customer shall notify Hydro One, in writing, in accordance with the requirements of Schedule J of the Connection Agreement prior to transferring load from the Existing Load Facility. Upon receiving the notice, Hydro One will proceed in accordance with Section 6.7 of the *Transmission System Code* and the applicable terms of the Connection Agreement.

17.2 Hydro One has not received a Notice of Customer Intent to Bypass an Existing Load Facility and Customer has Transferred Existing Load: Where Hydro One determines that the Customer has transferred load from the Existing Load Facility without notifying Hydro One in accordance with the requirements of Schedule J of the Connection Agreement, Hydro One will notify the Customer, all other load customers served by the connection facility and the OEB of a potential by-pass situation in accordance with the OEB-

Approved Connection Procedures and its obligations in Section 6.7 of the Code and the applicable terms of the Connection Agreement. If the Customer does not intend to by-pass the Existing Load Facility, the Customer must, in accordance with the OEB-Approved Connection Procedures:

- (a) notify Hydro One and the OEB within 30 days of receiving Hydro One's notification of potential by-pass, that it has no intention of by-passing Hydro One's Existing Load Facility;
- (b) transfer the load back to the Existing Load Facility within an agreed time period; and
- (c) compensate Hydro One for the lost revenues.

17.3 The Customer agrees that Sections 17.1 and 17.2 above shall also be terms of the Connection Agreement.

Part E: Cancellation or Termination of Project and Early Termination of Agreement for Breach

18. Notwithstanding any other term of the Agreement, if at any time prior to the In-Service Date, the Project is cancelled or the Agreement is terminated for any reason whatsoever other than breach of the Agreement by Hydro One, the Customer shall pay Hydro One's Engineering and Construction Cost (plus Taxes) of the Line Connection Pool Work, the Transformation Connection Pool Work, the Network Pool Work, the Network Customer Allocated Work and the Work Chargeable to Customer incurred on and prior to the date that the Project is cancelled or the Agreement is terminated, including the preliminary design costs and all costs associated with the winding up of the Project, including, but not limited to, storage costs, vendor cancellation costs, facility removal expenses and any environmental remediation costs.

If the Customer provides written notice to Hydro One that it is cancelling the Project, Hydro One shall have 10 Business Days to provide written notice to the Customer listing the individual items listed as materials which it agrees to purchase. Hydro One shall deduct the actual cost of those individual items of materials being purchased by Hydro One from the Engineering and Construction Costs referred to above.

If Hydro One does not require all or part of the materials, the Customer may exercise any of the following options or a combination thereof:

- (a) where materials have been ordered but all or part of the materials have not been received by Hydro One, the Customer shall have the right to require Hydro One, at the Customer's sole expense, to continue with the purchase of the materials and transfer title to those materials on an "as is, where is basis" to the Customer upon the Customer paying Hydro One's Engineering and Construction Costs (plus Taxes) provided that the Customer exercises this option within 15 Business Days of the termination or cancellation; or
- (b) where all or part of the materials have been received by Hydro One but have not been installed, the Customer shall have the right to require Hydro One, at the Customer's sole expense, to transfer title to the materials on an "as is, where is basis" to the Customer upon the Customer paying Hydro One's Engineering and Construction Costs (plus Taxes) provided that the Customer exercises this option within 15 Business Days of the termination or cancellation. The Customer shall also be responsible for any warehousing costs associated with the storage of the materials to the date of transfer; or
- (c) where all or part of the materials have been received by Hydro One and have been installed, the Customer shall have the right to require Hydro One, at the Customer's sole expense, to: transfer title to the materials on an "as is, where is basis" to the Customer upon the later of (A) the Customer paying Hydro One's Engineering and Construction Costs (plus Taxes); and (B) the date that Hydro One removes the materials from its property at the risk of the Customer; provided that the Customer exercises this option within 15 Business Days of the termination or cancellation. The Customer shall also be responsible for any Engineering and Construction Costs (plus Taxes) associated with the removal of the materials that have been installed by Hydro One.

The Customer shall pay Hydro One's Engineering and Construction Costs (plus Taxes) which become payable under this Section 18 within 30 calendar days after the date of invoice.

Part F: Sale, Lease, Transfer or Other Disposition of Customer's Facilities

19. In the event that the Customer sells, leases or otherwise transfers or disposes of the Customer's Facilities to a third party during the Term of the Agreement, the Customer shall cause the purchaser, lessee or other third party to whom the Customer's Facilities are transferred or disposed to enter into an assumption agreement with Hydro One to assume all of the Customer's obligations in the Agreement; and notwithstanding such assumption agreement unless Hydro One agrees otherwise, in writing, the Customer shall remain obligated under Sections 10.1, 12, 15.1 and 16 hereof. The Customer further acknowledges and agrees that in the event that all or a portion of the Customer's Facilities are shut down, abandoned or vacated for any period of time during the Term of the Agreement, the Customer shall remain obligated under Sections 10.1, 12, 15.1 and 16 for the said time period.

Part G: Security Requirements

20. If Hydro One requires that the Customer furnish security, which at the Customer's option may be in the form of cash, letter of credit or surety bond, the Customer shall furnish such security in the amount and by the dates specified in Schedule "A" of the Agreement. Hydro One shall return the security deposit to the Customer as follows:

- (a) security deposits in the form of cash shall be returned to the Customer, together with Interest, less the amount of any Capital Contribution owed by the Customer once the Customer's Facilities are connected to Hydro One's New or Modified Connection Facilities; and
- (b) security deposits in any other form shall be returned to the Customer once the Customer's Facilities are connected to Hydro One's New or Modified Connection Facilities and any Capital Contribution has been paid.

Notwithstanding the foregoing, Hydro One may keep all or a part of the security deposit: (a) where and to the extent that the Customer fails to pay any amount due under the Agreement within the time stipulated for payment; or (b) in the circumstances described in the OEB-Approved Connection Procedures.

Part H: Disputes

21. All disputes, including, but not limited to, disputes related to:

- (a) the cost and the allocation of the costs under this Agreement;
- (b) the cost and the allocation of costs of the Hydro One Connection Work and notwithstanding Hydro One's decision not to allocate or to allocate any part of the costs of this work to the Customer at this time; or
- (c) any other costs and the allocation of any other costs associated with, related to, or arising out of the connection of the Project to Hydro One's transmission system or Hydro One's policies in respect of connections generally,

shall be dealt with in accordance with the dispute resolution procedure set out in the OEB-Approved Connection Procedures.

22. If a dispute arises while Hydro One is constructing the New or Modified Connection Facilities, Hydro One shall not cease the work or slow the pace of the work without leave of the OEB.

23. Hydro One shall refund to the Customer or the Customer shall pay to Hydro One any portion of Capital Contributions, as the case may be, which the OEB subsequently determines should not have been allocated to the Customer or should have been allocated to the Customer by Hydro One but were not, as the case may be, or should have been allocated in a manner different from that allocated by Hydro One in this Agreement. This obligation shall survive the termination of this Agreement.

Part I: Easement

24. If specified in Schedule "A" that an easement(s) is required from the Customer, the Customer shall grant an easement to Hydro One substantially in the form of the easement attached hereto as Appendix "B" of these Standard Terms and Conditions for the property(ies) described as the Easement Lands in Schedule "A" on or before the date specified as the Easement Date in Schedule "A" (hereinafter referred to as the "Easement") with good and marketable title thereto, free of all encumbrances, first in priority except as noted herein, and in registerable form, in consideration of the sum of \$2.00.

Part J: Events of Default

25. Each of the following events shall constitute an "Event of Default" under the Agreement:

- (a) failure by the Customer to pay any amount due under the Agreement, including any amount payable pursuant to Sections 10.1, 12, 15.1, 16 or 18 within the time stipulated for payment;
- (b) breach by the Customer or Hydro One of any Material term, condition or covenant of the Agreement; or
- (c) the making of an order or resolution for the winding up of the Customer or Hydro One or of their respective operations or the occurrence of any other dissolution, bankruptcy or reorganization or liquidation proceeding instituted by or against the Customer or Hydro One.

For greater certainty, a dispute shall not be considered an Event of Default under this Agreement. However, a Party's failure to comply, within a reasonable period of time, with the terms of a determination of such a dispute by the OEB or with a decision of a court of competent jurisdiction with respect to a determination made by the OEB shall be considered an Event of Default under the Agreement.

26. Upon the occurrence of an Event of Default by the Customer hereunder (other than those specified in Section 25(c) of the Agreement, for which no notice is required to be given by Hydro One), Hydro One shall give the Customer written notice of the Event of Default and allow the Customer 30 calendar days from the date of receipt of the notice to rectify the Event of Default, at the Customer's sole expense. If such Event of Default is not cured to Hydro One's reasonable satisfaction within the 30 calendar day period, Hydro One may, in its sole discretion, exercise the following remedy in addition to any remedies that may be available to Hydro One under the terms of the Agreement, at common law or in equity: deem the Agreement to be repudiated and, after giving the Customer at least 10 calendar days' prior written notice thereof, recover, as liquidated damages and not as a penalty, the following:

- (a) the sum of the amounts payable by the Customer pursuant to Sections 10.1, 12, 15.1 and where applicable, Section 16 less any amounts already paid by the Customer in accordance with Section 10.1, 12, 15.1 and 16

if this clause is invoked after the In-Service Date; or

- (b) the amounts payable under Section 16 and 18 less any amounts already paid by the Customer in accordance with Sections 10.1, 15.1 and 16 if this clause is invoked prior to the In-Service Date.

27. Upon the occurrence of an Event of Default by Hydro One hereunder (other than those specified in Section 25(c)), the Customer shall give Hydro One written notice of the Event of Default and shall allow Hydro One 30 calendar days from the date of receipt of the notice to rectify the Event of Default at Hydro One's sole expense. If such Event of Default is not cured to the Customer's reasonable satisfaction within the 30 calendar day period, the Customer may pursue any remedies available to it at law or in equity, including at its option the termination of the Agreement.

28. All rights and remedies of Hydro One and the Customer provided herein are not intended to be exclusive but rather are cumulative and are in addition to any other right or remedy otherwise available to Hydro One and the Customer respectively at law or in equity, and any one or more of Hydro One's and the Customer's rights and remedies may from time to time be exercised independently or in combination and without prejudice to any other right or remedy Hydro One or the Customer may have or may not have exercised. The parties further agree that where any of the remedies provided for and elected by the non-defaulting party are found to be unenforceable, the non-defaulting party shall not be precluded from exercising any other right or remedy available to it at law or in equity.

Part K: Changes to Transmission Rates

29. In the event that the Transformation Connection Service Rate, the Line Connection Service Rate or the Network Service Rate is rescinded or the methodology of determination or components is materially changed, the Parties agree to negotiate a new mechanism for the purposes of the Agreement, provided that such new mechanism will not result in an increase in the amounts of Capital Contribution or Security Deposits payable by the Customer to Hydro One hereunder. The Parties shall have 90 calendar days from the

effective date of rescission or fundamental change of the Transformation Connection Service Rate, the Line Connection Service Rate or the Network Service Rate to agree to a new mechanism that is, to the extent possible, fair to the parties and constitutes a reasonably comparable replacement for the Transformation Connection Service Rate, the Line Connection Service Rate or the Network Service Rate. If the Parties are unable to successfully negotiate a replacement within that 90 calendar day period, this shall be considered a dispute under the terms of this Agreement and the parties shall follow the dispute resolution procedure set out in the OEB-Approved Connection Procedures.

Any settlement on a new mechanism pursuant to this Section 29 shall apply retroactively from the date on which the Transformation Connection Service Rate, the Line Connection Service Rate or the Network Service Rate was rescinded or fundamentally changed. Until such time as a new mechanism is determined hereunder, any amounts to be paid by the Customer under the Agreement shall be based on the Transformation Connection Service Rate, the Line Connection Service Rate or the Network Service Rate in effect prior to the effective date of any such changes.

Part L: Incorporation of Liability and Force Majeure Provisions

30. PART III: LIABILITY AND FORCE MAJEURE (with the exception of Section 15.5 thereof) and Sections 1.1.12 and 1.1.17 of the Connection Agreement are hereby incorporated in their entirety by reference into, and form an integral part of the Agreement. Unless the context otherwise requires, all references in PART III: LIABILITY AND FORCE MAJEURE TO "this Agreement" shall be deemed to be a reference to the Agreement and all references to the "the Transmitter" shall be deemed to be a reference to Hydro One.

For the purposes of this Section 30, the Parties agree that the reference to:

- (a) the Transmitter in lines 3 and 4 of Section 15.1 means the Transmitter or any party acting on behalf of the Transmitter such as contractors, subcontractors, suppliers, employees and agents; and

- (b) the Customer in lines 3 and 4 of Section 15.2 means the Customer or any party acting on behalf of the Customer such as contractors, subcontractors, suppliers, employees and agents.

Part M: General

31. This Agreement is subject to the *Transmission System Code* and the OEB-Approved Connection Procedures. If any provision of this Agreement is inconsistent with the:

- (a) *Transmission System Code*, the said provision shall be deemed to be amended so as to comply with the *Transmission System Code*;
- (b) OEB-Approved Connection Procedures the said provision shall be deemed to be amended so as to comply with the OEB-Approved Connection Procedures; and
- (c) Connection Agreement made between the parties, associated with the new customer connection facilities, on the same subject matter, the Connection Agreement governs.

32. The failure of either party hereto to enforce at any time any of the provisions of the Agreement or to exercise any right or option which is herein provided shall in no way be construed to be a waiver of such provision or any other provision nor in any way affect the validity of the Agreement or any part hereof or the right of either party to enforce thereafter each and every provision and to exercise any right or option. The waiver of any breach of the Agreement shall not be held to be a waiver of any other or subsequent breach. Nothing shall be construed or have the effect of a waiver except an instrument in writing signed by a duly authorized officer of the party against whom such waiver is sought to be enforced which expressly waives a right or rights or an option or options under the Agreement.

33. Other than as specifically provided in the Agreement, no amendment, modification or supplement to the Agreement shall be valid or binding unless set out in writing and executed by the parties with the same degree of formality as the execution of the Agreement.

34. Any written notice required by the Agreement shall be deemed properly given only if

either mailed or delivered to the Secretary, Hydro One Networks at 483 Bay Street, 8th Floor, South Tower, Toronto, ON M5G 2P5, fax no: (416) 345-6972 on behalf of Hydro One, and to the person at the address specified in Schedule "A" of the Agreement on behalf of the Customer. A faxed notice shall be deemed to be received on the date of the fax if received before 3 p.m. on a business day or on the next business day if received after 3 p.m. or a day that is not a business day. 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.

35. The Agreement 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.

36. The Agreement may be executed in counterparts, including facsimile counterparts, each of which shall be deemed an original, but all of which shall together constitute one and the same agreement.

37. The Customer shall provide Hydro One with a copy of the Customer's final monthly bills associated with the transmission of electricity from the Existing Load Facilities and/or the Customer's Facilities or authorize the IESO to provide Hydro One with same. Hydro One agrees to use this information solely for the purpose of the Agreement.

38. **Invoices and Interest:** Invoiced amounts are due 30 days after invoice issuance. All overdue amounts including, but not limited to amounts that are not invoiced but required under the terms of this Agreement to be paid in a specified time period, shall bear interest at 1.5% per month compounded monthly (19.56 percent per year) for the time they remain unpaid.

39. The obligation to pay any amount due hereunder, including, but not limited to, any amounts due under Sections 10.1, 12, 15.1, 16, 18 or 23 shall survive the termination of the Agreement.

Appendix "A": Definitions

In the Agreement, unless the context otherwise requires, terms which appear therein without definition, shall have the meanings respectively ascribed thereto in the *Transmission System Code* and unless there is something in the subject matter or context inconsistent therewith, the following words shall have the following meanings:

"Actual Load" means the actual load delivered by Hydro One to the Customer up to the True-Up Point in excess of the Normal Capacity of the Existing Load Facilities.

"Assigned Capacity" is calculated in accordance with Section 6.2.2 of the *Transmission System Code*.

"Adjusted Load Forecast" means a Load Forecast that has been adjusted to the point where the present value of the Transformation Connection Revenue and/or Line Connection Revenue and/or Network Revenue equals the present value of the Pool Funded Cost of the Transformation Connection Pool Work and/or the Pool Funded Cost of the Line Connection Pool Work and/or the Pool Funded Cost of the Network Customer Allocated Work.

"Agreement" means the Connection Cost Recovery Agreement, Schedules "A" and "B" attached thereto and these Standard Terms and Conditions.

"Applicable Laws" means any and all applicable laws, including environmental laws, statutes, codes, licensing requirements, treaties, directives, rules, regulations, protocols, policies, by-laws, orders, injunctions, rulings, awards, judgments or decrees or any requirement or decision or agreement with or by any government or governmental department, commission board, court authority or agency.

"Approval Date" means for the purpose of Subsection 5(f) of the Terms and Conditions, the date specified in Schedule "A" of the Agreement.

"Capital Contribution" means a capital contribution calculated using the economic evaluation methodology set out in the *Transmission System Code*.

"Connect and Connection" has the same meaning ascribed to the term "Connect" in the *Transmission System Code*.

"Connection Agreement" means the form of connection agreement appended to the *Transmission System Code* as Appendix 1, Version 1.

"Connection Facilities" has the meaning set forth in the *Transmission System Code*.

"Connection Point" has the meaning set forth in the *Transmission System Code* and for this project, is as specified in Schedule "A" of the Agreement.

"Customer Connection Work" means the work to be performed by the Customer, at its sole expense, which is described in Schedule "A" of the Agreement.

"Customer Connection Risk Classification" is as specified in Schedule "A" of the Agreement.

"Customer's Facilities" has the meaning set forth in the *Transmission System Code*, and includes, but is not limited to any new, modified or replaced Customer's Facilities.

"Customer's Property(ies)" means any lands owned by the Customer in fee simple or where the Customer has easement rights.

"Distributor" has the meaning set forth in the *Transmission System Code*.

"Economic Evaluation Period" means the period of five (5) years for high risk connection, ten (10) years for a medium-high risk connection, fifteen (15) years for a medium-low risk connection and twenty-five years for a low risk connection commencing on the In Service Date whichever is applicable to the Customer as specified in Schedule "A" of the Agreement.

"Engineering and Construction Cost" means Hydro One's charge for equipment, labour and materials at Hydro One's standard rates plus Hydro One's standard overheads as well as interest during construction using Hydro One's capitalization rate in effect during the construction period.

"Electricity Act, 1998" means the *Electricity Act, 1998* being Schedule "A" of the *Energy Competition Act, S.O. 1998, c.15*, as amended.

“Existing Load” in relation to the Customer and each of the Existing Load Facilities is equal to the Customer’s Assigned Capacity at each of the Existing Load Facilities on the date of this Agreement.

“Existing Load Facility or Existing Load Facilities” means the connection facility(ies) owned by Hydro One as specified in the Existing Load Table in Schedule “A” of the Agreement where the Customer has Existing Load.

“Force Majeure Event” has the meaning ascribed thereto in the Connection Agreement.

“HST” means the Harmonized Sales Tax.

“Hydro One Connection Work” means the work to be performed by Hydro One, which is described in Schedule “A” of the Agreement.

“Hydro One Facilities” means Hydro One’s structures, lines, transformers, breakers, disconnect switches, buses, voltage/current transformers, protection systems, telecommunication systems, cables and any other auxiliary equipment used for the purpose of transmitting electricity.

“Hydro One’s Property(ies)” means any lands owned by Hydro One in fee simple or where Hydro One now or hereafter has obtained easement rights.

“IESO” means the Independent Electricity System Operator continued under the *Electricity Act, 1998*.

“In Service Date” has the same meaning ascribed to the term “comes into service” in the *Transmission System Code*.

“Incremental Network Load” means the Customer’s New Load less the amount of load, if any, that has been by-passed by the Customer at any of Hydro One’s connection facilities.

“Interest” means the interest rates specified by the OEB to be applicable to security deposits in the form of cash as specified in Subsection 6.3.11(b) in the *Transmission System Code*.

“Line Connection Pool Work” means the Hydro One Connection Work specified in Schedule “A” of the Agreement under the heading “Line Connection Pool Work”.

“Line Connection Revenue” means the amount of line connection revenue attributable to that part of the Customer’s New Load to be received by Hydro One through the monthly collection of the Line Connection Service Rate during the Economic Evaluation Period.

“Line Connection Service Rate” means the line connection service rate approved by the OEB in Hydro One’s Rate Order from time to time, or any mechanism instituted in accordance with Section 29.

“Load Customer” has the meaning set forth in the *Transmission System Code*.

“Load Forecast” means the initial load forecast of the New Load in excess of the Normal Capacity of the Existing Load Facilities used in the initial economic evaluation for the Economic Evaluation Period.

“Material” relates to the essence of the contract, more than a mere annoyance to a right, but an actual obstacle preventing the performance or exercise of a right.

“Network Customer Allocated Work” means the construction of or modifications to Network Facilities specified in Schedule “A” of the Agreement under the heading “Network Customer Allocated Work” that are minimum connection requirements.

“Network Facilities” has the meaning set forth in the *Transmission System Code*.

“Network Pool Work” means the Hydro One Connection Work specified in Schedule “A” of the Agreement under the heading “Network Pool Work”.

“Network Revenue” means the amount of network revenue attributable to the Incremental Network Load to be received by Hydro One through the monthly collection of the Network Service Rate during the Economic Evaluation Period.

“Network Service Rate” means the network service rate approved by the OEB in Hydro One’s Rate Order from time to time, or any mechanism instituted in accordance with Section 29.

“New Load” means the load at the New or Modified Connection Facility that is in excess of, for each of the Existing Load Facilities, the lesser of the Existing Load or the Normal Capacity.

“New or Modified Connection Facilities” means the facilities owned by Hydro One as specified in Schedule “A” of the Agreement.

“Normal Capacity” means, where the Customer is:

- (a) the only Load Customer supplied by an Existing Load Facility, the total normal supply capacity of the Existing Load Facility as determined in accordance with the OEB-Approved Connection Procedures; and
- (b) one of two or more Load Customers served by an Existing Load Facility, the Customer’s pro-rated share of the total normal supply capacity of the Existing Load Facility as determined in accordance with the OEB-Approved Connection Procedures.

“OEB” means the Ontario Energy Board.

“OEB-Approved Connection Procedures” means Hydro One’s connection procedures as approved by the OEB from time to time.

“Ontario Energy Board Act” means the *Ontario Energy Board Act* being Schedule “B” of the *Energy Competition Act*, S.O. 1998, c. 15, as amended.

“Pool-Funded Cost” means the present value of the Engineering and Construction Cost and projected on-going maintenance and other related incremental costs (including, but not limited to applicable taxes, and net of tax benefits), of each of the Transformation Connection Pool Work, the Line Connection Pool Work and/or the Network Customer Allocated Work calculated in accordance with the principles, criteria and methodology set out in Appendices 4 and 5 of the Transmission System Code.

“Premium Costs” means those costs incurred by Hydro One in order to maintain or advance the Ready for Service Date, including, but not limited to, additional amounts expended for materials or services due to short time-frame for delivery; and the difference between having Hydro One’s employees, agents and contractors perform work on

overtime as opposed to during normal business hours.

“Rate Order” has the meaning ascribed thereto in the *Transmission System Code*.

“Ready for Service Date” means the date upon which the Hydro One Connection Work is fully and completely constructed, installed, commissioned and energised to the Connection Point. The Customer’s disconnect switches must be commissioned prior to this date in order to use them as isolation points.

“Standard Terms and Conditions” means these Standard Terms and Conditions for Low Risk Transmission Customer Connection Projects and Appendices “A” and “B” attached hereto.

“Taxes” means all property, municipal, sales, use, value added, goods and services, harmonized and any other non-recoverable taxes and other similar charges (other than taxes imposed upon income, payroll or capital).

“Transformation Connection Pool Work” means the Hydro One Connection Work specified in Schedule “A” of the Agreement under the heading “Transformation Connection Pool Work”.

“Transformation Connection Revenue” means the amount of transformation connection revenue attributable to that part of the Customer’s New Load to be received by Hydro One through the monthly collection of the Transformation Connection Service Rate during the Economic Evaluation Period.

“Transformation Connection Service Rate” means the line connection service rate approved by the OEB in Hydro One’s Rate Order from time to time, or any mechanism instituted in accordance with Section 29.

“Transmission System Code” or **“Code”** means the code of standards and requirements issued by the OEB on July 25, 2005 that came into force on August 20, 2005 as published in the Ontario Gazette, as it may be amended, revised or replaced in whole or in part from time to time.

“Transmitter’s Facilities” has the meaning ascribed thereto in the *Transmission System Code*.

“True-Up” means the calculation to be performed by Hydro One, as a transmitter, at each True-Up Point in accordance with the requirements of Subsection 6.5.4 of the *Transmission System Code*.

“True-Up Point” means the points of time based upon the Customer Connection Risk Classification when Hydro One is required to perform a True-Up as described in Section 11 of these Terms and Conditions.

“Updated Load Forecast” means the load forecast of the New Load in excess of the Normal Capacity of the Existing Load Facilities for the remainder of the Economic Evaluation Period.

“Work Chargeable to Customer” means the Hydro One Connection Work specified in Part 4 of Schedule “A” of the Agreement under the heading “Work Chargeable to Customer”.

Appendix "B": Form of Easement

INTEREST / ESTATE TRANSFERRED

The Transferor is the owner in fee simple and in possession of _____

(the "**Lands**").

The Transferee has erected, or is about to erect, certain Works (as more particularly described in paragraph 1(a) hereof) in, through, under, over, across, along and upon the Lands.

1 The Transferor hereby grants and conveys to Hydro One Networks Inc, its successors and assigns the rights and easement, free from all encumbrances and restrictions, the following unobstructed and exclusive rights, easements, rights-of-way, covenants, agreements and privileges in perpetuity (the "**Rights**") in, through, under, over, across, along and upon that portion of the Lands of the Transferor described herein and shown highlighted on Schedule "A" hereto annexed (the "**Strip**") for the following purposes:

- (a) To enter and lay down, install, construct, erect, maintain, open, inspect, add to, enlarge, alter, repair and keep in good condition, move, remove, replace, reinstall, reconstruct, relocate, supplement and operate and maintain at all times in, through, under, over, across, along and upon the Strip an electrical transmission system and telecommunications system consisting in both instances of a pole structures, steel towers, anchors, guys and braces and all such aboveground or underground lines, wires, cables, telecommunications cables, grounding electrodes, conductors, apparatus, works, accessories, associated material and equipment, and appurtenances pertaining to or required by either such system (all or any of which are herein individually or collectively called the "**Works**") as in the opinion of the Transferee are necessary or convenient thereto for use as required by Transferee in its undertaking from time to time, or a related business venture.
- (b) To enter on and selectively cut or prune, and to clear and keep clear, and remove all trees (subject to compensation to Owners for merchantable wood values), branches, bush and shrubs and other obstructions and materials in, over or upon the Strip, and without limitation, to cut and remove all leaning or decayed trees located on the Lands whose proximity to the Works renders them liable to fall and come in contact with the Works or which may in any way interfere with the safe, efficient or serviceable operation of the Works or this easement by the Transferee.
- (c) To conduct all engineering, legal surveys, and make soil tests, soil compaction and environmental studies and audits in, under, on and over the Strip as the Transferee in its discretion considers requisite.
- (d) To erect, install, construct, maintain, repair and keep in good condition, move, remove, replace and use bridges and such gates in all fences which are now or may hereafter be on the Strip as the Transferee may from time to time consider necessary.
- (e) Except for fences and permitted paragraph 2(a) installations, to clear the Strip and keep it clear of all buildings, structures, erections, installations, or other obstructions of any nature (hereinafter collectively called the "**obstruction**") whether above or below ground, including removal of any materials and equipment or plants and natural growth, which in the opinion of the Transferee, endanger its Works or any person or property or which may be likely to become a hazard to any Works of the Transferee or to any persons or property or which do or may in any way interfere with the safe, efficient or serviceable operation of the Works or this easement by the Transferee.
- (e) To enter on and exit by the Transferor's access routes and to pass and repass at all times in, over, along, upon and across the Strip and so much of the Lands as is reasonably required, for

Transferee, its respective officers, employees, agents, servants, contractors, subcontractors, workmen and permittees with or without all plant machinery, material, supplies, vehicles and equipment for all purposes necessary or convenient to the exercise and enjoyment of this easement and

- (f) To remove, relocate and reconstruct the line on or under the Strip.

2. The Transferor agrees that:

- (a) It will not interfere with any Works established on or in the Strip and shall not, without the Transferee's consent in writing, erect or cause to be erected or permit in, under or upon the Strip any obstruction or plant or permit any trees, bush, shrubs, plants or natural growth which does or may interfere with the Rights granted herein. The Transferor agrees it shall not, without the Transferee's consent in writing, change or permit the existing configuration, grade or elevation of the Strip to be changed and the Transferor further agrees that no excavation or opening or work which may disturb or interfere with the existing surface of the Strip shall be done or made unless consent therefore in writing has been obtained from Transferee, provided however, that the Transferor shall not be required to obtain such permission in case of emergency. Notwithstanding the foregoing, in cases where in the reasonable discretion of the Transferee, there is no danger or likelihood of danger to the Works of the Transferee or to any persons or property and the safe or serviceable operation of this easement by the Transferee is not interfered with, the Transferor may at its expense and with the prior written approval of the Transferee, construct and maintain roads, lanes, walks, drains, sewers, water pipes, oil and gas pipelines, fences (not to exceed 2 metres in height) and service cables on or under the Strip (the "**Installation**") or any portion thereof; provided that prior to commencing such Installation, the Transferor shall give to the Transferee thirty (30) days notice in writing thereof to enable the Transferee to have a representative present to inspect the proposed Installation during the performance of such work, and provided further that Transferor comply with all instructions given by such representative and that all such work shall be done to the reasonable satisfaction of such representative. In the event of any unauthorised interference aforesaid or contravention of this paragraph, or if any authorised interference, obstruction or Installation is not maintained in accordance with the Transferee's instructions or in the Transferee's reasonable opinion, may subsequently interfere with the Rights granted herein, the Transferee may at the Transferor's expense, forthwith remove, relocate, clear or correct the offending interference, obstruction, Installation or contravention complained of from the Strip, without being liable for any damages caused thereby.
- (b) notwithstanding any rule of law or equity, the Works installed by the Transferee shall at all times remain the property of the Transferee, notwithstanding that such Works are or may become annexed or affixed to the Strip and shall at anytime and from time to time be removable in whole or in part by Transferee.
- (c) no other easement or permission will be transferred or granted and no encumbrances will be created over or in respect to the Strip, prior to the registration of a Transfer of this grant of Rights.
- (d) the Transferor will execute such further assurances of the Rights in respect of this grant of easement as may be requisite.
- (e) the Rights hereby granted:
 - (i) shall be of the same force and effect to all intents and purposes as a covenant running with the Strip.

(ii) is declared hereby to be appurtenant to and for the benefit of the Works and undertaking of the Transferee described in paragraph 1(a).

- 3. The Transferee covenants and agrees to obtain at its sole cost and expense all necessary postponements and subordinations (in registrable form) from all current and future prior encumbrancers, postponing their respective rights, title and interests to the Transfer of Easement herein so as to place such Rights and easement in first priority on title to the Lands.
- 4. There are no representations, covenants, agreements, warranties and conditions in any way relating to the subject matter of this grant of Rights whether expressed or implied, collateral or otherwise except those set forth herein.
- 5. No waiver of a breach or any of the covenants of this grant of Rights shall be construed to be a waiver of any succeeding breach of the same or any other covenant.
- 6. The burden and benefit of this transfer of Rights shall run with the Strip and the Works and undertaking of the Transferee and shall extend to, be binding upon and enure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF the Transferor has hereunto set his hand and seal to this Agreement, this ___ day of _____, 200__.

SIGNED, SEALED AND DELIVERED

In the presence of _____) _____) Signature of Witness (seal)) _____) _____) Signature of Witness (seal))	_____) Transferor's Signature _____) Transferor's Signature
---	--

SIGNED, SEALED AND DELIVERED) In the presence of _____) _____) _____) _____) Signature of Witness (seal))	Consent Signature & Release of Transferor's Spouse, if non-owner. _____ (seal)
--	--

CHARGEES

THE CHARGEES of land described in a Charge/Mortgage of Land dated _____

Between _____ and _____

and registered as Instrument Number _____ on _____ does

hereby consent to this Easement and releases and discharges the rights and easement herein from the said Charge/Mortgage of Land.

Name

Signature(s)

Date of Signatures
Y M D

Per:

I/We have authority to bind the Corporation

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – AR 23579 Merivale MTS rebuild**

THIS SIMPLIFIED CONNECTION AND COST RECOVERY AGREEMENT made between Hydro One Networks Inc. (“**Hydro One**”) and Hydro Ottawa Limited, (the “**Customer**”) dated this 18th of December, 2016.

WHEREAS

(a) The Customer is proposing to rebuild their existing Merivale Municipal Transformer Station (“**Merivale MTS**”) which is currently located inside Bay I of the 115 kV switchyard for Hydro One’s Merivale Transformer Station (TS). The rebuild of Merivale MTS includes: (i) replacement of two (2) end of life step-down 115-8.32kV 6/8/10 MVA transformers T1 and T2 with two (2) new step-down 115-8.32 kV 15/20/25 MVA transformers; (ii) two (2) new 115 kV circuit breakers and associated disconnect switch; (iii) installation of a new 15 kV walk-in Metalclad switch gear building servicing 8 feeders; and (iv) a new Protection and Control building (**collectively the “Customer’s Facilities”**).

As part of the Customer’s work, the existing Merivale MTS will be decommissioned and their new Merivale MTS will be relocated to the east of Merivale TS 115 kV switchyard (outside of Bay I). In order to provide access to the lands east of Merivale TS 115 kV switchyard, Hydro One will be relocating the [REDACTED] and required telecom equipment to be identified during project execution. The 115 kV supply for the new Merivale MTS will be via [REDACTED] [REDACTED] transmission circuit. (**the “Project”**);

(b) Hydro One is agreeable to performing the work required for the Project on the following terms and conditions, including but not limited to the Project cost and the Project schedule being subject to the Customer executing and delivering this Agreement to Hydro One by no later than

the 13th day of December, 2016 (**the “Execution Date”**).

NOW THEREFORE in consideration of the mutual covenants, agreements, terms and conditions herein and other good and valuable consideration, the receipt and sufficiency of which is hereby irrevocably acknowledged, the parties agree as follows:

1. Each of the parties hereto confirms the truth and accuracy of the recitals and agrees that the recitals form part of this Agreement.

2. Subject to Section 13 and the termination rights herein, the Agreement shall be in full force and effect and binding on the parties as of the date that Hydro One executes the Agreement (**the “Effective Date”**) and shall expire on the date that the Customer pays Hydro One the final invoice in full for Work Chargeable to Customer or Hydro One issues a refund to the Customer in accordance with Section 10 hereof (**the “Term”**).

3. 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 the Agreement and to perform its obligations hereunder;

(c) the execution, delivery and performance of the 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

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – AR 23579 Merivale MTS rebuild**

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 Material contracts or instruments to which it is bound; or (iii) any Applicable Laws;

- (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) the Agreement constitutes a legal and binding obligation on it, enforceable against it in accordance with its terms;
- (f) it is registered for purposes of Part IX of the Excise Tax Act (Canada). The HST registration number for Hydro One is [REDACTED] and the HST registration number for the Customer is as specified in Schedule "C" of the Agreement; and
- (g) no proceedings have been instituted by or against it with respect to bankruptcy, insolvency, liquidation or dissolution.

Part A: Work Chargeable to Customer and Customer Work

4. The Customer and Hydro One shall perform their respective obligations outlined in the Agreement in a manner consistent with Good Utility Practice and the Transmission System Code, in compliance with all Applicable Laws, including, but not limited to the requirements of the Electrical Safety Authority, and using duly qualified and experienced people.

5. The parties acknowledge and agree that:

- (a) Hydro One is responsible for obtaining any and all permits, certificates, reviews and approvals required under any Applicable Laws with respect to the Work Chargeable to Customer;
- (b) the Customer is responsible for obtaining any and all permits, certificates, reviews and approvals required under any Applicable Laws with respect to the Customer Work;
- (c) the Customer shall perform the Customer Work at its own expense;
- (d) the Customer is responsible for installing equipment and facilities such as protection and control equipment to protect its own property, including, but not limited to the Customer's Facilities;
- (e) the Customer shall provide Hydro One with Project data required by Hydro One, including, but not limited to: (i) the same technical information that the Customer provided the IESO during any connection assessment and facility registration process associated with the Customer'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 Customer's Facilities;
- (f) Hydro One may participate in the commissioning, inspection or testing of the Customer Work at a time that is mutually agreed by Hydro One and the Customer and the Customer shall ensure that the work performed by the Customer and others required for successful commissioning, inspection or testing of protective equipment is completed as required to enable Hydro One witnessing and testing to confirm satisfactory performance of such systems;

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – AR 23579 Merivale MTS rebuild**

- (g) unless otherwise provided herein, Hydro One's responsibilities under the Agreement with respect to the connection of the New or Modified Connection Facilities to Hydro One's transmission system shall be limited to the performance of the Work Chargeable to Customer;
 - (h) Hydro One is not permitted to connect any new, modified or replacement Customer's Facilities unless any required connection authorizations, certificate of inspection or other applicable approval have been issued or given by the Ontario Electrical Safety Authority in relation to such facilities;
 - (i) Hydro One may require that the Customer provide Hydro One with test certificates certifying that the Customer's Facilities have passed all relevant tests and comply with the Transmission System Code, the Market Rules, Good Utility Practice, the standards of all applicable reliability organizations and any Applicable Laws, including, but not limited to any certificates of inspection that may be required by the Ontario Electrical Safety Authority;
 - (j) in addition to the Work Chargeable to Customer described in Schedule "A", Hydro One shall provide the Customer with such technical parameters as may be required to assist the Customer in ensuring that the design of the Customer's Facilities is consistent with the requirements applicable to Hydro One's transmission system and the basic general performance standards for facilities set out in the Transmission System Code, including Appendix 2 thereof;
 - (k) if Hydro One requires access to the Customer's Facilities for the purposes of performing the Work Chargeable to Customer or the Customer requires access to Hydro One's facilities for the purposes of the Customer's Work, the parties agree that Section 27.13 of the Connection Agreement shall govern such access and is hereby incorporated in its entirety by reference into, and forms an integral part of the Agreement. All references to "this Agreement" in Section 27.13 of the Connection Agreement shall be deemed to be a reference to this Agreement;
 - (l) the Customer shall enter into a Connection Agreement or amendment as required with Hydro One at least 14 calendar days prior to the connection; and
 - (m) the Customer shall provide Hydro One with copies of the documentation specified in Schedule "C" of the Agreement under the heading "Documentation Required", acceptable to Hydro One, within 120 calendar days after the Ready for Service Date. The Customer shall ensure that Hydro One may retain this documentation for Hydro One's ongoing planning, system design, and operating review. The Customer shall also maintain and revise such documentation to reflect changes to the Customer's Facilities and provide copies to Hydro One on demand and as specified in the Connection Agreement.
6. The Work Chargeable to Customer and Hydro One's rights and requirements hereunder, including, but not limited to Hydro One's:
- (i) specifications of the protection equipment on the Customer's side of the Connection Point;

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – AR 23579 Merivale MTS rebuild**

- (ii) review and acceptance of power system components on the Customer's side of the Connection Point;
- (iii) acceptance of the technical specifications (including electrical drawings) for the Customer's Facilities; and
- (iv) participation in the commissioning, inspection and testing of the Customer's Facilities;

are solely for the purpose of Hydro One ensuring that the Customer's Facilities will not materially reduce or adversely affect the reliability of Hydro One's transmission system and do not adversely affect other customers connected to Hydro One's transmission system.

7. Hydro One shall use reasonable efforts to complete the Work Chargeable to Customer by the 30th day of June, 2018 (the "Ready for Service Date") provided that:

- (a) the Customer is in compliance with its obligations under the Agreement;
- (b) any work required to be performed by third parties has been performed in a timely manner and in a manner to the satisfaction of Hydro One, acting reasonably;
- (c) there are no delays resulting from Hydro One not being able to obtain outages from the IESO required for the Work Chargeable to Customer or from the IESO making changes to the Work Chargeable to Customer or the scheduling of all or a portion thereof;
- (d) Hydro One does not have to use its employees, agents and contractors performing the Work Chargeable to Customer elsewhere on its

transmission system or distribution system due to an Emergency (as that term is defined in the Transmission System Code) or a Force Majeure Event;

- (e) Hydro One is able to obtain the materials and labour required to perform the Work Chargeable to Customer with the expenditure of Premium Costs, as approved in advance by the Customer, where required;
- (f) there are no delays resulting from Hydro One being unable to obtain materials or equipment required from suppliers in time to meet the project schedule for any portion of the Work Chargeable to Customer provided that such delays are beyond the reasonable control of Hydro One; and
- (g) the Customer executed the Agreement on or before the date specified as the Execution Date in the recitals.
- (h) the Customer completing the work as described in Schedule "B" within 8 weeks of the Ready for Service Date.

8. Upon completion of the Work Chargeable to Customer, Hydro One shall own, operate and maintain all equipment and facilities installed by Hydro One as part of the Work Chargeable to the Customer in, under, on, over, along, upon, through and crossing Hydro One's Property(ies).

The Customer acknowledges that:

- (i) ownership and title to the equipment referred to above shall throughout the Term and thereafter remain vested in Hydro One and the Customer shall have no right of property therein; and
- (ii) that any portion of the equipment referred to above that is located on the

**CONNECTION AND COST RECOVERY
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shall not be or become fixtures and/or part of the Customer's Property(ies).

9. The Customer acknowledges and agrees that Hydro One is not responsible for the provision of power system components on the Customer's Facilities, including, without limitation, all transformation, switching, metering and auxiliary equipment such as protection and control equipment.

All of the power system components on the Customer's side of the Connection Point including, without limitation, all transformation, switching and auxiliary equipment such as protection and control equipment shall be subject to the acceptance of Hydro One with regard to Hydro One's requirements to permit connection of the New or Modified Connection Facilities to Hydro One's transmission system and shall be installed, maintained and operated in accordance with all Applicable Laws, codes and standards, including, but not limited to, the Transmission System Code, at the expense of the Customer.

Where Hydro One has equipment for automatic reclosing of circuit breakers after an interruption for the purpose of improving the continuity of feeder connection, it shall be the obligation of the Customer to provide adequate protective equipment for the Customer's Facilities that might be adversely affected by the operation of such reclosing equipment. The Customer shall provide such equipment as may be required from time to time by Hydro One for the prompt disconnection of any of the Customer's apparatus that might affect the proper functioning of Hydro One's reclosing equipment.

Part B: Work Chargeable to Customer

10. The Customer shall pay Hydro One's Engineering and Construction Cost (plus

applicable Taxes) of the Work Chargeable to Customer which is estimated to be the amount specified in Schedule "C" of the Agreement in the manner specified in Schedule "C" of the Agreement.

Within 180 days after the Ready for Service Date, Hydro One shall provide the Customer with an invoice or a credit memorandum specifying the actual Engineering and Construction Cost of the Work Chargeable to Customer (plus applicable Taxes). Any difference between the Engineering and Construction Cost of the Work Chargeable to Customer (plus applicable Taxes) and the amount already paid by the Customer shall be paid within 30 days after the issuance of the invoice or credit memorandum by:

- (a) Hydro One to the Customer, if the amount already paid by the Customer exceeds the Engineering and Construction Cost of the Work Chargeable to Customer (plus Taxes); or
- (b) the Customer to Hydro One, if the amount already paid by the Customer is less than the Engineering and Construction Cost of the Work Chargeable to Customer (plus Taxes).

Part C: Events of Default

11. Each of the following events shall constitute an "Event of Default" under the Agreement:

- (a) failure by the Customer to pay any amount due under this Agreement, including any amount payable pursuant to Section 10 within the time stipulated for payment;
- (b) breach by the Customer or Hydro One of any Material term, condition or covenant of the Agreement; or

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- (c) the making of an order or resolution for the winding up of the Customer or of its operations or the occurrence of any other dissolution, bankruptcy or reorganization or liquidation proceeding instituted by or against the Customer.

For greater certainty, a dispute will not be considered an Event of Default under the Agreement. However, a party's failure to comply with the terms of a settlement or resolution of a dispute by the OEB will be considered an Event of Default under the Agreement.

12. Upon the occurrence of an Event of Default by the Customer hereunder (other than those specified in Section 11(c) of this Agreement, for which no notice is required to be given by Hydro One), Hydro One shall give the Customer written notice of the Event of Default and allow the Customer 30 calendar days from the date of receipt of the notice to rectify the Event of Default, at the Customer's sole expense. If such Event of Default is not cured to Hydro One's reasonable satisfaction within the 30 calendar day period, Hydro One may, in its sole discretion, exercise the following remedy in addition to any remedies that may be available to Hydro One under the terms of the Agreement, at common law or in equity: deem the Agreement to be repudiated and, after giving the Customer at least 10 calendar days' prior written notice thereof, recover, as liquidated damages and not as a penalty, the balance of the amounts payable by the Customer pursuant to Section 10.

13. Upon the occurrence of an Event of Default by Hydro One hereunder, the Customer shall give Hydro One written notice of the Event of Default and shall allow Hydro One 30 calendar days from the date of receipt of the notice to rectify the Event of Default at Hydro One's sole expense. If such Event of Default is not cured to the Customer's reasonable

satisfaction within the 30 calendar day period, the Customer may pursue any remedies available to it at law or in equity, including at its option the termination of the Agreement.

14. All rights and remedies of Hydro One and the Customer provided herein are not intended to be exclusive but rather are cumulative and are in addition to any other right or remedy otherwise available to Hydro One and the Customer respectively at law or in equity, and any one or more of Hydro One's and the Customer's rights and remedies may from time to time be exercised independently or in combination and without prejudice to any other right or remedy Hydro One or the Customer may have or may have exercised. The parties further agree that where any of the remedies provided for and elected by the non-defaulting party are found to be unenforceable, the non-defaulting party shall not be precluded from exercising any other right or remedy available to it at law or in equity.

Part D: Disputes

15. All disputes, including, but not limited to, disputes related to:

- (a) the cost and the allocation of the costs under this Agreement;
- (b) the cost and the allocation of costs of the Work Chargeable To Customer and notwithstanding Hydro One's decision not to allocate or to allocate any part of the costs of this work to the Customer at this time; or
- (c) any other costs and the allocation of any other costs associated with, related to, or arising out of the connection of the Project to Hydro One's transmission system or Hydro One's policies in respect of connections generally,

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shall be dealt with in accordance with the dispute resolution procedure set out in the OEB-Approved Connection Procedures.

16. Before and after the existence of OEB-Approved Connection Procedures, if a dispute arises while Hydro One is performing the Work Chargeable to Customer, Hydro One shall not cease the work or slow the pace of the work without leave of the OEB.

Part E: Incorporation of Liability and Force Majeure Provisions

17. PART III: LIABILITY AND FORCE MAJEURE (with the exception of Section 15.5 thereof) and Sections 1.1.12 and 1.1.17 of the Connection Agreement are hereby incorporated in their entirety by reference into, and form an integral part of the Agreement. Unless the context otherwise requires, all references in PART III: LIABILITY AND FORCE MAJEURE TO "this Agreement" shall be deemed to be a reference to the Agreement and all references to the "the Transmitter" shall be deemed to be a reference to Hydro One.

For the purposes of this Section 17, the parties agree that the reference to:

- (i) the Transmitter in lines 3 and 4 of Section 15.1 means the Transmitter or any party acting on behalf of the Transmitter such as contractors, subcontractors, suppliers, employees and agents; and
- (ii) the Customer in lines 3 and 4 of Section 15.2 means the Customer or any party acting on behalf of the Customer such as contractors, subcontractors, suppliers, employees and agents.

The parties agree that the aggregate liability of Hydro One under the Agreement and in particular under this Section 17 shall at no time exceed the actual Engineering and

Construction Cost of the Work Chargeable to Customer.

Part F: General

18. This Agreement is subject to the Transmission System Code and the OEB-Approved Connection Procedures. If any provision of this Agreement is inconsistent with the:

- (a) Transmission System Code, the said provision shall be deemed to be amended so as to comply with the Transmission System Code;
- (b) OEB-Approved Connection Procedures, the said provision shall be deemed to be amended so as to comply with the OEB-Approved Connection Procedures; or
- (c) Connection Agreement made between the parties, associated with the new customer connection facilities, the Connection Agreement governs.

19. The failure of any party hereto to enforce at any time any of the provisions of the Agreement or to exercise any right or option which is herein provided shall in no way be construed to be a waiver of such provision or any other provision nor in any way affect the validity of the Agreement or any part hereof or the right of any party to enforce thereafter each and every provision and to exercise any right or option. The waiver of any breach of the Agreement shall not be held to be a waiver of any other or subsequent breach. Nothing shall be construed or have the effect of a waiver except an instrument in writing signed by a duly authorized officer of the party against whom such waiver is sought to be enforced which expressly waives a right or rights or an option or options under the Agreement.

20. Other than as provided in this Agreement, no amendment, modification or

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supplement to the Agreement shall be valid or binding unless set out in writing and executed by the parties with the same degree of formality as the execution of the Agreement.

21. Any written notice required by the Agreement shall be deemed properly given only if either mailed or delivered to the Director, Account Management, Hydro One Networks Inc., 13th Floor, 483 Bay Street, Toronto, Ontario, M5G 2P5, fax no: (416) 345-5957 on behalf of Hydro One, and at the address specified in the customer notice section of Schedule "C" on behalf of the Customer.

A faxed notice will be deemed to be received on the date of the fax if received before 3 p.m. or on the next Business Day if received after 3 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.

22. The Agreement 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, subject to Section 15, the courts of Ontario shall have exclusive jurisdiction to determine all disputes arising out of the Agreement.

23. The Agreement may be executed in counterparts, including facsimile counterparts, each of which shall be deemed an original, but all of which shall together constitute one and the same Agreement.

24. The obligation to pay any amount due and payable hereunder, including, but not limited to, any amount due under Section 10 shall survive the termination of the Agreement.

25. **Invoices and Interest.** Invoiced amounts are due 30 days after invoice issuance. All overdue amounts including, but not limited to amounts that are not invoiced but required under the terms of this Agreement to be paid in a specified time period, shall bear interest at 1.5% per month compounded monthly (19.56 percent per year) for the time they remain unpaid.

26. This Agreement will supersede the terms of any purchase orders issued by the Customer to Hydro One in respect of the Project irrespective of whether same have been issued by Customer and/or accepted by Hydro One on or after the execution of this Agreement by the Customer.

[Section 27 and signature page follows]

**CONNECTION AND COST RECOVERY
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27. This Agreement 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. Appendix A attached hereto and Schedules "A", "B" and "C" are to be read with and form part of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by the signatures of their proper authorized signatories, as of the date written below.

HYDRO OTTAWA LIMITED



APPROVED FOR EXECUTION

Name: ~~LANCE JOFFERIES~~
Title: ~~CHIEF ELECTRICITY DISTRIBUTION OFFICER~~
Date: December 15, 2016
I have the authority to bind the Corporation


General Counsel

HYDRO ONE NETWORKS INC.

Name: Randy J. Church
Title: Director, Network Connections & Development
Date:
I have the authority to bind the Corporation



**CONNECTION AND COST RECOVERY
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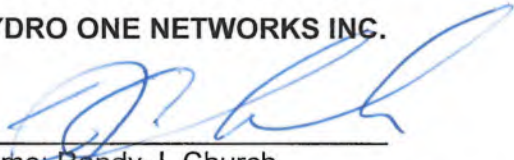
27. This Agreement constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and supersedes all prior oral or written representations and agreements concerning the subject matter of this Agreement. Appendix A attached hereto and Schedules "A", "B" and "C" are to be read with and form part of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by the signatures of their proper authorized signatories, as of the date written below.

HYDRO OTTAWA LIMITED

Name:
Title:
Date:
I have the authority to bind the Corporation

HYDRO ONE NETWORKS INC.



Name: Randy J. Church
Title: Director, Network Connections & Development
Date: *DEC 15, 2016*
I have the authority to bind the Corporation

JBL

**CONNECTION AND COST RECOVERY
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Appendix “A”: **Definitions**

In the Agreement, unless the context otherwise requires, terms which appear therein without definition, shall have the meanings respectively ascribed thereto in the Transmission System Code and unless there is something in the subject matter or context inconsistent therewith, the following words shall have the following meanings:

“Agreement” means the Simplified Connection and Cost Recovery Agreement, Appendix “A” and Schedules “A”, “B” and “C” attached hereto.

“Applicable Laws” means any and all applicable laws, including environmental laws, statutes, codes, licensing requirements, treaties, directives, rules, regulations, protocols, policies, by-laws, orders, injunctions, rulings, awards, judgments or decrees or any requirement or decision or agreement with or by any government or government department, commission board, court authority or agency.

“Business Day” means a day other than Saturday, Sunday, statutory holiday in Ontario or any other day on which the principal chartered banks located in the City of Toronto, are not open for business during normal banking hours.

“Connection Agreement” means the form of connection agreement appended to the Transmission System Code as Appendix 1, Version A.

“Connection Point” means the point where the Customer’s Facilities are connected to Hydro One’s transmission system or are connected to third party facilities connected to Hydro One’s transmission system, as the case may be.

“Customer Work” means the work to be performed by the Customer, at its sole

expense, which is described in Schedule “B” of this Agreement.

“Customer’s Facilities” has the meaning set forth in the Transmission System Code.

“Customer’s Property(ies)” means any lands owned by the Customer in fee simple or where the Customer has easement rights.

“Electricity Act, 1998” means the *Electricity Act, 1998* being Schedule “A” of the *Energy Competition Act*, S.O. 1998, c.15, as amended.

“Engineering and Construction Cost” means Hydro One’s charge for equipment, labour and materials at Hydro One’s standard rates plus Hydro One’s standard overheads as well as interest during construction using Hydro One’s capitalization rate in effect during the construction period.

“Force Majeure Event” has the meaning ascribed thereto in the Connection Agreement.

“Good Utility Practice” has the meaning set forth in the Transmission System Code.

“Hydro One’s Property(ies)” means any lands owned by Hydro One in fee simple or where Hydro One now or hereafter has obtained easement rights.

“IESO” means the Independent Electricity System Operator continued under the Electricity Act, 1998.

“Market Rules” rules made under section 32 of the *Electricity Act, 1998* (Ontario), including, but not limited to Chapter 6 thereof.

“In Service Date” has the same meaning ascribed to the term “comes into service” in the Transmission System Code.

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“**Material**” relates to the essence of the contract, more than a mere annoyance to a right, but an actual obstacle preventing the performance or exercise of a right.

“**New or Modified Connection Facilities**” means the facilities owned by Hydro One as specified in Schedule “C” of the Agreement.

“**OEB**” means the Ontario Energy Board.

“**OEB-Approved Connection Procedures**” means Hydro One’s connection procedures as approved by the OEB from time to time.

“**Ontario Energy Board Act**” means the *Ontario Energy Board Act* being Schedule “B” of the *Energy Competition Act*, S.O. 1998, c. 15, as amended.

“**Premium Costs**” means those costs incurred by Hydro One in order to maintain or advance the Ready for Service Date, including, but not limited to, additional amounts expended for materials or services due to short time-frame for delivery; and the difference between having Hydro One’s employees, agents and contractors perform work on overtime as opposed to during normal business hours.

“**Ready for Service Date**” means the date upon which the Work Chargeable to Customer is fully and completely constructed, installed, commissioned and energised to the Connection Point. The Customer’s disconnect switches must be commissioned prior to this date in order to use them as isolation points.

“**Taxes**” means all property, municipal, sales, use, value added, goods and services, harmonized and any other non-recoverable taxes and other similar charges (other than taxes imposed upon income, payroll or capital).

“**Transmission System Code**” means the code of standards and requirements

originally issued by the OEB on July 14, 2000, as it may be amended, revised or replaced in whole or in part from time to time in accordance with the Section 70.2 and 70.3 of the *Ontario Energy Board Act*.

“**Work Chargeable to Customer**” means the work to be performed by Hydro One described in Schedule “A” of this Agreement.



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Schedule “A” (Merivale MTS rebuild)

PROJECT SCOPE - WORK CHARGEABLE TO CUSTOMER

General:

Hydro One will:

- supply and install all material and equipment not specifically described herein that are required or may be necessary to complete the Hydro One Work described herein;
- provide new or modify existing drawings as required;
- 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; and
- scrap all materials and equipment removed by Hydro One, or it's agents at site unless specifically stated otherwise.
- Carry out witness verifications (COVER) at Customer's Facilities in accordance with Hydro One COVER documentation.

General Assumption:

- Outages are available as required.

Hydro One Removal Work:

Hydro one will:

- i. [REDACTED]
- ii. Remove [REDACTED] circuit switcher;
- iii. Remove existing [REDACTED] structures [REDACTED];

- iv. Removal of Neutralizing Transformer (NT) in the area that is under consideration for lease to the Customer. NT removal to be completed following approved work practices; and
- v. Removal and relocation, as needed of telecom equipment in the area that is under consideration for lease to the Customer (collectively the “**Removal Work**”).

Hydro One will complete the aforementioned removal and relocation work by June 30th, 2017. Subject to the following requirements:

- Outages for lines and stations construction available when required;
- All permits including but not limited to environmental approvals are available when required; and
- All ready for construction drawings available when required.

Connection Work

Hydro One will:

- Design, provide and install new 115 kV [REDACTED]
- Reinforce station structures (Girders) as required;
- Provide and install new line disconnect switch [REDACTED]
- Provide supply of Customer's transformer T1 from A2 bus at the East Girder;
- Re-configure taps of [REDACTED]
- Provide and install 115 kV insulators and line hardware required for line tap work.

Note: Demarcation will occur at the Customer termination point on Bay I eastern girder of Merivale TS 115 kV switchyard.

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – AR 23579 Merivale MTS rebuild**

Protection Control and Telecom

Hydro One will:

- Modify the existing [REDACTED] protection, telecom and controls including but not limited to the following:
 - Modify [REDACTED] protections to send transfer trip to MTS upon line faults, breaker failure, or transfer trip received from other stations on the lines;
 - Modify [REDACTED] protections to receive High Voltage (HV) breaker failure transfer trip signal from MTS. The transfer trip signals shall be cascaded to other stations on the line;
 - Modify [REDACTED] undervoltage protections to send transfer trip to trip the new HV breaker at MTS and initiate breaker failure;
 - Install new CTM equipment to facilitate cross tripping signals between HONI and Customer;
 - The CTM equipment shall be coordinated with the Customer during project execution;
- Remove the existing T1 / T2 transformer protections and other MTS protection equipment owned by Customer from Hydro One's relay room;
- Remove SCADA facilities related to the Customer's Equipment from the Merivale TS 115kV RTU;
- Accommodate all changes in Merivale TS SCADA system due to modifications on MTS;
- Provide/Facilitate new alarm points for the new Contact Trip Module "CTM";
- Perform SCADA Point verification; and
- Coordinate the work with the Customer and prepare the Design and Installation Package for the following work:
 - Two duct paths between Hydro One-owned 115 kV Relay Building and the Customer's Facility boundary containing two 2 strand all-dielectric fiber patch cables. Note: Diversity of duct paths is recommended due to

the existing undervoltage protection scheme.

Environmental

Hydro One will:

- Complete an acoustic assessment for the Merivale TS site;
- Engage in Air and Noise Environmental Compliance Approval (ECA) for Merivale TS; and
- Soil / Groundwater Sampling as required

Environmental Assumptions:

- No addition, removal, or significant modification to buildings or building fire detection (with exception of minor HVAC work in control building)
- No addition, removal, or significant modification to station access roads or road entrances
- Sufficient space for laydown in station
- No significant work required outside of station fence (e.g. line work)

Environmental Risks:

- MOECC may request changes to our design in their ECA application review;
- Noise mitigation (e.g. walls, equipment modification, etc..) may be required pending results of acoustic assessment; and
- Project delays if not given enough lead time for the environmental permits, license and approvals.

Acknowledgements re. Feasibility Study Agreement and Connection Cost Estimate Agreement

Hydro One and the Customer are parties to Feasibility Study Agreements dated **December 15, 2014** ("FSA") as well as a Connection Cost Estimate Agreement dated **August 26th, 2016**, (the "CCEA") (FSA and the CCEA are hereinafter collectively

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**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – AR 23579 Merivale MTS rebuild**

referred to as the “**Estimate Related Agreements**”) for the Customer’s Project: the Estimate Related Agreements.

- (i) pursuant to FSA, the Customer provided advance payments of **\$30,000.00** (plus HST in the amount of **\$3,900.00**) (the “**FSA Advance Payment**”) for performance of the Advance Work (as that term is defined in the FSA) (the “**FSA Work**”);
- (ii) pursuant to the CCEA, the Customer provided advance payments of **\$240,000.00** (plus HST in the amount of **\$31,200.00**) (the “**CCEA Payment**”) for performance of the Work (as that term is defined in the CCEA) (the “**CCEA Work**”);
- (iii) Hydro One has completed the performance of the FSA Advance Work and the CCEA Work (hereinafter collectively referred as the “**Estimate Related Work**”);
- (iv) the cost for the performance of the Estimate Related Work is approximately **\$270,000.00** (plus HST in the amount of **\$35,100.00**) (“**Cost of Estimate Related Work**”) and, notwithstanding any term to the contrary in any of the Estimate Related Agreements, is included in the amounts payable by the Customer under the terms of this Agreement;
- (v) the total amounts paid by the Customer under the terms of FSA and CCEA is **\$270,000.00** (plus HST) (collectively the “**Estimate Work Payments**”) and, notwithstanding any term to the contrary in any of the Estimate Related Agreements, is credited against the amounts payable by the Customer under the terms of this Agreement.

The Parties acknowledge and agree that the Estimate Related Agreements are each deemed to be amended to reflect the inclusion of the Cost of Estimate Related Work and the Estimate Work Payments in this Agreement and that there will be no separate true-up process under the terms of



**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – AR 23579 Merivale MTS rebuild**

Schedule “B” (Merivale MTS rebuild)

CUSTOMER WORK

General:

The Customer will:

- Acquire all necessary permits for construction, of the new Merivale MTS including but not limited to those related to Environmental Approvals;
- meet the requirements outlines in the IESO SIA Report and any addendums thereto and provide a copy of the SIA Report and any addendums thereto to Hydro One;
- meet the requirements as set out in Transmission System Code (“TSC”) for the connection of the Customer’s Facilities;
- amend its existing Connection Agreement with Hydro One, as the case may be, at least 14 days prior to the connection of the new Merivale MTS to Hydro One’s transmission system;
- ensure that project data is made available or provided to Hydro One as required by Hydro One;
- ensure that the work performed by the Customer and others required for successful installation, testing and commissioning of protective and metering equipment is completed as required to satisfy the Confirmation of Verification Evidence Report (“COVER”);
- Adhere to Hydro One rules for access to Merivale TS which is a Hydro One critical asset;; and
- Work under the Ministry of Labor’s Notice of Project guidelines (eg The Customer shall ensure Time and space separation between Hydro One and Customer work crews).

[Customer Facilities to follow]

Customer’s Facilities:

The Customer will:

- design, build, own, maintain and operate the new Merivale MTS;
- Ensure that transformer HV motor-operated disconnect switches that are to be installed by the Customer shall be adequately rated to interrupt the maximum magnetizing current of the 15/20/20MVA transformers; and the disconnect switch shall be capable to isolate the transformer (off loaded) from the Hydro One transmission system without requiring outages of the transmission line.
- Design and install adequately rated equipment to protect the Customer’s Facilities as per TSC and other applicable Standards and Codes.
- decommission existing Merivale MTS inside Hydro One-owned Merivale TS Bay I of the 115 kV Switchyard no later than September 30, 2017;
- remove all scrap materials and equipment within the Merivale TS yard;
- During both design and construction , ensure that all existing and new station infrastructure, equipment, station tubular bus, control cable pans & raceways and entrance ways into control buildings are kept fully sealed and resistant to “birds”, “rodents” and “ground animals” and are of such design that wildlife are not attracted to Customer’s facilities or Hydro One’s site;
- Design and install a grounding system for the Customer’s Facilities to meet the requirements of the Electrical Safety Code (Ontario), the Electrical Safety Authority (ESA) and the requirements set out in the Connection Agreement without relying on a connection to Hydro One’s transmission or distribution grounding systems (which includes Hydro One’s skywire(s) and counterpoise);

**CONNECTION AND COST RECOVERY
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- Perform Ground Potential Rise (GPR) studies for the site of the Customer's Facilities; and
- Provide Hydro One with copies of the final Grounding and GPR studies of the Customer's Facilities. Note: The Customer is responsible for future upgrades to its' grounding facilities in accordance with the requirements of the Transmission System Code.

Notes:

The customer has advised that the new Merivale MTS facility shall include:

- (i) Two (2) new 115 kV circuit breakers;
- (ii) Two (2) new 115 kV motorized line disconnect switches;
- (iii) Two (2) new 115-8.32 kV 15/20/25 MVA transformers;
- (iv) A new 15 kV walk-in Metalcald switch gear building servicing 8 feeders; and
- (v) A new Protection and Control building.

Protection Control and Telecom:

The Customer will:

- Design, provide and install their own protection system for their Customer's Facilities.
- Provide HV breaker failure transfer trip signals from MTS to Merivale TS.
- Design protections to trip new HV breaker and initiate breaker failure at MTS when receiving the transfer trip signals from Hydro One undervoltage protection;
- Design protections to trip the HV breaker or LV bank breaker and initiate breaker failure at MTS when receiving the transfer trip signals from Hydro One [REDACTED] line protections;
- Install line backup protection at MTS;
- Supply all required analog, status and alarms from new Merivale MTS to OGCC will via the existing Customer ICCP link. The required data points shall be based on Hydro One standard practices and will be provided during project execution.

- Provide and install two duct paths between Customer-owned Relay Building and the Customer's Facility boundary to contain two 2 strand all-dielectric fiber patch cables;

Note: Diversity of duct paths is recommended due to the existing undervoltage protection scheme.

- Supply and install two (2) strands of all-dielectric fiber patch cables from Customer-Owned relay building to Hydro One 115 kV relay building;
- Install 'A' and 'B' CTM in Customer's relay room to interface with Hydro One's protection signals; and
- The CTM equipment selection shall be coordinated with the Hydro One during project execution;

Merivale MTS Metering:

- The Customer is responsible to ensure that new Revenue Metering meets the IESO Market Rules.

Environmental Engineering:

The Customer will:

- Obtain an Air and Noise Environmental Compliance Approval (ECA) for the Customer-owned Merivale MTS; and
- Obtain a Drainage ECA, as required.

Real Estate:

- The Customer shall enter into a lease agreement with Hydro One for the lands that will be used for the new Merivale MTS.

Customer Design Documents:

The Customer will provide the following deliverables within 30 (unless stated otherwise) of the execution of this Agreement:

- a) Station single line and layout drawings;

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – AR 23579 Merivale MTS rebuild**

- b) Drawings of the Customer's Facilities including structure locations, phasing, phase spacing, structure heights, design angle, tension & safety factor, etc. Estimates are based on preliminary design draws provided via email on August 23, 2016.
- c) Information on major equipment:
- Transformer Impedances
 - Under Load Tap Changers steps.
 - Ratings for transformer LV neutral reactor
 - Ratings of transformers HV breakers and disconnect switches
 - Line terminations insulator data (such as voltage and Basic Impulse Levels).
 - Any changes in ratings of the equipment listed under the heading Equipment below.
- d) Details of the Customer's access path to Merivale MTS
- e) Technical description of the operating philosophy, protection and control scheme of the Customer's Facilities that could affect Hydro One's transmission system.
- f) Feeder egress drawings
- g) Provide Ground Potential Rise (GPR) Study within 8 weeks of signing this Agreement

Note: Hydro One may request additional information from the Customer to complete Hydro One's work after review the information submitted by the Customer as set out above.



**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – AR 23579 Merivale MTS rebuild**

Schedule “C” (Merivale MTS rebuild):

Part 1: Estimate of Engineering and Construction Cost of the Work Chargeable to Customer:

The estimate of the Engineering and Construction Cost of the Work Chargeable to Customer (excluding HST) is summarized as follows:

<u>Project Description</u>	Estimated Engineering and Construction Cost
Past Cost	\$ 132,000.00
Project Management	\$ 46,800.00
Engineering	\$ 211,250.00
Equipment & Materials	\$ 293,351.00
Construction	\$ 828,795.00
Stations & Operations	\$ 125,000.00
Sub-Total	\$ 1,637,196.00
Contractor's Contingency	\$ 299,720.00
AFUDC* & Overheads	\$ 289,251.00
Total Price (\$)	\$ 2,226,167.00

(*) AFUDC = Allowance for Funds Used During Construction and is the term used in the OEB accounting procedures meaning interests during construction if applicable.

Notes:

1. Contingency of 20% is included in the total.
2. Capital overheads are included in the total price.
3. HST is not included in the estimate.

Part 2: Manner of Payment

The Engineering and Construction Cost of the Work Chargeable to Customer is estimated to be \$ **2,226,167.00** (excluding HST) (the “Cost Estimate”). Should the Customer default in paying any amount to

Hydro One, Hydro One reserves the right to add the AFUDC as it deems necessary.

Hydro One acknowledges receipt of payments 1, 2 and 3 towards the Estimated Engineering and Construction Cost (plus HST). The Customer shall also make payment(s) 4 and 5 (plus HST) by making the progress payment(s) specified below on or before the Payment Milestone Date specified below. If applicable, Hydro One will invoice the Customer for the second payment 30 days prior to the Payment Milestone Date.

Payment Milestone Date	Work Chargeable to Customer (\$)	Total Payment Required (incl. HST)
1. Feasibility	\$ 30,000.00	\$33,900.00
2. CCEA payment 1	\$ 40,000.00	\$ 45,200.00
3. CCEA payment 2	\$ 200,000.00	\$226,000.00
4. CCRA Execution	\$1,127,972.00	\$1,274,608.00
5. March 20, 2017	\$828,795.00	\$936,539.00

2.2 Scope Change

Any change in the Project Scope as detailed and documented in Schedule “A” whether they are initiated by the Customer or not may result in a change to the Project costs estimated in this Schedule “C” and the Project schedule, including the Ready for Service Date.

All Customer initiated scope changes to this Project must be in writing to Hydro One.

Hydro One will advise the Customer of any cost and schedule impacts of any Customer initiated scope changes.

Hydro One will not implement any Customer initiated scope changes until written approval has been received from the

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – AR 23579 Merivale MTS rebuild**

Customer accepting the new pricing and schedule impact.

Part 3: Miscellaneous

New or Modified Connection Facilities:

115kV Connection of new Merivale MTS to [REDACTED] from Merivale TS.

Customer's HST Registration Number:

[REDACTED]

Documentation Required (after In Service Date):

As built Single Line Diagram
Feeder Egress Diagram

Revenue Metering: IESO compliant revenue metering to be provided by the Customer

Customer Notice Info:

Hydro Ottawa Limited
P.O. Box 8700,
3025 Albion Road,
Ottawa ON K1G 3S4

Attention: John Hughes
Project Manager

Fax #: (optional)



CONNECTION AND COST RECOVERY AGREEMENT (CCRA) - LOAD

between

Hydro Ottawa Limited

and

Hydro One Networks Inc.

for

Transformer Upgrades at Slater TS

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

Hydro Ottawa Limited (the “**Customer**”) has requested and Hydro One Networks Inc. (“Hydro One”) has agreed to replace the end-of-life 67 MVA transformers with 100 MVA transformers at Slater TS (the “**Project**”) on the terms and conditions set forth in this Agreement dated May 21, 2021 but made effective as of April 12, 2018 (the “**Agreement**”) and the attached Standard Terms and Conditions for Load Customer Transmission Customer Connection Projects V5 6-2014 (the “**Standard Terms and Conditions**” or “**T&C**”). Schedules "A" and "B" attached hereto and the Standard Terms and Conditions are to be read with and form part of this Agreement.

Project Summary

Slater TS is an indoor transmission station located in the downtown core of Ottawa that supplies the Customer’s load and is co-owned by Hydro One. Hydro One had planned an end-of-life replacement of the three 67 MVA transformers at Slater TS in 2022 which involves a replacement of the three 67 MVA transformers with three 75 MVA transformers (the “**Avoided Cost Work**”) (as that term is defined below under the heading “**Additional Terms**”) at Hydro One’s expense. In February 2018, the Slater TS 46T1 transformer (“**T1**”) failed and as such, required immediate replacement. Hydro One did not know at that time whether it was possible to upgrade all three transformers at Slater TS with 100 MVA transformers due to the tight underground configuration and as all three transformers would need to be replaced with 100 MVA transformers in order to increase transformation capacity at Slater TS due to Slater TS’ electrical configuration and there was no time for Hydro One to perform an analysis in time for the replacement of T1 due to the urgent need to restore Slater TS to normal operating configuration, in accordance with the terms of a Letter Agreement made between Hydro One and the Customer dated April 12, 2018, Hydro One replaced the existing 67 MVA T1 transformer at Slater TS with a 100 MVA transformer (“**T1 Emergency Replacement Upgrade**”) which work came into service on August 31st, 2018 (“**In Service Date**”). As the Customer did not execute a CCRA at that time, the Customer paid Hydro One the sum of **\$198,000** plus applicable Taxes in the amount of **\$224,000** (“**T1 Payment**”) which represented the difference between Hydro One’s fixed estimate of the cost of Hydro One performing the Avoided Cost Work and the Actual Cost (being Hydro One’s charge for equipment, labour and materials at Hydro One’s standard rates plus Hydro One’s standard overheads and interest thereon) of Hydro One performing the T1 Emergency Replacement Upgrade.

The results of the study determined that the remaining two transformers which have reached end-of-life, T2 and T3, could be replaced with 100 MVA transformers and together with the T1 Emergency Replacement Upgrade, is the best possible economic solution for the creation of new capacity in the downtown core of Ottawa served by Slater TS as the tight underground configuration of Slater TS will not permit the addition of any more transformers. As such, Hydro One and the Customer are entering into this Agreement where Hydro One will perform the Hydro One Connection Work for the T1 Emergency Replacement Upgrade and the work required to replace the two end-of-life 67 MVA transformers at Slater TS with 100 MVA transformer(s) instead of performing the Avoided Cost Work in order to also meet the Customer’s load growth needs.

As all three transformers at Slater TS had to be replaced with 100 MVA transformers in order to increase transformation capacity at Slater TS due to Slater TS’ electrical configuration, this Agreement includes the T1 Emergency Replacement In Service Date, including the Actual Cost thereof and the In Service Date - T1 Emergency Replacement is the commencement date for the Customer’s new load commitments identified in this Agreement despite the fact that the Customer will not be able to utilize any new capacity created at Slater TS until such time as T2 and T3 come into service.

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

Term: The term of this Agreement commences on the date first written above and terminates on the 25th anniversary of the In Service Date - T1 Emergency Replacement.

Additional Terms:

(i) The Standard Terms and Conditions are hereby amended as follows:

(a) by adding the following terms:

“Avoided Cost – Line Connection Pool” means Hydro One’s estimate of the Engineering and Construction Cost of the Avoided Cost Work - Line Connection Pool as identified in Schedule “B” of the Agreement.

“Avoided Cost – Network Pool” means Hydro One’s estimate of the Engineering and Construction Cost of the Avoided Cost Work – Network Pool as identified in Schedule “B” of the Agreement.

“Avoided Cost - Transformation Connection Pool” means Hydro One’s estimate of the Engineering and Construction Cost of the Avoided Cost Work - Transformation Connection Pool as identified in Schedule “B” of the Agreement.

“Avoided Cost Work” mean collectively, the Avoided Cost Work - Line Connection Pool, the Avoided Cost Work – Network Pool and the Avoided Cost Work - Transformation Connection Pool.

“Avoided Cost Work - Line Connection Pool” means the work identified in Schedule “A” of the Agreement under the heading “Avoided Cost Work - Line Connection Pool” that would have been performed by Hydro One to replace portions of its facilities that have reached end of life at its sole expense if the Customer had not requested that Hydro One perform the Line Connection Pool Work.

“Avoided Cost Work – Network Pool” means the work described in Schedule “A” of the Agreement under the heading “Avoided Cost Work – Network Pool” that would have been performed by Hydro One to replace portions of its facilities that have reached end of life at its sole expense if the Customer had not requested that Hydro One perform the Network Customer Allocated Work.

“Avoided Cost Work - Transformation Connection Pool” means the work described in Schedule “A” of the Agreement under the heading “Avoided Cost Work - Transformation Connection Pool” that would have been performed by Hydro One to replace portions of its facilities that have reached end of life at its sole expense if the Customer had not requested that Hydro One perform the Transformation Connection Pool Work.

(b) by replacing Section 10.1 with the following:

10.1 To the extent that the Pool Funded Cost of the Hydro One Connection Work is not recoverable by Transformation Connection Revenue for the Transformation Connection Pool Work and/or Line Connection Revenue for the Line Connection Pool Work and/or Network Revenue for the Network Customer Allocated Work during the Economic Evaluation Period, the Customer agrees to pay Hydro One:

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – LOAD**

- (a) a Capital Contribution towards the Pool Funded Cost of the Transformation Connection Pool Work;
- (b) a Capital Contribution towards the Pool Funded Cost of the Line Connection Pool Work;
- (c) a Capital Contribution towards the Pool Funded Cost of the Network Customer Allocated Work; and
- (d) any amounts payable to Hydro One under Subsection 12(a)(i) hereof.

For the purposes of determining the estimated and the actual Capital Contribution payable by the Customer for the:

- 1) Transformation Connection Pool Work, Hydro One shall deduct the Avoided Cost - Transformation Connection Pool from the Engineering and Construction Cost of the Transformation Connection Pool Work;
- 2) Line Connection Pool Work, Hydro One shall deduct the Avoided Cost – Line Connection Pool from the Engineering and Construction Cost of the Line Connection Pool Work; and
- 3) Network Customer Allocated Work, Hydro One shall deduct the Avoided Cost – Network Pool from the Engineering and Construction Cost of the Network Customer Allocated Work.

An estimate of the Engineering and Construction Cost (not including Taxes) of the Transformation Connection Pool Work and/or Line Connection Pool Work and/or Network Customer Allocated Work is provided in Schedule “B” of the Agreement. An estimate of the Capital Contribution for each of the Transformation Connection Pool Work, the Line Connection Pool Work and the Network Customer Allocated Work is specified in Schedule “B” of the Agreement (plus Taxes). The Customer shall pay Hydro One the estimated Capital Contribution(s) in the manner specified in Schedule “B” of the Agreement.

Within 180 calendar days after the Ready for Service Date, Hydro One shall provide the Customer with a new Schedule “B” to replace Schedule “B” of the Agreement attached hereto which shall identify the following:

- (i) the actual Engineering and Construction Cost of the Transformation Connection Pool Work;
- (ii) the actual Engineering and Construction Cost of the Line Connection Pool Work;
- (iii) the actual Engineering and Construction Cost of the Network Customer Allocated Work;
- (iv) the actual Engineering and Construction Cost of the Work Chargeable to Customer;
- (v) the actual Capital Contribution required to be paid by the Customer for each of the Transformation Connection Pool Work, the Line Connection Pool Work and the Network Customer Allocated Work; and
- (vi) the revised Transformation Connection Revenue and/or Line Connection Revenue and/or Network Revenue requirements based on the Load Forecast or the Adjusted Load Forecast, whichever is applicable; and

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

- (vii) the revised Avoided Cost – Line Connection Pool if Hydro One revised the Avoided Cost – Line Connection Pool in accordance with Section 10.5 below;
- (viii) revised Avoided Cost – Network Pool if Hydro One revised the Avoided Cost – Network Pool in accordance with Section 10.5 below; and/or
- (ix) the revised Avoided Cost – Transformation Connection Pool if Hydro One revised the Avoided Cost – Transformation Connection Pool in accordance with Section 10.5 below.

The new Schedule “B” shall be made a part hereof as though it had been originally incorporated into the Agreement.

If an estimate of a Capital Contribution paid by the Customer exceeds the actual Capital Contribution required to be paid by the Customer for any or all of the Transformation Connection Pool Work, the Line Connection Pool Work and the Network Customer Allocated Work, Hydro One shall refund the difference to the Customer (plus Taxes) within 30 days following the issuing of the new Schedule “B”. If the estimate of a Capital Contribution paid by the Customer is less than the actual Capital Contributions required to be paid by the Customer for any or all of the Transformation Connection Pool Work, the Line Connection Pool Work and the Network Customer Allocated Work, the Customer shall pay Hydro One the difference (plus Taxes) within 30 days following the issuing of the new Schedule “B”.

- (c) by adding the following as Section 10.5:

Subject to the foregoing, the Avoided Cost – Line Connection Pool, the Avoided Cost – Network Pool and the Avoided Cost - Transformation Connection Pool are fixed amounts. Should:

- (i) after commencing the Hydro One Connection Work, Hydro One determine, acting reasonably, that all or any portion of the scope of the Avoided Cost Work requires revision;
- (ii) Hydro One determine, acting reasonably, that there has been a Material change in the cost of any component used by Hydro One to estimate the cost of the Avoided Cost Work, including, but not limited to the cost of obtaining any approvals required under any Applicable Laws, obtaining land rights, labour, materials or equipment; and/or
- (iii) the Customer request that Hydro One perform another estimate of the cost of the Avoided Cost Work because the Customer reasonably believes that: (a) all or any portion of the scope of the Avoided Cost Work requires revision; and/or (b) that there has been a Material change in the cost of any component used by Hydro One to estimate the cost of the Avoided Cost Work,

Hydro One will perform another estimate of the cost of the Avoided Cost Work and provide the Customer with a:

- (a) revised Avoided Cost – Line Connection Pool;
- (b) revised Avoided Cost – Network; and/or
- (c) revised Avoided Cost – Transformation Connection Pool,

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

in the new Schedule “B” to be provided by Hydro One in accordance with Section 10.1 above.

- (ii) Any reference to Hydro One Connection Work as it appears in Section 5 of the Standard Terms and Conditions shall be deemed to include any work being performed by Hydro One at Slater TS to replace other end-of-life transmission equipment and facilities that are not the subject of the Customer’s upgrade request.

Special Circumstances

In addition to the circumstances described in Section 5 of the Standard Terms and Conditions, the Ready for Service Date is subject to:

- (a) the Customer executing and delivering this Agreement to Hydro One by no later 21 May, 2021 (the “**Execution Date**”); and
- (b) any delays from Hydro One being unable to commence all or any part of the Hydro One Connection Work and/or or delays that result in Hydro One having to cease performing all or any portion of the Hydro One Connection 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:
 - (i) 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;
 - (ii) 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 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;
 - (iii) the productivity of our personnel being diminished or impacted including by reason of ensuring that our employees are appropriately social distanced;
 - (iv) 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 Connection Work; and
 - (v) 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.

Subject to Section 31 of the Standard Terms and Conditions, this Agreement 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, including, without limitation, the Pre-CCRA Letter Agreement – Facility Upgrade Request – Slater TS Facility Upgrade Request and Emergency Replacement of T1 dated April 12, 2018.

[Signature Page Follows]

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – LOAD**

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

HYDRO OTTAWA LIMITED

DocuSigned by:
Guillaume Paradis
A8115E39C3334D4

Name: Guillaume Paradis

Title: Chief Electricity Distribution Officer

I have the authority to bind the Corporation

HYDRO OTTAWA LIMITED

DocuSigned by:
Laurie Heuff
7E31070D87DA4EF

Name: Laurie Heuff

Title: Director, Distribution Engineering and Asset Management

I have the authority to bind the Corporation

HYDRO ONE NETWORKS INC.

Susan Wylie

Name: Susan Wylie

Title: Director, Large Customer Account Management

Execution Date: May 17, 2021 | 9:45:19 AM EDT

I have the authority to bind the Corporation

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

Schedule “A” (Transformer Upgrade at SlaterTS)

PROJECT SCOPE

New or Modified Connection Facilities:

- Three (3) 60/80/100 MVA, 110/14.2-14.2 kV three-winding, 60 Hz, Delta/Wye/Wye configuration, oil-filled, forced-air cooling transformers equipped with an Under Load Tap Changer (ULTC) step down transformer unit.
- Surge Arrestors on both sides of new transformers T1, T2 and T3

Connection Point: Slater TS, B1, J1 bus

In Service Date¹: 31 August, 2018

Ready for Service Date: 29 December, 2023

¹ Notwithstanding any term to the contrary in this Agreement, the In Service Date is the In Service Date of the T1 Replacement Upgrade

AVOIDED COST WORK:

Hydro One would have had to provide project management, engineering, equipment and material, construction and commissioning of new and modified Hydro One facilities with respect to the following work but for the Customer’s upgrade request:

Avoided Cost Work - Transformation Connection Pool

T1 Emergency Replacement Upgrade:

- Replace the existing transformer T1 67MVA with 60/80/75 MVA, 110/14.2-14.2 kV three-winding, 60 Hz, oil-filled, forced-air cooling transformers equipped with an Under Load Tap Changer (ULTC) step down transformer unit.
- Install Surge Arrestors on both sides of new transformer T1

T2 and T3 Replacement Upgrade:

- Replace the existing 67MVA transformers T2 and T3 with 60/80/75 MVA, 110/14.2-14.2 kV three-winding, 60 Hz, oil-filled, forced-air cooling transformers equipped with an Under Load Tap Changer (ULTC) step down transformer unit.
- Install Surge Arrestors on both sides of new transformers T2 and T3

Avoided Cost Work - Line Connection Pool

Not applicable

Avoided Cost Work – Network Pool

Not applicable

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

HYDRO ONE CONNECTION WORK

Hydro One will provide project management, engineering, equipment and material, construction and commissioning of the Hydro One Connection Work. The scope of the Hydro One Connection Work in the Amended and Restated CCRA will include the requirements from the IESO's System Impact Assessment (SIA) Report for T1 replacement which is completed (CAA ID #2018-EX974) and #2020-EX1103 for T2 and T3 which is currently underway.

Hydro One, or its agents:

- (i) 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;
- (ii) shall repair any damage caused to lands, owned by Hydro One or third parties, associated with or related to the Hydro One Connection Work;
- (iii) 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; and
- (iv) scrap all materials and equipment removed by Hydro One, or its agents, at site unless specifically stated otherwise.

Part 1: Transformation Connection Pool Work

Hydro One will perform the following work:

T1 Emergency Replacement Upgrade:

- Procure and install one (1) 60/80/100 MVA, 110/14.2-14.2 kV three-winding, 60 Hz, Delta/Wye/Wye configuration, oil-filled, forced-air cooling transformer equipped with an Under Load Tap Changer (ULTC) step down transformer unit.
- Install Surge Arrestors on both sides of new transformer T1.

T2 and T3 Replacement Upgrade:

- Procure and install two (2) 60/80/100 MVA, 110/14.2-14.2 kV three-winding, 60 Hz, Delta/Wye/Wye configuration, oil-filled, forced-air cooling transformers equipped with an Under Load Tap Changer (ULTC) step down transformer unit.
- Install Surge Arrestors on both sides of new transformers T2 and T3.

Part 2: Line Connection Pool Work

None

Part 3: Network Customer Allocated Work

None

Part 4: Network Pool Work (Non-Recoverable from Customer)

None

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

Part 5: Work Chargeable to Customer

None

Part 6: Scope Change

For the purposes of this Part 6 of Schedule “A”, the term “**Non-Customer Initiated Scope Change(s)**” means one or more changes that are required to be made to the Project Scope as detailed and documented in Parts 1 to 5 of this Schedule “A” such as a result of any one or more of the following:

- any environmental assessment(s);
- requirement for Hydro One to obtain approval under Section 92 (leave to construct) of the Ontario Energy Board Act if the transmission line route selected by Hydro One is greater than 2 km in length;
- Hydro One having to expropriate property under the Ontario Energy Board Act;
- conditions included by the OEB in any approval issued by the OEB under Section 92 of the Ontario Energy Board Act or any approval issued by the OEB to expropriate under the Ontario Energy Board Act; and
- any IESO requirements identified in the System Impact Assessment or any revisions thereto.

Any change in the Project Scope as detailed and documented in Parts 1 to 5 of this Schedule “A” whether they are initiated by the Customer (“**Customer Initiated Scope Changes**”) or are Non-Customer Initiated Scope Changes, may result in a change to the Project costs estimated in Schedule “B” of this Agreement and the Project schedule, including the Ready for Service Date.

All Customer Initiated Scope Changes must be made in writing to Hydro One. As the main purpose of the Project is for Hydro One to replace end-of-life transmission equipment, Hydro One reserves the right to reject any Customer Initiated Scope Changes for any reason whatsoever.

Should Hydro One be agreeable to performing any Customer Initiated Scope Changes, Hydro One will advise the Customer of any cost and schedule impacts of such scope changes. Hydro One will not implement any Customer initiated scope changes until written approval has been received from the Customer accepting the new pricing and schedule impact.

Hydro One will advise the Customer of any Material cost and/or Material schedule impacts of any Non-Customer Initiated Scope Changes.

As noted above as the main purpose of the Project is for Hydro One to replace end-of-life transmission equipment, Hydro One will implement all Non-Customer Initiated Scope Change(s).

CUSTOMER CONNECTION WORK

None

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

EXISTING LOAD:

	A	B
Existing Load Facility	Existing Load (MW) ¹	Normal Capacity (MW) ²
Slater TS	103.7	122.4

Notes:

1. Existing Load means the Customer's Assigned Capacity at the Existing Load Facility as of the date of this Agreement (Section 3.0.3 of the Transmission System Code).
2. Any station load above the Normal Capacity of the Existing Load Facility (Overload) will be determined in accordance with Section 6.7.9 of the Transmission System Code and Hydro One's Connection Procedures. If the Overload is transferred to the New or Modified Connection Facilities, the Overload will be credited to the Line Connection Revenue, Transformation Connection Revenue or Network Revenue requirement, whichever is applicable.

OTHER RELEVANT CONSIDERATIONS:

Not applicable

EXCEPTIONAL CIRCUMSTANCES RE. NETWORK CONSTRUCTION OR MODIFICATIONS:

None

MISCELLANEOUS

Customer Connection Risk Classification: Low Risk

True-Up Points:

- (a) following the fifth and tenth anniversaries of the In Service Date; and
- (b) following the fifteenth anniversary of the In Service Date if the Actual Load is 20% higher or lower than the Load Forecast at the end of the tenth anniversary of the In Service Date.

Customer's HST Registration Number: XXXXXXXXXX

Documentation Required (after In Service Date): None

Ownership: Hydro One will own all equipment provided by Hydro One as part of the Hydro One Connection Work

Approval Date (if Section 92 required to be obtained by Hydro One): Not applicable

Security Requirements: Nil

Security Date: Not applicable

Easement Required from Customer: No

Easement Date: Not applicable

Easement Lands: Not applicable

Easement Term: Not applicable

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – LOAD**

Revenue Metering: IESO compliant revenue metering to be provided by the Customer.

Customer Notice Info:

Hydro Ottawa Limited
2711 Hunt Club Rd.
Ottawa, Ontario
K1G 3S4

Attention: Guillaume Paradis
Chief Electrical Distribution Officer

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – LOAD**

Schedule “B”: (Transformer Upgrade at Slater TS)

TRANSFORMATION CONNECTION POOL WORK

Avoided Cost - Transformation Connection Pool: \$5,679,000 which is comprised of:

- (i) \$1,879,000 for T1 Emergency Replacement Upgrade; and
- (ii) \$3,800,000 for T2 and T3 Replacement Upgrade

Estimate of the Engineering and Construction Cost of the Transformation Connection Pool Work: \$6,377,000 which is comprised of:

- (iii) \$2,077,000 for T1 Emergency Replacement Upgrade; and
- (iv) \$4,300,000 for T2 and T3 Replacement Upgrade

Estimate of Transformation Connection Pool Work Capital Contribution: \$727,000 plus HST in the amount of \$94,510

Revised Avoided Cost – Transformation Connection Pool: To be provided 180 days after the Ready for Service Date which is comprised of:

- (i) \$2,521,296 for T1 Emergency Replacement Upgrade; and
- (ii) To be provided 180 days after the Ready for Service Date for T2 and T3 Replacement Upgrade

Actual Engineering and Construction Cost of the Transformation Connection Pool Work: To be provided 180 days after the Ready for Service Date which is comprised of:

- (i) \$2,786,978 for T1 Emergency Replacement Upgrade; and
- (ii) To be provided 180 days after the Ready for Service Date for the T2 and T3 Replacement Upgrade.

Actual Transformation Connection Pool Work Capital Contribution: To be provided 180 days after the Ready for Service Date.

LINE CONNECTION POOL WORK

Not applicable

NETWORK CUSTOMER ALLOCATED WORK

Not applicable

NETWORK POOL WORK (NON-RECOVERABLE FROM CUSTOMER):

Not applicable

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – LOAD**

WORK CHARGEABLE TO CUSTOMER

Not applicable

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – LOAD**

**MANNER OF PAYMENT OF THE ESTIMATE OF CAPITAL CONTRIBUTIONS
AND WORK CHARGEABLE TO CUSTOMER**

The Customer shall pay Hydro One the estimate of the Transformation Connection Pool Work Capital Contribution, the Estimate of Line Connection Pool Work Capital Contribution, the estimate of the Network Customer Allocated Work Capital Contribution and the estimate of the Engineering and Construction Cost of the Work Chargeable to Customer by making the progress payments specified below on or before the Payment Milestone Date specified below. Hydro One will invoice the Customer for each progress payment 30 days prior to the Payment Milestone Date.

Payment Milestone Date	Transformation Connection Pool Work Capital Contribution	Line Connection Pool Work Capital Contribution	Network Customer Allocated Work Capital Contribution	Work Chargeable To Customer	Total Payment Required
Paid on December 27, 2018 ¹	\$198,000+HST \$25,740	N/A	N/A	N/A	\$229,554+HST \$29,842 (Paid)
November 1, 2022 ¹	\$264,500+HST \$34,385	N/A	N/A	N/A	\$232,946+HST \$30,283
May 1, 2023	\$264,500+HST \$34,385	N/A	N/A	N/A	\$264,500+HST \$34,385
Total	\$727,000+HST \$94,510	N/A	N/A	N/A	\$727,000+HST \$94,510

¹ The Customer was invoiced \$229,554 plus HST in the amount \$29,842 in November 29, 2018. However, the contribution required was \$198,000 plus HST in the amount of \$25,740. The Milestone Payment for November 1, 2022 has been adjusted to a lower amount to account for the overpayment.

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – LOAD**

**TRANSFORMATION CONNECTION REVENUE REQUIREMENTS
AND LOAD FORECAST AT THE NEW OR MODIFIED CONNECTION FACILITIES**

Annual Period Ending On:	New Load** (MW)	Part of New Load Exceeding Normal Capacity of Existing Load Facilities [A] (Note 1)	Adjusted Load Forecast (MW) [B]	Transformation Connection Revenue (k\$) for True-Up, based on [A] or [B], whichever is applicable
1 st Anniversary of In Service Date	0	0	0	0
2 nd Anniversary of In Service Date	0	0	0	0
3 rd Anniversary of In Service Date	0	0	0	0
4 th Anniversary of In Service Date	0	0	0	0
5 th Anniversary of In Service Date	0	0	0	0
6 th Anniversary of In Service Date	0	0	0	0
7 th Anniversary of In Service Date	0	0	0	0
8 th Anniversary of In Service Date	0	0	0	0
9 th Anniversary of In Service Date	0	0	0	0
10 th Anniversary of In Service Date	0	0	0	0
11 th Anniversary of In Service Date	0	0	0	0
12 th Anniversary of In Service Date	0	0	0	0
13 th Anniversary of In Service Date	0	0	0	0
14 th Anniversary of In Service Date	0	0	0	0
15 th Anniversary of In Service Date	0	0	0	0
16 th Anniversary of In Service Date	0	0	0	0
17 th Anniversary of In Service Date	0	0	0	0
18 th Anniversary of In Service Date	0	0	0	0
19 th Anniversary of In Service Date	0	0	0	0
20 th Anniversary of In Service Date	0	0	0	0
21 st Anniversary of In Service Date	0	0	0	0
22 nd Anniversary of In Service Date	0	0	0	0
23 rd Anniversary of In Service Date	0	0	0	0
24 th Anniversary of In Service Date	0	0	0	0
25 th Anniversary of In Service Date	0	0	0	0

**LINE CONNECTION REVENUE REQUIREMENTS
AND LOAD FORECAST AT THE NEW OR MODIFIED CONNECTION FACILITIES**

Not applicable

**NETWORK REVENUE REQUIREMENTS AND LOAD FORECAST
AT THE NEW OR MODIFIED CONNECTION FACILITIES**

Not applicable

** New Load based on Customer's Load Forecast which includes Part of New Load Exceeding Normal Capacity of Existing Load Facilities. "Overload" derived in accordance with Section 6.7.9 of the Transmission System Code and the OEB-Approved Connection Procedures. Any Customer load below the Normal Capacity of the Existing Load Facilities transferred to the New or Modified Facilities will not be credited towards the Transformation Connection Revenue Requirements, Line Connection Revenue Requirements or the Network Connection Revenue Requirements. The discounted cash flow calculation for Network Revenue requirements will be based on Incremental Network Load which is New Load less the amount of load, if any, that has been by-passed by the Customer at any of Hydro One's connection facilities.



CONNECTION AND COST RECOVERY AGREEMENT (CCRA) - LOAD

between

Hydro Ottawa Limited

and

Hydro One Networks Inc.

for

New Transformer T4 Connection – Limebank MTS

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

Hydro Ottawa Limited (the “**Customer**”) has requested and Hydro One Networks Inc. (“**Hydro One**”) has agreed to install a new step-down 115-27.6 kV 20/26.7/33.3 MVA transformer in the area adjacent to the existing transformer T4 at Limebank MTS (the “**Project**”) on the terms and conditions set forth in this Agreement dated August 4, 2021 (the “**Agreement**”). The attached Standard Terms and Conditions for Load Customer Transmission Customer Connection Projects V6 7-2021 (the “**Standard Terms and Conditions**” or “**T&C**”), and the following schedules attached hereto are to be read with and form part of this Agreement:

Schedule "A" -	Scope of Hydro One Connection Work
Schedule "B" -	Scope of Customer Connection Work
Schedule "C" -	Capital Contribution(s), Payment Schedule, Revenue Requirements Etc.
Schedule "D" -	Not Applicable
Schedule "E" -	Not Applicable
Schedule "F" -	Not Applicable
Schedule "G" -	Not Applicable
Schedule "H" -	Not Applicable
Schedule "I" -	Not Applicable
Schedule "J" -	Not Applicable

Project Summary

Hydro Ottawa is proposing to install a new step-down 115-27.6 kV 20/26.7/33.3 MVA transformer in the area adjacent to the existing transformer T4 at Limebank MTS to address their planned load growth in the area. The customer has requested Hydro One to proceed with the necessary work to connect the new transformer at Limebank MTS to 115 kV transmission line L2M.

Term

The term of this Agreement commences on the date first written above and terminates on the 25th anniversary of the In Service Date.

Special Circumstances

1. **In addition to the circumstances described in Section 5 of the Standard Terms and Conditions, the Ready for Service Date is subject to:**
 - (a) the Customer executing and delivering this Agreement to Hydro One by no later than 24 August 2021, (the “**Execution Date**”); and
 - (b) any delays from Hydro One being unable to commence all or any part of the Hydro One Connection Work and/or or delays that result in Hydro One having to cease performing all or any portion of the Hydro One Connection 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:
 - (i) 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;

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

- (ii) 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 Connection Cost Recovery Agreements 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;
 - (iii) the productivity of our personnel being diminished or impacted including by reason of ensuring that our employees are appropriately social distanced;
 - (iv) 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 Connection Work; and
 - (v) 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.
2. Hydro One and the Customer are parties to a Connection Cost Estimate Agreement dated 30 April 2021 (the "**CCEA**") and the parties acknowledge and agree that:
- (a) the Customer made advance payment(s) of \$74,637.00 (plus HST in the amount of \$9,703.00) (the "**CCEA Payment(s)**") towards the cost of the Work (as that term is defined in the CCEA) (the "**CCEA Work**");
 - (b) Hydro One performed the CCEA Work at a cost of \$59,000.00 (plus HST in the amount of \$7,670.00) ("**Cost of CCEA Work**"); and
 - (c) the CCEA is deemed to be amended to reflect the inclusion of the Cost of CCEA Work;
 - (d) this Agreement provides for the a refund to be paid to the Customer in respect of the CCEA Payment(s); and
 - (e) there will be no separate cost reconciliation process under the terms of the CCEA.
3. The Customer acknowledges and agrees that pursuant to the terms of the Connection Cost Estimate Agreement dated 30 April 2021, the Customer accepted the risks associated with Hydro One performing a lower quality estimate being a budgetary estimate generally in the range of -50/+100% ("**Budgetary Estimate**") which means that the scope of the Hydro One Connection Work set out in this Agreement contains a number of assumptions which if they are incorrect may materially change the scope of the Hydro One Connection Work from what is identified in Schedule "A", delay the Ready for Service Date identified herein and/or increase the Engineering and Construction Cost of the Hydro One Connection Work and may also materially change the scope of the Customer Connection Work to be performed by the Customer from what is identified in Schedule "B".
4. Hydro One and the Customer are parties to an Agreement for Advance Payment of Engineering Design Work Prior to Execution of a CCRA in respect of the connection of the Project to Hydro One's transmission system dated 22 June 2021 ("**Engineering Design Agreement**"):
- (a) which required that the scope of the work and the cost estimate in this Agreement include the Engineering Design Work; and
 - (b) provided for an Advance Payment of \$56,000.00 plus HST in the amount of \$7,280.00 (the "**Engineering Design Advance Payment**") which was to be paid by the

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

Customer to be credited against the amounts payable by the Customer under the terms of this Agreement;

and as such, Hydro One:

1. included the Engineering Design Work in the scope of the Hydro One Connection Work and the estimate of the Engineering and Construction Cost of the Hydro One Connection Work identified in this Agreement; and
 2. did not credit the Engineering Design Advance Payment against the amounts payable by the Customer under the terms of this Agreement as the timing of entering into this Agreement is such that the Customer had not paid same.
5. The Customer acknowledges and agrees that in addition to the circumstances described in Section 16 of the Standard Terms and Conditions, Hydro One shall have the right to perform work at overtime rates and charge the Customer “Premium Costs” for same without obtaining the Customer’s consent during transmission system outages taken to perform Hydro One Connection Work and/or commissioning.

Entire Agreement

Subject to Section 31 of the Standard Terms and Conditions, this Agreement 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.

Notice

Any written notice required by the Agreement shall be deemed properly given only if either mailed or delivered to the Secretary, Hydro One Networks at 483 Bay Street, 8th Floor, South Tower, Toronto, ON M5G 2P5, fax no: (416) 345-6972 on behalf of Hydro One, and to the person at the address specified in Schedule “A” of the Agreement on behalf of the Customer. A faxed notice shall be deemed to be received on the date of the fax if received before 3 p.m. on a business day or on the next business day if received after 3 p.m. or a day that is not a business day. 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.

[Counterparts Clause and Signature Page Follows]

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

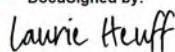
Counterparts and Electronic Signatures

This Agreement may be executed by the parties in writing or via electronic signatures and in one or more in 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 authorized signatories, as of the day and year first written above.

HYDRO OTTAWA LIMITED

DocuSigned by:

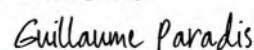


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Name: Laurie Heuff

Title: Director, Distribution Engineering and Asset Management

DocuSigned by:



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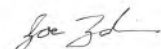
Name: Guillaume Paradis

Title: Chief Electricity Distribution Officer

Date: 2021-08-23

I/We have the authority to bind the Corporation.

HYDRO ONE NETWORKS INC.



Name: Joe Zerdin, P.Eng.

Title: Director, Large Customer Account Management

Execution Date: August 24, 2021 | 6:18:58 AM PDT

I have the authority to bind the Corporation

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

Schedule “A” New Transformer T4 Connection – Limebank MTS: Scope of Hydro One Connection Work

MISCELLANEOUS

New or Modified Connection Facilities: Hydro One will provide the facilities to connect the Customer’s new transformer T4 at Limebank MTS to the 115kV Hydro One transmission circuit L2M.

Connection Point: 115kV Transmission Circuit L2M located adjacent to the Customer’s Limebank MTS located at 4398 Limebank Road, Ottawa.

Ready for Service Date: November 15, 2021

Ownership: Hydro One will own all equipment provided by Hydro One as part of the Hydro One Connection Work.

GENERAL:

Hydro One will provide project management, engineering, equipment and material, construction and commissioning of the Hydro One Connection Work. The scope of the Hydro One Connection Work is based on the requirements from:

- the IESO’s System Impact Assessment (SIA) Report dated 12 January 2021 (CAA ID #2019-665);
- Hydro One’s Customer Impact Assessment (CIA) Report dated 22 January 2021; and

Hydro One, or its agents:

- (i) 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;
- (ii) shall repair any damage caused to lands, owned by Hydro One or third parties, associated with or related to the Hydro One Connection Work;
- (iii) 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; and
- (iv) scrap all materials and equipment removed by Hydro One, or its agents, at site unless specifically stated otherwise.

SCOPE DETAILS (BY CATEGORY):

Part 1: Transformation Connection Pool Work

None

Part 2: Line Connection Pool Work

Hydro One will:

- Install (6) single pole structures.
- String 477 kcmil (26/7) ACSR conductor from tap point to station entrance structure.

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

- String shield wire from tap point to station entrance structure.
- Install MSOs.
- Install 4 AWG counterpoise.
- Prepare Environmental Protection Plan and Environmental Monitoring and will provide construction support.
- Review P&C settings for 115kV circuits L2M, M1R and L1MB.

Hydro One will obtain the following Land Rights for the Line Connection Pool Work¹:
None required.

Part 3: Network Customer Allocated Work

None

Part 4: Network Pool Work (Non-Recoverable from Customer)

None

Part 5: Work Chargeable to Customer

None

Part 6: Scope Change

For the purposes of this Part 6 of Schedule “A”, the term “Non-Customer Initiated Scope Change(s)” means one or more changes that are required to be made to the Project Scope as detailed and documented in Parts 1 to 5 of this Schedule “A” such as a result of any one or more of the following:

- any environmental assessment(s);
- requirement for Hydro One to obtain approval under Section 92 (leave to construct) of the Ontario Energy Board Act if the transmission line route selected by Hydro One is greater than 2 km in length;
- Hydro One having to expropriate property under the Ontario Energy Board Act;
- conditions included by the OEB in any approval issued by the OEB under Section 92 of the Ontario Energy Board Act or any approval issued by the OEB to expropriate under the Ontario Energy Board Act; and
- any IESO requirements identified in the System Impact Assessment or any revisions thereto.

Any change in the Project Scope as detailed and documented in this Schedule “A” whether they are initiated by the Customer or are Non-Customer Initiated Scope Changes, may result in a change to the Project costs estimated in Schedule “B” of this Agreement and the Project schedule, including the Ready for Service Date.

All Customer initiated scope changes to this Project must be made in writing to Hydro One.

¹ Cross-reference: Section 24 of T&C and definition of Land Rights in Appendix A of the T&C.

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

Hydro One will advise the Customer of any cost and schedule impacts of any Customer initiated scope changes. Hydro One will advise the Customer of any Material cost and/or Material schedule impacts of any Non-Customer Initiated Scope Changes.

Hydro One will not implement any Customer initiated scope changes until written approval has been received from the Customer accepting the new pricing and schedule impact.

Hydro One will implement all Non-Customer initiated scope changes until the estimate of the Engineering and Construction Cost of all of the Non-Customer initiated scope changes made by Hydro One reaches 10% of the total sum of the estimates of the Engineering and Construction Cost of:

- (i) the Transformation Connection Pool Work,
- (ii) the Line Connection Pool Work;
- (iii) Network Pool Work;
- (iv) Network Customer Allocated Work; and
- (v) The Work Chargeable to Customer.

At that point, no further Non-Customer initiated scope changes may be made by Hydro One without the written consent of the Customer accepting new pricing and schedule impact. If the Customer does not accept the new pricing and schedule impact, Hydro One will not be responsible for any delay in the Ready for Service Date as a consequence thereof.

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

Schedule “B” New Transformer T4 Connection – Limebank MTS: Scope of Customer Connection Work

MISCELLANEOUS

Revenue Metering: IESO compliant revenue metering to be provided by the Customer.

GENERAL:

The Customer will:

- (a) enter into a Connection Agreement with Hydro One or where applicable, amend its existing Connection Agreement with Hydro One at least 14 days prior to the first Connection;
- (b) ensure that project data is provided to Hydro One in accordance with Subsection 3(e) of the T&C;
- (c) install metering facilities in accordance with the Market Rules;
- (d) provide a dedicated communication circuit for remote access to the metering equipment in accordance with the Market Rules;
- (e) provide a dedicated telephone line for direct communication between Hydro One’s Ontario Grid Control Centre (“**Hydro One OGCC**”) operator and the Storage Facility control room operator (the real time contact to be listed in the Connection Agreement can be a toll free (1-800...) phone number which should go directly to the Customer’s real time contact and not an automated teleprompt/voice recording as it may require an immediate response from the Customer) and will provide round-the-clock monitoring and control of the Customer’s facilities;
- (f) ensure that the work to be performed by the Customer required for successful installation, testing and commissioning of protective, teleprotection, telecommunication and metering equipment is completed as required to enable Hydro One COVER verification to confirm satisfactory performance of such systems;
- (g) accept operating designations as assigned by Hydro One and install nameplates on the Customer’s equipment;
- (h) use operating designations on all operating agreements, telemetry and protection documents and any other agreements that refer to equipment designation; and
- (i) satisfy all other requirements specific to the Connection.

LAND RIGHTS REQUIRED TO BE PROVIDED BY CUSTOMER:² None

DOCUMENTATION REQUIREMENTS: None

SCOPE DETAILS:

In addition to the meeting the requirements described above under General, Land Rights Required from Customer and Documentation Requirements, the Customer will:

- Provide and install the final jumpers (loops) between the line tap terminations and their transformer disconnect switches.

Provide access for construction and future maintenance to the Hydro One easement corridor.

² Cross-reference Section 24 of T&C and definition of Land Rights in Appendix A of the T&C

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD**Schedule “C” New Transformer T4 Connection – Limebank MTS: Capital Contribution(s), Payment Schedule, Revenue Requirements Etc.****MISCELLANEOUS****Risk Classification:** Low Risk

True-Up Points: (a) following the fifth and tenth anniversaries of the In Service Date; and
 (b) following the fifteenth anniversary of the In Service Date if the Actual Load is 20% higher or lower than the Load Forecast at the end of the tenth anniversary of the In Service Date.

Customer’s HST Registration Number: [REDACTED]**Security Requirements:** Nil**Security Date:** Not applicable**Exceptional Circumstances re. Network Construction or Modifications:** None**Other Relevant Considerations:** Limebank MTS T3 Connection 115 kV Circuit L2M**Existing Load Table:**

	A	B
Existing Load Facility	Existing Load (MW) ¹	Normal Capacity (MW) ²
Limebank MTS	56.7	59.4

Existing Load Table Notes:

- ¹ Existing Load means the Customer’s Assigned Capacity at the Existing Load Facility as of the date of this Agreement (Section 3.0.3 of the Transmission System Code).
- ² Any station load above the Normal Capacity of the Existing Load Facility (Overload) will be determined in accordance with Section 6.7.9 of the Transmission System Code and Hydro One’s OEB-approved Transmission Connection Procedures. If the Overload is transferred to the New or Modified Connection Facilities, the Overload will be credited to the Line Connection Revenue, Transformation Connection Revenue or Network Revenue requirement, whichever is applicable.

TRANSFORMATION CONNECTION POOL WORK**Estimate of the Engineering and Construction Cost of the Transformation Connection Pool Work:** Not applicable.**Estimate of Transformation Connection Pool Work Capital Contribution:** Not applicable.**Actual Engineering and Construction Cost of the Transformation Connection Pool Work:** Not applicable.**Actual Transformation Connection Pool Work Capital Contribution:** Not applicable.**LINE CONNECTION POOL WORK****Estimate of the Engineering and Construction Cost of the Line Connection Pool Work:** \$376,000.00 plus HST in the amount of \$48,880.00

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

Estimate of Line Connection Pool Work Capital Contribution: \$0.00 plus HST in the amount of \$0.00

Actual Engineering and Construction Cost of the Line Connection Pool Work: To be provided 180 days after the Ready for Service Date.

Actual Line Connection Pool Work Capital Contribution: To be provided 180 days after the Ready for Service Date.

NETWORK CUSTOMER ALLOCATED WORK

Estimate of the Engineering and Construction Cost of the Network Customer Allocated Work: Not applicable.

Estimate of the Network Customer Allocated Work Capital Contribution: Not applicable.

Actual Engineering and Construction Cost of the Network Customer Allocated Work: Not applicable.

Actual Network Customer Allocated Work Capital Contribution: Not applicable.

NETWORK POOL WORK (NON-RECOVERABLE FROM CUSTOMER):

Not applicable

WORK CHARGEABLE TO CUSTOMER

Estimate of the Engineering and Construction Cost of the Work Chargeable To Customer: Not applicable.

Actual Engineering and Construction Cost of the Work Chargeable To Customer: Not applicable.

MANNER OF PAYMENT OF THE ESTIMATE OF CAPITAL CONTRIBUTIONS AND WORK CHARGEABLE TO CUSTOMER

Hydro One's estimate of the Transformation Connection Pool Work Capital Contribution, the Line Connection Pool Work Capital Contribution, the estimate of the Network Customer Allocated Work Capital Contribution and the estimate of the Engineering and Construction Cost of the Work Chargeable to Customer is \$0. Upon execution of this Agreement, Hydro One will refund the Customer \$74,637 plus HST in the amount of \$9,703.00 to the Customer being CCEA Payment(s) paid by the Customer (for further information, please see Section 2 under Special Circumstances).

TRANSFORMATION CONNECTION REVENUE REQUIREMENTS AND LOAD FORECAST AT THE NEW OR MODIFIED CONNECTION FACILITIES

Not Applicable.

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD**LINE CONNECTION REVENUE REQUIREMENTS
AND LOAD FORECAST AT THE NEW OR MODIFIED CONNECTION FACILITIES**

Annual Period Ending On:	New Load** (MW)	Part of New Load (MW) Exceeding Normal Capacity of Existing Load Facilities [A] ^(Note A)	Adjusted Load Forecast (MW) [B]	Line Connection Revenue (k\$) for True-Up based on [A] or [B], whichever is applicable
1 st Anniversary of In Service Date	0	0	0	0
2 nd Anniversary of In Service Date	0	0	0	0
3 rd Anniversary of In Service Date	0	0	0	0
4 th Anniversary of In Service Date	0	0	0	0
5 th Anniversary of In Service Date	0	0	0	0
6 th Anniversary of In Service Date	0	0	0	0
7 th Anniversary of In Service Date	1.8	1.8	0.9	9.2
8 th Anniversary of In Service Date	4.2	4.2	2.2	21.2
9 th Anniversary of In Service Date	6.5	6.5	3.4	33.2
10 th Anniversary of In Service Date	8.8	8.8	4.6	45
11 th Anniversary of In Service Date	11.2	11.2	5.9	57.2
12 th Anniversary of In Service Date	12	12	6.3	61.1
13 th Anniversary of In Service Date	12.1	12.1	6.3	61.4
14 th Anniversary of In Service Date	12.1	12.1	6.3	61.4
15 th Anniversary of In Service Date	12.1	12.1	6.3	61.4
16 th Anniversary of In Service Date	12.1	12.1	6.3	61.4
17 th Anniversary of In Service Date	12.1	12.1	6.3	61.4
18 th Anniversary of In Service Date	12.1	12.1	6.3	61.4
19 th Anniversary of In Service Date	12.1	12.1	6.3	61.4
20 th Anniversary of In Service Date	12.1	12.1	6.3	61.4
21 st Anniversary of In Service Date	12.1	12.1	6.3	61.4
22 nd Anniversary of In Service Date	12.1	12.1	6.3	61.4
23 th Anniversary of In Service Date	12.1	12.1	6.3	61.4
24 th Anniversary of In Service Date	12.1	12.1	6.3	61.4
25 th Anniversary of In Service Date	12.1	12.1	6.3	61.4

**NETWORK REVENUE REQUIREMENTS AND LOAD FORECAST
AT THE NEW OR MODIFIED CONNECTION FACILITIES**

Not applicable.

Notes Applicable to All of the Above Revenue Requirements Tables:

^A New Load is based on Customer's Load Forecast which includes Part of New Load Exceeding Normal Capacity of Existing Load Facilities. "Overload" is derived in accordance with Section 6.7.9 of the Transmission System Code and the OEB-Approved Connection Procedures. Any Customer load below the Normal Capacity of the Existing Load Facilities transferred to the New or Modified Facilities will not be credited towards the Transformation Connection Revenue Requirements, Line Connection Revenue Requirements or the Network Connection Revenue Requirements. The discounted cash flow calculation for Network Revenue requirements will be based on Incremental Network Load which is New Load less the amount of load, if any, that has been by-passed by the Customer at any of Hydro One's connection facilities.

Standard Terms and Conditions for Load Customer Transmission Customer Connection Projects

1. 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 the Agreement and to perform its obligations hereunder;
- (c) the execution, delivery and performance of the 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 Material contracts or instruments to which it is bound; or (iii) 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) the Agreement constitutes a legal and binding obligation on it, enforceable against it in accordance with its terms;
- (f) it is registered for purposes of Part IX of the *Excise Tax Act* (Canada). The HST registration number for Hydro One is [REDACTED] and the HST registration number for the Customer is as specified in Schedule "A" of the Agreement; and
- (g) no proceedings have been instituted by or against it with respect to bankruptcy, insolvency, liquidation or dissolution.

Part A: Hydro One Connection Work and Customer Connection Work

2. The Customer and Hydro One shall perform their respective obligations outlined in the Agreement in a manner consistent with Good Utility Practice and the Transmission System Code, in compliance with all Applicable Laws, and using duly qualified and experienced people.

3. The parties acknowledge and agree that:

(a) Hydro One is responsible for obtaining any and all permits, certificates, reviews and approvals required under any Applicable Laws with respect to the Hydro One Connection Work and those required for the construction, Connection and operation of the New or Modified Connection Facilities;

(b) the Customer shall perform the Customer Connection Work, at its own expense;

(c) except as specifically provided in the Agreement, the Customer is responsible for obtaining any and all permits, certificates, reviews and approvals required under any Applicable Laws with respect to the Customer Connection Work and those required for the construction, Connection and operation of the Customer's Facilities including, but not limited to, where applicable, leave to construct pursuant to Section 92 of the *Ontario Energy Board Act, 1998*;

(d) the Customer is responsible for installing equipment and facilities such as protection and control equipment to protect its own property, including, but not limited to the Customer's Facilities;

(e) the Customer shall provide Hydro One with Project data required by Hydro One, including, but not limited to (i) the same technical information that the Customer provided the IESO during any connection assessment and facility registration process associated with the Customer'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 Customer's Facilities;

(f) Hydro One may participate in the commissioning, inspection or testing of the Customer's Connection Facilities at a time that is mutually agreed by Hydro One and the Customer and the Customer shall ensure that the work performed by the Customer and others required for successful commissioning, inspection or testing of protective equipment is completed as required to enable Hydro One witnessing and testing to confirm satisfactory performance of such systems;

(g) unless otherwise provided herein, Hydro One's responsibilities under the Agreement with respect to the Connection of the New or Modified

Connection Facilities to Hydro One's transmission system shall be limited to the performance of the Hydro One Connection Work;

(h) Hydro One is not permitted to Connect any new, modified or replacement Customer's Facilities unless any required Connection authorizations, certificate of inspection or other applicable approval have been issued or given by the Ontario Electrical Safety Authority in relation to such facilities;

(i) Hydro One may require that the Customer provide Hydro One with test certificates certifying that the Customer's Facilities have passed all relevant tests and comply with the *Transmission System Code*, the Market Rules, Good Utility Practice, the standards of all applicable reliability organizations and any Applicable Laws, including, but not limited to any certificates of inspection that may be required by the Ontario Electrical Safety Authority;

(j) in addition to the Hydro One Connection Work described in Schedule "A", Hydro One shall: provide the Customer with such technical parameters as may be required to assist the Customer in ensuring that the design of the Customer's Facilities is consistent with the requirements applicable to Hydro One's transmission system and the basic general performance standards for facilities set out in the *Transmission System Code*, including Appendix 2 thereof; and

(k) if Hydro One requires access to the Customer's Facilities for the purposes of performing the Hydro One Connection Work or the Customer requires access to Hydro One's Facilities for the purposes of the Customer Connection Work, the parties agree that Section 27.13 of the Connection Agreement shall govern such access and is hereby incorporated in its entirety by reference into, and forms an integral part of the Agreement. All references to "this Agreement" in Section 27.13 shall be deemed to be a reference to the Agreement;

(l) the Customer shall enter into a Connection Agreement with Hydro One or amend its existing Connection Agreement with Hydro One at least 14 calendar days prior to the Connection;

(m) Hydro One shall use reasonable efforts to ensure that any applications required to be filed to obtain any permits or approvals required under Applicable Laws for the Hydro One Connection Work are filed in a timely manner; and

(n) the Customer shall use reasonable efforts to ensure that any applications required to be filed to obtain any permits or approvals required under Applicable Laws for the Customer Connection Work or for the construction, Connection and operation of the Customer's Facilities are filed in a timely manner.

4. The following aspects of the Hydro One Connection Work and Hydro One's rights and requirements hereunder are solely for the purpose of Hydro One ensuring that the Customer Facilities to be connected to Hydro One's transmission system do not materially reduce or adversely affect the reliability of Hydro One's transmission system and do not adversely affect other customers connected to Hydro One's transmission system, Hydro One's:

- (a) specifications of the protection equipment on the Customer's side of the Connection Point;
- (b) acceptance of power system components on the Customer's side of the Connection Point;
- (c) acceptance of the technical specifications (including electrical drawings) for the Customer's Facilities and/or the Customer Connection Work; and
- (d) participation in the commissioning, inspection or testing of the Customer's Facilities.

The Customer is responsible for installing equipment and facilities such as protection and control equipment to protect its own property, including, but not limited to the Customer's Facilities.

5. Hydro One shall use reasonable efforts to complete the Hydro One Connection Work by the Ready for Service Date specified in Schedule "A" provided that:

- (a) the Customer is in compliance with its obligations under the Agreement;
- (b) any work required to be performed by third parties has been performed in a timely manner and in a manner to the satisfaction of Hydro One, acting reasonably;

- (c) there are no delays resulting from Hydro One not being able to obtain outages from the IESO required for any portion of the Hydro One Connection Work or from the IESO making changes to the Hydro One Connection Work or the scheduling of all or a portion of the Hydro One Connection Work;
- (d) Hydro One does not have to use its employees, agents and contractors performing the Hydro One Connection Work or the Network Pool Work elsewhere on its transmission system or distribution system due to an Emergency (as that term is defined in the *Transmission System Code*) or a Force Majeure Event;
- (e) Hydro One is able to obtain the materials and labour required to perform the Hydro One Connection Work with the expenditure of Premium Costs where required;
- (f) where Hydro One needs to obtain leave to construct pursuant to Section 92 of the *Ontario Energy Board Act, 1998*, such leave is obtained on or before the date specified as the Approval Date in Schedule "A" of the Agreement;
- (g) where applicable, Hydro One received the easement described in Section 24 hereof by the Easement Date specified in Schedule "A" of the Agreement;
- (h) Hydro One has received or obtained prior to the dates upon which Hydro One requires any or one or more of the following under Applicable Laws in order to perform all or any part of the Hydro One Connection Work:
 - (i) environmental approvals, permits or certificates;
 - (ii) land use permits from the Crown; and
 - (iii) building permits and site plan approvals;
- (i) Hydro One is able, using reasonable efforts, to obtain all necessary land rights on terms substantially similar to the form of the easement that is attached hereto as Appendix "B" of these Standard Terms and Conditions for the Project, prior to the dates upon which Hydro One needs to commence construction of the Hydro One Connection Work in order to meet the Ready for Service Date;
- (j) there are no delays resulting from Hydro One being unable to obtain materials or equipment required from suppliers in time to meet the project schedule for any portion of the Hydro One Connection Work provided that such delays are beyond the reasonable control Hydro One; and

- (k) the Customer executed the Agreement on or before the date specified as the Execution Date.

The Customer 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.

6. Upon completion of the Hydro One Connection Work:
 - (a) Hydro One shall own, operate and maintain all equipment specified in Schedule "A" of the Agreement under the heading "Ownership"; and
 - (b) other than equipment referred to in (a) above that shall be owned, operated and maintained by Hydro One, all other equipment provided by Hydro One as part of the Hydro One Connection Work or provided by the Customer as part of the Customer Connection Work shall be owned, operated and maintained by the Customer.

The Customer acknowledges that:

- (i) ownership and title to the equipment referred to in (a) above shall throughout the Term and thereafter remain vested in Hydro One and the Customer shall have no right of property therein; and
- (ii) any portion of the equipment referred to in (a) above that is located on the Customer's property shall be and remain the property of Hydro One and shall not be or become fixtures and/or part of the Customer's property.

7. The Customer acknowledges and agrees that Hydro One is not responsible for the provision of power system components on the Customer's Facilities, including, without limitation, all transformation, switching, metering and auxiliary equipment such as protection and control equipment.

All of the power system components on the Customer's side of the Connection Point including, without limitation, all transformation, switching and auxiliary equipment such as protection and control equipment shall be subject to the acceptance of Hydro One with regard to Hydro One's requirements to permit Connection of the New or

Modified Connection Facilities to Hydro One's transmission system, and shall be installed, maintained and operated in accordance with all Applicable Laws, codes and standards, including, but not limited to, the *Transmission System Code*, at the expense of the Customer.

8. Where Hydro One has equipment for automatic reclosing of circuit breakers after an interruption for the purpose of improving the continuity of supply, it shall be the obligation of the Customer to provide adequate protective equipment for the Customer's facilities that might be adversely affected by the operation of such reclosing equipment. The Customer shall provide such equipment as may be required from time to time by Hydro One for the prompt disconnection of any of the Customer's apparatus that might affect the proper functioning of Hydro One's reclosing equipment.

9. The Customer shall provide Hydro One with copies of the documentation specified in Schedule "A" of the Agreement under the heading "Documentation Required", acceptable to Hydro One, within 120 calendar days after the Ready for Service Date. The Customer shall ensure that Hydro One may retain this documentation for Hydro One's ongoing planning, system design, and operating review. The Customer shall also maintain and revise such documentation to reflect changes to the Customer's Facilities and provide copies to Hydro One on demand and as specified in the Connection Agreement.

Part B: Transformation Connection Pool Work and/or Line Connection Pool Work and/or Network Customer Allocated Work

10.1 To the extent that the Pool Funded Cost of the Hydro One Connection Work is not recoverable by Transformation Connection Revenue for the Transformation Connection Pool Work and/or Line Connection Revenue for the Line Connection Pool Work and/or Network Revenue for the Network Customer Allocated Work during the Economic Evaluation Period, the Customer agrees to pay Hydro One a Capital Contribution towards the Pool Funded Cost of the Transformation Connection Pool Work and/or a Capital Contribution towards the Pool Funded Cost of the Line Connection Pool Work and/or a Capital Contribution towards the Pool Funded Cost of the Network Customer

Allocated Work and any amounts payable to Hydro One under Subsection 12 (a) (i) hereof.

An estimate of the Engineering and Construction Cost (not including Taxes) of the Transformation Connection Pool Work and/or Line Connection Pool Work and/or Network Customer Allocated Work is provided in Schedule "B" of the Agreement.

An estimate of the Capital Contribution for each of the Transformation Connection Pool Work, the Line Connection Pool Work and the Network Customer Allocated Work is specified in Schedule "B" of the Agreement (plus Taxes). The Customer shall pay Hydro One the estimated Capital Contribution(s) in the manner specified in Schedule "B" of the Agreement.

Within 180 calendar days after the Ready for Service Date, Hydro One shall provide the Customer with a new Schedule "B" to replace Schedule "B" of the Agreement attached hereto which shall identify the following:

- (a) the actual Engineering and Construction Cost of the Transformation Connection Pool Work;
- (b) the actual Engineering and Construction Cost of the Line Connection Pool Work;
- (c) the actual Engineering and Construction Cost of the Network Customer Allocated Work;
- (d) the actual Engineering and Construction Cost of the Work Chargeable to Customer;
- (e) the actual Capital Contribution required to be paid by the Customer for each of the Transformation Connection Pool Work, the Line Connection Pool Work and the Network Customer Allocated Work; and
- (f) the revised Transformation Connection Revenue and/or Line Connection Revenue requirements and/or Network Revenue requirements based on the Load Forecast or the Adjusted Load Forecast, whichever is applicable.

The new Schedule "B" shall be made a part hereof as though it had been originally incorporated into the Agreement.

If an estimate of a Capital Contributions paid by the Customer exceeds the actual Capital Contribution required to be paid by the Customer for any or all of the Transformation Connection Pool Work, the

Line Connection Pool Work and the Network Customer Allocated Work, Hydro One shall refund the difference to the Customer (plus Taxes) within 30 days following the issuing of the new Schedule "B". If the estimate of a Capital Contribution paid by the Customer is less than the actual Capital Contributions required to be paid by the Customer for any or all of the Transformation Connection Pool Work, the Line Connection Pool Work and the Network Customer Allocated Work, the Customer shall pay Hydro One the difference (plus Taxes) within 30 days following the issuing of the new Schedule "B".

10.2 Hydro One shall not include the following amounts in the Capital Contributions referenced in Section 10.1, any capital contribution for:

- (a) a Connection Facility that was otherwise planned by Hydro One except for advancement costs;
- (b) capacity added to a Connection Facility in anticipation of future load growth not attributable to the Customer; or
- (c) the construction of or modifications to Hydro One's Network Facilities that may be required to accommodate the New or Modified Connection other than Network Customer Allocated Work unless Hydro One has indicated in Schedule "A" of the Agreement that exceptional circumstances exist so as to reasonably require the Customer to make a Capital Contribution.

10.3 Notwithstanding Sub-section 10.2(c) above, if Hydro One indicates in Schedule "A" of the Agreement that exceptional circumstances exist so as to reasonably require the Customer to make a Capital Contribution towards the Network Pool Work, Hydro One shall not, without the prior written consent of the Customer, refuse to commence or diligently perform the Network Pool Work pending direction from the OEB under section 6.3.5 of the *Transmission System Code* provided that the Customer provides Hydro One with a security deposit in accordance with Section 20 of these Standard Terms and Conditions.

Until such time as Hydro One has actually begun to perform the Network Pool Work, the Customer may request, in writing, that Hydro One not perform the Network Pool Work and Hydro One shall promptly

return to the Customer any outstanding security deposit related to the Network Pool Work.

10.4 If the Customer has made a Capital Contribution under Section 10.1 hereof for the construction or modification of a Hydro One-owned Connection Facility other than an enabler facility and where this Capital Contribution includes the cost of capacity on the Connection Facility in excess of the Customer's needs as indicated in Schedule "B" of the Agreement, Hydro One shall provide the Customer with a refund, calculated in accordance with Section 6.3.17A of the *Transmission System Code* if that capacity is assigned to another Load Customer within fifteen (15) years of the In Service Date of the Connection Facility.

11. Hydro One shall perform a True-Up, based on Actual Load:

- (a) at the True-Up Points specified in Schedule "A" of the Agreement; and
- (b) the time of disconnection where the Customer voluntarily and permanently disconnects the Customer's Facilities from Hydro One's transmission facilities and the prior to the final True-Up Point identified in (a) above.

For True-Up purposes, if the Customer does not pay a Capital Contribution, Hydro One shall provide the Customer with an Adjusted Load Forecast.

Hydro One shall perform True-Ups in a timely manner. Within 30 calendar days following completion of each of the True-Ups referred to in 11(a), Hydro One shall provide the Customer with the results of the True-Up.

12(a) If the result of a True-Up performed in accordance with Section 11 above is that the Actual Load and Updated Load Forecast is:

- (i) less than the load in the Load Forecast or the Adjusted Load Forecast, whichever is applicable, and therefore does not generate the forecasted Transformation Connection Revenue and/or Line Connection Revenue and/or Network Revenue required for the Economic Evaluation Period, the Customer shall pay Hydro One an amount equal to the shortfall adjusted to reflect the time value of money within 30 days after the date of Hydro One's invoice therefor; and

(ii) more than the load in the Load Forecast or the Adjusted Load Forecast, whichever is applicable, and therefore generates more than the forecasted Transformation Connection Revenue and/or Line Connection Revenue and/or Network Revenue required for the Economic Evaluation Period, Hydro One shall post the excess Transformation Connection Revenue and/or Line Connection Revenue and/or Network Revenue as a credit to the Customer in a notional account. Hydro One shall apply this credit against any shortfall in subsequent True-Up calculations. Where the Customer paid a Capital Contribution in accordance with Section 10.1 hereof, Hydro One shall rebate the Customer an amount that is the lesser of the credit balance in the notional account adjusted to reflect the time value of money, and the Capital Contribution adjusted to reflect the time value of money by no later than 30 days following the final True-Up calculation.

12(b) All adjustments to reflect the time value of money to be performed under Subsection 12(a) above shall be performed in accordance with the OEB-Approved Connection Procedures. As of the date of this Agreement, the time value of money is determined using Hydro One's after-tax cost of capital as used in the original economic evaluation performed in accordance with the requirements of the *Transmission System Code*.

13.1 With respect to the installation of embedded generation (as determined in accordance with Section 11.1 of the *Transmission System Code*) during the applicable True-Up period Hydro One shall comply with the requirements of Section 6.5.8 of the *Transmission System Code* when carrying out True-Up calculations if the Customer is a Distributor or the requirements of Section 6.5.9 of the *Transmission System Code* when carrying out True-Up calculations if the Customer is a Load Customer other than a Distributor.

13.2 With respect to energy conservation, energy efficiency, load management or renewable energy activities that occurred during the applicable True-Up period Hydro One shall comply with the requirements of Section 6.5.10 of the *Transmission System Code* when carrying out True-Up calculations provided that the Customer demonstrates to the reasonable satisfaction of

Hydro One (such as by means of an energy study or audit) that the amount of any reduction in the Customer's load has resulted from energy conservation, energy efficiency, load management or renewable energy activities that occurred during the applicable True-Up period.

14. Hydro One shall provide the Customer with all information pertaining to the calculation of all Engineering and Construction Costs, Capital Contributions and True-Ups that the Customer is entitled to receive in accordance with the requirements of the *Transmission System Code*.

Part C: Work Chargeable to Customer, Network Pool Work and Premium Costs

15.1 The Customer shall pay Hydro One's Engineering and Construction Cost (plus Taxes) of the Hydro One Connection Work described as Work Chargeable to Customer in Schedule "A" of the Agreement which is estimated to be the amounts specified in Schedule "B" of the Agreement in the manner specified in Schedule "B" of the Agreement.

Hydro One shall identify the actual Engineering and Construction Cost of the Work Chargeable to Customer in the revised Schedule "B" provided to the Customer in accordance with Section 10.1 of this Agreement. Any difference between the Engineering and Construction Cost of the Work Chargeable to Customer (plus Taxes) and the amount already paid by the Customer shall be paid within 30 days after the issuance of the revised Schedule "B" by:

- (a) Hydro One to the Customer, if the amount already paid by the Customer exceeds the Engineering and Construction Cost of the Work Chargeable to Customer (plus Taxes); or
- (b) the Customer to Hydro One, if the amount already paid by the Customer is less than the Engineering and Construction Cost of the Work Chargeable to Customer (plus Taxes).

15.2 Subject to Sections 10.3 and 18 hereof, Hydro One shall perform the Hydro One Connection Work described as Network Pool Work in Part 3 of Schedule "A" of the Agreement at Hydro One's sole expense.

16. As the Project is schedule-driven and as the estimated costs specified in Schedule “B” of the Agreement are based upon normal timelines for delivery of material and performance of work, in addition to the amounts that the Customer is required to pay pursuant to Section 10.1 and 15.1 above, the Customer agrees to pay Hydro One’s Premium Costs if the Customer causes or contributes to any delays, including, but not limited to, the Customer failing to execute the Agreement by the Execution Date specified in Schedule “A” of the Agreement.

Hydro One shall obtain the Customer’s approval prior to Hydro One authorizing the purchase of materials or the performance of work that attracts Premium Costs. The Customer acknowledges that its failure to approve an expenditure of Premium Costs may result in further delays and Hydro One shall not be liable to the Customer as a result thereof. Hydro One shall invoice the Customer for expenditures of Premium Costs approved by the Customer within 180 calendar days after the Ready for Service Date.

Part D: Right of Customer to By-Pass Existing Load Facilities

17.1 Obligation to Notify Hydro One of Customer’s Intent to Bypass an Existing Load Facility: If the Customer chooses to exercise its rights under the *Transmission System Code* and the Agreement to bypass the Existing Load Facility, the Customer shall notify Hydro One, in writing, in accordance with the requirements of Schedule J of the Connection Agreement prior to transferring load from the Existing Load Facility. Upon receiving the notice, Hydro One will proceed in accordance with Section 6.7 of the Transmission System Code and the applicable terms of the Connection Agreement.

17.2 Hydro One has not received a Notice of Customer Intent to Bypass an Existing Load Facility and Customer has Transferred Existing Load: Where Hydro One determines that the Customer has transferred load from the Existing Load Facility without notifying Hydro One in accordance with the requirements of Schedule J of the Connection Agreement, Hydro One will notify the Customer, all other load customers served by the connection facility and the OEB of a potential by-pass situation in accordance with the OEB-

Approved Connection Procedures and its obligations in Section 6.7 of the Code and the applicable terms of the Connection Agreement. If the Customer does not intend to by-pass the Existing Load Facility, the Customer must, in accordance with the OEB-Approved Connection Procedures:

- (a) notify Hydro One and the OEB within 30 days of receiving Hydro One’s notification of potential by-pass, that it has no intention of by-passing Hydro One’s Existing Load Facility;
- (b) transfer the load back to the Existing Load Facility within an agreed time period; and
- (c) compensate Hydro One for the lost revenues.

17.3 The Customer agrees that Sections 17.1 and 17.2 above shall also be terms of the Connection Agreement.

Part E: Cancellation or Termination of Project and Early Termination of Agreement for Breach

18. Notwithstanding any other term of the Agreement, if at any time prior to the In-Service Date, the Project is cancelled or the Agreement is terminated for any reason whatsoever other than breach of the Agreement by Hydro One, the Customer shall pay Hydro One’s Engineering and Construction Cost (plus Taxes) of the Line Connection Pool Work, the Transformation Connection Pool Work, the Network Pool Work, the Network Customer Allocated Work and the Work Chargeable to Customer incurred on and prior to the date that the Project is cancelled or the Agreement is terminated, including the preliminary design costs and all costs associated with the winding up of the Project, including, but not limited to, storage costs, vendor cancellation costs, facility removal expenses and any environmental remediation costs.

If the Customer provides written notice to Hydro One that it is cancelling the Project, Hydro One shall have 10 Business Days to provide written notice to the Customer listing the individual items listed as materials which it agrees to purchase. Hydro One shall deduct the actual cost of those individual items of materials being purchased by Hydro One from the Engineering and Construction Costs referred to above.

If Hydro One does not require all or part of the materials, the Customer may exercise any of the following options or a combination thereof:

- (a) where materials have been ordered but all or part of the materials have not been received by Hydro One, the Customer shall have the right to require Hydro One, at the Customer's sole expense, to continue with the purchase of the materials and transfer title to those materials on an "as is, where is basis" to the Customer upon the Customer paying Hydro One's Engineering and Construction Costs (plus Taxes) provided that the Customer exercises this option within 15 Business Days of the termination or cancellation; or
- (b) where all or part of the materials have been received by Hydro One but have not been installed, the Customer shall have the right to require Hydro One, at the Customer's sole expense, to transfer title to the materials on an "as is, where is basis" to the Customer upon the Customer paying Hydro One's Engineering and Construction Costs (plus Taxes) provided that the Customer exercises this option within 15 Business Days of the termination or cancellation. The Customer shall also be responsible for any warehousing costs associated with the storage of the materials to the date of transfer; or
- (c) where all or part of the materials have been received by Hydro One and have been installed, the Customer shall have the right to require Hydro One, at the Customer's sole expense, to: transfer title to the materials on an "as is, where is basis" to the Customer upon the later of (A) the Customer paying Hydro One's Engineering and Construction Costs (plus Taxes); and (B) the date that Hydro One removes the materials from its property at the risk of the Customer; provided that the Customer exercises this option within 15 Business Days of the termination or cancellation. The Customer shall also be responsible for any Engineering and Construction Costs (plus Taxes) associated with the removal of the materials that have been installed by Hydro One.

The Customer shall pay Hydro One's Engineering and Construction Costs (plus Taxes) which become payable under this Section 18 within 30 calendar days after the date of invoice.

Part F: Sale, Lease, Transfer or Other Disposition of Customer's Facilities

19. In the event that the Customer sells, leases or otherwise transfers or disposes of the Customer's Facilities to a third party during the Term of the Agreement, the Customer shall cause the purchaser, lessee or other third party to whom the Customer's Facilities are transferred or disposed to enter into an assumption agreement with Hydro One to assume all of the Customer's obligations in the Agreement; and notwithstanding such assumption agreement unless Hydro One agrees otherwise, in writing, the Customer shall remain obligated under Sections 10.1, 12, 15.1 and 16 hereof. The Customer further acknowledges and agrees that in the event that all or a portion of the Customer's Facilities are shut down, abandoned or vacated for any period of time during the Term of the Agreement, the Customer shall remain obligated under Sections 10.1, 12, 15.1 and 16 for the said time period.

Part G: Security Requirements

20. If Hydro One requires that the Customer furnish security, which at the Customer's option may be in the form of cash (by way of a certified cheque, bank draft or wire transfer), a Letter of Credit in a form acceptable to Hydro One or a Surety Bond in a form acceptable to Hydro One, the Customer shall furnish such security in the amount and by the dates specified in Schedule "A" of the Agreement.

A Security Deposit provided in the form of a letter of credit or a surety bond shall not expire prior to the Security Date specified in Schedule "A". If a letter of credit or surety bond has an earlier expiry date, Hydro One may draw down on the letter of credit or surety bond not more than 60 days prior to the expiry date and treat the amount drawn as a cash deposit.

Hydro One shall return the security deposit to the Customer as follows:

- (a) security deposits in the form of cash shall be returned to the Customer, together with Interest, less the amount of any Capital Contribution owed by the Customer once the Customer's Facilities are connected to Hydro One's New or Modified Connection Facilities; and
- (b) security deposits in any other form shall be returned to the Customer once the Customer's Facilities are connected to Hydro One's New or Modified Connection Facilities and any Capital

Contribution has been paid under Section 10.1 hereof.

Notwithstanding the foregoing, Hydro One may keep all or a part of the security deposit: (a) where and to the extent that the Customer fails to pay any amount due under the Agreement within the time stipulated for payment; or (b) in the circumstances described in the OEB-Approved Connection Procedures.

Part H: Disputes

21. All disputes, including, but not limited to, disputes related to:

- (a) the cost and the allocation of the costs under this Agreement;
- (b) the cost and the allocation of costs of the Hydro One Connection Work and notwithstanding Hydro One's decision not to allocate or to allocate any part of the costs of this work to the Customer at this time; or
- (c) any other costs and the allocation of any other costs associated with, related to, or arising out of the connection of the Project to Hydro One's transmission system or Hydro One's policies in respect of connections generally,

shall be dealt with in accordance with the dispute resolution procedure set out in the OEB-Approved Connection Procedures.

22. If a dispute arises while Hydro One is constructing the New or Modified Connection Facilities, Hydro One shall not cease the work or slow the pace of the work without leave of the OEB.

23. Hydro One shall refund to the Customer or the Customer shall pay to Hydro One any portion of Capital Contributions, as the case may be, which the OEB subsequently determines should not have been allocated to the Customer or should have been allocated to the Customer by Hydro One but were not, as the case may be, or should have been allocated in a manner different from that allocated by Hydro One in this Agreement. This obligation shall survive the termination of this Agreement.

Part I: Land Rights

24. Any Land Rights required by Hydro One for the Hydro One Connection Work are identified in Schedule "A" of the Agreement (if the Land Rights

are to be obtained from third parties) and specified in Schedule "B" of the Agreement (where Hydro One requires Land Rights from the Customer). The acquisition of Land Rights includes acquiring the Land Rights and any approvals related thereto (e.g. municipal consents for access and access or entry permits).

With respect to the acquisition of Land Rights, including, the addition of lands to Hydro One's Provincial Master Land Use Permit, the Engineering and Construction Cost of same includes, but is not limited to, the purchase (price), easements/lease/licence costs along with any associated costs such as the cost of performing appraisals, surveys, submitting applications, licence and review fees, legal and land disbursement closing costs and the cost of any special studies that might arise in the calculation of compensation in respect of the land rights (i.e. aggregate).

The Customer acknowledges and agrees that Hydro One shall only compensate third parties for Land Rights on commercially reasonable terms that are consistent with Hydro One's land acquisition policies.

If specified in Schedule "B" that the Customer is required to provide Hydro One with the Land Rights described in Schedule "B" of the Agreement, the Customer shall provide such Land Rights in accordance with the requirements of Schedule "B" including, without limitation, by the dates specified therein and such Land Rights shall be first in priority except as noted therein, in registerable form and provided to Hydro One with nominal consideration.

Part J: Events of Default

25. Each of the following events shall constitute an "Event of Default" under the Agreement:

- (a) failure by the Customer to pay any amount due under the Agreement, including any amount payable pursuant to Sections 10.1, 12, 15.1, 16 or 18 within the time stipulated for payment;
- (b) breach by the Customer or Hydro One of any Material term, condition or covenant of the Agreement; or
- (c) the making of an order or resolution for the winding up of the Customer or Hydro One or of their respective operations or the occurrence of any other dissolution, bankruptcy or

reorganization or liquidation proceeding instituted by or against the Customer or Hydro One.

For greater certainty, a dispute shall not be considered an Event of Default under this Agreement. However, a Party's failure to comply, within a reasonable period of time, with the terms of a determination of such a dispute by the OEB or with a decision of a court of competent jurisdiction with respect to a determination made by the OEB shall be considered an Event of Default under the Agreement.

26. Upon the occurrence of an Event of Default by the Customer hereunder (other than those specified in Section 25(c) of the Agreement, for which no notice is required to be given by Hydro One), Hydro One shall give the Customer written notice of the Event of Default and allow the Customer 30 calendar days from the date of receipt of the notice to rectify the Event of Default, at the Customer's sole expense. If such Event of Default is not cured to Hydro One's reasonable satisfaction within the 30 calendar day period, Hydro One may, in its sole discretion, exercise the following remedy in addition to any remedies that may be available to Hydro One under the terms of the Agreement, at common law or in equity: deem the Agreement to be repudiated and, after giving the Customer at least 10 calendar days' prior written notice thereof, recover, as liquidated damages and not as a penalty, the following:

- (a) the sum of the amounts payable by the Customer pursuant to Sections 10.1, 12, 15.1 and where applicable, Section 16 less any amounts already paid by the Customer in accordance with Section 10.1, 12, 15.1 and 16 if this clause is invoked after the In-Service Date; or
- (b) the amounts payable under Section 16 and 18 less any amounts already paid by the Customer in accordance with Sections 10.1, 15.1 and 16 if this clause is invoked prior to the In-Service Date.

27. Upon the occurrence of an Event of Default by Hydro One hereunder (other than those specified in Section 25(c), the Customer shall give Hydro One written notice of the Event of Default and shall allow Hydro One 30 calendar days from the date of receipt of the notice to rectify the Event of Default

at Hydro One's sole expense. If such Event of Default is not cured to the Customer's reasonable satisfaction within the 30 calendar day period, the Customer may pursue any remedies available to it at law or in equity, including at its option the termination of the Agreement.

28. All rights and remedies of Hydro One and the Customer provided herein are not intended to be exclusive but rather are cumulative and are in addition to any other right or remedy otherwise available to Hydro One and the Customer respectively at law or in equity, and any one or more of Hydro One's and the Customer's rights and remedies may from time to time be exercised independently or in combination and without prejudice to any other right or remedy Hydro One or the Customer may have or may not have exercised. The parties further agree that where any of the remedies provided for and elected by the non-defaulting party are found to be unenforceable, the non-defaulting party shall not be precluded from exercising any other right or remedy available to it at law or in equity.

Part K: Changes to Transmission Rates

29. In the event that the Transformation Connection Service Rate, the Line Connection Service Rate or the Network Service Rate is rescinded or the methodology of determination or components is materially changed, the Parties agree to negotiate a new mechanism for the purposes of the Agreement, provided that such new mechanism will not result in an increase in the amounts of Capital Contribution or Security Deposits payable by the Customer to Hydro One hereunder. The Parties shall have 90 calendar days from the effective date of rescission or fundamental change of the Transformation Connection Service Rate, the Line Connection Service Rate or the Network Service Rate to agree to a new mechanism that is, to the extent possible, fair to the parties and constitutes a reasonably comparable replacement for the Transformation Connection Service Rate, the Line Connection Service Rate or the Network Service Rate. If the Parties are unable to successfully negotiate a replacement within that 90 calendar day period, this shall be considered a dispute under the terms of this Agreement and the parties shall follow the dispute resolution procedure set out in the OEB-Approved Connection Procedures.

Any settlement on a new mechanism pursuant to this Section 29 shall apply retroactively from the date on which the Transformation Connection Service Rate, the Line Connection Service Rate or the Network Service Rate was rescinded or fundamentally changed. Until such time as a new mechanism is determined hereunder, any amounts to be paid by the Customer under the Agreement shall be based on the Transformation Connection Service Rate, the Line Connection Service Rate or the Network Service Rate in effect prior to the effective date of any such changes.

Part L: Incorporation of Liability and Force Majeure Provisions

30. PART III: LIABILITY AND FORCE MAJEURE (with the exception of Section 15.5 thereof) and Sections 1.1.12 and 1.1.17 of the Connection Agreement are hereby incorporated in their entirety by reference into, and form an integral part of the Agreement. Unless the context otherwise requires, all references in PART III: LIABILITY AND FORCE MAJEURE TO “this Agreement” shall be deemed to be a reference to the Agreement and all references to the “the Transmitter” shall be deemed to be a reference to Hydro One.

For the purposes of this Section 30, the Parties agree that the references in PART III: LIABILITY AND FORCE MAJEURE to:

- (a) the Transmitter in lines 3 and 4 of Section 15.1 of the Connection Agreement means the Transmitter or any party acting on behalf of the Transmitter such as contractors, subcontractors, suppliers, employees and agents; and
- (b) the Customer in lines 3 and 4 of Section 15.2 of the Connection Agreement means the Customer or any party acting on behalf of the Customer such as contractors, subcontractors, suppliers, employees and agents.

Part M: General

31. This Agreement is subject to the *Transmission System Code* and the OEB-Approved Connection Procedures. If any provision of this Agreement is inconsistent with the:

- (a) *Transmission System Code*, the said provision shall be deemed to be amended so as to comply with the *Transmission System Code*;
- (b) OEB-Approved Connection Procedures the said provision shall be deemed to be amended so as to comply with the OEB-Approved Connection Procedures; and
- (c) Connection Agreement made between the parties, associated with the new customer connection facilities, on the same subject matter, the Connection Agreement governs.

32. The failure of either party hereto to enforce at any time any of the provisions of the Agreement or to exercise any right or option which is herein provided shall in no way be construed to be a waiver of such provision or any other provision nor in any way affect the validity of the Agreement or any part hereof or the right of either party to enforce thereafter each and every provision and to exercise any right or option. The waiver of any breach of the Agreement shall not be held to be a waiver of any other or subsequent breach. Nothing shall be construed or have the effect of a waiver except an instrument in writing signed by a duly authorized officer of the party against whom such waiver is sought to be enforced which expressly waives a right or rights or an option or options under the Agreement.

33. Other than as specifically provided in the Agreement, no amendment, modification or supplement to the Agreement shall be valid or binding unless set out in writing and executed by the parties with the same degree of formality as the execution of the Agreement.

34. The Agreement 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.

35. The Customer shall provide Hydro One with a copy of the Customer’s final monthly bills associated with the transmission of electricity from the Existing Load Facilities and/or the Customer’s Facilities or authorize the IESO to provide Hydro One with same. Hydro One agrees to use this information solely for the purpose of the Agreement.

36. Invoiced amounts are due 30 days after invoice issuance. All overdue amounts including, but not limited to amounts that are not invoiced but required under the terms of this Agreement to be paid in a specified time period, shall bear interest at 1.5% per month compounded monthly (19.56 percent per year) for the time they remain unpaid.

37. The obligation to pay any amount due hereunder, including, but not limited to, any amounts due under Sections 10.1, 12, 15.1, 16, 18 or 23 shall survive the termination of the Agreement.

Appendix “A”: Definitions

In the Agreement, unless the context otherwise requires, terms which appear therein without definition, shall have the meanings respectively ascribed thereto in the *Transmission System Code* and unless there is something in the subject matter or context inconsistent therewith, the following words shall have the following meanings:

“**Actual Load**” means the actual load delivered by Hydro One to the Customer up to the True-Up Point in excess of the Normal Capacity of the Existing Load Facilities.

“**Assigned Capacity**” is calculated in accordance with Section 6.2.2 of the *Transmission System Code*.

“**Adjusted Load Forecast**” means a Load Forecast that has been adjusted to the point where the present value of the Transformation Connection Revenue and/or Line Connection Revenue and/or Network Revenue equals the present value of the Pool Funded Cost of the Transformation Connection Pool Work and/or the Pool Funded Cost of the Line Connection Pool Work and/or the Pool Funded Cost of the Network Customer Allocated Work.

“**Agreement**” means the Connection Cost Recovery Agreement, Schedules “A” and “B” attached thereto and these Standard Terms and Conditions.

“**Applicable Laws**” means any and all applicable laws, including environmental laws, statutes, codes, licensing requirements, treaties, directives, rules, regulations, protocols, policies, by-laws, orders, injunctions, rulings, awards, judgments or decrees or any requirement or decision or agreement with or by any government or government department, commission board, court authority or agency.

“**Approval Date**” means for the purpose of Subsection 5(f) of the Terms and Conditions, the date specified in Schedule “A” of the Agreement.

“**Capital Contribution**” means a capital contribution calculated using the economic evaluation methodology set out in the *Transmission System Code*.

“**Connect and Connection**” has the same meaning ascribed to the term “Connect” in the *Transmission System Code*.

“**Connection Agreement**” means the form of connection agreement appended to the *Transmission System Code* as Appendix 1, Version 1.

“**Connection Facilities**” has the meaning set forth in the *Transmission System Code*.

“**Connection Point**” has the meaning set forth in the *Transmission System Code* and for this project, is as specified in Schedule “A” of the Agreement.

“**Customer Connection Work**” means the work to be performed by the Customer, at its sole expense, which is described in Schedule “A” of the Agreement.

“**Customer Connection Risk Classification**” is as specified in Schedule “A” of the Agreement.

“**Customer’s Facilities**” has the meaning set forth in the *Transmission System Code*, and includes, but is not limited to any new, modified or replaced Customer’s Facilities.

“**Customer’s Property(ies)**” means any lands owned by the Customer in fee simple or where the Customer has easement rights.

“**Distributor**” has the meaning set forth in the *Transmission System Code*.

“**Economic Evaluation Period**” means the period of five (5) years for high risk connection, ten (10) years for a medium-high risk connection, fifteen (15) years for a medium-low risk connection and twenty-five years for a low risk connection commencing on the In Service Date whichever is applicable to the Customer as specified in Schedule “A” of the Agreement.

“**Engineering and Construction Cost**” means Hydro One’s charge for equipment, labour and materials at Hydro One’s standard rates plus Hydro One’s standard overheads as well as interest during construction using Hydro One’s capitalization rate in effect during the construction period.

“**Electricity Act, 1998**” means the *Electricity Act, 1998* being Schedule “A” of the *Energy Competition Act, S.O. 1998, c.15*, as amended.

“**Existing Load**” in relation to the Customer and each of the Existing Load Facilities is equal to the

Customer's Assigned Capacity at each of the Existing Load Facilities on the date of this Agreement.

"Existing Load Facility or Existing Load Facilities" means the connection facility(ies) owned by Hydro One as specified in the Existing Load Table in Schedule "A" of the Agreement where the Customer has Existing Load.

"Force Majeure Event" has the meaning ascribed thereto in the Connection Agreement.

"HST" means the Harmonized Sales Tax.

"Hydro One Connection Work" means the work to be performed by Hydro One, which is described in Schedule "A" of the Agreement.

"Hydro One Facilities" means Hydro One's structures, lines, transformers, breakers, disconnect switches, buses, voltage/current transformers, protection systems, telecommunication systems, cables and any other auxiliary equipment used for the purpose of transmitting electricity.

"Hydro One's Property(ies)" means any lands owned by Hydro One in fee simple or where Hydro One now or hereafter has obtained easement rights.

"IESO" means the Independent Electricity System Operator continued under the *Electricity Act, 1998*.

"In Service Date" has the same meaning ascribed to the term "comes into service" in the *Transmission System Code*.

"Incremental Network Load" means the Customer's New Load less the amount of load, if any, that has been by-passed by the Customer at any of Hydro One's connection facilities.

"Interest" means the interest rates specified by the OEB to be applicable to security deposits in the form of cash as specified in Subsection 6.3.11(b) in the *Transmission System Code*.

"Land Rights" means any one or more of the following real estate rights/land agreements and any approvals required by Hydro One related thereto (e.g. municipal consents for access and access or entry permits) that are required for all or any part of the Hydro One Connection Work:

- (i) a grant(s) of easement in gross substantially in the form of the Grant of Easement in Gross attached to the Agreement as Schedule "E" from the registered owner(s) of the Easement in Gross Lands for the Easement in Gross Term to be obtained by the date specified as the Easement in Gross Date, with the Easement in Gross Lands, Easement in Gross Term and the Easement in Gross Date being specified in either Schedule "A" of the Agreement (registered owner is a third party) or "B" (registered owner is the Customer), as applicable;
- (ii) an access easement substantially in the form of the Access Easement attached to the Agreement as Schedule "F" from the registered owner(s) of the Access Easement Lands for the Access Easement Term to be obtained by the date specified as the Access Easement Date, with the Access Easement Lands, Access Easement Term and the Access Easement Date being specified in either Schedule "A" of the Agreement (registered owner is a third party) or "B" (registered owner is the Customer), as applicable. All municipal consent(s) and approvals for any access road easements required by Hydro One for all or any part of the Hydro One Connection Work must also be obtained by the Access Easement Date;
- (iii) an easement is required for an access road for a term beyond 21 years, as an access road easement for a term beyond 21 years may be viewed as not being exempt use by a utility with specific reference to s. 50(3) of the Planning Act (the "Act") as the Act mentions a distribution line, transmission line etc. but with no reference to an access road and some municipalities however have viewed this differently and consider an access as ancillary and part of what is described in s. 50(3) of the Act and therefore is exempt from the municipal consent process, in such a case, Hydro One will need to either (a) secure municipal consent for the access road or (b) obtain a letter from the municipality stating that the access easement, beyond 21 years is for Hydro One and that the municipality considers access as part of the works described in the Act and therefore is not subject to the consent process;
- (iv) early access agreement is required substantially in the form of the Early Access Agreement attached to the Agreement as Schedule "G" from

the registered owner(s) of the Early Access Lands to be obtained by the date specified as the “Early Access Execution Date” with the Early Access Lands and the Early Access Execution Date being specified in either Schedule “A” of the Agreement (registered owner is a third party) or “B” (registered owner is the Customer), as applicable;

- (v) an Off-Corridor Access Agreement is required substantially in the form of the Off-Corridor Access Agreement attached to the Agreement as Schedule “H” from the registered owner(s) of the Off-Corridor Access Lands to be obtained by the date specified as the “Off-Corridor Access Execution Date” with the Off-Corridor Access Lands and the Off-Corridor Access Execution Date being specified in either Schedule “A” of the Agreement (registered owner is a third party) or “B” (registered owner is the Customer), as applicable;
- (vi) a Construction Staging and Stringing Area Agreement is required substantially in the form of the Construction Staging and Stringing Area Agreement attached to the Agreement as Schedule “I” from the registered owner(s) of the Construction Staging and Stringing Area Land(s) to be obtained by the date specified as the Construction Staging and Stringing Area Execution Date with the Construction Staging and Stringing Area Land(s) and the Construction Staging and Stringing Area Execution Date being specified in Schedule “A” of the Agreement;
- (vii) ownership/fee simple rights are required, Hydro One will enter into an Agreement of Purchase and Sale with the registered owner(s) of the “Lands to be Acquired” substantially in the form of the Agreement of Purchase and Sale attached to the Agreement as Schedule “J” for consideration that is consistent with Hydro One’s land acquisition policies with a closing date that is not to be later than the date specified as the “Closing Date” with the Lands to be Acquired and the Closing Date being specified in either Schedule “A” of the Agreement (registered owner is a third party) or “B” (registered owner is the Customer), as applicable;
- (viii) where all or any part of the Hydro One Connection Work is to be located on Crown land (MNR), Hydro One will need to obtain a

Work Permit/Letter of Authority from the Ministry of Natural Resources (MNR) by no later than the date specified in Schedule “A” as the “Date Work Permit/Letter of Consent Required” to allow Hydro One to construct the portion of the Hydro One Connection Work to be located on the Crown land and add same to Hydro One’s Provincial Master Land Use Permit;

- (ix) approvals from pipelines and/or railway companies are required, Hydro One will secure such approvals from the pipeline companies and/or railway companies listed in Schedule “A” of the Agreement as the “Affected Pipeline/Railway Companies” (including, but not limited to performing any necessary studies to obtain same) by the Railway/Pipeline Approval Date specified in Schedule “A”;
- (x) consultations with third party encumbrancers are required, Hydro One shall consult with such third party encumbrancers to ensure that no project delays are experienced by Hydro One; and
- (xi) confirmation of Hydro One’s rights to use an existing (Unopened) road allowance is required, to all or any portion of the Hydro One Connection Work Hydro One shall obtain written confirmation from the municipality that Hydro One has all necessary rights and permission to construct and to access all or any portion of a transmission line being built by Hydro One along the unopened road allowance described as the Unopened Road Allowance Lands in Schedule “A”.

“**Letter of Credit**” means a letter of credit that meets all of the following requirements:

- (a) is issued by a bank listed in Schedule I or II of the *Bank Act* (Canada) (“**Bank**”);
- (b) allows for presentment in Toronto, Ontario or presentment using a valid fax number where the Bank does not have a branch in Toronto, Ontario;
- (c) has an expiry date that is acceptable to Hydro One;
- (d) provides that any notice that the Bank does not wish to extend the letter of credit for any additional period of expiry must be provided, in writing, to Hydro One Networks Inc., 483 Bay Street, 7th Floor, South Tower, Toronto, Ontario

M5G 2P5 Attn: Treasurer at least sixty (60) days prior to any expiration date;

- (e) permits partial drawings and multiple presentations;
- (f) provides that drawings will be paid on written demand without the issuing Bank enquiring whether Hydro One has a right as between itself and the Customer to make such demand, and without recognizing any claim of the Customer;
- (g) only requirement to be met in order to draw on the letter of credit is that Hydro One present the letter of credit and a certificate stating that the amount demanded is payable to Hydro One by the Customer pursuant to the terms of the Connection and Cost Recovery Agreement made between Hydro One Networks Inc. and the Customer, as it may be amended by the Customer and Hydro One from time to time;
- (h) provides that banking charges and commissions associated with the letter of credit are payable by the Customer;
- (i) subject to the International Standby Practices "ISP 98" ICC Publication no. 590 ("ISP 98");
- (j) provide that notwithstanding ISP 98, in the event that the original of the letter of credit is lost, stolen, mutilated or destroyed, the Bank will agree to replace same upon written notice from Hydro One setting out the circumstances;
- (k) provides that matters not expressly covered by ISP 98, will be governed by the laws of the Province of Ontario and the laws of Canada applicable therein; and
- (l) any dispute or claim shall be submitted to the exclusive courts within the jurisdiction of the Province of Ontario.

"Line Connection Pool Work" means the Hydro One Connection Work specified in Schedule "A" of the Agreement under the heading "Line Connection Pool Work".

"Line Connection Revenue" means the amount of line connection revenue attributable to that part of the Customer's New Load to be received by Hydro One through the monthly collection of the Line Connection Service Rate during the Economic Evaluation Period.

"Line Connection Service Rate" means the line connection service rate approved by the OEB in Hydro One's Rate Order from time to time, or any mechanism instituted in accordance with Section 29.

"Load Customer" has the meaning set forth in the *Transmission System Code*.

"Load Forecast" means the initial load forecast of the New Load in excess of the Normal Capacity of the Existing Load Facilities used in the initial economic evaluation for the Economic Evaluation Period.

"Material" relates to the essence of the contract, more than a mere annoyance to a right, but an actual obstacle preventing the performance or exercise of a right.

"Network Customer Allocated Work" means the construction of or modifications to Network Facilities specified in Schedule "A" of the Agreement under the heading "Network Customer Allocated Work" that are minimum connection requirements.

"Network Facilities" has the meaning set forth in the *Transmission System Code*.

"Network Pool Work" means the Hydro One Connection Work specified in Schedule "A" of the Agreement under the heading "Network Pool Work".

"Network Revenue" means the amount of network revenue attributable to the Incremental Network Load to be received by Hydro One through the monthly collection of the Network Service Rate during the Economic Evaluation Period.

"Network Service Rate" means the network service rate approved by the OEB in Hydro One's Rate Order from time to time, or any mechanism instituted in accordance with Section 29.

"New Load" means the load at the New or Modified Connection Facility that is in excess of, for each of the Existing Load Facilities, the lesser of the Existing Load or the Normal Capacity.

"New or Modified Connection Facilities" means the facilities owned by Hydro One as specified in Schedule "A" of the Agreement.

"Normal Capacity" means, where the Customer is:

- (a) the only Load Customer supplied by an Existing Load Facility, the total normal supply capacity of the Existing Load Facility as

determined in accordance with the OEB-Approved Connection Procedures; and

- (b) one of two or more Load Customers served by an Existing Load Facility, the Customer's pro-rated share of the total normal supply capacity of the Existing Load Facility as determined in accordance with the OEB-Approved Connection Procedures.

"OEB" means the Ontario Energy Board.

"OEB-Approved Connection Procedures" means Hydro One's connection procedures as approved by the OEB from time to time.

"Ontario Energy Board Act" means the *Ontario Energy Board Act* being Schedule "B" of the *Energy Competition Act*, S.O. 1998, c. 15, as amended.

"Pool-Funded Cost" means the present value of the Engineering and Construction Cost and projected on-going maintenance and other related incremental costs (including, but not limited to applicable taxes, and net of tax benefits), of each of the Transformation Connection Pool Work, the Line Connection Pool Work and/or the Network Customer Allocated Work calculated in accordance with the principles, criteria and methodology set out in Appendices 4 and 5 of the Transmission System Code.

"Premium Costs" means those costs incurred by Hydro One in order to maintain or advance the Ready for Service Date, including, but not limited to, additional amounts expended for materials or services due to short time-frame for delivery; and the difference between having Hydro One's employees, agents and contractors perform work on overtime as opposed to during normal business hours.

"Rate Order" has the meaning ascribed thereto in the *Transmission System Code*.

"Ready for Service Date" means the date upon which the Hydro One Connection Work is fully and completely constructed, installed, commissioned and energised to the Connection Point. The Customer's disconnect switches must be commissioned prior to this date in order to use them as isolation points.

"Standard Terms and Conditions" means these Standard Terms and Conditions for Low Risk Transmission Customer Connection Projects and Appendices "A" and "B" attached hereto.

"Surety Bond Requirements" means a surety bond that meets all of the following requirements:

- (a) is in a form that is satisfactory to Hydro One;
- (b) surety must be Canadian;
- (c) surety must be financially acceptable to Hydro One must have at, a minimum, a long-term credit rating of "A" from a bond-rating agency acceptable to Hydro One;
- (d) provides that fees, charges and commissions associated with the surety bond, including drawings therefrom, are payable by the Customer;
- (e) allows for presentment in Toronto, Ontario or presentment using a valid fax number where the surety does not have a branch in Toronto, Ontario;
- (f) has an expiry date that is acceptable to Hydro One;
- (g) provides that any notice that the surety does not wish to extend the surety bond for any additional period of expiry must be provided, in writing, to Hydro One Networks Inc., 483 Bay Street, 7th Floor, South Tower, Toronto, Ontario M5G 2P5 Attn: Treasurer at least 60 days prior to any expiration date;
- (h) permit partial drawings and multiple presentations;
- (i) provide that drawings will be paid without the surety enquiring whether Hydro One has a right as between itself and the Customer to make such demand, and without recognizing any claim of the said Customer;
- (j) only requirement to be met in order to draw on the surety bond is that Hydro One present a certificate certifying that the amount demanded is payable to Hydro One by the Customer pursuant to the terms of the Connection Cost Recovery Agreement made between the Customer and Hydro One, as it may be amended by the Customer and Hydro One from time to time;
- (k) will be governed by the laws of the Province of Ontario and the laws of Canada applicable therein; and
- (l) any dispute or claim shall be submitted to the exclusive courts within the jurisdiction of the Province of Ontario.

“Taxes” means all property, municipal, sales, use, value added, goods and services, harmonized and any other non-recoverable taxes and other similar charges (other than taxes imposed upon income, payroll or capital).

“Transformation Connection Pool Work” means the Hydro One Connection Work specified in Schedule “A” of the Agreement under the heading “Transformation Connection Pool Work”.

“Transformation Connection Revenue” means the amount of transformation connection revenue attributable to that part of the Customer’s New Load to be received by Hydro One through the monthly collection of the Transformation Connection Service Rate during the Economic Evaluation Period.

“Transformation Connection Service Rate” means the line connection service rate approved by the OEB in Hydro One’s Rate Order from time to time, or any mechanism instituted in accordance with Section 29.

“Transmission System Code” or “Code” means the code of standards and requirements issued by the OEB on July 25, 2005 that came into force on August 20, 2005 as published in the Ontario Gazette, as it may be amended, revised or replaced in whole or in part from time to time.

“Transmitter’s Facilities” has the meaning ascribed thereto in the *Transmission System Code*.

“True-Up” means the calculation to be performed by Hydro One, as a transmitter, at each True-Up Point in accordance with the requirements of Subsection 6.5.4 of the *Transmission System Code*.

“True-Up Point” means the points of time based upon the Customer Connection Risk Classification when Hydro One is required to perform a True-Up as described in Section 11 of these Terms and Conditions.

“Updated Load Forecast” means the load forecast of the New Load in excess of the Normal Capacity of the Existing Load Facilities for the remainder of the Economic Evaluation Period.

“Work Chargeable to Customer” means the Hydro One Connection Work specified in Part 4 of

Schedule “A” of the Agreement under the heading “Work Chargeable to Customer”.

**CONNECTION AND COST RECOVERY AGREEMENT
(CCRA) – Simplified – Riverdale TS Switchgear Upgrade**

THIS SIMPLIFIED CONNECTION AND COST RECOVERY AGREEMENT made between Hydro One Networks Inc. (“**Hydro One**”) and Hydro Ottawa Limited (the “**Customer**”) dated June 30, 2025.

WHEREAS:

(a) The Customer is planning to replace their 13.2kV metalclad at Riverdale TS. The Customer will construct and own a new building to house the Customer’s new 13.2kV metalclad and feeder protections. Hydro One’s will assist with the connection of the Customer’s equipment to Hydro One’s equipment.

(b) Hydro One is agreeable to performing the work required for the Project on the following terms and conditions, including but not limited to the Project cost and the Project schedule being subject to the Customer executing and delivering this Agreement to Hydro One by no later than June 30, 2025 (the “**Execution Date**”).

NOW THEREFORE in consideration of the mutual covenants, agreements, terms and conditions herein and other good and valuable consideration, the receipt and sufficiency of which is hereby irrevocably acknowledged, the parties agree as follows:

1. Each of the parties hereto confirms the truth and accuracy of the recitals and agrees that the recitals form part of this Agreement.

2. Subject to Section 13 and the termination rights herein, the Agreement shall be in full force and effect and binding on the parties as of the date that the parties execute the Agreement (the “**Effective Date**”) and shall expire on the date that the Customer pays Hydro One the final invoice in full for Work Chargeable to Customer or Hydro One issues a refund to the Customer in accordance with Section 10 hereof (the “**Term**”).

3. 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 the Agreement and to perform its obligations hereunder;

(c) the execution, delivery and performance of the 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 Material contracts or instruments to which it is bound; or (iii) any Applicable Laws;

(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) the Agreement constitutes a legal and binding obligation on it, enforceable against it in accordance with its terms;

(f) it is registered for purposes of Part IX of the Excise Tax Act (Canada). The HST registration number for Hydro One is [REDACTED] and the HST registration number for the Customer is as specified in Schedule “C” of the Agreement; and

(g) no proceedings have been instituted by or against it with respect to bankruptcy, insolvency, liquidation or dissolution.

Part A: Work Chargeable to Customer and Customer Work

4. The Customer and Hydro One shall perform their respective obligations outlined in the Agreement in a manner consistent with Good Utility Practice and the Transmission System Code, in compliance with all Applicable Laws, including, but not limited to the requirements of the Electrical Safety Authority, and using duly qualified and experienced people.

5. The parties acknowledge and agree that:

(a) Hydro One is responsible for obtaining any and all permits, certificates, reviews and approvals required under any Applicable Laws with respect to the Work Chargeable to Customer;

(b) the Customer is responsible for obtaining any and all permits, certificates, reviews and approvals required under any Applicable Laws with respect to the Customer Work;

(c) the Customer shall perform the Customer Work at its own expense;

(d) the Customer is responsible for installing equipment and facilities such as protection and control equipment to protect its own property, including, but not limited to the Customer’s Facilities;

(e) the Customer shall provide Hydro One with Project data required by Hydro One, including, but not limited to: (i) the same technical information that the Customer provided the IESO during any connection

- assessment and facility registration process associated with the Customer'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 Customer's Facilities;
- (f) Hydro One may participate in the commissioning, inspection or testing of the Customer Work at a time that is mutually agreed by Hydro One and the Customer and the Customer shall ensure that the work performed by the Customer and others required for successful commissioning, inspection or testing of protective equipment is completed as required to enable Hydro One witnessing and testing to confirm satisfactory performance of such systems;
- (g) unless otherwise provided herein, Hydro One's responsibilities under the Agreement with respect to the connection of the New or Modified Connection Facilities to Hydro One's transmission system shall be limited to the performance of the Work Chargeable to Customer;
- (h) Hydro One is not permitted to connect any new, modified or replacement Customer's Facilities unless any required connection authorizations, certificate of inspection or other applicable approval have been issued or given by the Ontario Electrical Safety Authority in relation to such facilities;
- (i) Hydro One may require that the Customer provide Hydro One with test certificates certifying that the Customer's Facilities have passed all relevant tests and comply with the Transmission System Code, the Market Rules, Good Utility Practice, the standards of all applicable reliability organizations and any Applicable Laws, including, but not limited to any certificates of inspection that may be required by the Ontario Electrical Safety Authority;
- (j) in addition to the Work Chargeable to Customer described in Schedule "A", Hydro One shall provide the Customer with such technical parameters as may be required to assist the Customer in ensuring that the design of the Customer's Facilities is consistent with the requirements applicable to Hydro One's transmission system and the basic general performance standards for facilities set out in the Transmission System Code, including Appendix 2 thereof;
- if Hydro One requires access to the Customer's Facilities for the purposes of performing the Work Chargeable to Customer or the Customer requires access to Hydro One's facilities for the purposes of the Customer's Work, the parties agree that Section 27.13 of the Connection Agreement shall govern such access and is hereby incorporated in its entirety by reference into and forms an integral part of the Agreement. All references to "this Agreement" in Section 27.13 of the Connection Agreement shall be deemed to be a reference to this Agreement;
- (k) where required by Hydro One in Part 3 of Schedule "C", the Customer shall enter into a Connection Agreement (where s. 4.1.3 of the Transmission System Code applies) or where applicable, a Connection Agreement Amending Agreement at least 14 calendar days prior to the completion of the Work Chargeable to Customer;
- (l) the Customer shall provide Hydro One with copies of the documentation specified in Schedule "C" of the Agreement under the heading "Documentation Required", acceptable to Hydro One, within 120 calendar days after the Ready for Service Date. The Customer shall ensure that Hydro One may retain this documentation for Hydro One's ongoing planning, system design, and operating review. The Customer shall also maintain and revise such documentation to reflect changes to the Customer's Facilities and provide copies to Hydro One on demand and as specified in the Connection Agreement; and
- (m) owing to the duration of outages approved by the IESO, the portions of the Work Chargeable to Customer that must be performed by Hydro One during such outages will be subject to Premium Costs and Hydro One will not be required to obtain the Customer's permission for same under Section 10A.
6. The Work Chargeable to Customer and Hydro One's rights and requirements hereunder, including, but not limited to Hydro One's:
- (i) specifications of the protection equipment on the Customer's side of the Connection Point;
- (ii) review and acceptance of power system components on the Customer's side of the Connection Point;
- (iii) acceptance of the technical specifications (including electrical drawings) for the Customer's Facilities; and
- (iv) participation in the commissioning, inspection and testing of the Customer's Facilities;
- are solely for the purpose of Hydro One ensuring that the Customer's Facilities will not materially reduce or adversely affect the reliability of Hydro One's transmission system and do not adversely affect other customers connected to Hydro One's transmission system.
7. Hydro One shall use reasonable efforts to complete the Work Chargeable to Customer by the Ready for Service Date specified in Part 3 of Schedule "C" provided that:
- (a) the Customer is in compliance with its obligations in this Agreement;

- (b) any work required to be performed by third parties has been performed in a timely manner and in a manner to the satisfaction of Hydro One, acting reasonably;
 - (c) there are no delays resulting from Hydro One not being able to obtain outages from the IESO required for the Work Chargeable to Customer or from the IESO making changes to the Work Chargeable to Customer or the scheduling of all or a portion thereof;
 - (d) Hydro One does not have to use its employees, agents and contractors performing the Work Chargeable to Customer elsewhere on its transmission system or distribution system due to an Emergency (as that term is defined in the Transmission System Code) or a Force Majeure Event.
 - (e) Hydro One can obtain the materials and labour required to perform the Work Chargeable to Customer with the expenditure of Premium Costs where required under section 10A;
 - (f) there are no delays resulting from Hydro One being unable to obtain materials or equipment required from suppliers in time to meet the project schedule for any portion of the Work Chargeable to Customer provided that such delays are beyond the reasonable control of Hydro One; and
 - (g) the Customer executed the Agreement on or before the date specified as the Execution Date in the recitals.
8. Upon completion of the Work Chargeable to Customer, Hydro One shall own, operate and maintain all equipment and facilities installed by Hydro One as part of the Work Chargeable to the Customer in, under, on, over, along, upon, through and crossing Hydro One's Property(ies).

The Customer acknowledges that:

- (i) ownership and title to the equipment referred to above shall throughout the Term and thereafter remain vested in Hydro One and the Customer shall have no right of property therein; and
- (ii) that any portion of the equipment referred to above that is located on the Customer's Property(ies) shall be and remain the property of Hydro One and shall not be or become fixtures and/or part of the Customer's Property(ies).

9. The Customer acknowledges and agrees that Hydro One is not responsible for the provision of power system components on the Customer's Facilities, including, without limitation, all transformation, switching, metering and auxiliary equipment such as protection and control equipment.

All of the power system components on the Customer's side of the Connection Point including, without limitation, all transformation, switching and auxiliary equipment such as protection and control equipment shall be subject to the acceptance of Hydro One with regard to Hydro One's requirements to permit connection of the New or Modified Connection Facilities to Hydro One's transmission system and shall be installed, maintained and operated in accordance with all Applicable Laws, codes and standards, including, but not limited to, the Transmission System Code, at the expense of the Customer.

Where Hydro One has equipment for automatic reclosing of circuit breakers after an interruption for the purpose of improving the continuity of feeder connection, it shall be the obligation of the Customer to provide adequate protective equipment for the Customer's Facilities that might be adversely affected by the operation of such reclosing equipment. The Customer shall provide such equipment as may be required from time to time by Hydro One for the prompt disconnection of any of the Customer's apparatus that might affect the proper functioning of Hydro One's reclosing equipment.

Part B: Work Chargeable to Customer

10. The Customer shall pay Hydro One's Engineering and Construction Cost (plus applicable Taxes) of the Work Chargeable to Customer which is estimated to be the amount specified in Schedule "C" of the Agreement in the manner specified in Schedule "C" of the Agreement.

Within 180 days after the Ready for Service Date, Hydro One shall provide the Customer with an invoice or a credit memorandum specifying the actual Engineering and Construction Cost of the Work Chargeable to Customer (plus applicable Taxes).

Any difference between the Engineering and Construction Cost of the Work Chargeable to Customer (plus applicable Taxes) and the amount already paid by the Customer shall be paid within 30 days after the issuance of the invoice or credit memorandum by:

- (a) Hydro One to the Customer, if the amount already paid by the Customer exceeds the Engineering and Construction Cost of the Work Chargeable to Customer (plus Taxes); or
- (b) the Customer to Hydro One, if the amount already paid by the Customer is less than the Engineering and Construction Cost of the Work Chargeable to Customer (plus Taxes).

10A. As this Project is schedule-driven and as the Cost Estimate set out in Part 1 of Schedule "C" is based upon normal timelines for delivery of material and performance of work, in addition to the amounts that the Customer is required to pay pursuant to Section 10 above, the Customer agrees to pay Hydro One's Premium Costs if the Customer causes or contributes to any delays, including, but not limited to, the Customer failing to

execute the Agreement by the Execution Date specified in this Agreement.

Other than as set out in subsection 5(m) above, Hydro One will obtain the Customer's approval prior to Hydro One authorizing the purchase of materials or the performance of work that will attract Premium Costs. The Customer acknowledges that its failure to approve an expenditure of Premium Costs within the time specified by Hydro One, acting reasonably, may result in further delays and Hydro One will not be liable to the Customer as a result thereof. The Engineering and Construction Cost of the Work Chargeable to Customer (plus applicable Taxes) identified in the invoice or credit memorandum delivered by Hydro One under Section 10 shall include the Premium Costs approved by the Customer as well as those incurred by Hydro One described in subsection 5(m).

Part C: Events of Default

11. Each of the following events shall constitute an "Event of Default" under the Agreement:

- (a) failure by the Customer to pay any amount due under this Agreement, including any amount payable pursuant to Section 10 within the time stipulated for payment;
- (b) breach by the Customer or Hydro One of any Material term, condition or covenant of the Agreement; or
- (c) the making of an order or resolution for the winding up of the Customer or of its operations or the occurrence of any other dissolution, bankruptcy or reorganization or liquidation proceeding instituted by or against the Customer.

For greater certainty, a dispute will not be considered an Event of Default under the Agreement. However, a party's failure to comply with the terms of a settlement or resolution of a dispute by the OEB will be considered an Event of Default under the Agreement.

12. Upon the occurrence of an Event of Default by the Customer hereunder (other than those specified in Section 11(c) of this Agreement, for which no notice is required to be given by Hydro One), Hydro One shall give the Customer written notice of the Event of Default and allow the Customer 30 calendar days from the date of receipt of the notice to rectify the Event of Default, at the Customer's sole expense. If such Event of Default is not cured to Hydro One's reasonable satisfaction within the 30 calendar day period, Hydro One may, in its sole discretion, exercise the following remedy in addition to any remedies that may be available to Hydro One under the terms of the Agreement, at common law or in equity: deem the Agreement to be repudiated and, after giving the Customer at least 10 calendar days' prior written notice thereof, recover, as liquidated damages and not as a penalty, the balance of the amounts payable by the Customer pursuant to Section 10.

13. Upon the occurrence of an Event of Default by Hydro One hereunder, the Customer shall give Hydro One written notice of the Event of Default and shall allow Hydro One 30 calendar days from the date of receipt of the notice to rectify the Event of Default at Hydro One's sole expense. If such Event of Default is not cured to the Customer's reasonable satisfaction within the 30 calendar day period, the Customer may pursue any remedies available to it at law or in equity, including at its option the termination of the Agreement.

14. All rights and remedies of Hydro One and the Customer provided herein are not intended to be exclusive but rather are cumulative and are in addition to any other right or remedy otherwise available to Hydro One and the Customer respectively at law or in equity, and any one or more of Hydro One's and the Customer's rights and remedies may from time to time be exercised independently or in combination and without prejudice to any other right or remedy Hydro One or the Customer may have or may have exercised. The parties further agree that where any of the remedies provided for and elected by the non-defaulting party are found to be unenforceable, the non-defaulting party shall not be precluded from exercising any other right or remedy available to it at law or in equity.

Part D: Disputes

15. All disputes, including, but not limited to, disputes related to:

- (a) the cost and the allocation of the costs under this Agreement;
- (b) the cost and the allocation of costs of the Work Chargeable To Customer and notwithstanding Hydro One's decision not to allocate or to allocate any part of the costs of this work to the Customer at this time; or
- (c) any other costs and the allocation of any other costs associated with, related to, or arising out of the connection of the Project to Hydro One's transmission system or Hydro One's policies in respect of connections generally,

shall be dealt with in accordance with the dispute resolution procedure set out in the OEB-Approved Connection Procedures.

16. Before and after the existence of OEB-Approved Connection Procedures, if a dispute arises while Hydro One is constructing the Work Chargeable to Customer, Hydro One shall not cease the work or slow the pace of the work without leave of the OEB.

17. Hydro One shall refund to the Customer or the Customer shall pay to Hydro One any portion of the Work Chargeable to Customer or the Work Not Chargeable to Customer, as the case may be, which the OEB subsequently determines should not have been allocated

to the Customer or should have been allocated to the Customer by Hydro One but was not, as the case may be, or should have been allocated in a manner different from that all allocated by Hydro One in this Agreement. This obligation shall survive the termination of this Agreement.

Part E: Incorporation of Liability and Force Majeure Provisions

18. PART III: LIABILITY AND FORCE MAJEURE (with the exception of Section 15.5 thereof) of the Connection Agreement (“**Part III**”) and Sections 1.1.12 and 1.1.17 of the Connection Agreement are hereby incorporated in their entirety by reference into and form an integral part of the Agreement. Unless the context otherwise requires, all references in Part III to “this Agreement” shall be deemed to be a reference to the Agreement and all references to the “the Transmitter” shall be deemed to be a reference to Hydro One.

For the purposes of this Section 18, the parties agree that the references to:

- (i) the Transmitter in lines 3 and 4 of Section 15.1 of Part III means the Transmitter or any party acting on behalf of the Transmitter such as contractors, subcontractors, suppliers, employees and agents; and
- (ii) the Customer in lines 3 and 4 of Section 15.2 of Part III means the Customer or any party acting on behalf of the Customer such as contractors, subcontractors, suppliers, employees and agents.

Part F: General

19. This Agreement is subject to the Transmission System Code and the OEB-Approved Connection Procedures. If any provision of this Agreement is inconsistent with the:

- (a) Transmission System Code, the said provision shall be deemed to be amended so as to comply with the Transmission System Code;
- (b) OEB-Approved Connection Procedures, the said provision shall be deemed to be amended so as to comply with the OEB-Approved Connection Procedures; or
- (c) Connection Agreement made between the parties, associated with the new customer connection facilities, the Connection Agreement governs.

20. The failure of any party hereto to enforce at any time any of the provisions of the Agreement or to exercise any right or option which is herein provided shall in no way be construed to be a waiver of such provision or any other provision nor in any way affect the validity of the Agreement or any part hereof or the right of any party to enforce thereafter each and every provision and to exercise any right or option. The waiver of any breach of the Agreement shall not be held to be a waiver of any other or subsequent breach. Nothing shall be construed or have the effect of a

waiver except an instrument in writing signed by a duly authorized officer of the party against whom such waiver is sought to be enforced which expressly waives a right or rights or an option or options under the Agreement.

21. Other than as provided in this Agreement, no amendment, modification or supplement to the Agreement shall be valid or binding unless set out in writing and executed by the parties with the same degree of formality as the execution of the Agreement.

22. Any written notice required by the Agreement shall be deemed properly given only if either sent by courier or registered mail to Robert Reinmuller, P.Eng., Vice President, Transmission System Planning & Large Customer, Hydro One Networks Inc., 483 Bay Street, 14th Floor, North Tower, Toronto, Ontario, M5G 2P5, or by e-mail to Robert.Reinmuller@HydroOne.com on behalf of Hydro One and at the address and e-mail address specified in the customer notice section of Schedule “C” on behalf of the Customer.

Notices sent by courier or registered mail shall be deemed to have been received on the date indicated on the delivery receipt. Notices sent by e-mail shall be deemed to be received on the date of the e-mail if sent before 3 p.m. on a business day or on the next business day if sent after 3 p.m. or a day that is not a business day. 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.

23. The Agreement 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, subject to Section 15, the courts of Ontario shall have exclusive jurisdiction to determine all disputes arising out of the Agreement.

24. This Agreement may be executed in any number of counterparts and by different parties in separate counterparts, each of which when so signed shall be deemed to be an original and all of which taken together shall constitute one and the same Agreement. Any signature or acknowledgement required to be provided hereunder may be done so electronically or digitally, and each such electronic signature or acknowledgment will have the same legal effect, validity and enforceability as a handwritten signature or paper document.

25. The obligation to pay any amount due and payable hereunder, including, but not limited to, any amount due under Section 10 shall survive the termination of the Agreement.

26. Invoiced amounts are due 30 days after invoice issuance. All overdue amounts including, but not limited to amounts that are not invoiced but required under the terms of this Agreement to be paid in a specified time period, shall bear interest at 1.5% per month compounded monthly (19.56 percent per year) for the time they remain unpaid.

27. This Agreement will supersede the terms of any purchase orders issued by the Customer to Hydro One in respect of the Project or this Agreement irrespective of whether same have been issued by Customer and/or accepted by Hydro One on or after the execution of this Agreement by the Customer.

28. PART SEVEN: EXCHANGE AND CONFIDENTIALITY OF INFORMATION ("Part 7") and Sections 1.1.3 and 1.1.17 of the Connection Agreement are hereby incorporated in their entirety by reference into and form an integral part of this Agreement. Unless the context otherwise requires, all references in Part 7 to "this Agreement" shall be deemed to be a reference to this Agreement.

29. If the Project involves the installation of a Generation Facility by the Customer at the site of a load facility that is connected to or is connecting to the transmission system, the Customer acknowledges that Hydro One has informed the Customer that:

(a) other than in the circumstances described in Section 11.2.3A of the Code, Hydro One is required to collect bypass compensation (calculated in accordance with Section 11.2.6 of the Code) from the Customer under Section 11.2.1(b) of the Code if the Customer, while retaining its connection to Hydro One's transmission system, also connects its load facility to a Generation Facility such that the Customer reduces its load served directly by Hydro One's transmission system, and the line connection or transformation connection rates in relation to that facility will be reduced; and

(b) if the Generation Facility has an installed capacity of 2 MW or more for renewable generation and 1 MW or higher for non-renewable generation and is being installed to displace all or any portion of the load demand at the load facility, the amounts invoiced by the IESO for line and transformation connection services applicable to the load facility will be calculated in accordance with the Provincial Transmission Rates portion of the OEB-approved Uniform Transmission Rates such that the customer demand in any hour will be the sum of: (a) the load-adjusted demand supplied from the transmission system plus (b) the demand that is supplied by a Generation Facility.

30. This Agreement 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. Appendix A attached hereto and Schedules "A", "B" and "C" are to be read with and form part of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Connection and Cost Recovery Agreement to be executed by the signatures of their proper authorized signatories, as of the date written below.

HYDRO ONE NETWORKS INC.

Signed by:

24DC66889B73411
Robert Reinmuller, P.Eng.
Vice President, Transmission System Planning & Large Customer
Date: July 16, 2025

I have the authority to bind the Corporation

HYDRO OTTAWA LIMITED

DocuSigned by:

7E31070D87DA4FF...
Name: Laurie Heuff
Title: Vice President, Distribution System Planning and Asset Manag
Date: 2025-07-14

Name:
Title:
Date:
I/we have the authority to bind the Corporation

Appendix “A”: Definitions

In the Agreement, unless the context otherwise requires, terms which appear therein without definition, shall have the meanings respectively ascribed thereto in the Transmission System Code and unless there is something in the subject matter or context inconsistent therewith, the following words shall have the following meanings:

“**Agreement**” means the Simplified Connection and Cost Recovery Agreement, Appendix “A” and Schedules “A”, “B” and “C” attached hereto.

“**Applicable Laws**” means any and all applicable laws, including environmental laws, statutes, codes, licensing requirements, treaties, directives, rules, regulations, protocols, policies, by-laws, orders, injunctions, rulings, awards, judgments or decrees or any requirement or decision or agreement with or by any government or government department, commission board, court authority or agency.

“**Business Day**” means a day other than Saturday, Sunday, statutory holiday in Ontario or any other day on which the principal chartered banks located in the City of Toronto, are not open for business during normal banking hours.

“**Confidential Information**” has the meaning ascribed thereto in the Connection Agreement.

“**Connection Agreement**” means the form of connection agreement appended to the Transmission System Code as Appendix 1, Version A where the Customer is a load customer and Version B where the Customer is a generator (as that term is defined in the Transmission System Code). Notwithstanding the foregoing, if the Customer has a transmission connection agreement that has been modified in the manner described in Section 2 of Schedule 2 of Hydro One’s OEB-issued transmission licence ET-2003-0035 (the “**Hydro One Licence**”) to reflect the amendments described in Schedule 3 [for legacy system configurations as well as operating concerns for Bruce Power and OPG generation facilities] and/or Schedule 4 [to facilitate compliance with Power Reactor Operating Licences, issued by the Canadian Nuclear Safety Commission] of Hydro One’s transmission licence ET-2003-0035; or has entered in the transmission connection agreement described in Section 3 of Schedule 2 of Hydro One’s licence, any reference to Connection Agreement in this Agreement shall mean the Customer’s executed transmission connection agreement with Hydro One.

“**Connection Point**” means the point where the Customer’s Facilities are connected to Hydro One’s transmission system or are connected to third party facilities connected to Hydro One’s transmission system, as the case may be.

“**Customer Work**” means the work to be performed by the Customer, at its sole expense, which is described in Schedule “B” of this Agreement.

“**Customer’s Facilities**” has the meaning set forth in the Transmission System Code.

“**Customer’s Property(ies)**” means any lands owned by the Customer in fee simple or where the Customer has easement rights.

“**Electricity Act, 1998**” means the *Electricity Act, 1998* being Schedule “A” of the *Energy Competition Act, S.O. 1998, c.15*, as amended.

“**Engineering and Construction Cost**” means Hydro One’s charge for equipment, labour and materials at Hydro One’s standard rates plus Hydro One’s standard overheads as well as interest during construction using Hydro One’s capitalization rate in effect during the construction period.

“**Force Majeure Event**” has the meaning ascribed thereto in the Connection Agreement.

“**Generation Facility**” means a facility for generating electricity or providing ancillary services, other than ancillary services provided by a transmitter or distributor through the operation of a transmission or distribution system, and includes any structures, equipment or other things used for that purpose.

“**Good Utility Practice**” has the meaning set forth in the Transmission System Code.

“**Hydro One’s Property(ies)**” means any lands owned by Hydro One in fee simple or where Hydro One now or hereafter has obtained easement rights.

“**IESO**” means the Independent Electricity System Operator continued under the *Electricity Act, 1998*.

“**In Service Date**” has the same meaning ascribed to the term “come into service” in the Transmission System Code.

“**Market Rules**” rules made under section 32 of the *Electricity Act, 1998* (Ontario), including, but not limited to Chapter 6 thereof.

“**Material**” relates to the essence of the contract, more than a mere annoyance to a right, but an actual obstacle preventing the performance or exercise of a right.

“**New or Modified Connection Facilities**” means the facilities owned by Hydro One as specified in Schedule “C” of the Agreement.

“**OEB**” means the Ontario Energy Board.

“OEB-Approved Connection Procedures” means Hydro One’s connection procedures as approved by the OEB from time to time.

“Ontario Energy Board Act” means the *Ontario Energy Board Act* being Schedule “B” of the *Energy Competition Act*, S.O. 1998, c. 15, as amended.

“Premium Costs” means those costs incurred by Hydro One in order to maintain or advance the Ready for Service Date, including, but not limited to, additional amounts expended for materials or services due to short time-frame for delivery; and the difference between having Hydro One’s employees, agents and contractors perform work on overtime as opposed to during normal business hours.

“Ready for Service Date” means the date upon which the Work Chargeable to Customer is fully and completely constructed, installed, commissioned and energised to the Connection Point. The Customer’s disconnect switches must be commissioned prior to this date in order to use them as isolation points.

“Taxes” means all property, municipal, sales, use, value added, goods and services, harmonized and any other non-recoverable taxes and other similar charges (other than taxes imposed upon income, payroll or capital).

“Transmission System Code” means the code of standards and requirements issued by the OEB, as it may be amended, revised or replaced in whole or in part from time to time in accordance with the Section 70.2 and 70.3 of the *Ontario Energy Board Act*.

“Work Chargeable to Customer” means the work to be performed by Hydro One described in Schedule “A” of this Agreement.

Schedule "A" (Riverdale TS Switchgear Upgrade)

PROJECT SCOPE - WORK CHARGEABLE TO CUSTOMER

Hydro One will perform the following work:

-
- Hydro One will perform the final connection to its assets unless otherwise specified.
- Install new link rack for Customer CT cables termination. Perform final connection of Customer CT cables to Hydro One's equipment.
- Install/design 4 new CTM SEL-2440.
- Modify existing bus protection AC and tripping circuits to reflect modified protection zones.
- Update TOF and Gateway/HMI
- PV testing
- Install patch panel/splice box combo in Hydro One's relay room. Pull fiber from demarcation point to Hydro One equipment. Interface with Customer fiber.
- Provide engineering support: for connection of new building foundation weepers to existing Hydro One main drainage system; review AC loads based on proposed Customer modifications; review of drawings (Civil/Electrical) to ensure no concerns with Hydro One's infrastructure and future plans;
- Removal of cables as required within Hydro One relay room.
- Perform COVER

Schedule "B" (Riverdale TS Switchgear Upgrade)

PROJECT SCOPE - CUSTOMER WORK

The Customer will perform the following work:

- The Customer will build, own, and operate the new building that will house the Customer's 13.2kV switchgear and related equipment.
- The Customer will be responsible for 13.2kV connection to their new building. This includes pulling 13.2kV cables and the connection to the existing 13.2kV cables that connect Hydro One's equipment to Customer's equipment. The connection point on the existing 13.2kV cables is on Customer owned portion of the cables.
- The Customer will run CT cables from new metalclad breakers to new link racks in Hydro One's relay room.
- The Customer will run fiber patch cords between their CTMs and Hydro One's CTMs inside Hydro One's protections building
- Weeper installation and daylighting

Schedule “C” (Riverdale TS Switchgear Upgrade):

Part 1: Estimate of Engineering and Construction Cost:

Hydro One estimates that the Engineering and Construction Cost of the Work Chargeable to Customer is \$1,435,000 (excluding HST) (the “**Cost Estimate**”) and is summarized as follows:

<u>Project Description</u>	<u>Estimated Engineering and Construction Cost (excluding HST (\$k))</u>
Project Management	447
Engineering	239
Equipment & Materials	49
Construction	155
Stations & Operations	327
Sub-Total	1,217
Contractor's Contingency	122
AFUDC* & Overheads	96
Total Cost Estimate (\$)	1,435

Notes:

- (*) AFUDC = Allowance for Funds Used During Construction and is the term used in the OEB accounting procedures meaning interest during construction if applicable.
- Price for preliminary engineering is not included in any of the prices above.
- Contingency of 10% is included in the Cost Estimate.
- Capital overheads are included in the Cost Estimate.
- Capital interest is included in the Cost Estimate.
- The Cost Estimate is a result of the following type of estimate performed by Hydro One:

	Type of Estimate	Description	Typical Range of Estimate
✓	AACE* Class 3	Detailed Estimate: Prepared based on the completion of preliminary design activities which may include drawings, technical studies, and surveys. This estimate may represent 20% design definition and can include cost for materials/Procurement, Engineering and Project Management, Construction and Commissioning, Risk/Contingencies, Interest and Overheads.	+30% /-20%**
	AACE Class 4	Budgetary Estimate: Prepared based on the completion of conceptual estimate which may include sketches, review of existing drawings, and a site assessment at the connecting customer's expense and upon completion of the CCEA. This estimate may represent 10% design definition and can be summarized into cost of Materials/Procurement, Engineering, Project management cost and Construction and Commissioning cost.	+50/-30%**
	AACE Class 5	Conceptual Estimate: Prepared based on the Customer's conceptual scope of work and is summarized into the following two basic groupings: <ul style="list-style-type: none"> ▪ Historical cost of Materials/Procurement ▪ Engineering, Project management, Construction and Commissioning. 	+100/-50%**
	Planner's Estimate	High-level Ballpark Estimate for Preliminary Planning Purposes: Provided when the Customer wants to bypass the estimating stage of the Transmission Connection Process and go straight to project execution using the unit costs from a somewhat comparable project (which may not be recent if the work to be performed by Hydro One is rarely performed or rarely performed in certain areas of the province).	None but substantially less accurate than AACE Class 5 Range

* Association for the Advancement of Cost Engineering

** AACE cost estimation system No. 18R-97.

Notwithstanding the type of estimate performed by Hydro One for the Project, the Customer shall pay Hydro One the Engineering and Construction Cost of the Work Chargeable to Customer. The Range of Estimate provided in the table above for estimates is indicative and not guaranteed by Hydro One. What the Range of Estimate does do is highlight the risk to the Customer that as the Range of Estimate for the type of estimate performed for the Project is less refined, the scope of the Work Chargeable to Customer contains a greater number of assumptions on the part of Hydro One which if they are incorrect may materially change the scope of the Work Chargeable to Customer from what is identified in Schedule “A”, delay the Ready for Service Date identified

herein and/or increase the Engineering and Construction Cost of the Work Chargeable to Customer and may also materially change the scope of the Customer Work to be performed by the Customer from what is identified in Schedule “B”.

Part 2: Manner of Payment

The Customer shall pay Hydro One the Cost Estimate (plus HST) by making the payments specified below on or before the Payment Milestone Date specified below:

Payment Milestone Date	Work Chargeable to Customer	HST	Total Payment (incl. HST)
<u>CCEA - PAID</u>	<u>400,000</u>	<u>52,000</u>	<u>\$452,000</u>
CCRA Execution	\$1,435,000	\$186,550	\$1,621,550

2.2 Scope Change

For the purposes of this Section 2.2, the term “Non-Customer Initiated Scope Change(s)” means one or more changes that are required to be made to the Work Chargeable to Customer as detailed and documented in Schedule “A” such as a result of any one or more of the following:

- any environmental assessment(s);
- requirement for Hydro One to obtain approval under Section 92 (leave to construct) of the Ontario Energy Board Act if the transmission line route selected by Hydro One is greater than 2 km in length;
- Hydro One having to expropriate property under the Ontario Energy Board Act;
- conditions included by the OEB in any approval issued by the OEB under Section 92 of the *Ontario Energy Board Act* or any approval issued by the OEB to expropriate under the *Ontario Energy Board Act*; and
- any IESO requirements identified in the System Impact Assessment or any revisions thereto.

Any change in the Work Chargeable to Customer as detailed and documented in Schedule “A” whether they are initiated by the Customer or are Non-Customer Initiated Scope Changes, may result in a change to the Cost Estimate in Part 1 above and the Project schedule, including the Ready for Service Date.

All Customer initiated scope changes must be made in writing to Hydro One. Hydro One will advise the Customer of any cost and schedule impacts of any Customer initiated scope changes. Hydro One will advise the Customer of any Material cost and/or Material schedule impacts of any Non-Customer Initiated Scope Changes. Hydro One will not implement any Customer initiated scope changes until written approval has been received from the Customer accepting the new pricing and schedule impact.

Hydro One will implement all Non-Customer initiated scope changes until the estimate of the Engineering and Construction Cost of all the Non-Customer initiated scope changes made by Hydro One reaches 10% of the total sum of the Cost Estimate in Part 1 above.

Part 3: Miscellaneous

Ready for Service Date: March 30, 2027

New or Modified Connection Facilities: Riverdale TS

Customer’s HST Registration Number: [REDACTED]

Connection Agreement Required to be Executed by Customer: No

Connection Agreement Amending Agreement Required: No

Documentation Required (after In Service Date): To be determined

Revenue Metering: IESO compliant revenue metering to be provided by the Customer

Customer Notice Info:

Hydro Ottawa Limited / Hydro Ottawa limitée

2711 Hunt Club Road, PO Box 8700/chemin Hunt Club, C.P. 8700
Ottawa, Ontario K1G 3S4

Attention: Scott Nicols
Supervisor, Major Projects

e-mail: scottnichols@hydroottawa.com



**CONNECTION AND COST RECOVERY AGREEMENT (CCRA) -
LOAD**

between

Hydro Ottawa Limited

and

Hydro One Networks Inc.

for

Connection of Piperville MTS

Hydro Ottawa Limited (the “**Customer**”) has requested and Hydro One Networks Inc. (“**Hydro One**”) has agreed to perform the Hydro One Connection Work for the Project described in Part I below on the terms and conditions set forth in this Connection and Cost Recovery Agreement dated October 21, 2024 (the “**Agreement**”). The attached Standard Terms and Conditions for Load Customer Transmission Customer Connection Projects V7 6-2023 (the “**Standard Terms and Conditions**” or “**T&C**”), and the following schedules attached hereto are to be read with and form part of this Agreement:

Schedule “A” -	Scope of Hydro One Connection Work
Schedule “B” -	Scope of Customer Connection Work
Schedule “C” -	Capital Contribution(s), Payment Schedule, Revenue Requirements Etc.
Schedule “D” -	Form of Cost Report
Schedule “E” -	Form of Grant of Easement in Gross
Schedule “F” -	Not applicable,
Schedule “G” -	Form of Early Access Agreement
Schedule “H” -	Not applicable
Schedule “I” -	Not applicable
Schedule “J” -	Not applicable,
Schedule “K” -	Not applicable.
Schedule “M” -	Form of Project Status Report

Project Summary

The Customer is constructing a new Municipal Transformer Station (“**Piperville MTS**” or “**MTS**”) located at 5136 Piperville Road in Ottawa, Ontario. The Project is the connection of the Customer’s Facilities to Hydro One’s transmission system which will involve Hydro One constructing, owning and operating the following:

- (i) two (2) new 230 kV line taps off Hydro One’s existing L24A transmission line running between [REDACTED] S (the “**230kV line taps**”) which are less than [REDACTED] in length which does not require Hydro One to seek leave to construct under Section 92 of the *Ontario Energy Board Act, 1998*; and
- (ii) a new switching station which will consist of circuit switcher and associated equipment to allow for isolation and restoration of Piperville MTS following an outage to circuit L24A, that will be located on an existing Hydro One right of way.

Term

The term of this Agreement commences on the date first written above and terminates on the 25th anniversary of the In Service Date (the “**Term**”) unless terminated earlier in accordance with the terms of this Agreement.

Special Circumstances

1. **In addition to the circumstances described in Section 5 of the Standard Terms and Conditions, the Ready for Service Date is subject to the Customer:**
 - (a) executing and delivering this Agreement to Hydro One by no later than October 16, 2024, (the “**Execution Date**”); and
 - (a) paying Hydro One all amounts required to be paid by the Customer on the execution of this Agreement by the Customer.



2. Section 6.5.2 of the Transmission System Code permits the initial calculation of a Capital Contribution based on estimated costs provided that the Capital Contributions are recalculated based on the actual costs. The estimates of the Engineering and Construction Cost and the Capital Contributions specified in Schedule “C” of this Agreement were derived based on the following type of estimate performed by Hydro One at the Customer’s request

✓	Type of Estimate	Description	Typical Range of Estimate
✓	AACE* Class 3	<u>Detailed Estimate</u> : Prepared based on the completion of preliminary design activities which may include drawings, technical studies, and surveys. This estimate may represent 20% design definition and can include cost for materials/Procurement, Engineering and Project Management, Construction and Commissioning, Risk/Contingencies, Interest and Overheads.	+30% /- 20%**
N/A	AACE Class 4	<u>Budgetary Estimate</u> : Prepared based on the completion of conceptual estimate which may include sketches, review of existing drawings, and a site assessment at the connecting customer’s expense and upon completion of the CCEA. This estimate may represent 10% design definition and can be summarized into cost of Materials/Procurement, Engineering, Project management cost and Construction and Commissioning cost.	+50/-30%**
N/A	AACE Class 5	<u>Conceptual Estimate</u> : Prepared based on the Customer’s conceptual scope of work and is summarized into the following two basic groupings: 17 Historical cost of Materials/Procurement 18 Engineering, Project management, Construction and Commissioning.	+100/-50%**
N/A	Planner’s Estimate	<u>High-level Ballpark Estimate for Preliminary Planning Purposes</u> : Provided when the Customer wants to bypass the estimating stage of the Transmission Connection Process and go straight to project execution using the unit costs from a somewhat comparable project (which may not be recent if the work to be performed by Hydro One is rarely performed or rarely performed in certain areas of the province).	None but substantially less accurate than AACE Class 5 Range

* Association for the Advancement of Cost Engineering

** AACE cost estimation system No. 18R-97.

Notwithstanding the type of estimate performed by Hydro One for the Project, the actual Engineering and Construction Cost of the Transformation Connection Pool Work; the Line Connection Pool Work and the Network Pool Work will be used to determine the actual capital contributions payable by the Customer for each of the pools as well as the Engineering and Construction Cost of the Work Chargeable to Customer.

The Range of Estimate provided in the table above for AACE estimates is indicative and not guaranteed by Hydro One. What the Range of Estimate does do is highlight the risk to the Customer that as the Range of Estimate for the type of estimate performed for the Project is less refined, the scope of the Hydro One Connection Work identified in Schedule “A” will contain a greater number of assumptions on the part of Hydro One which if they are incorrect may materially change the scope of the Hydro One Connection Work from what is identified in Schedule “A”, delay the Ready for Service Date identified herein and/or increase the Engineering and Construction Cost of the Hydro One Connection Work and may also materially change the scope of the Customer Connection Work to be performed by the Customer from what is identified in Schedule “B”.

For the Customer’s budgetary and cost tracking purposes, Hydro One agrees to provide the Customer on a quarterly basis with project status reports in a form substantially similar to the form attached hereto as Schedule “M” and forming a

part of this Agreement.

3. Hydro One and the Customer are parties to a Connection Cost Estimate Agreement dated November 16, 2023 (the "**CCEA**") and the parties acknowledge and agree that:
 - (a) the Customer made advance payment(s) of \$685,000 (plus HST in the amount of \$89,050) (the "**CCEA Payment(s)**") towards the cost of the Work (as that term is defined in the CCEA) (the "**CCEA Work**"); and
 - (b) notwithstanding any term to the contrary in any the CCEA, the CCEA Payment is credited against the amounts payable by the Customer under the terms of this Agreement and the Cost of CCEA Work is included in this Agreement; and
 - (c) the CCEA is deemed to be amended to reflect the inclusion of the Cost of CCEA Work and the CCEA Payment in this Agreement and that there will be no separate cost reconciliation process under the terms of the CCEA.
4. Owing to the Customer's requested Ready for Service Date, the Customer has agreed for Hydro One to commence performing the Hydro One Connection Work prior to receiving the results of the System Impact Assessment (SIA) being performed IESO which, at the time of the execution of this Agreement, is not expected to be delivered until the end of November 2024. The Customer acknowledges and understands that Hydro One is required to comply with the requirements of the SIA and its own CIA and as such, the Customer in having Hydro One proceed with the Hydro One Connection Work:
 - 1) is accepting the risk that the SIA and as consequence of the SIA, the CIA may include changes to the scope of the Hydro One Connection Work, the estimated cost thereof and/or to the schedule for the performance of the work required for the Project;
 - 2) that the Hydro One Connection Work will be deemed to be amended to include any work to be performed by Hydro One as identified by the IESO in the SIA results and the results of the CIA; and
 - 3) the Customer Work will be deemed to be amended to include any work to be performed by the Customer as identified by the IESO in the SIA results and/or that is incidental to or results from a requirement of Hydro One as identified by the IESO in the SIA results and the results of the CIA.
5. Hydro One and the Customer are parties to an Agreement for Advance Payment of Engineering Design Work and Procurement of Certain Equipment and Material Prior to Execution of a CCRA in respect of the connection of the Project to Hydro One's transmission system dated July 15, 2024 ("**Engineering Design Agreement**"):
 - (a) pursuant to which the Customer provided an Advance Payment of \$1,250,000 plus HST in the amount of \$162,500 (the "**Engineering Design Advance Payment**") for performance of the Engineering Design Work;
 - (b) which required that the scope of the work and the cost estimate in this Agreement include the Engineering Design Work; and
 - (c) which required that the Engineering Design Advance Payment be credited against the amounts payable by the Customer under the terms of this Agreement;

and as such, Hydro One:

1. included the Engineering Design Work in the scope of the Hydro One Connection Work and the estimate of the Engineering and Construction Cost of the Hydro One Connection Work identified in this Agreement; and
2. credited the Engineering Design Advance Payment against the amounts payable by the Customer under the terms of this Agreement.

IV. Premium Costs

The Customer acknowledges and agrees that in addition to the circumstances described in Section 16 of the Standard Terms and Conditions, Hydro One shall have the right to perform work at overtime rates and charge the Customer "Premium Costs" for same without obtaining the Customer's consent during transmission system outages taken to perform Hydro One Connection Work and/or commissioning.

V. Confidentiality Terms

The parties agree that section 1.1.3 (Definition of Confidential Information) and Part Seven of the Connection Agreement are incorporated herein and shall apply mutatis mutandis to this Agreement; provided that for purposes of the incorporated section 21.2 within such Part Seven of the Connection Agreement (for the purposes of this subsection (c), "**Section 21.2**"), Hydro One consents to the Customer disclosing Hydro One's Confidential Information to other persons as required for the development, construction, financing, and operation of the Customer's distribution system subject to the Customer complying with the requirement in Section 21.2 to ensure that such other persons comply with the confidentiality provisions set out in the incorporated Part Seven of the Connection Agreement.

VI. Notice

Any written notice required by the Agreement shall be deemed properly given only if either e-mailed, mailed or delivered to the parties at the address identified below.

- 1) If to Hydro One:

Hydro One Networks Inc.
483 Bay Street
14th Floor, North Tower
Toronto, Ontario M5G 2P5

Attention: Robert Reinmuller, P.Eng., Vice President, Transmission System
Planning & Large Customer
e-mail address: robert.reinmuller@hydroone.com

- 2) If to the Customer:

Hydro Ottawa Limited
2711 Hunt Club Rd.
Ottawa, Ontario K1G 5Z9

Attention: Gulliaume Paradis, Chief Electricity Distribution Officer
e-mail address: gulliaumeparadis@hydroottawa.com

Notices sent by courier or registered mail shall be deemed to have been received on the date indicated on the delivery receipt. Notices sent by e-mail shall be deemed to be received on the date of the e-mail if sent before 3 p.m. on a business day or on the next business day if sent after 3 p.m. or a day that is not a business day. 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

- (a) Subject to Section 31 of the Standard Terms and Conditions, this Agreement 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) This Agreement will supersede the terms of any purchase orders issued by the Customer to Hydro One in respect of the Project irrespective of whether same have been issued by the Customer and/or accepted by Hydro One on or after the execution of this Agreement by the Customer.
- (c) This Agreement may be executed by the parties in writing or via electronic signatures and in one or more in 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 authorized signatories, as of the day and year first written above.

HYDRO OTTAWA LIMITED

 Name: Guillaume Paradis
 Title: Chief Operating Officer - Distribution and Generation

DocuSigned by:

 Name: *Guillaume Paradis*
 Title: A8115E39C3334D4...

I/We have the authority to bind the Corporation.

HYDRO ONE NETWORKS INC.

Signed by:

Robert Reinmuller
 24DC66668873411...
 Robert Reinmuller, P. Eng.
 Vice President, Transmission System Planning & Large Customer
 Execution Date: October 23, 2024

I have the authority to bind the Corporation

Schedule "A" Connection of Piperville MTS: Scope of Hydro One Connection Work**MISCELLANEOUS**

New or Modified Connection Facilities: 230kV circuit [REDACTED]

Connection Point: 230kV circuit [REDACTED]

Approval Date (if Section 92 required to be obtained by Hydro One): Not applicable due to not required (line length is less [REDACTED])

Ready for Service Date: February 27, 2026

Ownership: Hydro One will own all equipment provided by Hydro One as part of the Hydro One Connection Work.

GENERAL:

Hydro One will provide project management, engineering, equipment and material, construction and commissioning of the Hydro One Connection Work. The scope of the Hydro One Connection Work includes the requirements from and the assumptions identified by Hydro One in the Connection Cost Estimate Report dated August 23 2024.

Hydro One, or its agents:

- (i) 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;
- (ii) shall repair any damage caused to lands, owned by Hydro One or third parties, associated with or related to the Hydro One Connection Work;
- (iii) 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; and
- (iv) scrap all materials and equipment removed by Hydro One, or its agents, at site unless specifically stated otherwise.

SCOPE DETAILS (BY CATEGORY):**Part 1: Transformation Connection Pool Work**

None

Part 2: Line Connection Pool Work

Hydro One will, at Piperville JCT, provide two (2) line taps from 230kV circuit [REDACTED] to the Customer's gantry structure which will include the following work:

- (a) Site preparation including drainage swales and ditches along the road and pad for storm management. Grade the yard. Install Helical Piles.
- (b) Remove vegetation, as required, on the right of way.
- (c) Obtain necessary permits/approvals for construction and operation of Hydro One's facilities.
- (d) Install six (6) BPEX-M towers at Piperville site.

- (e) String new 997 Kcmil ACSR and 7#5 Alumoweld OHSW from main line to Customer gantries for two line taps.
- (f) Install counterpoise on line tap at Piperville site.
- (g) Install six (6) conductor dead-end assemblies at customer gantries.
- (h) Install two (2) OHSW dead-end assembly on customer gantries.
- (i) Install six (6) wave traps on the line taps to Customer gantries.
- (j) Install fence around Piperville switching station and install gates.
- (k) Commissioning
- (l) Site clean-up/ restoration/ environmental remediation.

Part 3: Network Pool Allocated Work

Hydro One will provide a circuit switcher at [REDACTED] in between the two line taps on Hydro One's existing right of way which will include the following work:

- Obtain necessary permits/approvals for construction and operation of Hydro One's facilities.
- Install access roads and pads.
- Site preparation including drainage swales and ditches along the road and pad for storm management. Grade the switching station yard. Install Helical Piles.
- Remove vegetation, as required, on the right of way.
- Install one (1) new deadend tower (ST7-131).
- Reinforce and modify existing tower 142.
- Install one (1) LSR-X switch structure.
- Install new motorized circuit switcher with two motorized grounding switches on LSR-X structure.
- Install outdoor wireless SCADA enclosure along with a battery cabinet.
- Install trench for AC station service coming from HOL feeder. Install AC panel on LSR-X structure.
- New lighting control panel, area light and switch light mounted on LSR-X structure.
- Install ground grid and counterpoise. Erect one (1) lightning tower.
- Install fence around Piperville switching station and install gates.
- String new 7#5 Alumoweld OHSW.
- String new 1843Kcmil ACSR conductor.
- Install eighteen (18) line opener assembly.
- Install three (3) MSO's on main line at Piperville site.
- Site clean-up/ restoration/ environmental remediation.
- Install five (5) BPEX-M towers at Piperville site
- Commissioning.

1. Perform the following work at [REDACTED]:

- Trenching work at [REDACTED] to accommodate new fibre cables (A and B Protections) from [REDACTED]
- String fiber from junction box demarcation point to [REDACTED] relay room.
- Modifications to L24A A&B protection, including TT and block received from Customer station.
- Install one (1) new SEL 2506 CTM module on Rack at [REDACTED]

- Install one (1) new SEL 2595 CTM module on Rack at [REDACTED]
- Commissioning.

2. Perform the following work at [REDACTED]:

- Update L24A A&B protection settings.
- Commissioning.

Part 4: Network Pool Work (Non-Recoverable from Customer)

Not applicable

Part 5: Work Chargeable to Customer

Not applicable

Part 6: Scope Change

For the purposes of this Part 6 of Schedule “A”, the term “Non-Customer Initiated Scope Change(s)” means one or more changes that are required to be made to the Project Scope as detailed and documented in Parts 1 to 5 of this Schedule “A” as a result of any one or more of the following:

- any environmental assessment(s);
- requirement for Hydro One to obtain approval under Section 92 (leave to construct) of the Ontario Energy Board Act if the transmission line route selected by Hydro One is greater than 2 km in length;
- Hydro One having to expropriate property under the Ontario Energy Board Act;
- conditions included by the OEB in any approval issued by the OEB under Section 92 of the Ontario Energy Board Act or any approval issued by the OEB to expropriate under the Ontario Energy Board Act; and
- any IESO requirements identified in the System Impact Assessment or any revisions thereto.

Any change in the Project Scope as detailed and documented in this Schedule “A” whether they are initiated by the Customer (“**Customer Initiated Scope Changes**”) or are Non-Customer Initiated Scope Changes, may result in a change to the Project costs estimated in Schedule “C” of this Agreement and the Project schedule, including the Ready for Service Date.

All Customer Initiated Scope Changes to this Project must be made in writing to Hydro One. Hydro One will advise the Customer of any cost and schedule impacts of any Customer Initiated Scope Changes.

Hydro One will not implement any Customer Initiated Scope Changes until written approval has been received from the Customer accepting the new pricing and schedule impact.

Hydro One will advise the Customer of any Material cost and/or Material schedule impacts of any Non-Customer Initiated Scope Changes. Hydro One will implement all Non-Customer Initiated Scope Changes until the estimate of the Engineering and Construction Cost of all of the Non-Customer Initiated Scope Changes reaches 10% of the total sum of the estimates of the Engineering and Construction Cost of:

- (i) the Transformation Connection Pool Work,
- (ii) the Line Connection Pool Work;
- (iii) Network Pool Work;
- (iv) Network Pool Allocated Work; and
- (v) The Work Chargeable to Customer.

At that point, no further Non-Customer Initiated Scope Changes may be made by Hydro One without the written consent of the Customer accepting new pricing and schedule impact. If the Customer does not accept the new pricing and schedule impact, Hydro One will not be responsible for any delay in the Ready for Service Date as a consequence thereof.

Schedule “B” Connection of Piperville MTS: Scope of Customer Connection Work

The Customer will design, build, and operate the Piperville MTS.

MISCELLANEOUS

Revenue Metering: IESO compliant revenue metering to be provided by the Customer.

GENERAL:

The Customer will:

- (a) enter into a Connection Agreement with Hydro One or where applicable, amend its existing Connection Agreement with Hydro One at least 14 days prior to the first Connection;
- (b) ensure that project data is provided to Hydro One in accordance with Subsection 3(e) of the T&C;
- (c) install metering facilities in accordance with the Market Rules;
- (d) provide a dedicated communication circuit for remote access to the metering equipment in accordance with the Market Rules;
- (e) provide a dedicated telephone line for direct communication between Hydro One’s Integrated System Operating Centre (“**Hydro One ISOC**”) operator and the real time contact to be listed in the Connection Agreement can be a toll free (1-800...) phone number which should go directly to the Customer’s real time contact and not an automated teleprompt/voice recording as it may require an immediate response from the Customer) and will provide round-the-clock monitoring and control of the Customer’s facilities;
- (f) ensure that the work to be performed by the Customer required for successful installation, testing and commissioning of protective, teleprotection, telecommunication and metering equipment is completed as required to enable Hydro One COVER verification to confirm satisfactory performance of such systems;
- (g) use operating designations on all operating agreements, telemetry and protection documents and any other agreements that refer to equipment designation; and
- (h) satisfy all other requirements specific to the Connection.

LAND RIGHTS REQUIRED TO BE PROVIDED BY CUSTOMER:³

The Customer shall provide Hydro One with the following Land Rights required by Hydro One for the Hydro One Connection Work:

Easement(s) in Gross Required: Yes

Easement in Gross Lands: Part of PIN 04325-0589 (LT) legally described as PART LOT 11, CONCESSION 8 OTTAWA FRONT GLOUCESTER, PART 3, PLAN 4R35559 CITY OF OTTAWA

Easement in Gross Term: In perpetuity

Easement in Gross Date: Easement to be registered by May 1, 2025

Early Access Agreement: YES

Early Access Lands: Part of PIN 04325-0589 (LT) legally described as PART LOT 11, CONCESSION 8 OTTAWA FRONT GLOUCESTER, PART 3, PLAN 4R35559 CITY OF OTTAWA

³ Cross-reference Section 24 of T&C and definition of Land Rights in Appendix A of the T&C Connection Cost Recovery Agreement - [Piperville MTS] (v. May 2024) [CBR02242]

Early Access Date: May 1, 2025

DOCUMENTATION REQUIREMENTS:

The Customer shall provide Hydro One with the items identified below:

- updated engineering design drawings by December 15, 2024
- commissioning plan 6 months prior to the Ready for Service Date

SCOPE DETAILS:

In addition to the meeting the requirements described above under General, Land Rights Required from Customer and Documentation Requirements, the Customer will design, install, and commission Piperville MTS which also includes the following work:

- (a) Obtain all permits/approvals for Piperville MTS.
- (b) Provide redundant fiber telecom link to [REDACTED] for transfer trip and blocking signal. Demarcation will be a splice box at [REDACTED]
- (c) Implement transfer trip received, L24A TT (A and B), sent from [REDACTED] and trip into circuit breaker PVLQ1T1/PVLQ2T2, then open disconnect switch PVLQ1-L1 and PVLQ2-L1 respectively.
- (d) Install Breaker Fail (BF) protection on 230kV circuit breaker (CB) PVLQ1T1/PVLQ2T2 and LV side CB PVLT1B1/PVLT2B2/PVLB1B2. 230kV PVLQ1T1 and PVLQ2T2 BF protection should send redundant (A and B) TT to Hydro One's [REDACTED].
- (e) Provide redundant (A and B) line back-up function (for phase and ground protection) should be provided at the 230kV side of PVLT1 and PVLT2 (each, respectively). Once initiates, it should trip into LV side breaker PVLT1B1 and PVLT2B2 respectively.
- (f) Provide redundant (A and B) blocking signal to [REDACTED] for fault within Customer facilities.
- (g) Provide SCADA telemetry and alarms to ISOC, IESO via ICCP.



Schedule “C” Connection of Piperville MTS: Capital Contribution(s), Payment Schedule, Revenue Requirements Etc.

MISCELLANEOUS

Risk Classification: Low Risk

True-Up Points: following the fifth and tenth anniversaries of the In Service Date; and (b) following the fifteenth anniversary of the In Service Date if the Actual Load is 20% higher or lower than the Load Forecast at the end of the tenth anniversary of the In Service Date.

Customer’s HST Registration Number: [REDACTED]

Security Requirements: Nil
Security Date: Not applicable

Existing Load Table:

	A	B
Existing Load Facility	Existing Load (MW) ¹	Normal Capacity (MW) ²
Hawthorne TS	93	93

Existing Load Table Notes:

- ¹ Existing Load means the Customer’s Assigned Capacity at the Existing Load Facility as of the date of this Agreement (Section 3.0.3 of the Transmission System Code).
- ² Any station load above the Normal Capacity of the Existing Load Facility (Overload) will be determined in accordance with Section 11.2.8 of the Transmission System Code and Hydro One’s OEB-approved Transmission Connection Procedures. If the Overload is transferred to the New or Modified Connection Facilities, the Overload will be credited to the Line Connection Revenue, Transformation Connection Revenue or Network Revenue requirement, whichever is applicable.

TRANSFORMATION CONNECTION POOL WORK

Not applicable

LINE CONNECTION POOL WORK

Estimate of the Engineering and Construction Cost of the Line Connection Pool Work: \$7,678,328.00

Estimate of Line Connection Pool Work Capital Contribution: \$5,864,200.00 plus HST in the amount of \$762,346.00

Actual Engineering and Construction Cost of the Line Connection Pool Work: To be provided 180 days after the Ready for Service Date.

Actual Line Connection Pool Work Capital Contribution: To be provided 180 days after the Ready for Service Date.

NETWORK POOL ALLOCATED WORK

Estimate of the Engineering and Construction Cost of the Network Pool Allocated Work: \$10,308,942.00

Estimate of the Network Pool Allocated Work Capital Contribution: \$0 plus HST in the amount of \$0



Actual Engineering and Construction Cost of the Network Pool Allocated Work: To be provided 180 days after the Ready for Service Date.

Actual Network Pool Allocated Work Capital Contribution: To be provided 180 days after the Ready for Service Date.

NETWORK POOL WORK (NON-RECOVERABLE FROM CUSTOMER): Not applicable

WORK CHARGEABLE TO CUSTOMER: Not applicable

MANNER OF PAYMENT OF THE ESTIMATE OF CAPITAL CONTRIBUTIONS AND WORK CHARGEABLE TO CUSTOMER

The Customer shall pay Hydro One the estimate of the Transformation Connection Pool Work Capital Contribution, the Estimate of Line Connection Pool Work Capital Contribution, the estimate of the Network Pool Allocated Work Capital Contribution and the estimate of the Engineering and Construction Cost of the Work Chargeable to Customer by making the payments specified below on or before the Payment Milestone or Payment Date specified below. Other than for payments made prior to or due upon execution of this Agreement by the Customer, Hydro One will invoice the Customer 30 days prior to each Payment Milestone or Payment Date.

Payment Milestone or Date	Transformation Pool Work Capital Contribution	Line Pool Work Capital Contribution	Network Pool Allocated Work Capital Contribution	Work Chargeable To Customer	Total Payment Required
CCEA Payment(s)	-	\$685,000	-	-	\$685,000 plus HST in the amount of \$89,050
Engineering Design Advance Payment	-	\$1,250,000	-	-	\$1,250,000 plus HST in the amount of \$162,500
On execution of Agreement	-	\$0.00	-	-	-
January 30, 2025	-	\$500,000.00	-	-	\$500,000 plus HST in the amount of \$65,000
February 28, 2025	-	\$500,000.00	-	-	\$500,000 plus HST in the amount of \$65,000
March 30, 2025	-	\$500,000.00	-	-	\$500,000 plus HST in the amount of \$65,000
April 30, 2025	-	\$500,000.00	-	-	\$500,000 plus HST in the amount of \$65,000
May 30, 2025	-	\$500,000.00	-	-	\$500,000 plus HST in the amount of \$65,000
June 30, 2025	-	\$500,000.00	-	-	\$500,000 plus HST in the amount of \$65,000
July 30, 2025	-	\$500,000.00	-	-	\$500,000 plus HST in the amount of \$65,000
Aug 30, 2025	-	\$429,200.00	-	-	\$429,200 plus HST in the amount of \$55,796

TRANSFORMATION CONNECTION REVENUE REQUIREMENTS AND LOAD FORECAST AT THE NEW OR MODIFIED CONNECTION FACILITIES

Not applicable



**LINE CONNECTION REVENUE REQUIREMENTS
AND LOAD FORECAST AT THE NEW OR MODIFIED CONNECTION FACILITIES**

Annual Period Ending On:	New Load** (MW)	Part of New Load (MW) Exceeding Normal Capacity of Existing Load Facilities [A] <small>(Note A)</small>	Adjusted Load Forecast (MW) [B]	Line Connection Revenue (k\$) for True-Up based on [A] or [B], whichever is applicable
1 st Anniversary of In Service Date	9.3	3.8	N/A	42.8
2 nd Anniversary of In Service Date	10.1	4.1	N/A	46.9
3 rd Anniversary of In Service Date	12.5	4.7	N/A	52.9
4 th Anniversary of In Service Date	12.7	4.8	N/A	54.3
5 th Anniversary of In Service Date	13.3	5.4	N/A	61.5
6 th Anniversary of In Service Date	15.2	7.3	N/A	82.6
7 th Anniversary of In Service Date	17.0	9.1	N/A	103.7
8 th Anniversary of In Service Date	18.8	11.0	N/A	124.7
9 th Anniversary of In Service Date	20.6	12.8	N/A	145
10 th Anniversary of In Service Date	22.5	14.6	N/A	166.1
11 th Anniversary of In Service Date	24.3	16.5	N/A	187.2
12 th Anniversary of In Service Date	26.2	18.3	N/A	208.3
13 th Anniversary of In Service Date	28.1	20.2	N/A	229.4
14 th Anniversary of In Service Date	29.9	22.0	N/A	250.5
15 th Anniversary of In Service Date	31.8	23.9	N/A	271.4
16 th Anniversary of In Service Date	33.5	25.6	N/A	291.5
17 th Anniversary of In Service Date	35.2	27.3	N/A	310.8
18 th Anniversary of In Service Date	36.9	29.0	N/A	330.2
19 th Anniversary of In Service Date	38.6	30.7	N/A	349.5
20 th Anniversary of In Service Date	40.3	32.5	N/A	369
21 th Anniversary of In Service Date	42.1	34.2	N/A	389.1
22 th Anniversary of In Service Date	43.8	35.9	N/A	408.4
23 th Anniversary of In Service Date	45.5	37.6	N/A	427.7
24 th Anniversary of In Service Date	47.2	39.3	N/A	447.2
25 th Anniversary of In Service Date	48.7	40.8	N/A	464.1

**NETWORK REVENUE REQUIREMENTS AND LOAD FORECAST
AT THE NEW OR MODIFIED CONNECTION FACILITIES**

Annual Period Ending On:	New Load** (MW)	Part of New Load (MW) Exceeding Normal Capacity of Existing Load Facilities [A] <small>(Note A)</small>	Adjusted Load Forecast (MW) [B]	Network Revenue (k\$) for True-Up based on [A] or [B], whichever is applicable
1 st Anniversary of In Service Date	9.3	3.8	3.0	220.7
2 nd Anniversary of In Service Date	10.1	4.1	3.3	241.9
3 rd Anniversary of In Service Date	12.5	4.7	3.7	272.9
4 th Anniversary of In Service Date	12.7	4.8	3.8	280.4
5 th Anniversary of In Service Date	13.3	5.4	4.3	317.5
6 th Anniversary of In Service Date	15.2	7.3	5.8	426.3
7 th Anniversary of In Service Date	17.0	9.1	7.3	535.1
8 th Anniversary of In Service Date	18.8	11.0	8.8	643.2
9 th Anniversary of In Service Date	20.6	12.8	10.2	748.3
10 th Anniversary of In Service Date	22.5	14.6	11.7	857.1
11 th Anniversary of In Service Date	24.3	16.5	13.1	966.0
12 th Anniversary of In Service Date	26.2	18.3	14.6	1074.8
13 th Anniversary of In Service Date	28.1	20.2	16.1	1183.7
14 th Anniversary of In Service Date	29.9	22.0	17.6	1292.5
15 th Anniversary of In Service Date	31.8	23.9	19.1	1400.6
16 th Anniversary of In Service Date	33.5	25.6	20.5	1504.2
17 th Anniversary of In Service Date	35.2	27.3	21.8	1603.9



18 th Anniversary of In Service Date	36.9	29.0	23.2	1703.7
19 th Anniversary of In Service Date	38.6	30.7	24.5	1803.5
20 th Anniversary of In Service Date	40.3	32.5	25.9	1904.0
21 th Anniversary of In Service Date	42.1	34.2	27.3	2007.6
22 th Anniversary of In Service Date	43.8	35.9	28.7	2107.3
23 th Anniversary of In Service Date	45.5	37.6	30.0	2207.1
24 th Anniversary of In Service Date	47.2	39.3	31.4	2307.6
25 th Anniversary of In Service Date	48.7	40.8	32.6	2394.6

Notes Applicable to All of the Above Revenue Requirements Tables:

^A New Load is based on Customer's Load Forecast which includes Part of New Load Exceeding Normal Capacity of Existing Load Facilities. "Overload" is derived in accordance with Section 11.2.8 of the Transmission System Code and the OEB-Approved Connection Procedures. Any Customer load below the Normal Capacity of the Existing Load Facilities transferred to the New or Modified Facilities will not be credited towards the Transformation Connection Revenue Requirements, Line Connection Revenue Requirements or the Network Connection Revenue Requirements. The discounted cash flow calculation for Network Revenue requirements will be based on Incremental Network Load which is New Load less the amount of load, if any, that has been by-passed by the Customer at any of Hydro One's connection facilities.



Schedule “D”: Sample Cost Report

Project Investment No.				
Ready for service date				
Project Title				
Project Description				
Project Management	\$			
Real Estate	\$			
Engineering	\$			
Procurement	\$			
Construction	\$ (see Note 1)			
Commissioning	\$			
Other - Overhead/ Interest	\$			
Total Cost K\$ (excl. HST)	\$			



Schedule "M": Form of Status Report

PROJECT STATUS REPORT - 2022 Q1

Project:
Customer:

Project Description

PROJECT STATUS

SCHEDULE : ON TRACK

FORECASTED COST : ####

Project Costs

Forecasted Cost

\$X,XXXX

XX%

0% 25% 50% 75% 100% 115%
 || Forecasted Spend || Actual Spent To Date — Budget/Estimate

Project Schedule

Project Start

16-Nov-18

●

Engineering Start

16-Nov-18

1

Construction Start

16-Nov-18

2

Ready for Service

16-Dec-25

●

Today +

Cost Component	Budget/Estimate	Actual To Date*	Forecast†
Project Management			
Engineering			
Procurement			
Construction			
Commissioning			
Other**			
Total	\$ 0	\$ 0	\$ 0

*Actual costs spent as of September 30, 2021.
 **Other costs include overhead, contingency, and interest as applicable.

Customer Capital Contributions excl. HST	\$ 0
Forecast of Required Customer Capital Contributions excl. HST	\$ 0
Forecast of Additional Contribution (or Refund) excl. HST	\$ 0

Additional Notes

Threats, Risks, and Scope Changes

Account Executive

Project Manager

CONFIDENTIAL | HYDRO ONE NETWORKS INC

Date: 1/5/2022

Connection Cost Recovery Agreement - [Piperville MTS] (v. May 2024) [CBR02242]

Standard Terms and Conditions for Load Customer Transmission Customer Connection Projects

1. 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 the Agreement and to perform its obligations hereunder;
- (c) the execution, delivery and performance of the 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 Material contracts or instruments to which it is bound; or (iii) 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) the Agreement constitutes a legal and binding obligation on it, enforceable against it in accordance with its terms;
- (f) it is registered for purposes of Part IX of the *Excise Tax Act* (Canada). The HST registration number for Hydro One is [REDACTED] and the HST registration number for the Customer is as specified in Schedule "C" of the Agreement; and
- (g) no proceedings have been instituted by or against it with respect to bankruptcy, insolvency, liquidation or dissolution.

Part A: Hydro One Connection Work and Customer Connection Work

2. The Customer and Hydro One shall perform their respective obligations outlined in the Agreement in a manner consistent with Good Utility Practice and the Transmission System Code, in compliance with all Applicable Laws, and using duly qualified and experienced people.

3. The parties acknowledge and agree that:

- (a) Hydro One is responsible for obtaining any and all permits, certificates, reviews and approvals required under any Applicable Laws with respect to the Hydro One Connection Work and those required

for the construction, Connection and operation of the New or Modified Connection Facilities;

- (b) the Customer shall perform the Customer Connection Work, at its own expense;

(c) except as specifically provided in the Agreement, the Customer is responsible for obtaining any and all permits, certificates, reviews and approvals required under any Applicable Laws with respect to the Customer Connection Work and those required for the construction, Connection and operation of the Customer's Facilities including, but not limited to, where applicable, leave to construct pursuant to Section 92 of the *Ontario Energy Board Act, 1998*;

(d) the Customer is responsible for installing equipment and facilities such as protection and control equipment to protect its own property, including, but not limited to the Customer's Facilities;

(e) in accordance with Hydro One's rights under section 6.1.11 of the Transmission System Code, the Customer shall provide Hydro One with Project data required by Hydro One, including, but not limited to (i) the same technical information that the Customer provided the IESO during any connection assessment and facility registration process associated with the Customer'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 Customer's Facilities;

(f) in accordance with section 4.3.3 and 4.3.4 of the Transmission System Code, Hydro One may participate in the commissioning, inspection or testing of the Customer's Connection Facilities at a time that is mutually agreed by Hydro One and the Customer and the Customer shall ensure that the work performed by the Customer and others required for successful commissioning, inspection or testing of protective equipment is completed as required to enable Hydro One witnessing and testing to confirm satisfactory performance of such systems;

(g) unless otherwise provided herein, Hydro One's responsibilities under the Agreement with respect to the Connection of the New or Modified Connection Facilities to Hydro One's transmission system shall be limited to the performance of the Hydro One Connection Work;

(h) Hydro One is not permitted to Connect any

new, modified or replacement Customer's Facilities unless any required Connection authorizations, certificate of inspection or other applicable approval have been issued or given by the Ontario Electrical Safety Authority in relation to such facilities;

(i) in accordance with section 6.1.11 of the Transmission System Code, Hydro One may require that the Customer provide Hydro One with test certificates certifying that the Customer's Facilities have passed all relevant tests and comply with the Transmission System Code, the Market Rules, Good Utility Practice, the standards of all applicable reliability organizations and any Applicable Laws, including, but not limited to any certificates of inspection that may be required by the Ontario Electrical Safety Authority;

(j) in accordance with section 4.3.2 of the Transmission System Code, Hydro One shall provide the Customer with such technical parameters as may be required to assist the Customer in ensuring that the design of the Customer's Facilities is consistent with the requirements applicable to Hydro One's transmission system and the basic general performance standards for facilities set out in the Transmission System Code, including Appendix 2 thereof; and

(k) if Hydro One requires access to the Customer's Facilities for the purposes of performing the Hydro One Connection Work or the Customer requires access to Hydro One's Facilities for the purposes of the Customer Connection Work, the parties agree that Section 27.13 of the Connection Agreement shall govern such access and is hereby incorporated in its entirety by reference into and forms an integral part of the Agreement. All references to "this Agreement" in Section 27.13 of the Connection Agreement shall be deemed to be a reference to the Agreement;

(l) the Customer shall enter into a Connection Agreement with Hydro One or amend its existing Connection Agreement with Hydro One at least 14 calendar days prior to the Connection;

(m) Hydro One shall use reasonable efforts to ensure that any applications required to be filed to obtain any permits or approvals required under Applicable Laws for the Hydro One Connection Work are filed in a timely manner; and

(n) the Customer shall use reasonable efforts to ensure that any applications required to be filed to

obtain any permits or approvals required under Applicable Laws for the Customer Connection Work or for the construction, Connection and operation of the Customer's Facilities are filed in a timely manner.

4. The following aspects of the Hydro One Connection Work and Hydro One's rights and requirements hereunder are solely for the purpose of Hydro One ensuring that the Customer Facilities to be connected to Hydro One's transmission system do not materially reduce or adversely affect the reliability of Hydro One's transmission system and do not adversely affect other customers connected to Hydro One's transmission system, Hydro One's:

- (m) specifications of the protection equipment on the Customer's side of the Connection Point;
- (n) acceptance of power system components on the Customer's side of the Connection Point;
- (o) acceptance of the technical specifications (including electrical drawings) for the Customer's Facilities and/or the Customer Connection Work; and
- (p) participation in the commissioning, inspection or testing of the Customer's Facilities.

The Customer is responsible for installing equipment and facilities such as protection and control equipment to protect its own property, including, but not limited to the Customer's Facilities.

5. Hydro One shall use reasonable efforts to complete the Hydro One Connection Work by the Ready for Service Date specified in Schedule "A" provided that:

- (a) the Customer is in compliance with its obligations under the Agreement;
- (b) any work required to be performed by third parties has been performed in a timely manner and in a manner to the satisfaction of Hydro One, acting reasonably;
- (c) there are no delays resulting from Hydro One not being able to obtain outages from the IESO required for any portion of the Hydro One Connection Work or from the IESO making changes to the Hydro One Connection Work or the scheduling of all or a portion of the Hydro One Connection Work;
- (d) Hydro One does not have to use its employees, agents and contractors performing the Hydro One Connection Work or the Network Pool Work elsewhere on its transmission system or distribution system due to an Emergency (as

that term is defined in the *Transmission System Code*) or a Force Majeure Event;

- (e) Hydro One is able to obtain the materials and labour required to perform the Hydro One Connection Work with the expenditure of Premium Costs where required;
- (f) where Hydro One needs to obtain leave to construct pursuant to Section 92 of the *Ontario Energy Board Act, 1998*, such leave is obtained on or before the date specified as the Approval Date in Schedule “A” of the Agreement;
- (g) Hydro One has received or obtained prior to the dates upon which Hydro One requires any or one or more of the following under Applicable Laws to perform all or any part of the Hydro One Connection Work:
 - (iii) environmental approvals, permits or certificates;
 - (iv) land use permits from the Crown; and
 - (v) building permits and site plan approvals;
- (h) Hydro One is able, using reasonable efforts, to obtain all Land Rights to be obtained for the Project (as identified in Schedule “A” and/or “B” of the Agreement) on terms substantially similar to the forms of the Land Rights attached as schedules to and forming part of the Agreement, prior to the dates upon which Hydro One needs to commence construction of the Hydro One Connection Work in order to meet the Ready for Service Date;
- (i) there are no delays resulting from Hydro One being unable to obtain materials or equipment required from suppliers in time to meet the project schedule for any portion of the Hydro One Connection Work provided that such delays are beyond the reasonable control Hydro One; and
- (j) the Customer executed the Agreement on or before the date specified as the Execution Date.

The Customer 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.

- 6. Upon completion of the Hydro One Connection Work:
 - (a) Hydro One shall own, operate and maintain all equipment specified in Schedule “A” of the Agreement under the heading “Ownership”; and
 - (b) other than equipment referred to in (a) above that shall be owned, operated and maintained by Hydro One, all other equipment provided by

Hydro One as part of the Hydro One Connection Work or provided by the Customer as part of the Customer Connection Work shall be owned, operated and maintained by the Customer.

The Customer acknowledges that:

- (i) ownership and title to the equipment referred to in (a) above shall throughout the Term and thereafter remain vested in Hydro One and the Customer shall have no right of property therein; and
- (ii) any portion of the equipment referred to in (a) above that is located on the Customer’s property shall be and remain the property of Hydro One and shall not be or become fixtures and/or part of the Customer’s property.

7. The Customer acknowledges and agrees that Hydro One is not responsible for the provision of power system components on the Customer’s Facilities, including, without limitation, all transformation, switching, metering and auxiliary equipment such as protection and control equipment.

All of the power system components on the Customer’s side of the Connection Point including, without limitation, all transformation, switching and auxiliary equipment such as protection and control equipment shall be subject to the acceptance of Hydro One with regard to Hydro One’s requirements to permit Connection of the New or Modified Connection Facilities to Hydro One’s transmission system, and shall be installed, maintained and operated in accordance with all Applicable Laws, codes and standards, including, but not limited to, the *Transmission System Code*, at the expense of the Customer.

8. Where Hydro One has equipment for automatic reclosing of circuit breakers after an interruption for the purpose of improving the continuity of supply, it shall be the obligation of the Customer to provide adequate protective equipment for the Customer’s facilities that might be adversely affected by the operation of such reclosing equipment. The Customer shall provide such equipment as may be required from time to time by Hydro One for the prompt disconnection of any of the Customer’s apparatus that might affect the proper functioning of Hydro One’s reclosing equipment.

9. The Customer shall provide Hydro One with

copies of the documentation specified in Schedule “B” of the Agreement under the heading “Documentation Required”, acceptable to Hydro One, within 120 calendar days after the Ready for Service Date. The Customer shall ensure that Hydro One may retain this documentation for Hydro One’s ongoing planning, system design, and operating review. The Customer shall also maintain and revise such documentation to reflect changes to the Customer’s Facilities and provide copies to Hydro One on demand and as specified in the Connection Agreement.

Part B: Transformation Connection Pool Work and/or Line Connection Pool Work and/or Network Customer Allocated Work

10.1 To the extent that the Pool Funded Cost of the Hydro One Connection Work is not recoverable by Transformation Connection Revenue for the Transformation Connection Pool Work and/or Line Connection Revenue for the Line Connection Pool Work and/or Network Revenue for the Network Customer Allocated Work during the Economic Evaluation Period, the Customer agrees to pay Hydro One a Capital Contribution towards the Pool Funded Cost of the Transformation Connection Pool Work and/or a Capital Contribution towards the Pool Funded Cost of the Line Connection Pool Work and/or a Capital Contribution towards the Pool Funded Cost of the Network Customer Allocated Work and any amounts payable to Hydro One under Subsection 12 (a) (i) hereof.

An estimate of the Engineering and Construction Cost (not including Taxes) of the Transformation Connection Pool Work and/or Line Connection Pool Work and/or Network Customer Allocated Work is provided in Schedule “C” of the Agreement.

An estimate of the Capital Contribution for each of the Transformation Connection Pool Work, the Line Connection Pool Work and the Network Customer Allocated Work is specified in Schedule “C” of the Agreement (plus Taxes). The Customer shall pay Hydro One the estimated Capital Contribution(s) in the manner specified in Schedule “C” of the Agreement.

Within 180 calendar days after the Ready for Service Date, Hydro One shall provide the Customer with a cost breakdown substantially in the form of the cost breakdown shown in the form of Monthly Cost Report attached to Agreement as Schedule “D” together with a new Schedule “C” to replace Schedule “C” of the Agreement attached

hereto which shall identify the following:

- (h) the actual Engineering and Construction Cost of the Transformation Connection Pool Work;
- (i) the actual Engineering and Construction Cost of the Line Connection Pool Work;
- (j) the actual Engineering and Construction Cost of the Network Customer Allocated Work;
- (k) the actual Engineering and Construction Cost of the Work Chargeable to Customer;
- (l) the actual Capital Contribution required to be paid by the Customer for each of the Transformation Connection Pool Work, the Line Connection Pool Work and the Network Customer Allocated Work; and
- (m) the revised Transformation Connection Revenue and/or Line Connection Revenue requirements and/or Network Revenue requirements based on the Load Forecast or the Adjusted Load Forecast, whichever is applicable.

The new Schedule “C” shall be made a part hereof as though it had been originally incorporated into the Agreement.

If an estimate of a Capital Contribution paid by the Customer exceeds the actual Capital Contribution required to be paid by the Customer for any or all of the Transformation Connection Pool Work, the Line Connection Pool Work and the Network Customer Allocated Work, Hydro One shall refund the difference to the Customer (plus Taxes) within 30 days following the issuing of the new Schedule “C”. If the estimate of a Capital Contribution paid by the Customer is less than the actual Capital Contribution required to be paid by the Customer for any or all of the Transformation Connection Pool Work, the Line Connection Pool Work and the Network Customer Allocated Work, the Customer shall pay Hydro One the difference (plus Taxes) within 30 days following the issuing of the new Schedule “C”.

10.2 Hydro One shall not include the following amounts in the Capital Contributions referenced in Section 10.1, any capital contribution for:

- (a) a Connection Facility that was otherwise planned by Hydro One except for advancement costs; or
- (b) capacity added to a Connection Facility in anticipation of future load growth not attributable to the Customer.

10.3 Should Hydro One require the Customer to make a Capital Contribution towards Network Pool

Work, Hydro One shall not, without the prior written consent of the Customer, refuse to commence or diligently perform the Network Pool Work pending direction from the OEB under section 6.3.5 of the *Transmission System Code* provided that the Customer provides Hydro One with a security deposit in accordance with Section 20 of these Standard Terms and Conditions.

Until such time as Hydro One has actually begun to perform the Network Pool Work, the Customer may request, in writing, that Hydro One not perform the Network Pool Work and Hydro One shall promptly return to the Customer any outstanding security deposit related to the Network Pool Work.

10.4 If the Customer has made a Capital Contribution under Section 10.1 hereof for the construction or modification of a Hydro One-owned Connection Facility other than an enabler facility and where this Capital Contribution includes the cost of capacity on the Connection Facility in excess of the Customer's needs, Hydro One shall provide the Customer with a refund, calculated in accordance with Section 6.3.17A of the *Transmission System Code* if that capacity is assigned to another Load Customer within fifteen (15) years of the In Service Date of the Connection Facility.

11. Hydro One shall perform a True-Up, based on Actual Load:

- (a) at the True-Up Points specified in Schedule "C" of the Agreement; and
- (b) the time of disconnection where the Customer voluntarily and permanently disconnects the Customer's Facilities from Hydro One's transmission facilities and the prior to the final True-Up Point identified in (a) above.

For True-Up purposes, if the Customer does not pay a Capital Contribution, Hydro One shall provide the Customer with an Adjusted Load Forecast.

Hydro One shall perform True-Ups in a timely manner. Within 30 calendar days following completion of each of the True-Ups referred to in 11(a), Hydro One shall provide the Customer with the results of the True-Up.

12(a) If the result of a True-Up performed in accordance with Section 11 above is that the Actual Load and Updated Load Forecast is:

- (i) less than the load in the Load Forecast or the Adjusted Load Forecast, whichever is applicable,

and therefore does not generate the forecasted Transformation Connection Revenue and/or Line Connection Revenue and/or Network Revenue required for the Economic Evaluation Period, the Customer shall pay Hydro One an amount equal to the shortfall adjusted to reflect the time value of money within 30 days after the date of Hydro One's invoice therefor; and

- (ii) more than the load in the Load Forecast or the Adjusted Load Forecast, whichever is applicable, and therefore generates more than the forecasted Transformation Connection Revenue and/or Line Connection Revenue and/or Network Revenue required for the Economic Evaluation Period, Hydro One shall post the excess Transformation Connection Revenue and/or Line Connection Revenue and/or Network Revenue as a credit to the Customer in a notional account. Hydro One shall apply this credit against any shortfall in subsequent True-Up calculations. Where the Customer paid a Capital Contribution in accordance with Section 10.1 hereof, Hydro One shall rebate the Customer an amount that is the lesser of the credit balance in the notional account adjusted to reflect the time value of money, and the Capital Contribution adjusted to reflect the time value of money by no later than 30 days following the final True-Up calculation.

12(b) All adjustments to reflect the time value of money to be performed under Subsection 12(a) above shall be performed in accordance with the OEB-Approved Connection Procedures. As of the date of this Agreement, the time value of money is determined using Hydro One's after-tax cost of capital as used in the original economic evaluation performed in accordance with the requirements of the *Transmission System Code*.

13.1 With respect to the installation of embedded generation (as determined in accordance with Section 11.1 of the *Transmission System Code*) during the applicable True-Up period Hydro One shall comply with the requirements of Section 6.5.8 of the *Transmission System Code* when carrying out True-Up calculations if the Customer is a Distributor or the requirements of Section 6.5.9 of the *Transmission System Code* when carrying out True-Up calculations if the Customer is a Load Customer other than a Distributor.

13.2 With respect to energy conservation, energy efficiency, load management or renewable energy activities that occurred during the applicable True-

Up period Hydro One shall comply with the requirements of Section 6.5.10 of the *Transmission System Code* when carrying out True-Up calculations provided that the Customer demonstrates to the reasonable satisfaction of Hydro One (such as by means of an energy study or audit) that the amount of any reduction in the Customer's load has resulted from energy conservation, energy efficiency, load management or renewable energy activities that occurred during the applicable True-Up period.

14. Hydro One shall provide the Customer with all information pertaining to the calculation of all Engineering and Construction Costs, Capital Contributions and True-Ups that the Customer is entitled to receive in accordance with the requirements of the *Transmission System Code*.

Part C: Work Chargeable to Customer, Network Pool Work and Premium Costs

15.1 The Customer shall pay Hydro One's Engineering and Construction Cost (plus Taxes) of the Hydro One Connection Work described as Work Chargeable to Customer in Schedule "A" of the Agreement which is estimated to be the amounts specified in Schedule "C" of the Agreement in the manner specified in Schedule "C" of the Agreement.

Hydro One shall identify the actual Engineering and Construction Cost of the Work Chargeable to Customer in the revised Schedule "B" provided to the Customer in accordance with Section 10.1 of this Agreement. Any difference between the Engineering and Construction Cost of the Work Chargeable to Customer (plus Taxes) and the amount already paid by the Customer shall be paid within 30 days after the issuance of the revised Schedule "B" by:

- (a) Hydro One to the Customer, if the amount already paid by the Customer exceeds the Engineering and Construction Cost of the Work Chargeable to Customer (plus Taxes); or
- (b) the Customer to Hydro One, if the amount already paid by the Customer is less than the Engineering and Construction Cost of the Work Chargeable to Customer (plus Taxes).

15.2 Subject to Sections 10.3 and 18 hereof, Hydro One shall perform the Hydro One Connection Work described as Network Pool Work in Part 3 of Schedule "A" of the Agreement at Hydro One's sole expense.

16. As the Project is schedule-driven and as the estimated costs specified in Schedule "B" of the Agreement are based upon normal timelines for delivery of material and performance of work, in addition to the amounts that the Customer is required to pay pursuant to Section 10.1 and 15.1 above, the Customer agrees to pay Hydro One's Premium Costs if the Customer causes or contributes to any delays, including, but not limited to, the Customer failing to execute the Agreement by the Execution Date specified in Schedule "A" of the Agreement.

Hydro One shall obtain the Customer's approval prior to Hydro One authorizing the purchase of materials or the performance of work that attracts Premium Costs. The Customer acknowledges that its failure to approve an expenditure of Premium Costs may result in further delays and Hydro One shall not be liable to the Customer as a result thereof. Hydro One shall invoice the Customer for expenditures of Premium Costs approved by the Customer within 180 calendar days after the Ready for Service Date.

Part D: Right of Customer to By-Pass Existing Load Facilities

17.1 Obligation to Notify Hydro One of Customer's Intent to Bypass an Existing Load Facility: If the Customer chooses to exercise its rights under the *Transmission System Code* and the Agreement to bypass the Existing Load Facility, the Customer shall notify Hydro One, in writing, in accordance with the requirements of Schedule J of the Connection Agreement prior to transferring load from the Existing Load Facility. Upon receiving the notice, Hydro One will proceed in accordance with Section 11.2.2 of the *Transmission System Code* and the applicable terms of the Connection Agreement.

17.2 Hydro One has not received a Notice of Customer Intent to Bypass an Existing Load Facility and Customer has Transferred Existing Load: Where Hydro One determines that the Customer has transferred load from the Existing Load Facility without notifying Hydro One in accordance with the requirements of Schedule J of the Connection Agreement, Hydro One will notify the Customer, all other load customers served by the connection facility and the OEB of a potential by-pass situation in accordance with the OEB-Approved Connection Procedures and its obligations in Section 11.2.2 of the Code and the applicable terms of the Connection Agreement. If the Customer does not intend to by-pass the Existing

Load Facility, the Customer must, in accordance with the OEB-Approved Connection Procedures:

- (a) notify Hydro One and the OEB within 30 days of receiving Hydro One's notification of potential by-pass, that it has no intention of bypassing Hydro One's Existing Load Facility;
- (b) transfer the load back to the Existing Load Facility within an agreed time period; and
- (c) compensate Hydro One for the lost revenues.

18.3 The Customer agrees that Sections 17.1 and 17.2 above shall also be terms of the Connection Agreement.

Part E: Cancellation or Termination of Project and Early Termination of Agreement for Breach

18. Notwithstanding any other term of the Agreement, if at any time prior to the In-Service Date, the Project is cancelled or the Agreement is terminated for any reason whatsoever other than breach of the Agreement by Hydro One, the Customer shall pay Hydro One's Engineering and Construction Cost (plus Taxes) of the Line Connection Pool Work, the Transformation Connection Pool Work, the Network Pool Work, the Network Customer Allocated Work and the Work Chargeable to Customer incurred on and prior to the date that the Project is cancelled or the Agreement is terminated, including the preliminary design costs and all costs associated with the winding up of the Project, including, but not limited to, storage costs, vendor cancellation costs, facility removal expenses and any environmental remediation costs (the "**Cancellation/ Termination Costs**").

If the Customer provides written notice to Hydro One that it is cancelling the Project, Hydro One shall have 10 Business Days to provide written notice to the Customer listing the individual items listed as materials which it agrees to purchase. Hydro One shall deduct the actual cost of those individual items of materials being purchased by Hydro One from the Engineering and Construction Costs referred to above.

If Hydro One does not require all or part of the materials, the Customer may exercise any of the following options or a combination thereof:

- (a) where materials have been ordered but all or part of the materials have not been received by Hydro One, the Customer shall have the right to require Hydro One, at the Customer's sole expense, to continue with the purchase of the materials and transfer title to those materials on

an "as is, where is basis" to the Customer upon the Customer paying Hydro One's Engineering and Construction Costs (plus Taxes) provided that the Customer exercises this option within 15 Business Days of the termination or cancellation; or

- (b) where all or part of the materials have been received by Hydro One but have not been installed, the Customer shall have the right to require Hydro One, at the Customer's sole expense, to transfer title to the materials on an "as is, where is basis" to the Customer upon the Customer paying Hydro One's Engineering and Construction Costs (plus Taxes) provided that the Customer exercises this option within 15 Business Days of the termination or cancellation. The Customer shall also be responsible for any warehousing costs associated with the storage of the materials to the date of transfer; or
- (c) where all or part of the materials have been received by Hydro One and have been installed, the Customer shall have the right to require Hydro One, at the Customer's sole expense, to: transfer title to the materials on an "as is, where is basis" to the Customer upon the later of (A) the Customer paying Hydro One's Engineering and Construction Costs (plus Taxes); and (B) the date that Hydro One removes the materials from its property at the risk of the Customer; provided that the Customer exercises this option within 15 Business Days of the termination or cancellation. The Customer shall also be responsible for any Engineering and Construction Costs (plus Taxes) associated with the removal of the materials that have been installed by Hydro One.

Hydro One shall provide the Customer with an invoice for the Cancellation/Termination Costs payable under this Section 18 together with a cost breakdown of the Termination/Cancellation Costs substantially in the form of the cost breakdown shown in the form of Monthly Cost Report attached to the Agreement as Schedule "D".

Part F: Sale, Lease, Transfer or Other Disposition of Customer's Facilities

19. In the event that the Customer sells, leases or otherwise transfers or disposes of the Customer's Facilities to a third party during the Term of the Agreement, the Customer shall cause the purchaser, lessee or other third party to whom the Customer's Facilities are transferred or disposed to enter into an

assumption agreement with Hydro One to assume all of the Customer's obligations in the Agreement; and notwithstanding such assumption agreement unless Hydro One agrees otherwise, in writing, the Customer shall remain obligated under Sections 10.1, 12, 15.1 and 16 hereof. The Customer further acknowledges and agrees that in the event that all or a portion of the Customer's Facilities are shut down, abandoned or vacated for any period of time during the Term of the Agreement, the Customer shall remain obligated under Sections 10.1, 12, 15.1 and 16 for the said time period.

Part G: Security Requirements

20. If Hydro One requires that the Customer furnish security, which at the Customer's option may be in the form of cash (by way of a certified cheque, bank draft or wire transfer), a Letter of Credit in a form acceptable to Hydro One or a Surety Bond in a form acceptable to Hydro One, the Customer shall furnish such security in the amount and by the dates specified in Schedule "C" of the Agreement.

A Security Deposit provided in the form of a letter of credit or a surety bond shall not expire prior to the Security Date specified in Schedule "C." If a letter of credit or surety bond has an earlier expiry date, Hydro One may draw down on the letter of credit or surety bond not more than 60 days prior to the expiry date and treat the amount drawn as a cash deposit.

Hydro One shall return the security deposit to the Customer as follows:

- (a) security deposits in the form of cash shall be returned to the Customer, together with Interest, less the amount of any Capital Contribution owed by the Customer once the Customer's Facilities are connected to Hydro One's New or Modified Connection Facilities; and
- (b) security deposits in any other form shall be returned to the Customer once the Customer's Facilities are connected to Hydro One's New or Modified Connection Facilities and any Capital Contribution has been paid under Section 10.1 hereof.

Notwithstanding the foregoing, Hydro One may keep all or a part of the security deposit: (a) where and to the extent that the Customer fails to pay any amount due under the Agreement within the time stipulated for payment; or (b) in the circumstances described in the OEB-Approved Connection Procedures.

Part H: Disputes

21. All disputes, including, but not limited to, disputes related to:

- (a) the cost and the allocation of the costs under this Agreement;
- (b) the cost and the allocation of costs of the Hydro One Connection Work and notwithstanding Hydro One's decision not to allocate or to allocate any part of the costs of this work to the Customer at this time; or
- (c) any other costs and the allocation of any other costs associated with, related to, or arising out of the connection of the Project to Hydro One's transmission system or Hydro One's policies in respect of connections generally,

shall be dealt with in accordance with the dispute resolution procedure set out in the OEB-Approved Connection Procedures.

22. In accordance with Section 12.1.3 of the Transmission System Code, if a dispute arises while a transmitter is New or Modified Connection Facilities, the transmitter shall not cease work or slow the pace of work without leave of the Board.

23. Hydro One shall refund to the Customer or the Customer shall pay to Hydro One any portion of Capital Contributions, as the case may be, which the OEB subsequently determines should not have been allocated to the Customer or should have been allocated to the Customer by Hydro One but were not, as the case may be, or should have been allocated in a manner different from that allocated by Hydro One in this Agreement. This obligation shall survive the termination of this Agreement.

Part I: Land Rights

24. Any Land Rights required by Hydro One for the Hydro One Connection Work are identified in Schedule "A" of the Agreement (if the Land Rights are to be obtained from third parties) and specified in Schedule "B" of the Agreement (where Hydro One requires Land Rights from the Customer). The acquisition of Land Rights includes acquiring the Land Rights and any approvals related thereto (e.g. municipal consents for access and access or entry permits).

With respect to the acquisition of Land Rights, including, the addition of lands to Hydro One's Provincial Master Land Use Permit, the Engineering and Construction Cost of same includes, but is not limited to, the purchase (price),

easements/lease/licence costs along with any associated costs such as the cost of performing appraisals, surveys, submitting applications, licence and review fees, legal and land disbursement closing costs and the cost of any special studies that might arise in the calculation of compensation in respect of the land rights (i.e. aggregate).

The Customer acknowledges and agrees that Hydro One shall only compensate third parties for Land Rights on commercially reasonable terms that are consistent with Hydro One's land acquisition policies.

If specified in Schedule "B" that the Customer is required to provide Hydro One with the Land Rights described in Schedule "B" of the Agreement, the Customer shall provide such Land Rights in accordance with the requirements of Schedule "B" including, without limitation, by the dates specified therein and such Land Rights shall be first in priority except as noted therein, in registerable form and provided to Hydro One with nominal consideration.

Part J: Events of Default

25. Each of the following events shall constitute an "Event of Default" under the Agreement:

- (a) failure by the Customer to pay any amount due under the Agreement, including any amount payable pursuant to Sections 10.1, 12, 15.1, 16 or 18 within the time stipulated for payment;
- (b) breach by the Customer or Hydro One of any Material term, condition or covenant of the Agreement; or
- (c) the making of an order or resolution for the winding up of the Customer or Hydro One or of their respective operations or the occurrence of any other dissolution, bankruptcy or reorganization or liquidation proceeding instituted by or against the Customer or Hydro One.

For greater certainty, a dispute shall not be considered an Event of Default under this Agreement. However, a Party's failure to comply, within a reasonable period of time, with the terms of a determination of such a dispute by the OEB or with a decision of a court of competent jurisdiction with respect to a determination made by the OEB shall be considered an Event of Default under the Agreement.

26. Upon the occurrence of an Event of Default by

the Customer hereunder (other than those specified in Section 25(c) of the Agreement, for which no notice is required to be given by Hydro One), Hydro One shall give the Customer written notice of the Event of Default and allow the Customer 30 calendar days from the date of receipt of the notice to rectify the Event of Default, at the Customer's sole expense. If such Event of Default is not cured to Hydro One's reasonable satisfaction within the 30 calendar day period, Hydro One may, in its sole discretion, exercise the following remedy in addition to any remedies that may be available to Hydro One under the terms of the Agreement, at common law or in equity: deem the Agreement to be repudiated and, after giving the Customer at least 10 calendar days' prior written notice thereof, recover, as liquidated damages and not as a penalty, the following:

- (a) the sum of the amounts payable by the Customer pursuant to Sections 10.1, 12, 15.1 and where applicable, Section 16 less any amounts already paid by the Customer in accordance with Section 10.1, 12, 15.1 and 16 if this clause is invoked after the In-Service Date; or
- (b) the amounts payable under Section 16 and 18 less any amounts already paid by the Customer in accordance with Sections 10.1, 15.1 and 16 if this clause is invoked prior to the In-Service Date.

27. Upon the occurrence of an Event of Default by Hydro One hereunder (other than those specified in Section 25(c)), the Customer shall give Hydro One written notice of the Event of Default and shall allow Hydro One 30 calendar days from the date of receipt of the notice to rectify the Event of Default at Hydro One's sole expense. If such Event of Default is not cured to the Customer's reasonable satisfaction within the 30 calendar day period, the Customer may pursue any remedies available to it at law or in equity, including at its option the termination of the Agreement.

28. All rights and remedies of Hydro One and the Customer provided herein are not intended to be exclusive but rather are cumulative and are in addition to any other right or remedy otherwise available to Hydro One and the Customer respectively at law or in equity, and any one or more of Hydro One's and the Customer's rights and remedies may from time to time be exercised independently or in combination and without prejudice to any other right or remedy Hydro One or the Customer may have or may not have exercised. The parties further agree that where any

of the remedies provided for and elected by the non-defaulting party are found to be unenforceable, the non-defaulting party shall not be precluded from exercising any other right or remedy available to it at law or in equity.

Part K: Changes to Transmission Rates

29. In the event that the Transformation Connection Service Rate, the Line Connection Service Rate or the Network Service Rate is rescinded or the methodology of determination or components is materially changed, the parties agree to negotiate a new mechanism for the purposes of the Agreement, provided that such new mechanism will not result in an increase in the amounts of Capital Contribution or Security Deposits payable by the Customer to Hydro One hereunder. The parties shall have 90 calendar days from the effective date of rescission or fundamental change of the Transformation Connection Service Rate, the Line Connection Service Rate or the Network Service Rate to agree to a new mechanism that is, to the extent possible, fair to the parties and constitutes a reasonably comparable replacement for the Transformation Connection Service Rate, the Line Connection Service Rate or the Network Service Rate. If the parties are unable to successfully negotiate a replacement within that 90 calendar day period, this shall be considered a dispute under the terms of this Agreement and the parties shall follow the dispute resolution procedure set out in the OEB-Approved Connection Procedures.

Any settlement on a new mechanism pursuant to this Section 29 shall apply retroactively from the date on which the Transformation Connection Service Rate, the Line Connection Service Rate or the Network Service Rate was rescinded or fundamentally changed. Until such time as a new mechanism is determined hereunder, any amounts to be paid by the Customer under the Agreement shall be based on the Transformation Connection Service Rate, the Line Connection Service Rate or the Network Service Rate in effect prior to the effective date of any such changes.

Part L: Incorporation of Liability and Force Majeure Provisions

30. PART III: LIABILITY AND FORCE MAJEURE (with the exception of Section 15.5 thereof) and Sections 1.1.12 and 1.1.17 of the Connection Agreement are hereby incorporated in their entirety by reference into and form an integral part of the Agreement. Unless the context otherwise requires, all references in PART III: LIABILITY

AND FORCE MAJEURE TO “this Agreement” shall be deemed to be a reference to the Agreement and all references to “the Transmitter” shall be deemed to be a reference to Hydro One.

For the purposes of this Section 30, the parties agree that the references in PART III: LIABILITY AND FORCE MAJEURE to:

- (a) the Transmitter in lines 3 and 4 of Section 15.1 of the Connection Agreement means the Transmitter or any party acting on behalf of the Transmitter such as contractors, subcontractors, suppliers, employees and agents; and
- (b) the Customer in lines 3 and 4 of Section 15.2 of the Connection Agreement means the Customer or any party acting on behalf of the Customer such as contractors, subcontractors, suppliers, employees and agents.

Part M: General

31. This Agreement is subject to the *Transmission System Code* and the OEB-Approved Connection Procedures. If any provision of this Agreement is inconsistent with the:

- (a) *Transmission System Code*, the said provision shall be deemed to be amended so as to comply with the *Transmission System Code*;
- (b) OEB-Approved Connection Procedures the said provision shall be deemed to be amended so as to comply with the OEB-Approved Connection Procedures; and
- (c) Connection Agreement made between the parties, associated with the new customer connection facilities, on the same subject matter, the Connection Agreement governs.

32. The failure of a party hereto to enforce at any time any of the provisions of the Agreement or to exercise any right or option which is herein provided shall in no way be construed to be a waiver of such provision or any other provision nor in any way affect the validity of the Agreement or any part hereof or the right of either party to enforce thereafter each and every provision and to exercise any right or option. The waiver of any breach of the Agreement shall not be held to be a waiver of any other or subsequent breach. Nothing shall be construed or have the effect of a waiver except an instrument in writing signed by a duly authorized officer of the party against whom such waiver is sought to be enforced which expressly waives a right or rights or an option or options under the Agreement.

33. In the Agreement:

- Words importing the singular include the plural and vice versa.
- Words importing a gender include any gender.
- Words importing a person include (i) an individual, (ii) a company, sole proprietorship, partnership, trust, joint venture, association, corporation or other private or public body corporate; and (iii) any government, government agency or body, regulatory agency or body or other body politic or collegiate.
- A reference to a person includes that person's successors and permitted assigns. A reference to a body, whether statutory or not, that ceases to exist or whose functions are transferred to another body is a reference to the body that replaces it or that substantially succeeds to its powers or functions.
- Where a word or phrase is defined in the Agreement, these Standard Terms and Conditions, the Transmission System Code, the *Ontario Energy Board Act, 1998* or the *Electricity Act, 1998*, other parts of speech and grammatical forms of the word or phrase have a corresponding meaning.
- A reference to a document (including a statutory instrument) or a provision of a document includes any amendment or supplement to, or any replacement of, that document or that provision.
- The expression "including" means including.

34. Other than as specifically provided in the Agreement, no amendment, modification or supplement to the Agreement shall be valid or binding unless set out in writing and executed by the parties with the same degree of formality as the execution of the Agreement.

35. The Agreement 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.

36. Invoiced amounts are due 30 days after invoice issuance. All overdue amounts including, but not limited to amounts that are not invoiced but required under the terms of this Agreement to be paid in a specified time period, shall bear interest at 1.5% per month compounded monthly (19.56 percent per year) for the time they remain unpaid.

37. The obligation to pay any amount due hereunder, including, but not limited to, any amounts due under Sections 10.1, 12, 15.1, 16, 18

or 23 shall survive the termination of the Agreement.

Appendix “A”: Definitions

In the Agreement, unless the context otherwise requires, terms which appear therein without definition, shall have the meanings respectively ascribed thereto in the *Transmission System Code* (some of which refer to definitions in the *Electricity Act, 1998* or the *Ontario Energy Board Act, 1998*) and unless there is something in the subject matter or context inconsistent therewith, the following words shall have the following meanings:

“**Actual Load**” means the actual load delivered by Hydro One to the Customer up to the True-Up Point in excess of the Normal Capacity of the Existing Load Facilities.

“**Assigned Capacity**” is calculated in accordance with Section 6.2.2 of the *Transmission System Code*.

“**Adjusted Load Forecast**” means a Load Forecast that has been adjusted to the point where the present value of the Transformation Connection Revenue and/or Line Connection Revenue and/or Network Revenue equals the present value of the Pool Funded Cost of the Transformation Connection Pool Work and/or the Pool Funded Cost of the Line Connection Pool Work and/or the Pool Funded Cost of the Network Customer Allocated Work.

“**Agreement**” means the Connection Cost Recovery Agreement, the Schedules attached thereto, these Standard Terms and Conditions and where applicable (as indicated in the Connection Cost Recovery Agreement), the Contestable Work Terms and Conditions.

“**Applicable Laws**” means any and all applicable laws, including environmental laws, statutes, codes, licensing requirements, treaties, directives, rules, regulations, protocols, policies, by-laws, orders, injunctions, rulings, awards, judgments or decrees or any requirement or decision or agreement with or by any government or government department, commission board, court authority or agency.

“**Approval Date**” means for the purpose of Subsection 5(f) of these Terms and Conditions, the date specified in Schedule “A” of the Agreement.

“**Capital Contribution**” means a capital contribution calculated using the economic evaluation methodology set out in the *Transmission System Code*.

“**Capital Contribution**” means a capital

contribution calculated using the economic evaluation methodology set out in the *Transmission System Code*.

“**Connect and Connection**” has the same meaning ascribed to the term “Connect” in the *Transmission System Code*.

“**Connection Agreement**” means the form of connection agreement appended to the *Transmission System Code* as Appendix 1, Version 1.

“**Connection Facilities**” has the meaning set forth in the *Transmission System Code*.

“**Connection Point**” has the meaning set forth in the *Transmission System Code* and for this project, is as specified in Schedule “A” of the Agreement.

“**Contestable Work Terms**” means the Terms and Conditions for Contestable Work July 2021 including Attachment 1 and Attachment 2 attached thereto.

“**Customer Connection Work**” means the work to be performed by the Customer, at its sole expense, which is described in Schedule “B” of the Agreement.

“**Customer Connection Risk Classification**” is as specified in Schedule “C” of the Agreement.

“**Customer’s Facilities**” has the meaning set forth in the *Transmission System Code*, and includes, but is not limited to any new, modified or replaced Customer’s Facilities.

“**Customer’s Property(ies)**” means any lands owned by the Customer in fee simple or where the Customer has easement rights.

“**Distributor**” has the meaning set forth in the *Transmission System Code*.

“**Economic Evaluation Period**” means the period of five (5) years for high risk connection, ten (10) years for a medium-high risk connection, fifteen (15) years for a medium-low risk connection and twenty-five years for a low risk connection commencing on the In Service Date whichever is applicable to the Customer as specified in Schedule “C” of the Agreement.

“**Engineering and Construction Cost**” means Hydro One’s charge for equipment, labour and materials at Hydro One’s standard rates plus Hydro One’s standard overheads as well as interest during construction using Hydro One’s capitalization rate in

effect during the construction period.

“Electricity Act, 1998” means the *Electricity Act, 1998* being Schedule “A” of the *Energy Competition Act, S.O. 1998, c.15*, as amended.

“Existing Load” in relation to the Customer and each of the Existing Load Facilities is equal to the Customer’s Assigned Capacity at each of the Existing Load Facilities on the date of this Agreement.

“Existing Load Facility(ies)” means the connection facility(ies) owned by Hydro One as specified in the Existing Load Table in Schedule “C” of the Agreement where the Customer has Existing Load.

“Force Majeure Event” has the meaning ascribed thereto in the Connection Agreement.

“HST” means the Harmonized Sales Tax.

“Hydro One Connection Work” means the work to be performed by Hydro One, which is described in Schedule “A” of the Agreement.

“Hydro One Facilities” means Hydro One’s structures, lines, transformers, breakers, disconnect switches, buses, voltage/current transformers, protection systems, telecommunication systems, cables and any other auxiliary equipment used for the purpose of transmitting electricity.

“Hydro One’s Property(ies)” means any lands owned by Hydro One in fee simple or where Hydro One now or hereafter has obtained easement rights.

“IESO” means the Independent Electricity System Operator continued under the *Electricity Act, 1998*.

“In Service Date” has the same meaning ascribed to the term “comes into service” in the *Transmission System Code*.

“Incremental Network Load” means the Customer’s New Load less the amount of load, if any, that has been by-passed by the Customer at any of Hydro One’s connection facilities.

“Interest” means the interest rates specified by the OEB to be applicable to security deposits in the form of cash as specified in Subsection 6.3.11(b) in the *Transmission System Code*.

“Land Rights” means any one or more of the following real estate rights/land agreements and any

approvals required by Hydro One related thereto (e.g. municipal consents for access and access or entry permits) that are required for all or any part of the Hydro One Connection Work:

- (i) a grant(s) of easement in gross substantially in the form of the Grant of Easement in Gross attached to the Agreement as Schedule “E” from the registered owner(s) of the Easement in Gross Lands for the Easement in Gross Term to be obtained by the date specified as the Easement in Gross Date, with the Easement in Gross Lands, Easement in Gross Term and the Easement in Gross Date being specified in either Schedule “A” of the Agreement (registered owner is a third party) or “B” (registered owner is the Customer), as applicable;
- (ii) an access easement substantially in the form of the Access Easement attached to the Agreement as Schedule “F” from the registered owner(s) of the Access Easement Lands for the Access Easement Term to be obtained by the date specified as the Access Easement Date, with the Access Easement Lands, Access Easement Term and the Access Easement Date being specified in either Schedule “A” of the Agreement (registered owner is a third party) or “B” (registered owner is the Customer), as applicable. All municipal consent(s) and approvals for any access road easements required by Hydro One for all or any part of the Hydro One Connection Work must also be obtained by the Access Easement Date;
- (iii) an easement is required for an access road for a term beyond 21 years, as an access road easement for a term beyond 21 years may be viewed as not being exempt use by a utility with specific reference to s. 50(3) of the Planning Act (the “Act”) as the Act mentions a distribution line, transmission line etc. but with no reference to an access road and some municipalities however have viewed this differently and consider an access as ancillary and part of what is described in s. 50(3) of the Act and therefore is exempt from the municipal consent process, in such a case, Hydro One will need to either (a) secure municipal consent for the access road or (b) obtain a letter from the municipality stating that the access easement, beyond 21 years is for Hydro One and that the municipality considers access as part of the works described in the Act and therefore is not subject to the consent process;

- (iv) early access agreement is required substantially in the form of the Early Access Agreement attached to the Agreement as Schedule “G” from the registered owner(s) of the Early Access Lands to be obtained by the date specified as the “Early Access Execution Date” with the Early Access Lands and the Early Access Execution Date being specified in either Schedule “A” of the Agreement (registered owner is a third party) or “B” (registered owner is the Customer), as applicable;
- (v) an Off-Corridor Access Agreement is required substantially in the form of the Off-Corridor Access Agreement attached to the Agreement as Schedule “H” from the registered owner(s) of the Off-Corridor Access Lands to be obtained by the date specified as the “Off-Corridor Access Execution Date” with the Off-Corridor Access Lands and the Off-Corridor Access Execution Date being specified in either Schedule “A” of the Agreement (registered owner is a third party) or “B” (registered owner is the Customer), as applicable;
- (vi) a Construction Staging and Stringing Area Agreement is required substantially in the form of the Construction Staging and Stringing Area Agreement attached to the Agreement as Schedule “I” from the registered owner(s) of the Construction Staging and Stringing Area Land(s) to be obtained by the date specified as the Construction Staging and Stringing Area Execution Date with the Construction Staging and Stringing Area Land(s) and the Construction Staging and Stringing Area Execution Date being specified in either Schedule “A” of the Agreement (registered owner is a third party) or “B” (registered owner is the Customer), as applicable;;
- (vii) ownership/fee simple rights are required, Hydro One will enter into an Agreement of Purchase and Sale with the registered owner(s) of the “Lands to be Acquired” substantially in the form of the Agreement of Purchase and Sale attached to the Agreement as Schedule “J” for consideration that is consistent with Hydro One’s land acquisition policies with a closing date that is not to be later than the date specified as the “Closing Date” with the Lands to be Acquired and the Closing Date being specified in either Schedule “A” of the Agreement (registered owner is a third party) or “B” (registered owner is the Customer), as applicable;
- (viii) a Material Laydown Area Agreement is required substantially in the form of the Material Laydown Area Agreement attached to the Agreement as Schedule “K” from the registered owner(s) of the Material Laydown Area Land(s) to be obtained by the date specified as the Material Laydown Execution Date with the Material Laydown Area Land(s) and the Material Laydown Area Execution Date being specified in either Schedule “A” of the Agreement (registered owner is a third party) or “B” (registered owner is the Customer), as applicable;
- (ix) where all or any part of the Hydro One Connection Work is to be located on Crown land (MNR), Hydro One will need to obtain a Work Permit/Letter of Authority from the Ministry of Natural Resources (MNR) by no later than the date specified in Schedule “A” as the “Date Work Permit/Letter of Consent Required” to allow Hydro One to construct the portion of the Hydro One Connection Work to be located on the Crown land and add same to Hydro One’s Provincial Master Land Use Permit;
- (x) approvals from pipelines and/or railway companies are required, Hydro One will secure such approvals from the pipeline companies and/or railway companies listed in Schedule “A” of the Agreement as the “Affected Pipeline/Railway Companies” (including, but not limited to performing any necessary studies to obtain same) by the Railway/Pipeline Approval Date specified in Schedule “A”;
- (xi) consultations with third party encumbrancers are required, Hydro One shall consult with such third party encumbrancers to ensure that no project delays are experienced by Hydro One; and
- (xii) confirmation of Hydro One’s rights to use an existing (Unopened) road allowance is required, to all or any portion of the Hydro One Connection Work Hydro One shall obtain written confirmation from the municipality that Hydro One has all necessary rights and permission to construct and to access all or any portion of a transmission line being built by Hydro One along the unopened road allowance described as the Unopened Road Allowance Lands in Schedule “A”.

“**Letter of Credit**” means a letter of credit that meets all the following requirements:

- (a) is issued by a bank listed in Schedule I or II of the *Bank Act* (Canada) (“**Bank**”);
- (b) allows for presentment in Toronto, Ontario or presentment using a valid fax number where the Bank does not have a branch in Toronto, Ontario;
- (c) has an expiry date that is acceptable to Hydro One;
- (d) provides that any notice that the Bank does not wish to extend the letter of credit for any additional period of expiry must be provided, in writing, to Hydro One Networks Inc., 483 Bay Street, 7th Floor, South Tower, Toronto, Ontario M5G 2P5 Attn: Treasurer at least sixty (60) days prior to any expiration date;
- (e) permits partial drawings and multiple presentations;
- (f) provides that drawings will be paid on written demand without the issuing Bank enquiring whether Hydro One has a right as between itself and the Customer to make such demand, and without recognizing any claim of the Customer;
- (g) only requirement to be met in order to draw on the letter of credit is that Hydro One present the letter of credit and a certificate stating that the amount demanded is payable to Hydro One by the Customer pursuant to the terms of the Connection and Cost Recovery Agreement made between Hydro One Networks Inc. and the Customer, as it may be amended by the Customer and Hydro One from time to time;
- (h) provides that banking charges and commissions associated with the letter of credit are payable by the Customer;
- (i) subject to the International Standby Practices "ISP 98" ICC Publication no. 590 (“**ISP 98**”);
- (j) provide that notwithstanding ISP 98, in the event that the original of the letter of credit is lost, stolen, mutilated or destroyed, the Bank will agree to replace same upon written notice from Hydro One setting out the circumstances;
- (k) provides that matters not expressly covered by ISP 98, will be governed by the laws of the Province of Ontario and the laws of Canada applicable therein; and
- (l) any dispute or claim shall be submitted to the exclusive courts within the jurisdiction of the Province of Ontario.

“**Line Connection Pool Work**” means the Hydro One Connection Work specified in Schedule “A” of the Agreement under the heading “Line Connection Pool Work”.

“**Line Connection Revenue**” means the amount of line connection revenue attributable to that part of the Customer’s New Load to be received by Hydro One

through the monthly collection of the Line Connection Service Rate during the Economic Evaluation Period.

“**Line Connection Service Rate**” means the line connection service rate approved by the OEB in Hydro One’s Rate Order from time to time, or any mechanism instituted in accordance with Section 29.

“**Load Customer**” has the meaning set forth in the *Transmission System Code*.

“**Load Forecast**” means the initial load forecast of the New Load in excess of the Normal Capacity of the Existing Load Facilities used in the initial economic evaluation for the Economic Evaluation Period.

“**Market Rules**” means the rules promulgated under Section 32 of the Electricity Act, 1998.

“**Material**” relates to the essence of the contract, more than a mere annoyance to a right, but an actual obstacle preventing the performance or exercise of a right.

“**Network Customer Allocated Work**” means the construction of or modifications to Network Facilities specified in Schedule “A” of the Agreement under the heading “Network Customer Allocated Work” that are minimum connection requirements.

“**Network Facilities**” has the meaning set forth in the *Transmission System Code*.

“**Network Pool Work**” means the Hydro One Connection Work specified in Schedule “A” of the Agreement under the heading “Network Pool Work”.

“**Network Revenue**” means the amount of network revenue attributable to the Incremental Network Load to be received by Hydro One through the monthly collection of the Network Service Rate during the Economic Evaluation Period.

“**Network Service Rate**” means the network service rate approved by the OEB in Hydro One’s Rate Order from time to time, or any mechanism instituted in accordance with Section 29.

“**New Load**” means the load at the New or Modified Connection Facility that is in excess of, for each of the Existing Load Facilities, the lesser of the Existing Load or the Normal Capacity.

“New or Modified Connection Facilities” means the new or modified Hydro One Facilities constructed or modified by Hydro One as part of the Hydro One Connection Work.

“Normal Capacity” means, where the Customer is:

- (a) the only Load Customer supplied by an Existing Load Facility, the total normal supply capacity of the Existing Load Facility as determined in accordance with the OEB-Approved Connection Procedures; and
- (b) one of two or more Load Customers served by an Existing Load Facility, the Customer’s prorated share of the total normal supply capacity of the Existing Load Facility as determined in accordance with the OEB-Approved Connection Procedures.

“OEB” means the Ontario Energy Board.

“OEB-Approved Connection Procedures” means Hydro One’s connection procedures as approved by the OEB from time to time.

“Ontario Energy Board Act” means the *Ontario Energy Board Act* being Schedule “B” of the *Energy Competition Act*, S.O. 1998, c. 15, as amended.

“Pool-Funded Cost” means the present value of the Engineering and Construction Cost and projected on-going maintenance and other related incremental costs (including, but not limited to applicable taxes, and net of tax benefits), of each of the Transformation Connection Pool Work, the Line Connection Pool Work and/or the Network Customer Allocated Work calculated in accordance with the principles, criteria and methodology set out in Appendices 4 and 5 of the Transmission System Code.

“Premium Costs” means those costs incurred by Hydro One in order to maintain or advance the Ready for Service Date, including, but not limited to, additional amounts expended for materials or services due to short timeframe for delivery; and the difference between having Hydro One’s employees, agents and contractors perform work on overtime as opposed to during normal business hours.

“Rate Order” has the meaning ascribed thereto in the *Transmission System Code*.

“Ready for Service Date” means the date upon which the Hydro One Connection Work is fully and

completely constructed, installed, commissioned and energised to the Connection Point. The Customer’s disconnect switches must be commissioned prior to this date in order to use them as isolation points.

“Standard Terms and Conditions” means these Standard Terms and Conditions for Load Customer Transmission Customer Connection Projects including this Appendix “A” attached hereto.

“Surety Bond Requirements” means a surety bond that meets all the following requirements:

- (a) is in a form that is satisfactory to Hydro One;
- (b) surety must be Canadian;
- (c) surety must be financially acceptable to Hydro One must have at, a minimum, a long-term credit rating of “A” from a bond-rating agency acceptable to Hydro One;
- (d) provides that fees, charges and commissions associated with the surety bond, including drawings therefrom, are payable by the Customer;
- (e) allows for presentment in Toronto, Ontario or presentment using a valid fax number where the surety does not have a branch in Toronto, Ontario;
- (f) has an expiry date that is acceptable to Hydro One;
- (g) provides that any notice that the surety does not wish to extend the surety bond for any additional period of expiry must be provided, in writing, to Hydro One Networks Inc., 483 Bay Street, 7th Floor, South Tower, Toronto, Ontario M5G 2P5 Attn: Treasurer at least 60 days prior to any expiration date;
- (h) permit partial drawings and multiple presentations;
- (i) provide that drawings will be paid without the surety enquiring whether Hydro One has a right as between itself and the Customer to make such demand, and without recognizing any claim of the said Customer;
- (j) only requirement to be met in order to draw on the surety bond is that Hydro One present a certificate certifying that the amount demanded is payable to Hydro One by the Customer pursuant to the terms of the Connection Cost Recovery Agreement made between the Customer and Hydro One, as it may be amended by the Customer and Hydro One from time to time;
- (k) will be governed by the laws of the Province of Ontario and the laws of Canada applicable therein; and

(l) any dispute or claim shall be submitted to the exclusive courts within the jurisdiction of the Province of Ontario.

Schedule “A” of the Agreement under the heading “Work Chargeable to Customer”.

“**Taxes**” means all property, municipal, sales, use, value added, goods and services, harmonized and any other non-recoverable taxes and other similar charges (other than taxes imposed upon income, payroll or capital).

“**Transformation Connection Pool Work**” means the Hydro One Connection Work specified in Schedule “A” of the Agreement under the heading “Transformation Connection Pool Work”.

“**Transformation Connection Revenue**” means the amount of transformation connection revenue attributable to that part of the Customer’s New Load to be received by Hydro One through the monthly collection of the Transformation Connection Service Rate during the Economic Evaluation Period.

“**Transformation Connection Service Rate**” means the line connection service rate approved by the OEB in Hydro One’s Rate Order from time to time, or any mechanism instituted in accordance with Section 29.

“**Transmission System Code**” or “**Code**” means the code of standards and requirements issued by the OEB on July 25, 2005 that came into force on August 20, 2005 as published in the Ontario Gazette, as it may be amended, revised or replaced in whole or in part from time to time.

“**Transmitter’s Facilities**” has the meaning ascribed thereto in the *Transmission System Code*.

“**True-Up**” means the calculation to be performed by Hydro One, as a transmitter, at each True-Up Point in accordance with the requirements of Subsection 6.5.4 of the *Transmission System Code*.

“**True-Up Point**” means the points of time based upon the Customer Connection Risk Classification when Hydro One is required to perform a True-Up as described in Section 11 of these Terms and Conditions.

“**Updated Load Forecast**” means the load forecast of the New Load in excess of the Normal Capacity of the Existing Load Facilities for the remainder of the Economic Evaluation Period.

“**Work Chargeable to Customer**” means the Hydro One Connection Work specified in Part 4 of

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – Uplands MTS: Telecommunication Upgrade**

THIS SIMPLIFIED CONNECTION AND COST RECOVERY AGREEMENT made between Hydro One Networks Inc. (“**Hydro One**”) and Hydro Ottawa Limited (**the “Customer”**) dated this 20th day of March, 2020.

WHEREAS

(a) The Customer is expanding their fiber network as part of the Uplands MTS upgrade project. The telecommunication portion of the project consists of bringing fiber from [REDACTED] for teleprotection purposes. The Customer has requested Hydro One to modify its telecommunication equipment at [REDACTED] to accommodate the Customer’s upgrade (**the “Project”**).

(b) Hydro One is agreeable to performing the work required for the Project on the following terms and conditions, including but not limited to the Project cost and the Project schedule being subject to the Customer executing and delivering this Agreement to Hydro One by no later than the 20th day of March , 2020 (**the “Execution Date”**).

NOW THEREFORE in consideration of the mutual covenants, agreements, terms and conditions herein and other good and valuable consideration, the receipt and sufficiency of which is hereby irrevocably acknowledged, the parties agree as follows:

1. Each of the parties hereto confirms the truth and accuracy of the recitals and agrees that the recitals form part of this Agreement.

2. Subject to Section 13 and the termination rights herein, the Agreement shall be in full force and effect and binding on the parties as of the date that Hydro One executes the Agreement (**the “Effective Date”**) and shall expire on the date that the

Customer pays Hydro One the final invoice in full for Work Chargeable to Customer or Hydro One issues a refund to the Customer in accordance with Section 10 hereof (**the “Term”**).

3. 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 the Agreement and to perform its obligations hereunder;

(c) the execution, delivery and performance of the 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 Material contracts or instruments to which it is bound; or (iii) any Applicable Laws;

(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) the Agreement constitutes a legal and binding obligation on it, enforceable against it in accordance with its terms;

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- (f) it is registered for purposes of Part IX of the Excise Tax Act (Canada). The HST registration number for Hydro One is [REDACTED] and the HST registration number for the Customer is as specified in Schedule “C” of the Agreement; and
- (g) no proceedings have been instituted by or against it with respect to bankruptcy, insolvency, liquidation or dissolution.

Part A: Work Chargeable to Customer and Customer Work

4. The Customer and Hydro One shall perform their respective obligations outlined in the Agreement in a manner consistent with Good Utility Practice and the Transmission System Code, in compliance with all Applicable Laws, including, but not limited to the requirements of the Ontario Electrical Safety Authority, and using duly qualified and experienced people.

5. The parties acknowledge and agree that:

- (a) Hydro One is responsible for obtaining any and all permits, certificates, reviews and approvals required under any Applicable Laws with respect to the Work Chargeable to Customer;
- (b) the Customer is responsible for obtaining any and all permits, certificates, reviews and approvals required under any Applicable Laws with respect to the Customer Work;
- (c) the Customer shall perform the Customer Work at its own expense;
- (d) the Customer is responsible for installing equipment and facilities such as protection and control equipment to protect its own property, including, but not limited to the Customer’s Facilities;

- (e) the Customer shall provide Hydro One with Project data required by Hydro One, including, but not limited to: (i) the same technical information that the Customer provided the IESO during any connection assessment and facility registration process associated with the Customer’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 Customer’s Facilities;

- (f) Hydro One may participate in the commissioning, inspection or testing of the Customer Work at a time that is mutually agreed by Hydro One and the Customer and the Customer shall ensure that the work performed by the Customer and others required for successful commissioning, inspection or testing of protective equipment is completed as required to enable Hydro One witnessing and testing to confirm satisfactory performance of such systems;

- (g) unless otherwise provided herein, Hydro One’s responsibilities under the Agreement with respect to the connection of the New or Modified Connection Facilities to Hydro One’s transmission system shall be limited to the performance of the Work Chargeable to Customer;

- (h) Hydro One is not permitted to connect any new, modified or replacement Customer’s Facilities unless any required connection authorizations, certificate of inspection or other applicable approval have been issued or given by the Ontario Electrical Safety Authority in relation to such facilities;

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- (i) Hydro One may require that the Customer provide Hydro One with test certificates certifying that the Customer's Facilities have passed all relevant tests and comply with the Transmission System Code, the Market Rules, Good Utility Practice, the standards of all applicable reliability organizations and any Applicable Laws, including, but not limited to any certificates of inspection that may be required by the Ontario Electrical Safety Authority;
- (j) in addition to the Work Chargeable to Customer described in Schedule "A", Hydro One shall provide the Customer with such technical parameters as may be required to assist the Customer in ensuring that the design of the Customer's Facilities is consistent with the requirements applicable to Hydro One's transmission system and the basic general performance standards for facilities set out in the Transmission System Code, including Appendix 2 thereof;
- (k) if Hydro One requires access to the Customer's Facilities for the purposes of performing the Work Chargeable to Customer or the Customer requires access to Hydro One's facilities for the purposes of the Customer Work, the parties agree that Section 27.13 of the Connection Agreement shall govern such access and is hereby incorporated in its entirety by reference into, and forms an integral part of the Agreement. All references to "this Agreement" in Section 27.13 of the Connection Agreement shall be deemed to be a reference to this Agreement;
- (l) the Customer shall enter into a Connection Agreement or amendment as required with Hydro One at least 14 calendar days prior to the connection; and
- (m) the Customer shall provide Hydro One with copies of the documentation specified in Schedule "C" of the Agreement under the heading "Documentation Required", acceptable to Hydro One, within 120 calendar days after the Ready for Service Date. The Customer shall ensure that Hydro One may retain this documentation for Hydro One's ongoing planning, system design, and operating review. The Customer shall also maintain and revise such documentation to reflect changes to the Customer's Facilities and provide copies to Hydro One on demand and as specified in the Connection Agreement.
6. The Work Chargeable to Customer and Hydro One's rights and requirements hereunder, including, but not limited to Hydro One's:
- (i) specifications of the protection equipment on the Customer's side of the Connection Point;
- (ii) review and acceptance of power system components on the Customer's side of the Connection Point;
- (iii) acceptance of the technical specifications (including electrical drawings) for the Customer's Facilities; and
- (iv) participation in the commissioning, inspection and testing of the Customer's Facilities;
- are solely for the purpose of Hydro One ensuring that the Customer's Facilities will not materially reduce or adversely affect the reliability of Hydro One's transmission

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system and do not adversely affect other customers connected to Hydro One's transmission system.

7. Hydro One shall use reasonable efforts to complete the Work Chargeable to Customer by the 11th day of December, 2020 (the "**Ready for Service Date**") provided that:

- (a) the Customer is in compliance with its obligations under the Agreement;
- (b) any work required to be performed by third parties has been performed in a timely manner and in a manner to the satisfaction of Hydro One, acting reasonably;
- (c) there are no delays resulting from Hydro One not being able to obtain outages from the IESO required for the Work Chargeable to Customer or from the IESO making changes to the Work Chargeable to Customer or the scheduling of all or a portion thereof;
- (d) Hydro One does not have to use its employees, agents and contractors performing the Work Chargeable to Customer elsewhere on its transmission system or distribution system due to an Emergency (as that term is defined in the Transmission System Code) or a Force Majeure Event;
- (e) Hydro One is able to obtain the materials and labour required to perform the Work Chargeable to Customer with the expenditure of Premium Costs where required;
- (f) there are no delays resulting from Hydro One being unable to obtain materials or equipment required from suppliers in time to meet the project schedule for any portion of the Work

Chargeable to Customer provided that such delays are beyond the reasonable control of Hydro One; and

(g) the Customer executed the Agreement on or before the date specified as the Execution Date in the recitals.

8. Upon completion of the Work Chargeable to Customer, Hydro One shall own, operate and maintain all equipment and facilities installed by Hydro One as part of the Work Chargeable to the Customer in, under, on, over, along, upon, through and crossing Hydro One's Property(ies).

The Customer acknowledges that:

- (i) ownership and title to the equipment referred to above shall throughout the Term and thereafter remain vested in Hydro One and the Customer shall have no right of property therein; and
- (ii) that any portion of the equipment referred to above that is located on the Customer's Property(ies) shall be and remain the property of Hydro One and shall not be or become fixtures and/or part of the Customer's Property(ies).

9. The Customer acknowledges and agrees that Hydro One is not responsible for the provision of power system components on the Customer's Facilities, including, without limitation, all transformation, switching, metering and auxiliary equipment such as protection and control equipment.

All of the power system components on the Customer's side of the Connection Point including, without limitation, all transformation, switching and auxiliary equipment such as protection and control equipment shall be subject to the acceptance of Hydro One with regard to Hydro One's requirements to permit connection of the New or Modified

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Connection Facilities to Hydro One's transmission system and shall be installed, maintained and operated in accordance with all Applicable Laws, codes and standards, including, but not limited to, the Transmission System Code, at the expense of the Customer.

Where Hydro One has equipment for automatic reclosing of circuit breakers after an interruption for the purpose of improving the continuity of feeder connection, it shall be the obligation of the Customer to provide adequate protective equipment for the Customer's Facilities that might be adversely affected by the operation of such reclosing equipment. The Customer shall provide such equipment as may be required from time to time by Hydro One for the prompt disconnection of any of the Customer's apparatus that might affect the proper functioning of Hydro One's reclosing equipment.

Part B: Work Chargeable to Customer

10. The Customer shall pay Hydro One's Engineering and Construction Cost (plus applicable Taxes) of the Work Chargeable to Customer which is estimated to be the amount specified in Schedule "C" of the Agreement in the manner specified in Schedule "C" of the Agreement.

Within 180 days after the Ready for Service Date, Hydro One shall provide the Customer with an invoice or a credit memorandum specifying the actual Engineering and Construction Cost of the Work Chargeable to Customer (plus applicable Taxes). Any difference between the Engineering and Construction Cost of the Work Chargeable to Customer (plus applicable Taxes) and the amount already paid by the Customer shall be paid within 30 days after the issuance of the invoice or credit memorandum by:

- (a) Hydro One to the Customer, if the amount already paid by the Customer exceeds the Engineering and Construction Cost of the Work Chargeable to Customer (plus Taxes); or
- (b) the Customer to Hydro One, if the amount already paid by the Customer is less than the Engineering and Construction Cost of the Work Chargeable to Customer (plus Taxes).

Part C: Events of Default

11. Each of the following events shall constitute an "Event of Default" under the Agreement:

- (a) failure by the Customer to pay any amount due under this Agreement, including any amount payable pursuant to Section 10 within the time stipulated for payment;
- (b) breach by the Customer or Hydro One of any Material term, condition or covenant of the Agreement; or
- (c) the making of an order or resolution for the winding up of the Customer or of its operations or the occurrence of any other dissolution, bankruptcy or reorganization or liquidation proceeding instituted by or against the Customer.

For greater certainty, a dispute will not be considered an Event of Default under the Agreement. However, a party's failure to comply with the terms of a settlement or resolution of a dispute by the OEB will be considered an Event of Default under the Agreement.

12. Upon the occurrence of an Event of Default by the Customer hereunder (other

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than those specified in Section 11(c) of this Agreement, for which no notice is required to be given by Hydro One), Hydro One shall give the Customer written notice of the Event of Default and allow the Customer 30 calendar days from the date of receipt of the notice to rectify the Event of Default, at the Customer's sole expense. If such Event of Default is not cured to Hydro One's reasonable satisfaction within the 30 calendar day period, Hydro One may, in its sole discretion, exercise the following remedy in addition to any remedies that may be available to Hydro One under the terms of the Agreement, at common law or in equity: deem the Agreement to be repudiated and, after giving the Customer at least 10 calendar days' prior written notice thereof, recover, as liquidated damages and not as a penalty, the balance of the amounts payable by the Customer pursuant to Section 10.

13. Upon the occurrence of an Event of Default by Hydro One hereunder, the Customer shall give Hydro One written notice of the Event of Default and shall allow Hydro One 30 calendar days from the date of receipt of the notice to rectify the Event of Default at Hydro One's sole expense. If such Event of Default is not cured to the Customer's reasonable satisfaction within the 30 calendar day period, the Customer may pursue any remedies available to it at law or in equity, including at its option the termination of the Agreement.

14. All rights and remedies of Hydro One and the Customer provided herein are not intended to be exclusive but rather are cumulative and are in addition to any other right or remedy otherwise available to Hydro One and the Customer respectively at law or in equity, and any one or more of Hydro One's and the Customer's rights and remedies may from time to time be exercised independently or in combination and without prejudice to any other right or

remedy Hydro One or the Customer may have or may have exercised. The parties further agree that where any of the remedies provided for and elected by the non-defaulting party are found to be unenforceable, the non-defaulting party shall not be precluded from exercising any other right or remedy available to it at law or in equity.

Part D: Disputes

15. All disputes, including, but not limited to, disputes related to:

- (a) the cost and the allocation of the costs under this Agreement;
- (b) the cost and the allocation of costs of the Work Chargeable To Customer and notwithstanding Hydro One's decision not to allocate or to allocate any part of the costs of this work to the Customer at this time; or
- (c) any other costs and the allocation of any other costs associated with, related to, or arising out of the connection of the Project to Hydro One's transmission system or Hydro One's policies in respect of connections generally,

shall be dealt with in accordance with the dispute resolution procedure set out in the OEB-Approved Connection Procedures.

16. Before and after the existence of OEB-Approved Connection Procedures, if a dispute arises while Hydro One is performing the Work Chargeable to Customer, Hydro One shall not cease the work or slow the pace of the work without leave of the OEB.

Part E: Incorporation of Liability and Force Majeure Provisions

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17. PART III: LIABILITY AND FORCE MAJEURE (with the exception of Section 15.5 thereof) and Sections 1.1.12 and 1.1.17 of the Connection Agreement are hereby incorporated in their entirety by reference into, and form an integral part of the Agreement. Unless the context otherwise requires, all references in PART III: LIABILITY AND FORCE MAJEURE TO “this Agreement” shall be deemed to be a reference to the Agreement and all references to the “the Transmitter” shall be deemed to be a reference to Hydro One.

For the purposes of this Section 17, the parties agree that the reference to:

- (i) the Transmitter in lines 3 and 4 of Section 15.1 means the Transmitter or any party acting on behalf of the Transmitter such as contractors, subcontractors, suppliers, employees and agents; and
- (ii) the Customer in lines 3 and 4 of Section 15.2 means the Customer or any party acting on behalf of the Customer such as contractors, subcontractors, suppliers, employees and agents.

The parties agree that the aggregate liability of Hydro One under the Agreement and in particular under this Section 17 shall at no time exceed the actual Engineering and Construction Cost of the Work Chargeable to Customer.

Part F: General

18. This Agreement is subject to the Transmission System Code and the OEB-Approved Connection Procedures. If any provision of this Agreement is inconsistent with the:

- (a) Transmission System Code, the said provision shall be deemed to be

amended so as to comply with the Transmission System Code;

- (b) OEB-Approved Connection Procedures, the said provision shall be deemed to be amended so as to comply with the OEB-Approved Connection Procedures; or
- (c) Connection Agreement made between the parties, associated with the new customer connection facilities, the Connection Agreement governs.

19. The failure of any party hereto to enforce at any time any of the provisions of the Agreement or to exercise any right or option which is herein provided shall in no way be construed to be a waiver of such provision or any other provision nor in any way affect the validity of the Agreement or any part hereof or the right of any party to enforce thereafter each and every provision and to exercise any right or option. The waiver of any breach of the Agreement shall not be held to be a waiver of any other or subsequent breach. Nothing shall be construed or have the effect of a waiver except an instrument in writing signed by a duly authorized officer of the party against whom such waiver is sought to be enforced which expressly waives a right or rights or an option or options under the Agreement.

20. Other than as provided in this Agreement, no amendment, modification or supplement to the Agreement shall be valid or binding unless set out in writing and executed by the parties with the same degree of formality as the execution of the Agreement.

21. Any written notice required by the Agreement shall be deemed properly given only if either mailed or delivered to the Director, Account Management, Hydro One Networks Inc., 13th Floor, 483 Bay Street, Toronto, Ontario, M5G 2P5, fax no: (416)

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345-5957 on behalf of Hydro One, and at the address specified in the customer notice section of Schedule “C” on behalf of the Customer.

A faxed notice will be deemed to be received on the date of the fax if received before 3 p.m. or on the next Business Day if received after 3 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.

22. The Agreement 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, subject to Section 15, the courts of Ontario shall have exclusive jurisdiction to determine all disputes arising out of the Agreement.

23. The Agreement may be executed in counterparts, including email counterparts, each of which shall be deemed an original, but all of which shall together constitute one and the same Agreement.

24. The obligation to pay any amount due and payable hereunder, including, but not limited to, any amount due under Section 10 shall survive the termination of the Agreement.

25. **Invoices and Interest.** Invoiced amounts are due 30 days after invoice issuance. All overdue amounts including, but not limited to amounts that are not invoiced but required under the terms of this Agreement to be paid in a specified time period, shall bear interest at 1.5% per month compounded monthly (19.56 percent per year) for the time they remain unpaid.

26. This Agreement will supersede the terms of any purchase orders issued by the Customer to Hydro One in respect of the Project irrespective of whether same have been issued by Customer and/or accepted by Hydro One on or after the execution of this Agreement by the Customer.

27. This Agreement 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. Appendix A attached hereto and Schedules “A”, “B” and “C” are to be read with and form part of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by the signatures of their proper authorized signatories, as of the date written below.

HYDRO OTTAWA LIMITED

DocuSigned by:
Laurie Heuff
7E31070D87DA4FF...

Name: Laurie Heuff
Title: Director, Distribution Engineering & Asset Mgmt
Date: 2020-03-24
I have the authority to bind the Corporation

HYDRO OTTAWA LIMITED

DocuSigned by:
Paradis, Guillaume
A8115E39C3334D4...

Name: Guillaume Paradis
Title: Chief Electricity Distribution Officer
Date: 2020-03-24
I have the authority to bind the Corporation

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HYDRO ONE NETWORKS INC.

DocuSigned by:



Name: Susan Wylie

Title: Director, Large Customer Account
Management

Date:

I have the authority to bind the Corporation

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Appendix “A”: **Definitions**

In the Agreement, unless the context otherwise requires, terms which appear therein without definition, shall have the meanings respectively ascribed thereto in the Transmission System Code and unless there is something in the subject matter or context inconsistent therewith, the following words shall have the following meanings:

“Agreement” means the Simplified Connection and Cost Recovery Agreement, Appendix “A” and Schedules “A”, “B” and “C” attached hereto.

“Applicable Laws” means any and all applicable laws, including environmental laws, statutes, codes, licensing requirements, treaties, directives, rules, regulations, protocols, policies, by-laws, orders, injunctions, rulings, awards, judgments or decrees or any requirement or decision or agreement with or by any government or government department, commission board, court authority or agency.

“Business Day” means a day other than Saturday, Sunday, statutory holiday in Ontario or any other day on which the principal chartered banks located in the City of Toronto, are not open for business during normal banking hours.

“Connection Agreement” means the form of connection agreement appended to the Transmission System Code as Appendix 1, Version A.

“Connection Point” means the point where the Customer’s Facilities are connected to Hydro One’s transmission system or are connected to third party facilities connected to Hydro One’s transmission system, as the case may be.

“Customer Work” means the work to be performed by the Customer, at its sole expense, which is described in Schedule “B” of this Agreement.

“Customer’s Facilities” has the meaning set forth in the Transmission System Code.

“Customer’s Property(ies)” means any lands owned by the Customer in fee simple or where the Customer has easement rights.

“Electricity Act, 1998” means the *Electricity Act, 1998* being Schedule “A” of the *Energy Competition Act*, S.O. 1998, c.15, as amended.

“Engineering and Construction Cost” means Hydro One’s charge for equipment, labour and materials at Hydro One’s standard rates plus Hydro One’s standard overheads as well as interest during construction using Hydro One’s capitalization rate in effect during the construction period.

“Force Majeure Event” has the meaning ascribed thereto in the Connection Agreement.

“Good Utility Practice” has the meaning set forth in the Transmission System Code.

“Hydro One’s Property(ies)” means any lands owned by Hydro One in fee simple or where Hydro One now or hereafter has obtained easement rights.

“IESO” means the Independent Electricity System Operator continued under the Electricity Act, 1998.

“Market Rules” rules made under section 32 of the *Electricity Act, 1998* (Ontario), including, but not limited to Chapter 6 thereof.

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“In Service Date” has the same meaning ascribed to the term “comes into service” in the Transmission System Code.

“Material” relates to the essence of the contract, more than a mere annoyance to a right, but an actual obstacle preventing the performance or exercise of a right.

“New or Modified Connection Facilities” means the facilities owned by Hydro One as specified in Schedule “C” of the Agreement.

“OEB” means the Ontario Energy Board.

“OEB-Approved Connection Procedures” means Hydro One’s connection procedures as approved by the OEB from time to time.

“Ontario Energy Board Act” means the *Ontario Energy Board Act* being Schedule “B” of the *Energy Competition Act*, S.O. 1998, c. 15, as amended.

“Premium Costs” means those costs incurred by Hydro One in order to maintain or advance the Ready for Service Date, including, but not limited to, additional amounts expended for materials or services due to short time-frame for delivery; and the difference between having Hydro One’s employees, agents and contractors perform work on overtime as opposed to during normal business hours.

“Ready for Service Date” means the date upon which the Work Chargeable to Customer is fully and completely constructed, installed, commissioned and energised to the Connection Point. The Customer’s disconnect switches must be commissioned prior to this date in order to use them as isolation points.

“Taxes” means all property, municipal, sales, use, value added, goods and services, harmonized and any other non-recoverable taxes and other similar charges

(other than taxes imposed upon income, payroll or capital).

“Transmission System Code” means the code of standards and requirements originally issued by the OEB on July 14, 2000, as it may be amended, revised or replaced in whole or in part from time to time in accordance with the Section 70.2 and 70.3 of the *Ontario Energy Board Act*.

“Work Chargeable to Customer” means the work to be performed by Hydro One described in Schedule “A” of this Agreement.

CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – Uplands MTS: Telecommunication Upgrade

Schedule “A” Uplands MTS:
Telecommunication Upgrade

PROJECT SCOPE - WORK CHARGEABLE TO CUSTOMER

Hydro One will perform the following work:

- Remove circuit A8M Teleprotection (IMUX) at [REDACTED] 115kV control building and associated Telecom circuit via Albion
- Install two (2) SEL 2506 at [REDACTED] 115kV control building
- Re-terminate existing protection to the new Teleprotection Equipment SEL-2506
- Connect SEL 2506 to fiber patch panel (Main, Alternate)
- Connect fibers (Main, Alternate) to fiber patch panel
- Perform COVER and Design Review

- Assumption: Fiber and Fiber patch will be in place between [REDACTED] 115kV control building and [REDACTED] [REDACTED] as part of the South Nepean project

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – Uplands MTS: Telecommunication Upgrade**

Schedule “B”

CUSTOMER WORK

The Customer will:

- Decommission the existing telecommunication circuit off Albion TS
- Bring fiber (Main, Alternate) for teleprotection from [REDACTED]
- Install a fiber patch panel and terminate fiber (Main, Alternate) at [REDACTED]
- Assumption: fiber and a fiber patch will be in place between [REDACTED] 115kV control building and [REDACTED] [REDACTED] as part of the South Nepean project

CONNECTION AND COST RECOVERY

AGREEMENT (CCRA) – Simplified – Uplands MTS: Telecommunication Upgrade

Schedule “C” (Project Title):

Part 1: Estimate of Engineering and Construction Cost of the Work Chargeable to Customer:

The estimate of the Engineering and Construction Cost of the Work Chargeable to Customer (excluding HST) is summarized as follows:

<u>Project Description</u>	Estimated Engineering and Construction Cost
Project Management	\$6,106
Engineering	\$14,273
Equipment & Materials	\$48,425
Construction	\$37,495
Stations & Operations	\$11,811
Sub-Total	\$118,110
Contingency	\$11,811
AFUDC* & Overheads	\$20,079
Total Price (\$)	\$150,000

(*) AFUDC = Allowance for Funds Used During Construction and is the term used in the OEB accounting procedures meaning interests during construction if applicable.

Notes:

1. Price for preliminary engineering is not included in any of the prices above.
2. Contingency of 16% is included in the total.
3. Capital overheads are included in the total price.
4. Capital interest is included in the total price.
5. HST is not included in the estimate

Part 2: Manner of Payment

The Engineering and Construction Cost of the Work Chargeable to Customer is estimated to be \$ **150,000** (excluding HST) (the “Cost Estimate”). Should the Customer default in paying any amount to Hydro One, Hydro One reserves the right to add the AFUDC as it deems necessary.

The Customer shall pay Hydro One the Cost Estimate (plus HST) by making the progress payments specified below on or before the Payment Milestone Date specified below. If applicable, Hydro One will invoice the Customer for the second payment 30 days prior to the Payment Milestone Date.

Payment Milestone Date	Work Chargeable to Customer (\$)	HST	Total Payment Required (incl. HST)
1. CCRA Execution	75,000	9,750	\$84,750
2. 6 Months Following Execution	75,000	9,750	\$84,750

2.2 Scope Change

Any change in the Project Scope as detailed and documented in Schedule “A” whether they are initiated by the Customer or not may result in a change to the Project costs estimated in this Schedule “C” and the Project schedule, including the Ready for Service Date.

All Customer initiated scope changes to this Project must be in writing to Hydro One.

Hydro One will advise the Customer of any cost and schedule impacts of any Customer initiated scope changes.

CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – Uplands MTS: Telecommunication Upgrade

Hydro One will not implement any Customer initiated scope changes until written approval has been received from the Customer accepting the new pricing and schedule impact.

Part 3: Miscellaneous

New or Modified Connection Facilities:

Teleprotection modification at Merivale TS.

Customer's HST Registration Number:

[REDACTED]

Documentation Required (after In Service Date): Not applicable.

Revenue Metering: IESO compliant revenue metering to be provided by the Customer

Customer Notice Info:

Hydro Ottawa Limited
2711 Hunt Club Rd.
Ottawa, Ontario
K1G 3S4

Attention: Fraser Basten
Project Manager, Major Projects

Hydro One Networks – Business Case Summary (Short Form for Qualified Projects)



Investment Name: Uplands MTS: Protection Upgrades		
AIP #: 007328	Subject ID: 82307	Claim #: 51005774
AR: 26153	Investment Driver: N.T.C.2.11	In-service Date: December 11, 2020
This Approval: \$150k	Previous Approval: \$0k	Total Approval: \$150k

Investment Summary:

Requesting approval of \$150k for the replacement of protection equipment at Merivale TS to accommodate upgrades Hydro Ottawa is completing at Uplands MTS. As part of their upgrade work at their MTS, Hydro Ottawa is installing new fiber for teleprotection. The new fiber will be brought to Merivale TS and will require Hydro One to replace its existing equipment in order to continue communication between the Customer station and Hydro One. This is necessary to ensure the continued proper operation of the protection system of the supply circuit A8M.

Hydro One’s scope of work (SOW) is minimal and only includes the replacement of existing telecommunication equipment. It was agreed with Estimating and Project Management to directly release the work to EMPP given the minimal SOW. The estimate of \$150k is based on similar work and corresponds to an AACE Class 5 Estimate with accuracy of +100%/-50%.

This work is fully recoverable from the Customer. A Connection and Cost Recovery Agreement (CCRA) will be signed with the Customer. The Director of Key Accounts Management will be signing the agreement on Hydro One’s behalf. Release of this work is contingent on the Customer signing the CCRA by 20 March 2020.

Other Alternatives Considered

Status Quo: Proceeding with the status quo will not allow the Customer to connect their upgraded station to the transmission system. This option is not recommended as it would not meet the Customer request to connect.

Benefits

This investment will meet the Customer request to connect their station to the transmission system.

Cost				Project Risk Assessment
(in \$K)	2019	2020	Total	
Capital & MFA		150	150	No significant risk for this investment. The work is fully recoverable from the Customer and a CCRA will be signed prior to releasing the work. This investment is included in the 2020-2025 Investment Plan with total funding of \$389k, allocated in 2020.
OM&A and removals				
Gross Investment Cost		150	150	
Recoverable		150	150	
Net Investment Cost		0	0	
Note: Not for use for projects \$1 Million or greater. Include all previous approvals				

Signature Block

Approved by: Natalia Gaydukevych	Senior Financial Advisor, Decision Support	Signature:	Date: <i>March 10 '20</i>
Approved by: Ajay Garg	Title, Department: Manager, Transmission Planning	Signature:	Date: <i>March, 12, 2020</i>

Scientific Research & Experimental Development Tax Credits (SR&ED):

Do you anticipate that an initiative to meet the set of business requirements in this document will result in a **Technological Advancement**? *No*

Do you anticipate that the initiative will resolve a **Technological Uncertainty**? *No*

Author: Jean Morneau
Date: 10 March 2020

DocuSign Envelope ID: 01E2AB40-EA6B-495F-855A-5335F6E4E118

Certificate Of Completion

Envelope Id: 01E2AB40EA6B495F855A5335F6E4E118	Status: Completed
Subject: Please DocuSign: Simplified_CCRA_CBR01531-Uplands_MTS-Upgrades-March_16_2020_(2).pdf, BCS-EMPP-...	
Source Envelope:	
Document Pages: 16	Signatures: 1
Certificate Pages: 5	Initials: 0
AutoNav: Enabled	Envelope Originator:
Envelopeld Stamping: Enabled	Colleen Landgraff
Time Zone: (UTC-05:00) Eastern Time (US & Canada)	483 Bay Street
	North Tower , 14th floor, ISD
	Toronto, ON M5G 2P5
	colleen.landgraff@HydroOne.com
	IP Address: 192.75.121.46


Record Tracking

Status: Original 3/24/2020 7:23:56 PM	Holder: Colleen Landgraff colleen.landgraff@HydroOne.com	Location: DocuSign
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Signer Events

Susan Wylie
Susan.Wylie@HydroOne.com
Director, Supply Chain
Hydro One Networks Inc.
Security Level: Email, Account Authentication (None)

Signature

DocuSigned by:

427F743E02184CB...
Signature Adoption: Uploaded Signature Image
Using IP Address: 192.75.118.46

Timestamp

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Viewed: 3/24/2020 8:55:32 PM
Signed: 3/24/2020 8:56:09 PM
Freeform Signing

Electronic Record and Signature Disclosure:
Accepted: 3/24/2020 8:55:32 PM
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In Person Signer Events

Signature

Timestamp

Editor Delivery Events

Status

Timestamp

Agent Delivery Events

Status

Timestamp

Intermediary Delivery Events

Status

Timestamp

Certified Delivery Events

Status

Timestamp

Carbon Copy Events

Status

Timestamp

Witness Events

Signature

Timestamp

Notary Events

Signature

Timestamp

Envelope Summary Events

Status

Timestamps

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Certified Delivered	Security Checked	3/24/2020 8:55:32 PM
Signing Complete	Security Checked	3/24/2020 8:56:09 PM
Completed	Security Checked	3/24/2020 8:56:09 PM

Payment Events

Status

Timestamps

Electronic Record and Signature Disclosure

ELECTRONIC CONTRACTING TERMS AND CONDITIONS AND DISCLOSURE

These are the terms and conditions regarding electronic contracting with Hydro One Networks Inc. and its affiliates (Hydro One, we, or us) and for providing to you such notices and disclosures electronically through the DocuSign, Inc. (DocuSign) electronic signing system. The Hydro One legal entity that you are entering into the electronic contract with will be indicated in the electronic contract. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to these terms and conditions, please confirm your agreement by clicking the "I agree" button at the bottom of this document.

Confidentiality

You may be provided with an account or userid and/or password and will be able to apply an electronic signature associated with electronic contracting using the DocuSign electronic signing system. You acknowledge and agree that you are solely responsible and liable for the protection, security, confidentiality and use of the account, userid, password, and signature and that Hydro One will not be liable for any loss or damage that you or the legal entity that you represent may suffer as a result of someone else using your account, userid, password or signature.

Electronic Contracting

You, and the legal entity you represent, consent and agree to enter into electronic contracts with Hydro One using the DocuSign electronic signing system.

Authority

You agree that in using the account, userid, password and signature, you have the requisite authority to legally bind the legal entity that you represent to any contract you enter into through the use of the DocuSign electronic signing tool. You agree that any contract electronically signed by the account or userid using the DocuSign electronic signing system is deemed to be signed in writing by the legal entity you represent. You also agree that the legal entity you represent is legally bound to any contract entered into using the account or userid issued to you and/or signed with your electronic signature and that Hydro One can rely on the electronic signature you apply to the contract document as a contract signed by the legal entity you represent.

Delivery of Contracts

You agree that any electronic contract you enter into may be sent to you by email at the email address you provide and will be deemed to be received by you and the legal entity you represent.

Notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described below, we may provide electronically to you through the DocuSign system required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. Documents sent to you in this manner will be deemed received by you. If you do not agree with this process, please let us know by withdrawing your consent as described below.

Getting paper copies

At any time, you may request from us a paper copy of any contract or record provided or made available electronically to you by us. While we will send you a copy of the contract you enter into at the email address you provide, you will also have the ability to download and print documents we send to you through the DocuSign system during and immediately after signing session and, if you elect to create a DocuSign signer account, you may access them for a limited period of time (usually 30 days) after such documents are first sent to you.

To request delivery from us of paper copies of the contracts, notices and disclosures previously provided by us to you electronically, you must send us an e-mail to us at the Hydro One email address indicated in the section on how to contact Hydro One below.

Withdrawing your consent

You may, at any time change your mind and tell us that you do not want to execute a contract in electronic format and want to execute contracts and receive required notices and disclosures only in paper format, however, you must inform us of your decision.

To inform us that you do not want to execute a contract electronically, or do not want to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your DocuSign session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or
- ii. send us an e-mail to us at the Hydro One email address indicated below in the section on how to contact Hydro One. The consequences of your withdrawing consent for electronic contracts and online documents will be that we will need to exchange hard copy paper versions of documents and transactions therefore may take a longer time to process and be effective.

How to contact Hydro One:

To let us know of a change in your e-mail address, to contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive contracts, notices and disclosures electronically, please contact us as follows:

To contact us by email, please send an email message to: **SupplierContact@hydroone.com**
 In the email, please state your e-mail, full name, company or business name, postal address, and telephone number, and the nature of your request

In addition, please note that if you change your email address, you must also separately notify DocuSign, Inc. to arrange for your new email address to be reflected in your DocuSign account by following the process for changing e-mail in the DocuSign system.

Governing Law and Jurisdiction

This Electronic Contracting Terms and Conditions and Disclosure and all disputes arising out of it shall be governed by the laws of the province of Ontario and the laws of Canada applicable therein and you agree that all disputes will be brought exclusively to a court of competent jurisdiction in Toronto, Ontario, Canada.

Required hardware and software*

Operating Systems:	Windows7, Windows8 and 10; Mac OS® X
Browsers:	Internet Explorer (Windows Only) 8.0 or above – compatibility mode is supported only for 9.0 and above; Mozilla Firefox (current version); Safari (Mac OS only) 6.2 or above; Google Chrome Current Version(Mac only) Note: Pre-release (e.g., beta) versions of operating systems and browsers are not supported.
Mobile Signing	Apple iOS 7.0 or above; Android 4.0 and above
PDF Reader	Acrobat® or similar software may be required to view and print PDF files
Screen Resolution	1024 x 768 preferred

Enabled Security Settings	Allow per session cookies
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** These minimum requirements are subject to change. If these requirements change, you will be asked to re-accept the disclosure. Pre-release (e.g. beta) versions of operating systems and browsers are not supported.

Acknowledging your access and consent to receive materials electronically

By checking the 'I agree' box, I confirm that:

- I can access and have read this Electronic Contracting Terms and Conditions and Disclosure document;
- I can print on paper this Electronic Contracting Terms and Conditions and Disclosure document or save or send it to a place where I can print it, for future reference and access;
- I agree to these Electronic Contracting Terms and Conditions and Disclosure document, including entering to electronic contracts; and
- Until or unless I notify Hydro One as described above, I consent to receive from Hydro One through electronic means notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to me by Hydro One during the course of my relationship with Hydro One..

THIS AMENDING AGREEMENT made the 16 day of September, 2021.

BETWEEN:

HYDRO ONE NETWORKS INC., a corporation incorporated pursuant to the laws of the Province of Ontario and licensed by the OEB (“**Hydro One**”).

OF THE FIRST PART;

- and -

HYDRO OTTAWA LIMITED (the "**Customer**")

OF THE SECOND PART.

From time to time, Hydro One and the Customer shall be individually referred to in this Agreement as "Party" and collectively as "Parties".

WHEREAS:

1. Hydro One and the Customer entered into a Simplified Connection and Cost Recovery Agreement dated March 20, 2020 (collectively, the "**Agreement**");
2. the Parties intend to amend the Agreement to reflect changes to the scope of work, the estimate of the Engineering and Construction Cost of the Work Chargeable to Customer and the Ready for Service Date in the manner set out below:

NOW THEREFORE, in consideration of the foregoing, and of the mutual covenants, agreements, terms and conditions herein contained, the Parties, intending to be legally bound, hereby agree as follows:

1. Each of the Parties represents and warrants that the recitals, to the extent that the recitals are applicable to that Party, are true and accurate and form part of this Amending Agreement.
2. All terms which are defined in the Agreement and which appear in this Amending Agreement without definition, shall have the meanings respectively ascribed thereto in the Agreement.

The Agreement is hereby amended by:

- i. adding the following Schedule “A” (Uplands MTS: Teleprotection Upgrade) under Project Scope – Work Chargeable to Customer:
 - Remove circuit A8M and A3RM Teleprotection (IMUX) at Merivale TS 115 kV relay building and associated Telcom circuit Albion TS,
 - Install two (2) SEL 2506 Teleprotection relays at Merivale TS 115 kV relay building for A8M and A3RM line protections
 - Revise the A3RM and A8M line protection settings.
- ii. deleting the “11th day of December, 2020” as it appears in Section 7 of the Agreement and replacing it with the “23th day of November, 2021”; and

iii. adding Section 28.

28. In addition to the circumstances described in Section 7 of this Agreement, the Ready for Service Date is subject to any delays from Hydro One being unable to commence all or any part of the Work Chargeable to Customer and/or or delays that result in Hydro One having to cease performing all or any portion of the Work Chargeable to Customer 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 with Hydro One 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 ("**High Priority Customer Connection Work**");
 - (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 or materials required to perform the Hydro One Connection Work Chargeable to Customer or the shortages are such that we need to use or re-deploy the equipment or materials that we procured for your Project for Hydro One's own essential service work or for High Priority Customer Connection 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.
- (iv) deleting Schedule "C", Part 1 and Part 2 and replacing it with Schedule "C" Part 1 and Part 2, attached hereto as Appendix I to this Amending Agreement.
3. The Parties do hereby reconfirm that the terms and conditions of the Agreement as amended by this Amending Agreement shall continue to be in full force and effect.
4. This Amending Agreement and each of the Parties' respective rights and obligations under this Amending Agreement, shall be binding on and shall inure to the benefit of the Parties hereto and each of their respective successors and permitted assigns.
5. This Amending Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall together constitute one and the same agreement. Transmission of a copy of an executed signature page of this Amending Agreement by facsimile transmission or e-mail in pdf format by a party shall be as effective as delivery of an original manually executed counterpart hereof.
6. This Amending Agreement shall 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.

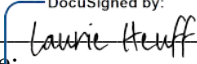
IN WITNESS WHEREOF, the Parties hereto, intending to be legally bound, have caused this Amending Agreement to be executed by the signatures of their proper officers duly authorized in their behalf.

HYDRO ONE NETWORKS INC.

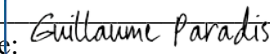


Name: Joe Zerdin, P.Eng.
Title: Director, Large Customer Account Management
I have the authority to bind the Corporation
September 17, 2021 | 9:35:52 AM PDT

HYDRO OTTAWA LIMITED

DocuSigned by: 2021-09-15


Name: Laurie Heuff
7E31070D87DA4FE
Title: Director, Distribution Engineering and Asset Management

DocuSigned by: 2021-09-15


Name: Guillaume Paradis
A8115E39C3334D4...
Title: Chief Electricity Distribution Officer
I/We have the authority to bind the Corporation

Appendix I:**Schedule “C” (Uplands MTS:
Telecommunications Upgrade):****Part 1: Estimate of Engineering and
Construction Cost of the Work Chargeable to
Customer:**

The estimate of the Engineering and Construction Cost of the Work Chargeable to Customer (excluding HST) is summarized as follows:

Project Description	Estimated Engineering and Construction Cost
Project Management	\$6,106
Engineering	\$123,043
Equipment & Materials	\$17,508
Construction	\$17,495
Stations & Operations	\$33,007
Sub-Total	\$197,159
Contingency	\$19,715
AFUDC* & Overheads	\$ 21,687
Total Price (\$)	\$238,561

(*) AFUDC = Allowance for Funds Used During Construction and is the term used in the OEB accounting procedures meaning interests during construction if applicable.

Notes:

- Price for preliminary engineering is not included in any of the prices above. Due to the nature of the work and the Customer's timelines, the Cost Estimate has a degree of accuracy that is generally in the range plus 100% minus 50% (+100%/-%50) which may mean that the Project will incur AFUDC charges. For greater certainty, the Customer will be responsible for the actual Engineering and Construction Cost of the Work Chargeable to the Customer.
- Revised Contingency of 10% is included in the total.
- Capital overheads are included in the total price.

- Capital interest is included in the total price.
- HST is not included in the estimate

Part 2: Manner of Payment

The Engineering and Construction Cost of the Work Chargeable to Customer is estimated to be \$ **238,561** (excluding HST) (the “Cost Estimate”). Should the Customer default in paying any amount to Hydro One, Hydro One reserves the right to add the AFUDC as it deems necessary.

The Customer shall pay Hydro One the Cost Estimate (plus HST) by making the progress payments specified below on or before the Payment Milestone Date specified below.

Payment Milestone Date	Work Chargeable to Customer (\$)	HST	Total Payment Required (incl. HST)
1. Paid on CCRA Execution (Received)	75,000	9,750	\$84,750
2. Paid 6 Months Following Execution 3. (Received)	75,000	9,750	\$84,750
4. Execution of Amending Agreement by Customer	88,561.00	11,512	100,074

2.2 Scope Change

Any change in the Project Scope as detailed and documented in Schedule “A” whether they are initiated by the Customer or not may result in a change to the Project costs estimated in this Schedule “C” and the Project schedule, including the Ready for Service Date.

All Customer initiated scope changes to this Project must be in writing to Hydro One.

Hydro One will advise the Customer of any cost and schedule impacts of any Customer initiated scope changes.

Hydro One will not implement any Customer initiated scope changes until written approval has been received from the Customer accepting the new pricing and schedule impact.

Part 3: Miscellaneous

New or Modified Connection Facilities:

Teleprotection modification at Merivale TS and Albion TS

Customer's HST Registration Number:

████████████████████

Documentation Required (after In Service Date): Not applicable.

Revenue Metering: IESO compliant revenue metering to be provided by the Customer

Customer Notice Info:

Hydro Ottawa Limited
2711 Hunt Club Rd.
Ottawa, Ontario
K1G 3S4

Attention: Frasier Basten
Project Manager, Major Projects

Connection and Cost Recovery Agreement

between

Hydro Ottawa Limited



and

Hydro One Networks Inc.



Ottawa Area Supply: Reinforce 115 kV Lines

Construction of 115 kV Lines from Hawthorne TS

As a result of a joint planning study between Hydro Ottawa Limited (the "Customer") and Hydro One Networks Inc. ("Networks"), Networks has agreed to the construction of two 115 kV lines from Hawthorne TS (the "Project") on the terms and conditions set forth in this Agreement (the "Agreement") dated FEBRUARY 11, 2003 and the attached Standard Terms and Conditions (T&C V2 ESH 15-25 01-2002).

Project Summary: Networks is required to add a new 115kV double circuit line [REDACTED] and string a second circuit on the existing double circuit tower line [REDACTED]

Overview and purpose of the project: The results of the joint planning study show that the existing 115kV circuits out of Hawthorne TS require relief by summer 2004 as a single contingency may result in overloading of the remaining in-service circuits.

Ready for Service date: June 15, 2004.

Financial Summary (Repayment schedule and Capital Contribution): 100% recoverable from the Customer.

Term: 25 years.

Special Circumstances: Section 92 approval (Leave to Construct) is required from the OEB.

The Project schedule is subject to:

- a) the Customer executing and returning this Agreement to Networks by no later than February 7, 2003; and
- b) all necessary approvals being obtained as outlined under Special Circumstances.

This Agreement 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. Schedules "A" and "B" and the Standard Terms and Conditions (T&C V2 ESH 15-25 01-2002) attached hereto are to be read with and form part of this Agreement.

Recommended by



Michael Ritchie
Account Executive

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.



Jim Patterson
Manager - Customer Contracts and Business Relations

I have the authority to bind the Corporation.

HYDRO OTTAWA LIMITED



Authorized Signing Officer
Title VP Network Planning & Operations
I have the authority to bind the Corporation.

Schedule 'A' – Construction of 115 kV Lines from Hawthorne TS

Project Scope (Detail)

The project scope of work covers the design, engineering, and supply of all permanent materials, installation and commissioning of all work pertaining to building 2.7 km of new 2-cct 115 kV transmission line [REDACTED] and adding a second 115 kV circuit on the existing [REDACTED]

Ready for Service Date: June 15, 2004.

Networks Connection Work

PART 1:

Non-Pool Work: Not Applicable

PART 2:

Transformation Connection Pool Work: Not Applicable

Line Connection Pool Work:

At the facilities listed below, Hydro One will do the following.

[REDACTED]
Build a new 2.7 km double circuit 115 kV transmission line from [REDACTED]
[REDACTED] Each of the two circuits will be capable of carrying a summer load of 252 MVA.

Provide new lattice steel towers (including foundations), new 1443 kcmil conductors, new ground wires, new insulators, and new hardware (including clamps, vibration dampers, etc.) that meet Hydro One standards for 115 kV lines. Provide safety signs, aviation signs, and structure number and designation signs in accordance to Hydro One standards.

[REDACTED]
String a second 115 kV circuit on the [REDACTED] double circuit tower, which currently has one circuit strung. [REDACTED]

Provide new 1443 kcmil conductors, new insulators, and new hardwares (including clamps, vibration dampers, etc.) that meet Hydro One standards for the second 115 kV circuit. The second circuit will also have a summer load carrying capability of 252 MVA.

[REDACTED]
Remove the existing three-ended connection of 115 kV circuit [REDACTED] This should be done in such a way that the line from [REDACTED]
[REDACTED]

Connect the newly strung circuit [REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]

Schedule 'B' – Hawthorne TS 115 kV Lines**Transformation Connection Pool Work Estimate:** Not Applicable.**Line Connection Pool Work Estimate:** \$5,674,900**Estimate of the cost of Non-Poolable Work:** Not Applicable.**Capital Contribution:** \$550,300.00 + GST**Manner of Payment of Non-Poolable Work:**

The Customer shall pay Networks the \$550,300.00 capital contribution when the new 2-cct, 115 kV line from Hawthorne TS is in-service (expected in-service date is June 15, 2004).

Available Capacity: 487 MW.

Base Load Trigger Point: Load exceeding 487 MW (sum of coincident peak loads at the following existing stations: King Edward TS, Moulton MS, NRC TS, Overbrooke TS, Riverdale TS, Russell TS and Slater TS, plus any new station(s) facilities to be supplied from existing and new 115 kV lines out of Hawthorne TS).

GUARANTEED INCREMENTAL LINE CONNECTION REVENUE

Period: Each twelve month period commencing on the Ready for Service Date	Guaranteed Incremental Line Connection Revenue (k\$)
2005	73.5
2006	180.6
2007	277.1
2008	357.3
2009	439.2
2010	523.0
2011	608.7
2012	696.3
2013	786.0
2014	877.7
2015	971.5
2016	1067.6
2017	1124.3
2018	1124.3
2019	1124.3
2020	1124.3
2021	1124.3
2022	1124.3
2023	1124.3
2024	1124.3
2025	1124.3
2026	1124.3
2027	1124.3
2028	1124.3
2029	1124.3

Standard Terms and Conditions for Transmission Customer Connection Projects

1. The Customer agrees to guarantee a minimum amount of revenue to be derived from Incremental Load in accordance with the terms and conditions of the Agreement to hold the Pool harmless as a result of the Project.

2. Subject to Section 23 and the termination rights herein, the Agreement shall be in full force and effect and binding on the parties as of the date of the Agreement (the "Effective Date") and shall expire on the earlier of the Guaranteed Revenue Date and the date that the debt owed by the Customer pursuant to Section 12 is reduced to zero (the "Term").

3. Each party represents and warrants to the other that:

- (a) it has all the necessary corporate power, authority and capacity to enter into the Agreement and to perform its obligations hereunder; and
- (b) the execution of the Agreement and compliance with and performance of the terms, conditions, and covenants contemplated herein have been duly authorized by all necessary corporate action on its part.

Where the New or Modified Facility is owned by the Customer, the Customer represents and warrants to Hydro One Networks Inc. ("Networks") that it has obtained all necessary approvals with respect to the construction of the New or Modified Facility (including, but not limited to, where applicable, leave to construct pursuant to Section 92 of the *Ontario Energy Board Act, 1998* (being Schedule "B" of the *Energy Competition Act, S.O. 1998, c. 15*)) and in order to proceed with the Customer Connection Work.

Part A: Networks Connection Work

4. The Customer and Networks shall perform their respective obligations outlined in the Agreement in a manner consistent with Good Utility Practice and the Transmission System Code, in compliance with all Applicable Laws, including, but not limited to the requirements of the Electrical Safety Code, and using duly qualified and experienced people.

5. The parties acknowledge and agree that:

- (a) Networks is responsible for obtaining any and all permits, certificates, reviews and approvals required under any Applicable Laws with respect to the Networks Connection Work and those required for the construction, connection and operation of the New or Modified Facility where the New or Modified Facility is owned by Networks;
- (b) the Customer is responsible for obtaining any and all permits, certificates, reviews and approvals required under any Applicable Laws with respect to the Customer Connection Work and those required for the construction, connection and operation of the New or Modified Facility where the New or Modified Facility is owned by the Customer, including those required under the Electrical Safety Code and the Customer shall ensure that it has received all such requisite permits, certificates, reviews and approvals prior to connection;
- (c) the Customer will enter into a Connection Agreement with Networks at least 14 calendar days prior to the connection of the New or Modified Facility to Networks' transmission system;
- (d) the Customer will ensure that Project data is made available or provided to Networks as required by Networks;
- (e) the Customer will ensure that the work performed by the Customer and others required for successful installation, testing and commissioning of protective equipment is completed as

required to enable Networks witnessing and testing to confirm satisfactory performance of such systems;

- (f) the Customer will provide any hardware required to connect to Networks' transmission system;
- (g) the Customer will provide coordination on protection;
- (h) Networks' responsibilities under the Agreement with respect to the connection of the New or Modified Facility to Networks' transmission system shall be limited to the performance of the Networks Connection Work;

(i) the Customer shall perform the Customer Connection Work at its own expense;

(j) where the New or Modified Facility is owned by the Customer, the Customer shall provide technical specifications for the New or Modified Facility as required for Networks' reviews. Until Networks has accepted the technical specifications (including electrical drawings) for the New or Modified Facility and accepted the Customer's verification of those portions of the Customer's electrical facilities affecting Networks' transmission system, Networks shall not be bound to connect the New or Modified Facility to Networks' transmission system; and

(k) the Networks Connection Work and Networks' rights and requirements hereunder, including, but not limited to:

- (i) Networks' specifications of the protection equipment on the Customer's side of the Connection Point;
- (ii) Networks' acceptance of power system components on the Customer's side of the Connection Point; and
- (iii) Networks' acceptance of the technical specifications (including electrical drawings) for the New or Modified Facility where the New or Modified Facility is owned by the Customer and/or the Customer Connection Work;

are solely for the protection of Networks' transmission system and that the Customer is responsible for installing equipment and facilities such as protection and control equipment to protect its own property, including, but not limited to the New or Modified Facility where the New or Modified Facility is owned by the Customer.

6. Networks shall use reasonable efforts to complete the Networks Connection Work by the Ready for Service Date specified in Schedule "A" provided that:

- (a) the Customer is in compliance with its obligations under the Agreement;
- (b) any work required to be performed by third parties has been performed in a timely manner and in a manner to the satisfaction of Networks, acting reasonably;
- (c) there are no delays resulting from Networks not being able to obtain outages from the Independent Electricity Market Operator required for the Networks Connection Work or from the IMO making changes to the Networks Connection Work or the scheduling of all or a portion thereof;
- (d) Networks does not have to use its employees, agents and contractors performing the Networks Connection 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;
- (e) Networks is able to obtain the materials and labour required to perform the Networks Connection Work with the expenditure of Premium Costs where required;
- (f) where Networks needs to obtain leave to construct pursuant to Section 92 of the *Ontario Energy Board Act, 1998* (being Schedule "B" of the *Energy Competition Act, S.O. 1998, c.*

- 15), such leave is obtained by no later than the date specified as the Approval Date in Schedule "A" of the Agreement;
- (g) where applicable, Networks received the easement described in Section 21 hereof by the Easement Date specified in Schedule "A";
 - (h) the Customer executed this Agreement by no later than the date specified as the Execution Date in Schedule "A"; and
 - (i) Networks obtains internal approval to commit the funds for the Project.
7. Upon completion of the Networks Connection Work:
- (a) Networks shall own, operate and maintain all equipment referred to in Schedule "A" of the Agreement; and
 - (b) other than equipment referred to in (a) above that will be owned, operated and maintained by Networks, all other equipment provided by Networks as part of the Networks Connection Work or provided by the Customer as part of the Customer Connection Work will be owned, operated and maintained by the Customer.

The Customer acknowledges that:

- (i) ownership and title to the equipment referred to in (a) above shall throughout the Term and thereafter remain vested in Networks and the Customer shall have no right of property therein;
- (ii) that any portion of the equipment referred to in (a) above that is located on the Customer's property shall be and remain the property of Networks and shall not be or become fixtures and/or part of the Customer's property; and
- (iii) the right to the benefit of any capital cost allowance determined for capital contribution(s) by the Customer for the equipment referred to in (a) above shall be the Customer's.

8. The Customer acknowledges and agrees that Networks is not responsible for the provision of power system components on the Customer's Facilities, including, without limitation, all transformation, switching, metering and auxiliary equipment such as protection and control equipment.

All of the power system components on the Customer's side of the Connection Point including, without limitation, all transformation, switching and auxiliary equipment such as protection and control equipment shall be subject to the acceptance of Networks with regard to Networks' requirements to permit connection of the New or Modified Facility to Networks' transmission system, and shall be installed, maintained and operated in accordance with all applicable laws, codes and standards, including, but not limited to, the Transmission System Code, at the expense of the Customer. Networks acceptance is solely for the protection of Networks' Facilities.

9. Where Networks has equipment for automatic reclosing of circuit breakers after an interruption for the purpose of improving the continuity of feeder connection, it shall be the obligation of the Customer to provide adequate protective equipment for the Customer's facilities that might be adversely affected by the operation of such reclosing equipment. The Customer shall provide such equipment as may be required from time to time by Networks for the prompt disconnection of any of the Customer's apparatus that might affect the proper functioning of Networks' reclosing equipment.

10. The Customer shall provide Networks with copies of the documentation specified in Schedule "A" of the Agreement under the heading "Documentation Required", acceptable to Networks, by no later than 120 calendar days after the Ready for Service Date. The Customer shall ensure that Networks may retain this

documentation for Networks' ongoing planning, system design, and operating review. Where the New or Modified Facility is owned by the Customer, the Customer shall also maintain and revise such documentation to reflect changes to the New or Modified Facility and provide copies to Networks on demand and as specified in the Connection Agreement.

11. Nothing contained within the Agreement, including, subsection 13 below shall preclude, prevent, prohibit or operate as a waiver of any of the parties rights to make application to the OEB, participate in any hearings before the OEB or to make any appeals to a Court of competent jurisdiction regarding any decision by the OEB with respect to any costs and the allocation of any costs associated with, related to, or arising out of the connection of the Project to Networks' transmission system or Networks' policies in respect of connections generally.

Part B: Transformation Connection Pool Work and/or Line Connection Pool Work and Non-Poolable Work

12. The Customer shall pay Networks the Actual Cost of the Networks Connection Work described as the Transformation Connection Pool Work and/or Line Connection Pool Work in Schedule "A" of the Agreement which is estimated to be the amount specified in Schedule "B" of the Agreement (plus applicable taxes) (the "Transformation Connection Pool Work Estimate" and/or the "Line Connection Pool Work Estimate").

The Customer shall pay Networks a capital contribution in the amount specified in Schedule "B" of the Agreement (plus applicable taxes) (the "Capital Contribution") in the manner specified in Schedule "B" of the Agreement for that part of the Transformation Connection Pool Work and/or the Line Connection Pool Work that cannot be supported by revenue guarantees.

The Actual Cost of the Transformation Connection Pool Work and/or Line Connection Pool Work shall be particularly identified by Networks by no later than 180 calendar days after the Ready for Service Date and Networks shall also provide the Customer with a new Schedule "B" to replace Schedule "B" of the Agreement attached hereto and that new Schedule "B" shall be made a part hereof as though it had been originally incorporated into the Agreement.

If the Actual Cost of the Transformation Connection Pool Work and/or Line Connection Pool Work exceeds the Transformation Connection Pool Work Estimate and/or the Line Connection Pool Work Estimate, the Customer shall pay an additional capital contribution proportionate to the difference between the Actual Cost and the Transformation Connection Pool Work Estimate and/or the Line Connection Pool Work Estimate (plus applicable taxes) within 30 days after the date of Networks' invoice therefor.

The Actual Cost of the Transformation Connection Pool Work and/or Line Connection Pool Work less any Capital Contribution paid by the Customer is a debt owed to Networks by the Customer and subject to Sections 13 and 14 below, that debt shall be paid by the Customer to Networks on the earlier of the following dates:

- (i) the Guaranteed Revenue Date; and
- (ii) the date of termination of the Agreement.

13(a). Notwithstanding Section 12, the parties further agree that, provided that the Actual Incremental Transformation Connection Revenue and/or the Actual Incremental Line Connection Revenue received by Networks is equal to or exceeds the Guaranteed Incremental Transformation Connection Revenue and/or Guaranteed Incremental Line Connection Revenue for a specified period, Networks will forgive an amount of the foregoing debt equal to the amount of the Guaranteed Incremental Transformation

Connection Revenue and/or Guaranteed Incremental Line Connection Revenue specified for the period in question PROVIDED THAT the Customer's peak load met or exceeded the Available Capacity during at least one month of the twelve month period in question.

13(b). Commencing on the first anniversary of the Ready for Service Date and every year thereafter during the Term, if the Customer's peak load fails to meet or exceed the Available Capacity during at least one month of the a period, the Customer will not receive a credit for that period and the Customer shall pay Networks the Guaranteed Incremental Transformation Connection Revenue specified for the period in question by no later than 30 days after the date of Networks' invoice therefor.

13(c). Commencing on the fifth anniversary of the Ready for Service Date and every fifth year thereafter during the Term, if the Actual Incremental Transformation Connection Revenue and/or Actual Incremental Line Connection Revenue received by Networks is less than the Guaranteed Incremental Transformation Connection Revenue and/or Guaranteed Incremental Line Connection Revenue specified for the previous five periods in question, the Customer shall pay Networks the difference by no later than 30 days after the date of Networks' invoice therefor.

13(d). For every period during the term, with the exception of every fifth period commencing on the fifth anniversary of the Ready for Service Date and every fifth year thereafter, if the Actual Incremental Transformation Connection Revenue and/or Actual Incremental Line Connection Revenue received by Networks is less than the Guaranteed Incremental Transformation Connection Revenue and/or Guaranteed Incremental Line Connection Revenue specified for the period in question and such difference is less than 20% of the Guaranteed Incremental Transformation Connection Revenue and/or Guaranteed Incremental Line Connection Revenue specified for the period in question, the Customer shall be entitled to carry forward that amount (the "Carry Forward Amount"), which shall be added to the Guaranteed Incremental Transformation Connection Revenue and/or Guaranteed Incremental Line Connection Revenue for the following period to result in a Revised Guaranteed Incremental Transformation Connection Revenue and/or Revised Guaranteed Incremental Line Connection Revenue for the next following period.

Thereafter any reference to:

- (I) Guaranteed Incremental Transformation Connection Revenue in the Agreement shall mean the greater of Guaranteed Incremental Transformation Connection Revenue for the period in question and the Revised Guaranteed Incremental Transformation Connection Revenue; AND
- (II) Guaranteed Incremental Line Connection Revenue in the Agreement shall mean the greater of Guaranteed Incremental Line Connection Revenue for the period in question and the Revised Guaranteed Incremental Line Connection Revenue.

13(e). Notwithstanding Section 13(c) above, if in any period during the Term, the Actual Incremental Transformation Connection Revenue and/or Actual Incremental Line Connection Revenue received by Networks is less than the Guaranteed Incremental Transformation Connection Revenue and/or Guaranteed Incremental Line Connection Revenue specified for the period in question and such difference is greater than 20% of the Guaranteed Incremental Transformation Connection Revenue and/or Guaranteed Incremental Line Connection Revenue specified for the period in question, the Customer shall pay Networks the difference by no later than 30 days after the date of Networks' invoice therefor.

13(f) Commencing on the fifth anniversary of the Ready for Service Date and every fifth year thereafter, if the Actual Incremental Transformation Connection Revenue and/or Actual Incremental Line Connection Revenue received by Networks is more than the Guaranteed Incremental Transformation Connection Revenue and/or Guaranteed Incremental Line Connection Revenue specified for the five periods in question, Networks will reduce the amount of debt owing by the Customer by reducing the amount of Guaranteed Incremental Transformation Connection Revenue and/or Guaranteed Incremental Line Connection Revenue that must be received by Networks during the next five periods shown in Schedule B of the Agreement such that the total reduction over the next five periods is equal to the excess amount received by Networks. This may have the effect of shortening the Term of the Agreement.

13(g). The Customer acknowledges and agrees that:

- (a) the Incremental Transformation Connection Revenue is distinct revenue that does not include Transformation Connection revenue derived from Base Load Trigger Point or any network revenue; and
- (b) the Incremental Line Connection Revenue is distinct revenue that does not include Line Connection revenue derived from Base Load Trigger Point or any network revenue.

14. The Customer shall pay Networks Actual Cost of the Networks Connection Work described as Non-Poolable Work in Schedule "A" of the Agreement which is estimated to be the amount specified in Schedule "B" of the Agreement (plus applicable taxes) in the manner specified in Schedule "B" of the Agreement.

Within 60 days after the Ready for Service Date, Networks shall provide the Customer with a final invoice or credit memorandum which shall indicate whether the amounts already paid by the Customer exceeds or is less than the Actual Cost of the Non-Poolable Work. Any difference between the Actual Cost of the Non-Poolable Work (plus applicable taxes) and the amount already paid by the Customer shall be paid within 30 days after the rendering of the said final invoice or credit memorandum, by Networks to the Customer, if the amount already paid by the Customer exceeds the Actual Cost of the Non-Poolable Work (plus applicable taxes), or by the Customer to Networks, if the amount already paid by the Customer is less than the Actual Cost of the Non-Poolable Work (plus applicable taxes).

15. As the Project is schedule-driven and as the estimated costs specified in Schedule "B" of the Agreement are based upon normal timelines for delivery of material and performance of work, in addition to the amounts that the Customer is required to pay pursuant to Section 12 and 14 above, the Customer agrees to pay Networks' Premium Costs if the Customer causes or contributes to any delays, including, but not limited to, the Customer failing to execute the Agreement by the Execution Date specified in Schedule "A" of the Agreement.

Networks will obtain the Customer's approval prior to Networks' authorizing the purchase of materials or the performance of work that will attract Premium Costs. The Customer acknowledges that its failure to approve an expenditure of Premium Costs may result in further delays and Networks will not be liable to the Customer as a result thereof. The Customer shall pay any prior-approved Premium Costs within 30 calendar days after the date of Networks' final invoice therefor, billable at the end of the project. Interest shall be payable at the rate of 18 per cent per year on all overdue payments. The obligation to pay any amount hereunder shall survive the termination of the Agreement.

16(a) If the Project is cancelled, the Agreement is terminated for any reason whatsoever other than breach of the Agreement by Networks, the Customer shall pay Networks' Actual Costs incurred on and prior to the date that the Project is cancelled or the Agreement is terminated, including the preliminary design costs and all costs associated with the winding up of the Project, including, but not limited to, storage costs, facility removal expenses and any environmental remediation costs.

If the Customer provides written notice to Networks that it is cancelling or deferring the Project, Networks shall have 10 Business Days to provide written notice to the Customer listing the individual items listed as materials which it agrees to purchase. Networks shall deduct the actual costs of those individual items of materials being purchased by Networks from the Actual Costs referred to above.

If Networks does not require all or part of the materials, the Customer may exercise any of the following options or a combination thereof:

- (i) where materials have been ordered but all or part of the materials have not been received by Networks, the Customer shall have the right to require Networks, at the Customer's sole expense, to continue with the purchase of the materials and transfer title to those materials on an "as is, where is basis" to the Customer upon the Customer paying Networks's Actual Costs provided that the Customer exercises this option within 15 Business Days of the termination, cancellation or deferral;
- (ii) where all or part of the materials have been received by Networks but have not been installed, the Customer shall have the right to require Networks, at the Customer's sole expense, to transfer title to the materials on an "as is, where is basis" to the Customer upon the Customer paying Networks's Actual Costs provided that the Customer exercises this option within 15 Business Days of the termination, cancellation or deferral. The Customer shall also be responsible for any warehousing costs associated with the storage of the materials to the date of transfer; or
- (iv) where all or part of the materials have been received by Networks and have been installed, the Customer shall have the right to require Networks, at the Customer's sole expense, to: transfer title to the materials on an "as is, where is basis" to the Customer upon the later of (A) the Customer paying Networks's Actual Costs; and (B) the date that Networks removes the materials from its property at the risk of the Customer; provided that the Customer exercises this option within 15 Business Days of the termination, cancellation or deferral. The Customer shall also be responsible for any costs associated with the installation and the removal of the materials that have been installed by Networks.

The Customer shall pay Networks' Actual Costs which become payable under this Section within 30 calendar days after the date of invoice.

16(b). If the Customer wishes to defer the Project, the Parties will negotiate the terms of such deferral.

17. In the event that the Customer sells, leases or otherwise transfers or disposes of the Customer's Facilities to a third party during the Term of the Agreement, the Customer shall cause the purchaser, lessee or other third party to whom the Customer's Facilities are transferred or disposed to enter into an assumption agreement with Networks to assume all of the Customer's obligations in the Agreement; and notwithstanding such assumption agreement, the Customer shall remain obligated to pay the amounts thereafter

payable pursuant to Sections 12, 13, 14, 15 and 16 by the purchaser, lessee or other third party in the case of a transfer or disposition. The Customer further acknowledges and agrees that in the event that all or a portion of the Customer's Facilities are shut down, abandoned or vacated for any period of time during the Term of the Agreement, the Customer shall remain obligated to pay the amounts payable pursuant to Sections 12, 13, 14 and 15 for the said time period.

18. The Customer, whenever required by Networks to do so, shall furnish security satisfactory to Networks for the performance by the Customer of its obligations for pooled and non-pooled costs under the Agreement, and shall maintain the security in full force and effect during the continuance of the Agreement. The security must be in a form acceptable to Networks and may be an irrevocable letter of credit given by a bank chartered in Canada, a surety bond given by a surety company acceptable to Networks, negotiable bonds satisfactory to Networks or a cash deposit. The security provided shall not exceed the remaining amounts owing in respect of the Non-Pool Work and Transformation Connection Pool Work and/or Line Connection Pool Work less any capital contributions.

The Customer, if not in default under the Agreement shall be entitled to the interest payable on negotiable bonds held as security or the interest on cash deposits at the prevailing rate paid by Networks on cash deposits. Where the Customer has furnished any of the forms of security hereinbefore specified, the Customer if not in default as aforesaid shall have the right at any time to substitute for the security any other of the forms of security acceptable to Networks. If at any time the security furnished to Networks becomes unsatisfactory to Networks, the Customer upon request of Networks shall promptly furnish security, within fifteen (15) Business Days of receipt of notice, that is satisfactory to Networks. Security held in regards to the Agreement shall be returned to the Customer once obligations are fulfilled.

Upon or any time after the occurrence or deemed occurrence of an Event of Default and the expiry of the rectification period set forth in Section 23, Networks may do any one or more of the following: (i) exercise its rights and remedies as a secured party with respect to all security, including any such rights and remedies under Applicable Laws then in effect; (ii) exercise its rights of set-off against any and all property of the Customer in the possession of Networks or its agent; (iii) draw on any outstanding letter of credit issued for its benefit; and (iv) liquidate all security then held by or for the benefit of Networks free from any claim or right of any nature whatsoever of the Customer, including any equity or right of purchase or redemption by the Customer. Networks shall apply the proceeds of the collateral realised upon the exercise of any such rights or remedies to reduce the Customer's obligations under the Agreement (the Customer remaining liable for amounts owing to Networks after such application), subject to Networks' obligation to return any surplus proceeds remaining after such obligations are satisfied in full.

Part C:

19. In the event that the Transformation Connection Service Rate or the Line Connection Service Rate is rescinded or the methodology of determination or components is materially changed, the Parties agree to negotiate a new mechanism for the purposes of the Agreement. The Parties shall have 90 calendar days from the effective date of rescission or fundamental change of the Transformation Connection Service Rate or the Line Connection Service Rate to agree to a new mechanism. If the Parties are unable to successfully negotiate a replacement within that 90 calendar day period, they shall submit to arbitration, in accordance with the requirements of the Transmission System Code (or the Connection Agreement attached thereto); or if there is no arbitration provision in the Transmission System Code (or the Connection Agreement attached thereto), to the requirements of the *Arbitration Act* (Ontario), as amended, to settle on a new

mechanism. The decision of the arbitrator shall be binding on each party with no right of appeal.

The terms of reference of the arbitration shall be to identify a new mechanism that is, to the extent possible, fair to the parties and constitutes a reasonably comparable replacement for the Transformation Connection Service Rate or the Line Connection Service Rate.

Any settlement on a new mechanism pursuant to this Section 19 shall apply retroactively from the date on which the Transformation Connection Service Rate or the Line Connection Service Rate was rescinded or fundamentally changed. Until such time as a new mechanism is determined hereunder, any amounts to be paid by the Customer under the Agreement shall be based on the Transformation Connection Service Rate or the Line Connection Service Rate in effect prior to the effective date of any such changes.

20.1 The Customer:

- (a) shall not Transmit or Distribute electricity using the Customer's Facilities to any load now or hereafter supplied from Networks' Facilities or Third Party Facilities and if the Customer does so, the Customer shall pay Networks an amount equal to the avoided applicable Transmission Rates as if the load remained on Networks' Facilities or the Third Party Facilities, as the case may be, until the date that:
 - (i) Networks' Facilities or the Third Party Facilities are removed from service at end-of-useful-life and are not replaced by new transmission facilities; or
 - (ii) Networks requires Networks' Facilities to provide transmission services to other Customers or the affected third party requires the Third Party Facilities to supply its customers.
- (b) shall not permit any third party to transmit or distribute electricity using or by connecting to the Customer's Facilities or in any other manner, to any load now or hereafter supplied from Networks' Facilities or the Third Party Facilities and if the Customer does so, the Customer shall pay Networks an amount equal to the avoided applicable Transmission Rates as if the load remained on Networks' Facilities or the Third Party Facilities until the date that:
 - (i) Networks' Facilities or the Third Party Facilities are removed from service at end-of-useful-life and are not replaced by new transmission facilities; or
 - (ii) Networks requires Networks' Facilities to provide transmission services to other customers or the affected third party requires the Third Party Facilities to supply its customers.
- (c) shall not supply new load growth using the Customer's Facilities or the Third Party Facilities when Networks has spare capacity available at Networks' Facilities to supply such load; and if it does so, the Customer shall pay Networks an amount equal to the avoided applicable Transmission Rates by paying as if the new load were supplied from the Networks Facilities. Notwithstanding the foregoing, the Customer will not owe any amounts to the Networks, if the Customer can demonstrate to the satisfaction of the Networks, acting reasonably, that it would have been uneconomic or inefficient for the Customer to supply the load growth in question using Networks' Facilities.
- (d) shall cause the purchaser, lessee or other third party to whom the Customer sells, leases, or otherwise transfers or disposes of the Customer's Facilities to enter into an assumption agreement

with Networks to assume all of the Customer's obligations under this Section 20.1.

20.2 Nothing contained within this Agreement, including, without limiting the generality of the foregoing, Section 20.2, shall preclude, prevent, prohibit or operate as a waiver of any of the Parties' rights to:

- (i) make application to the OEB;
- (ii) participate in any hearings before the OEB; or
- (iii) make any appeals to a Court of competent jurisdiction regarding any decision by the OEB,

with respect to any matter, issue, thing, interpretation, consideration or consequence whatsoever that is related to:

- A. the Transmission or Distribution of electricity to any load now or hereafter supplied from Networks' Facilities or the facilities of any licensed electricity distributor by the Customer or by a third party using the Customer's Facilities to supply said load;
- B. the interpretation or application of Section 20.1 above; and
- C. the Transmission and Distribution of electricity to any load now or hereafter supplied from Networks facilities other than Networks' Facilities or from facilities of any licensed electricity distributor by any other Customer or by a third party.

20.3 Section 20.1 shall be subject to and applied in accordance with any Order or decision made by the OEB or any court with respect to any matter, issue, thing, interpretation, consideration or consequence that relates to:

- (i) the Transmission and Distribution of electricity to any load now or hereafter supplied from Networks' Facilities or the facilities of any licensed distributor by the Customer or by a third party using the Customer's Facilities to supply said load; and
- (ii) the terms and conditions of Section 20.1.

20.4 With respect to any Order or decision of the OEB or a court relating to the Transmission or Distribution of electricity to any load now or hereafter supplied from facilities other than Networks' Facilities or from the facilities of any licensed distributor by any Customer other than by the Customer or by a third party, the parties acting reasonably shall agree in writing as to application of said Order or decision to Section 20.1 and to any amendments thereto.

20.5 Sections 20.1 to 20.4 inclusive shall survive the termination of this Agreement and will be terms of any Connection Agreement or such other agreement as required by the Transmission System Code that is applicable to the owner and/or operator of the Customer's Facilities.

Part D: Easement

21. If specified in Schedule "A" that an easement is required, the Customer shall or the Customer shall cause the third party specified in Schedule "A" to grant an easement to Hydro One substantially in the form of the easement that will be attached hereto as Appendix "C", if required, for the property described as the Easement Lands in Schedule "A" by no later than the date specified as the Easement Date in Schedule "A" (hereinafter referred to as the "Easement") with good and marketable title thereto, free of all encumbrances, first in priority except as noted herein, and in registerable form, in consideration of the sum of \$2.00.

The above Easement shall be for a term of 80 years commencing on the In-Service Date provided that in the event that Networks removes the asset that is the subject of the Easement during the 80-year period, Networks shall surrender the Easement at that time. With respect to the Easement, after the expiry of the 80-year period, the parties agree to enter into good faith negotiations for an extension of the Easement term, if one or the other, or both, of the parties so request. Subject to the foregoing, the Easement shall survive the termination of the Agreement.

Part E: Events of Default

22. Each of the following events shall constitute an "Event of Default" under the Agreement:

- (a) failure by the Customer to pay any amount due under the Agreement, including any amount payable pursuant to Sections 12, 13, 14, 15 or 16 within the time stipulated for payment;
- (b) breach by the Customer or Networks of any Material term, condition or covenant of the Agreement; or
- (c) the making of an order or resolution for the winding up of the Customer or of its operations or the occurrence of any other dissolution, bankruptcy or reorganization or liquidation proceeding instituted by or against the Customer.

23. Upon the occurrence of an Event of Default by the Customer hereunder (other than those specified in section 22(c) of the Agreement, for which no notice is required to be given by Networks), Networks shall give the Customer written notice of the Event of Default and allow the Customer 30 calendar days from the date of receipt of the notice to rectify the Event of Default, at the Customer's sole expense. If such Event of Default is not cured to Networks' reasonable satisfaction within the 30 calendar day period, Networks may, in its sole discretion, exercise the following remedy in addition to any remedies that may be available to Networks under the terms of the Agreement, at common law or in equity: deem the Agreement to be repudiated and, after giving the Customer at least 10 calendar days' prior written notice thereof, recover, as liquidated damages and not as a penalty, the balance of the amounts payable by the Customer pursuant to Sections 12, 13, 14, 15 and 16.

24. Upon the occurrence of an Event of Default by Networks hereunder, the Customer shall give Networks written notice of the Event of Default and shall allow Networks 30 calendar days from the date of receipt of the notice to rectify the Event of Default at Networks' sole expense. If such Event of Default is not cured to the Customer's reasonable satisfaction within the 30 calendar day period, the Customer may pursue any remedies available to it at law or in equity, including at its option the termination of the Agreement.

25. All rights and remedies of Networks and the Customer provided herein are not intended to be exclusive but rather are cumulative and are in addition to any other right or remedy otherwise available to Networks and the Customer respectively at law or in equity, and any one or more of Networks' and the Customer's rights and remedies may from time to time be exercised independently or in combination and without prejudice to any other right or remedy Networks or the Customer may have or may have exercised. The parties further agree that where any of the remedies provided for and elected by the non-defaulting party are found to be unenforceable, the non-defaulting party shall not be precluded from exercising any other right or remedy available to it at law or in equity.

In addition to any other remedy provided hereunder, all overdue amounts that are outstanding for longer than 30 days shall bear interest at 18% per annum.

Part F: Capital Contributions and Transmission System Code

26. Until Networks' has published and the Ontario Energy Board has accepted Networks' procedure and methodology for determining the requirement for a capital contribution in accordance with Section 4.1 of the *Transmission System Code*, any Capital Contributions paid by the Customer under the terms of this Agreement are subject to adjustment with such adjustment to be solely based on the procedure and methodology accepted by the OEB.

Part G: Liability and Force Majeure

27. Other than for sums payable under the Agreement, the Customer shall only be liable to Networks and Networks shall only be liable to the Customer for any damages that arise directly out of the willful misconduct or negligence in meeting their respective obligations under the Agreement.

Despite the foregoing, neither Party shall be liable under any circumstances whatsoever for any loss of profits or revenues, business interruption losses, loss of contract or loss of goodwill, or for any indirect, consequential, incidental or special damages, including but not limited to punitive or exemplary damages, whether any of the said liability, loss or damages arise in statute, contract, tort or otherwise.

This provision shall survive the termination of the Agreement.

28. Neither party shall be considered to be in default in the performance of its obligations under the Agreement, except obligations to make payments with respect to amounts already accrued, to the extent that performance of any such obligation is prevented or delayed by any cause, existing or future, which is beyond the reasonable control of, and not a result of the fault or negligence of, the affected party ("Force Majeure") and includes, but is not limited to, system operating conditions mandated by the IMO, strikes, lockouts and any other labour disturbances and manufacturer's delays for equipment or materials required for the Networks Connection Work. The non-affected party shall be relieved of any obligation hereunder during the continuation of the event of Force Majeure.

If a party is prevented or delayed in the performance of any such obligation by Force Majeure, such party shall immediately provide notice to the other party of the circumstances preventing or delaying performance and the expected duration thereof. Such notice shall be confirmed in writing as soon as reasonably possible. The party so affected by the Force Majeure shall endeavour to remove the obstacles which prevent performance and shall resume performance of its obligations as soon as reasonably practicable, except that there shall be no obligation on the party so affected by the Force Majeure where the event of Force Majeure is a strike, lockout or other labour disturbance.

Part H: General

29. No amendment, modification or supplement to the Agreement shall be valid or binding unless set out in writing and executed by the parties with the same degree of formality as the execution of the Agreement.

30. The failure of any party hereto to enforce at any time any of the provisions of the Agreement or to exercise any right or option which is herein provided shall in no way be construed to be a waiver of such provision or any other provision nor in any way affect the validity of the Agreement or any part hereof or the right of any party to enforce thereafter each and every provision and to exercise any right or option. The waiver of any breach of the Agreement shall not

be held to be a waiver of any other or subsequent breach. Nothing shall be construed or have the effect of a waiver except an instrument in writing signed by a duly authorized officer of the party against whom such waiver is sought to be enforced which expressly waives a right or rights or an option or options under the Agreement.

31. Each party acknowledges and agrees that it has participated in the drafting of the Agreement and that no portion of the Agreement shall be interpreted less favourably to either party because that party or its counsel was primarily responsible for the drafting of that portion.

32. Any written notice required by the Agreement shall be deemed properly given only if either mailed or delivered to the Secretary, Hydro One Networks Inc., 483 Bay Street, South Tower, 10th Floor, Toronto, Ontario M5G 2P5, fax no: (416) 345-6240 on behalf of Networks, and to the person at the address specified in Schedule "A" of the Agreement on behalf of the Customer.

A faxed notice will be deemed to be received on the date of the fax if received before 3 p.m. or on the next business day if received after 3 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.

33. The Agreement 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, subject to Section 19, the courts of Ontario shall have exclusive jurisdiction to determine all disputes arising out of the Agreement.

34. The Agreement may be executed in counterparts, including facsimile counterparts, each of which shall be deemed an original, but all of which shall together constitute one and the same agreement.

35. The Customer shall provide Networks with a copy of the Customer's final monthly bills associated with Networks' Facilities and/or the Customer's Facilities or authorize the IMO to provide Networks with same. Networks agrees to use this information solely for the purpose of the Agreement.

36. The obligation to pay any amount due and payable hereunder, including, but not limited to, any amounts due under Sections 12, 13, 14, 15 or 16 shall survive the termination of the Agreement.

Appendix "A": Definitions

Throughout the Agreement, unless there is something in the subject matter or context inconsistent therewith, the following words shall have the following meanings:

"Actual Cost" means Networks' charge for equipment, labour and materials at Networks' standard rates plus Networks' standard overheads and interest thereon.

"Actual Incremental Transformation Connection Revenue" means the actual amount of transformation connection revenue attributable to the Incremental Load received by Networks through the monthly collection of the Transformation Connection Service Rate for the period specified in Schedule "B" of the Agreement.

"Actual Incremental Line Connection Revenue" means the actual amount of line connection revenue attributable to the Incremental Load received by Networks through the monthly collection of the Line Connection Service Rate for the period specified in Schedule "B" of the Agreement.

"Agreement" means the Connection Cost Recovery Agreement, Schedules "A" and "B" attached thereto and these Standard Terms and Conditions.

"Applicable Laws", means any and all applicable laws, including environmental laws, statutes, codes, licensing requirements, treaties, directives, rules, regulations, protocols, policies, by-laws, orders, injunctions, rulings, awards, judgments or decrees or any requirement or decision or agreement with or by any governmental or governmental department, commission board, court authority or agency.

"Approval Date" means for the purpose of Subsection 6(f) of the Terms and Conditions, the date specified in Schedule "A" of the Agreement.

"Available Capacity" is that portion of the existing capacity on Networks' Facilities that can effectively and economically serve the Customer's peak load and is as specified in Schedule "B" of the Agreement.

"Base Load Trigger Point" is as specified in Schedule "B" of the Agreement and was determined using the following formula:

Base Load Trigger Point = 3 yr. Avg. PLI * Available Capacity
With:
PLI = [(sum of Twelve Monthly Peaks)/Annual Peak*12]

"Business Day" means a day other than Saturday, Sunday, statutory holiday in Ontario or any other day on which the principal chartered banks located in the City of Toronto, are not open for business during normal banking hours.

"Connection Agreement" has the meaning set forth in the Transmission System Code.

"Connection Point" means the point where the New or Modified Facility is connected to Networks' transmission system.

"Customer Connection Work" means the work to be performed by the Customer, at its sole expense, which is described in Schedule "A" of the Agreement.

"Customer's Facilities" has the meaning set forth in the Transmission System Code, and includes, but is not limited to the New or Modified Facility where the New or Modified Facility is owned by the Customer. In addition to the foregoing, Customer's

Facilities may include any other assets specified in Schedule "A" of the Agreement.

"Customer's Property(ies)" means any lands owned by the Customer in fee simple or where the Customer has easement rights.

"Distribute" has the meaning ascribed thereto in the *Electricity Act, 1998*.

"Emergency" has the meaning set forth in the Transmission System Code.

"Good Utility Practice" has the meaning set forth in the Transmission System Code.

"Guaranteed Transformation Connection Revenue" means the minimum amount of transformation connection revenue specified in Schedule "B" attributable to the Load to be received by Networks through the monthly collection of the Transformation Connection Service Rate for the period specified in Schedule "B".

"Guaranteed Line Connection Revenue" means the minimum amount of line connection revenue specified in Schedule "B" of the Agreement attributable to the Load to be received by Networks through the monthly collection of the Line Connection Service Rate for the period specified in Schedule "B" of the Agreement.

"Guaranteed Revenue Date" means, for the purposes of Section 2 of the Terms and Conditions, the date specified in Schedule "B" of the Agreement.

"IMO Rules" means the Independent Market Operator (IMO) administered Market Rules, including, but not limited to Chapter 6 thereof.

"In Service Date" means the date that the IMO has approved the final connection of the New or Modified Facility.

"Incremental Load" is determined using the following formula:

[(sum of Twelve Monthly Peaks) - (Base Load Trigger Point *12)]

"Line Connection Pool" is as defined or referenced in Networks' transmission rate schedules approved by the OEB on Open Access (being the date that Section 26(1) of the *Electricity Act, 1998* (being Schedule "A" of the *Energy Competition Act, S.O. 1998, c. 15*) comes into force.

"Line Connection Service Rate" means Networks' line connection service rate approved by the Ontario Energy Board ("OEB") from time to time, or any mechanism instituted in accordance with Section 19).

"Material" relates to the essence of the contract, more than a mere annoyance to a right, but an actual obstacle preventing the performance or exercise of a right.

"Networks Connection Work" means the work to be performed by Networks which is described in Schedule "A" of the Agreement.

"Networks' Facilities" means collectively the Networks' Facilities - LV and the Networks' Facilities - HV.

"Networks' Facilities - HV" means the facilities owned by Networks specified in Schedule "A" of the Agreement that convey electricity at voltages of more than 50 kilovolts.

“**Networks’ Facilities – LV**” means the facilities owned by Networks specified in Schedule “A” of the Agreement that convey electricity at voltages of 50 kilovolts or less.

“**Networks’ Property(ies)**” means any lands owned by Networks in fee simple or where Networks now or hereafter has obtained easement rights.

“**New or Modified Facility**” means the facilities specified in Schedule “A” of the Agreement.

“**Premium Costs**” means those costs incurred by Networks in order to maintain or advance the Ready for Service Date, including, but not limited to, additional amounts expended for materials or services due to short time-frame for delivery; and the difference between having Networks’ employees, agents and contractors perform work on overtime as opposed to during normal business hours.

“**Ready for Service Date**” means the date upon which the Networks Connection Work is fully and completely constructed, installed, commissioned and energised to the Connection Point. The Customer’s disconnect switches must be commissioned prior to this date in order to use them as isolation points.

“**Third Party Facilities**” means any and all equipment, elements, and facilities of any kind whatsoever owned by someone other than the parties to this connection agreement and that are connected to Networks’ transmission system.

“**Transformation Connection Pool**” is as defined or referenced in Networks’ transmission rate schedules approved by the OEB on Open Access (being the date that Section 26(1) of the *Electricity Act, 1998* (being Schedule “A” of the *Energy Competition Act, S.O. 1998, c. 15*) comes into force.

“**Transformation Connection Service Rate**” means Networks’ transformation connection service rate approved by the Ontario Energy Board (“OEB”) from time to time, or any mechanism instituted in accordance with Section 19).

“**Transmission Rate**” has the meaning set forth in the form of Connection Agreement attached to the Transmission System Code.

“**Transmission System Code**” means the code of standards and requirements issued by the OEB on July 14, 2000, as it may be amended from time to time, setting forth mandatory terms, conditions and obligations regarding connections between the facilities of distributors and the facilities of transmitters in accordance with the requirements of the *Ontario Energy Board Act, 1998*, including mandatory required terms and conditions for Connection Agreements.

“**Transmit**” has the meaning ascribed thereto in the *Electricity Act, 1998*.

Appendix "B": Access Provisions

1. When the Customer's staff, its contractors, or agents work at Networks' Facilities or site, Networks' safety and environmental requirements shall be observed by such staff, contractors and agents. As a minimum, all Applicable Laws shall govern such work.

2. The Customer's staff, its contractors, or agents working at Networks' Facilities or site shall be qualified to work around electrical hazards.

3. The Customer's staff, its contractors, or agents shall be entitled to access Networks' Facilities or site, and Networks will grant such access, to carry out work at all reasonable times on reasonable prior notice to Networks, subject to Networks' policies and procedures.

4. If the Customer wishes to have access to Networks' Facilities, the Customer shall notify Networks of the particular work to be undertaken and of the date and time when it proposes to access the relevant Facilities, subject to Networks' policies and procedures. Networks shall not unreasonably withhold access to its Facilities.

5. At any time when the Customer or its representatives are on or in Networks' site, the Customer and its representatives shall:

- (a) use all reasonable precautions not to damage or interfere with Networks' site and Facilities;
- (b) observe Networks' requirements for reporting occupational health and safety, electrical safety, environmental requirements, technical requirements, and matters of industrial relations; and
- (c) neither ask questions, nor give any direction, instruction or advice to any person involved in operating or maintaining Networks' site or Facilities, other than the person whom Networks has designated for that purpose.

6. If the Customer or its representatives cause any loss or damage when given access to Networks', the Customer or its representative shall promptly advise Networks' controlling authority of the loss or damage.

7. The Customer shall not, and shall ensure that its representatives do not, intentionally interfere with any of Networks' Facilities in or on its sites. The Customer shall use reasonable efforts not to cause loss or damage to Networks' Facilities. If the Customer interferes with any of Networks' Facilities, it shall indemnify Networks for reasonable costs and expenses incurred from any resulting loss or damage.

8. In an emergency, Networks may, as far as reasonably necessary in the circumstances, have access to and interfere with the Customers' Facilities. Networks shall use reasonable efforts not to cause loss or damage to the Customer's Facilities. If Networks interferes with any of the Customer's Facilities, it shall indemnify the Customer for reasonable costs and expenses incurred from any resulting loss or damage.

9. Where the Customer requests assistance from Network beyond routine OM&A activities, the Customer shall pay Networks its Actual Costs related to the Customer's staff, contractors or agents accessing Network's Facilities or sites, including, but not limited to, the cost of having a Networks representative accompany the Customer's staff, contractors, or agents accessing Network's Facilities or sites in accordance with the invoices rendered by Networks.

10. The Customer shall indemnify and save harmless Networks from and against all liabilities, damages, suits, claims, demands, costs, actions, proceedings, causes of action, losses, expenses and injury (including death) of any kind or nature whatsoever (the "causes of action") resulting from, caused by or in any manner connected with installed Customer equipment on Networks' Facilities or sites or Customer's staff, its contractors, or agents accessing Network's Facilities or sites including, but not limited to:

- (a) causes of actions arising out of health and safety violations or environmental spills;
- (b) costs incurred by Networks having to pay other customers due to interruptions caused by the Customer;
- (c) damage to Networks equipment;
- (d) incremental costs and expenses incurred by Networks related to the Customer's equipment installations, removals, relocations, upgrades, or any other Customer work.

except to the extent that the "causes of action" are caused by the negligence or willful misconduct of Networks.

11. Where Networks staff, contractors, or agents require access to the Customer's Facilities or site, clauses 1 to 10 will apply reciprocally.

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – Lincoln Heights TS- B2 Bus Replacement**

THIS SIMPLIFIED CONNECTION AND COST RECOVERY AGREEMENT made between Hydro One Networks Inc. (“**Hydro One**”) and Hydro Ottawa Limited (**the “Customer”**) dated July 17, 2020.

WHEREAS

(a) The Customer intends to replace all their metalclad cells associated with the B2 bus at the station. A transition cell is required to connect the Customer’s new metalclad cells/switchgear with Hydro One’s existing cells. Additionally, the Customer’s intends to replace and relocate their equipment out of the metalclad switchgear room (**the “Project”**)

(b) Hydro One is agreeable to performing the work required for the Project on the following terms and conditions, including but not limited to the Project cost and the Project schedule being subject to the Customer executing and delivering this Agreement to Hydro One by no later than the 17th day of July , 2020 (**the “Execution Date”**).

NOW THEREFORE in consideration of the mutual covenants, agreements, terms and conditions herein and other good and valuable consideration, the receipt and sufficiency of which is hereby irrevocably acknowledged, the parties agree as follows:

1. Each of the parties hereto confirms the truth and accuracy of the recitals and agrees that the recitals form part of this Agreement.

2. Subject to Section 13 and the termination rights herein, the Agreement shall be in full force and effect and binding on the parties as of the date that Hydro One executes the Agreement (**the “Effective Date”**) and shall expire on the date that the Customer pays Hydro One the final invoice in full for Work Chargeable to Customer or

Hydro One issues a refund to the Customer in accordance with Section 10 hereof (**the “Term”**).

3. 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 the Agreement and to perform its obligations hereunder;
- (c) the execution, delivery and performance of the 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 Material contracts or instruments to which it is bound; or (iii) any Applicable Laws;
- (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) the Agreement constitutes a legal and binding obligation on it, enforceable against it in accordance with its terms;

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- (f) it is registered for purposes of Part IX of the Excise Tax Act (Canada). The HST registration number for Hydro One is [REDACTED] and the HST registration number for the Customer is as specified in Schedule “C” of the Agreement; and
- (g) no proceedings have been instituted by or against it with respect to bankruptcy, insolvency, liquidation or dissolution.

Part A: Work Chargeable to Customer and Customer Work

4. The Customer and Hydro One shall perform their respective obligations outlined in the Agreement in a manner consistent with Good Utility Practice and the Transmission System Code, in compliance with all Applicable Laws, including, but not limited to the requirements of the Electrical Safety Authority, and using duly qualified and experienced people.

5. The parties acknowledge and agree that:

- (a) Hydro One is responsible for obtaining any and all permits, certificates, reviews and approvals required under any Applicable Laws with respect to the Work Chargeable to Customer;
- (b) the Customer is responsible for obtaining any and all permits, certificates, reviews and approvals required under any Applicable Laws with respect to the Customer Work;
- (c) the Customer shall perform the Customer Work at its own expense;
- (d) the Customer is responsible for installing equipment and facilities such as protection and control equipment to protect its own property, including, but not limited to the Customer’s Facilities;

- (e) the Customer shall provide Hydro One with Project data required by Hydro One, including, but not limited to: (i) the same technical information that the Customer provided the IESO during any connection assessment and facility registration process associated with the Customer’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 Customer’s Facilities;

- (f) Hydro One may participate in the commissioning, inspection or testing of the Customer Work at a time that is mutually agreed by Hydro One and the Customer and the Customer shall ensure that the work performed by the Customer and others required for successful commissioning, inspection or testing of protective equipment is completed as required to enable Hydro One witnessing and testing to confirm satisfactory performance of such systems;

- (g) unless otherwise provided herein, Hydro One’s responsibilities under the Agreement with respect to the connection of the New or Modified Connection Facilities to Hydro One’s transmission system shall be limited to the performance of the Work Chargeable to Customer;

- (h) Hydro One is not permitted to connect any new, modified or replacement Customer’s Facilities unless any required connection authorizations, certificate of inspection or other applicable approval have been issued or given by the Ontario Electrical Safety Authority in relation to such facilities;

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- (i) Hydro One may require that the Customer provide Hydro One with test certificates certifying that the Customer's Facilities have passed all relevant tests and comply with the Transmission System Code, the Market Rules, Good Utility Practice, the standards of all applicable reliability organizations and any Applicable Laws, including, but not limited to any certificates of inspection that may be required by the Ontario Electrical Safety Authority;
- (j) in addition to the Work Chargeable to Customer described in Schedule "A", Hydro One shall provide the Customer with such technical parameters as may be required to assist the Customer in ensuring that the design of the Customer's Facilities is consistent with the requirements applicable to Hydro One's transmission system and the basic general performance standards for facilities set out in the Transmission System Code, including Appendix 2 thereof;
- (k) if Hydro One requires access to the Customer's Facilities for the purposes of performing the Work Chargeable to Customer or the Customer requires access to Hydro One's facilities for the purposes of the Customer's Work, the parties agree that Section 27.13 of the Connection Agreement shall govern such access and is hereby incorporated in its entirety by reference into, and forms an integral part of the Agreement. All references to "this Agreement" in Section 27.13 of the Connection Agreement shall be deemed to be a reference to this Agreement;
- (l) the Customer shall enter into a Connection Agreement or amendment as required with Hydro One at least 14 calendar days prior to the connection; and
- (m) the Customer shall provide Hydro One with copies of the documentation specified in Schedule "C" of the Agreement under the heading "Documentation Required", acceptable to Hydro One, within 120 calendar days after the Ready for Service Date. The Customer shall ensure that Hydro One may retain this documentation for Hydro One's ongoing planning, system design, and operating review. The Customer shall also maintain and revise such documentation to reflect changes to the Customer's Facilities and provide copies to Hydro One on demand and as specified in the Connection Agreement.
6. The Work Chargeable to Customer and Hydro One's rights and requirements hereunder, including, but not limited to Hydro One's:
- (i) specifications of the protection equipment on the Customer's side of the Connection Point;
- (ii) review and acceptance of power system components on the Customer's side of the Connection Point;
- (iii) acceptance of the technical specifications (including electrical drawings) for the Customer's Facilities; and
- (iv) participation in the commissioning, inspection and testing of the Customer's Facilities;
- are solely for the purpose of Hydro One ensuring that the Customer's Facilities will not materially reduce or adversely affect the reliability of Hydro One's transmission

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system and do not adversely affect other customers connected to Hydro One's transmission system.

7. Hydro One shall use reasonable efforts to complete the Work Chargeable to Customer by the 15 day of December , 2022 **(the "Ready for Service Date")** provided that:

- (a) the Customer is in compliance with its obligations under the Agreement;
- (b) any work required to be performed by third parties has been performed in a timely manner and in a manner to the satisfaction of Hydro One, acting reasonably;
- (c) there are no delays resulting from Hydro One not being able to obtain outages from the IESO required for the Work Chargeable to Customer or from the IESO making changes to the Work Chargeable to Customer or the scheduling of all or a portion thereof;
- (d) Hydro One does not have to use its employees, agents and contractors performing the Work Chargeable to Customer elsewhere on its transmission system or distribution system due to an Emergency (as that term is defined in the Transmission System Code) or a Force Majeure Event;
- (e) Hydro One is able to obtain the materials and labour required to perform the Work Chargeable to Customer with the expenditure of Premium Costs where required;
- (f) there are no delays resulting from Hydro One being unable to obtain materials or equipment required from suppliers in time to meet the project schedule for any portion of the Work

Chargeable to Customer provided that such delays are beyond the reasonable control of Hydro One; and

(g) the Customer executed the Agreement on or before the date specified as the Execution Date in the recitals.

8. Upon completion of the Work Chargeable to Customer, Hydro One shall own, operate and maintain all equipment and facilities installed by Hydro One as part of the Work Chargeable to the Customer in, under, on, over, along, upon, through and crossing Hydro One's Property(ies).

The Customer acknowledges that:

- (i) ownership and title to the equipment referred to above shall throughout the Term and thereafter remain vested in Hydro One and the Customer shall have no right of property therein; and
- (ii) that any portion of the equipment referred to above that is located on the Customer's Property(ies) shall be and remain the property of Hydro One and shall not be or become fixtures and/or part of the Customer's Property(ies).

9. The Customer acknowledges and agrees that Hydro One is not responsible for the provision of power system components on the Customer's Facilities, including, without limitation, all transformation, switching, metering and auxiliary equipment such as protection and control equipment.

All of the power system components on the Customer's side of the Connection Point including, without limitation, all transformation, switching and auxiliary equipment such as protection and control equipment shall be subject to the acceptance of Hydro One with regard to Hydro One's requirements to permit connection of the New or Modified

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Connection Facilities to Hydro One's transmission system and shall be installed, maintained and operated in accordance with all Applicable Laws, codes and standards, including, but not limited to, the Transmission System Code, at the expense of the Customer.

Where Hydro One has equipment for automatic reclosing of circuit breakers after an interruption for the purpose of improving the continuity of feeder connection, it shall be the obligation of the Customer to provide adequate protective equipment for the Customer's Facilities that might be adversely affected by the operation of such reclosing equipment. The Customer shall provide such equipment as may be required from time to time by Hydro One for the prompt disconnection of any of the Customer's apparatus that might affect the proper functioning of Hydro One's reclosing equipment.

Part B: Work Chargeable to Customer

10. The Customer shall pay Hydro One's Engineering and Construction Cost (plus applicable Taxes) of the Work Chargeable to Customer which is estimated to be the amount specified in Schedule "C" of the Agreement in the manner specified in Schedule "C" of the Agreement.

Within 180 days after the Ready for Service Date, Hydro One shall provide the Customer with an invoice or a credit memorandum specifying the actual Engineering and Construction Cost of the Work Chargeable to Customer (plus applicable Taxes). Any difference between the Engineering and Construction Cost of the Work Chargeable to Customer (plus applicable Taxes) and the amount already paid by the Customer shall be paid within 30 days after the issuance of the invoice or credit memorandum by:

- (a) Hydro One to the Customer, if the amount already paid by the Customer exceeds the Engineering and Construction Cost of the Work Chargeable to Customer (plus Taxes); or
- (b) the Customer to Hydro One, if the amount already paid by the Customer is less than the Engineering and Construction Cost of the Work Chargeable to Customer (plus Taxes).

Part C: Events of Default

11. Each of the following events shall constitute an "Event of Default" under the Agreement:

- (a) failure by the Customer to pay any amount due under this Agreement, including any amount payable pursuant to Section 10 within the time stipulated for payment;
- (b) breach by the Customer or Hydro One of any Material term, condition or covenant of the Agreement; or
- (c) the making of an order or resolution for the winding up of the Customer or of its operations or the occurrence of any other dissolution, bankruptcy or reorganization or liquidation proceeding instituted by or against the Customer.

For greater certainty, a dispute will not be considered an Event of Default under the Agreement. However, a party's failure to comply with the terms of a settlement or resolution of a dispute by the OEB will be considered an Event of Default under the Agreement.

12. Upon the occurrence of an Event of Default by the Customer hereunder (other

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than those specified in Section 11(c) of this Agreement, for which no notice is required to be given by Hydro One), Hydro One shall give the Customer written notice of the Event of Default and allow the Customer 30 calendar days from the date of receipt of the notice to rectify the Event of Default, at the Customer's sole expense. If such Event of Default is not cured to Hydro One's reasonable satisfaction within the 30 calendar day period, Hydro One may, in its sole discretion, exercise the following remedy in addition to any remedies that may be available to Hydro One under the terms of the Agreement, at common law or in equity: deem the Agreement to be repudiated and, after giving the Customer at least 10 calendar days' prior written notice thereof, recover, as liquidated damages and not as a penalty, the balance of the amounts payable by the Customer pursuant to Section 10.

13. Upon the occurrence of an Event of Default by Hydro One hereunder, the Customer shall give Hydro One written notice of the Event of Default and shall allow Hydro One 30 calendar days from the date of receipt of the notice to rectify the Event of Default at Hydro One's sole expense. If such Event of Default is not cured to the Customer's reasonable satisfaction within the 30 calendar day period, the Customer may pursue any remedies available to it at law or in equity, including at its option the termination of the Agreement.

14. All rights and remedies of Hydro One and the Customer provided herein are not intended to be exclusive but rather are cumulative and are in addition to any other right or remedy otherwise available to Hydro One and the Customer respectively at law or in equity, and any one or more of Hydro One's and the Customer's rights and remedies may from time to time be exercised independently or in combination and without prejudice to any other right or

remedy Hydro One or the Customer may have or may have exercised. The parties further agree that where any of the remedies provided for and elected by the non-defaulting party are found to be unenforceable, the non-defaulting party shall not be precluded from exercising any other right or remedy available to it at law or in equity.

Part D: Disputes

15. All disputes, including, but not limited to, disputes related to:

- (a) the cost and the allocation of the costs under this Agreement;
- (b) the cost and the allocation of costs of the Work Chargeable To Customer and notwithstanding Hydro One's decision not to allocate or to allocate any part of the costs of this work to the Customer at this time; or
- (c) any other costs and the allocation of any other costs associated with, related to, or arising out of the connection of the Project to Hydro One's transmission system or Hydro One's policies in respect of connections generally,

shall be dealt with in accordance with the dispute resolution procedure set out in the OEB-Approved Connection Procedures.

16. Before and after the existence of OEB-Approved Connection Procedures, if a dispute arises while Hydro One is performing the Work Chargeable to Customer, Hydro One shall not cease the work or slow the pace of the work without leave of the OEB.

Part E: Incorporation of Liability and Force Majeure Provisions

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17. PART III: LIABILITY AND FORCE MAJEURE (with the exception of Section 15.5 thereof) and Sections 1.1.12 and 1.1.17 of the Connection Agreement are hereby incorporated in their entirety by reference into, and form an integral part of the Agreement. Unless the context otherwise requires, all references in PART III: LIABILITY AND FORCE MAJEURE TO “this Agreement” shall be deemed to be a reference to the Agreement and all references to the “the Transmitter” shall be deemed to be a reference to Hydro One.

For the purposes of this Section 17, the parties agree that the reference to:

- (i) the Transmitter in lines 3 and 4 of Section 15.1 means the Transmitter or any party acting on behalf of the Transmitter such as contractors, subcontractors, suppliers, employees and agents; and
- (ii) the Customer in lines 3 and 4 of Section 15.2 means the Customer or any party acting on behalf of the Customer such as contractors, subcontractors, suppliers, employees and agents.

The parties agree that the aggregate liability of Hydro One under the Agreement and in particular under this Section 17 shall at no time exceed the actual Engineering and Construction Cost of the Work Chargeable to Customer.

Part F: General

18. This Agreement is subject to the Transmission System Code and the OEB-Approved Connection Procedures. If any provision of this Agreement is inconsistent with the:

- (a) Transmission System Code, the said provision shall be deemed to be

amended so as to comply with the Transmission System Code;

- (b) OEB-Approved Connection Procedures, the said provision shall be deemed to be amended so as to comply with the OEB-Approved Connection Procedures; or
- (c) Connection Agreement made between the parties, associated with the new customer connection facilities, the Connection Agreement governs.

19. The failure of any party hereto to enforce at any time any of the provisions of the Agreement or to exercise any right or option which is herein provided shall in no way be construed to be a waiver of such provision or any other provision nor in any way affect the validity of the Agreement or any part hereof or the right of any party to enforce thereafter each and every provision and to exercise any right or option. The waiver of any breach of the Agreement shall not be held to be a waiver of any other or subsequent breach. Nothing shall be construed or have the effect of a waiver except an instrument in writing signed by a duly authorized officer of the party against whom such waiver is sought to be enforced which expressly waives a right or rights or an option or options under the Agreement.

20. Other than as provided in this Agreement, no amendment, modification or supplement to the Agreement shall be valid or binding unless set out in writing and executed by the parties with the same degree of formality as the execution of the Agreement.

21. Any written notice required by the Agreement shall be deemed properly given only if either mailed or delivered to the Director, Large Customer Account Management, Hydro One Networks Inc., 6th Floor, 483 Bay Street, Toronto, Ontario,

**CONNECTION AND COST RECOVERY
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M5G 2P5, fax no: (416) 345-5957 on behalf of Hydro One, and at the address specified in the customer notice section of Schedule “C” on behalf of the Customer.

A faxed notice will be deemed to be received on the date of the fax if received before 3 p.m. or on the next Business Day if received after 3 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.

22. The Agreement 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, subject to Section 15, the courts of Ontario shall have exclusive jurisdiction to determine all disputes arising out of the Agreement.

23. The Agreement may be executed in counterparts, including email counterparts, each of which shall be deemed an original, but all of which shall together constitute one and the same Agreement.

24. The obligation to pay any amount due and payable hereunder, including, but not limited to, any amount due under Section 10 shall survive the termination of the Agreement.

25. **Invoices and Interest.** Invoiced amounts are due 30 days after invoice issuance. All overdue amounts including, but not limited to amounts that are not invoiced but required under the terms of this Agreement to be paid in a specified time period, shall bear interest at 1.5% per month compounded monthly (19.56 percent per year) for the time they remain unpaid.

26. This Agreement will supersede the terms of any purchase orders issued by the Customer to Hydro One in respect of the Project irrespective of whether same have been issued by Customer and/or accepted by Hydro One on or after the execution of this Agreement by the Customer.

27. This Agreement 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. Appendix A attached hereto and Schedules “A”, “B” and “C” are to be read with and form part of this Agreement.

28. In addition to the circumstances described in Section 7 of this Agreement, the Ready for Service Date is subject to any delays from Hydro One being unable to commence all or any part of the Work Chargeable to Customer and/or or delays that result in Hydro One having to cease performing all or any portion of the Work Chargeable to Customer 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 Connection Cost Recovery Agreements prior to this one being executed or where the other

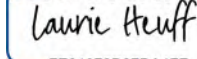
**CONNECTION AND COST RECOVERY
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customer must be prioritized as they are or will be performing an essential service in Ontario or are considered an essential construction project in Ontario (“**High Priority Customer Connection Work**”);

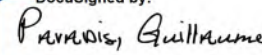
- (c) the productivity of our personnel being diminished or impacted including by reason of ensuring that our employees are appropriately social distanced;
- (d) our contractors and supply chains being impacted by the pandemic such that we cannot obtain or must wait longer for services we require from third parties or there are shortages in either availability of equipment or materials required to perform the Hydro One Connection Work or the shortages are such that we need to use or re-deploy the equipment or materials that we procured for your Project for Hydro One’s own essential service work or for High Priority Customer Connection 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.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by the signatures of their proper authorized signatories, as of the date written below.

HYDRO ONE NETWORKS INC.


7E31070D87DA4FF...

Name: Laurie Heuff
Title: Director, Distribution Engineering & Asset Management
Date: 2020-07-17

DocuSigned by:

A8445E39C3334D4...

Name: Guillaume Paradis
Title: Chief Electricity Distribution Officer
I/We have the authority to bind the Corporation
2020-07-17

HYDRO ONE NETWORKS INC.


Name: Susan Wylie

Title: Director, Large Customer Account Management
Date: July 17, 2020
I have the authority to bind the Corporation

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – Simplified – Lincoln Heights TS- B2 Bus Replacement

Appendix “A”: **Definitions**

In the Agreement, unless the context otherwise requires, terms which appear therein without definition, shall have the meanings respectively ascribed thereto in the Transmission System Code and unless there is something in the subject matter or context inconsistent therewith, the following words shall have the following meanings:

“Agreement” means the Simplified Connection and Cost Recovery Agreement, Appendix “A” and Schedules “A”, “B” and “C” attached hereto.

“Applicable Laws” means any and all applicable laws, including environmental laws, statutes, codes, licensing requirements, treaties, directives, rules, regulations, protocols, policies, by-laws, orders, injunctions, rulings, awards, judgments or decrees or any requirement or decision or agreement with or by any government or government department, commission board, court authority or agency.

“Business Day” means a day other than Saturday, Sunday, statutory holiday in Ontario or any other day on which the principal chartered banks located in the City of Toronto, are not open for business during normal banking hours.

“Connection Agreement” means the form of connection agreement appended to the Transmission System Code as Appendix 1, Version A.

“Connection Point” means the point where the Customer’s Facilities are connected to Hydro One’s transmission system or are connected to third party facilities connected to Hydro One’s transmission system, as the case may be.

“Customer Work” means the work to be performed by the Customer, at its sole expense, which is described in Schedule “B” of this Agreement.

“Customer’s Facilities” has the meaning set forth in the Transmission System Code.

“Customer’s Property(ies)” means any lands owned by the Customer in fee simple or where the Customer has easement rights.

“Electricity Act, 1998” means the *Electricity Act, 1998* being Schedule “A” of the *Energy Competition Act*, S.O. 1998, c.15, as amended.

“Engineering and Construction Cost” means Hydro One’s charge for equipment, labour and materials at Hydro One’s standard rates plus Hydro One’s standard overheads as well as interest during construction using Hydro One’s capitalization rate in effect during the construction period.

“Force Majeure Event” has the meaning ascribed thereto in the Connection Agreement.

“Good Utility Practice” has the meaning set forth in the Transmission System Code.

“Hydro One’s Property(ies)” means any lands owned by Hydro One in fee simple or where Hydro One now or hereafter has obtained easement rights.

“IESO” means the Independent Electricity System Operator continued under the Electricity Act, 1998.

“Market Rules” rules made under section 32 of the *Electricity Act, 1998* (Ontario), including, but not limited to Chapter 6 thereof.

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“In Service Date” has the same meaning ascribed to the term “comes into service” in the Transmission System Code.

“Material” relates to the essence of the contract, more than a mere annoyance to a right, but an actual obstacle preventing the performance or exercise of a right.

“New or Modified Connection Facilities” means the facilities owned by Hydro One as specified in Schedule “C” of the Agreement.

“OEB” means the Ontario Energy Board.

“OEB-Approved Connection Procedures” means Hydro One’s connection procedures as approved by the OEB from time to time.

“Ontario Energy Board Act” means the *Ontario Energy Board Act* being Schedule “B” of the *Energy Competition Act*, S.O. 1998, c. 15, as amended.

“Premium Costs” means those costs incurred by Hydro One in order to maintain or advance the Ready for Service Date, including, but not limited to, additional amounts expended for materials or services due to short time-frame for delivery; and the difference between having Hydro One’s employees, agents and contractors perform work on overtime as opposed to during normal business hours.

“Ready for Service Date” means the date upon which the Work Chargeable to Customer is fully and completely constructed, installed, commissioned and energised to the Connection Point. The Customer’s disconnect switches must be commissioned prior to this date in order to use them as isolation points.

“Taxes” means all property, municipal, sales, use, value added, goods and services, harmonized and any other non-recoverable taxes and other similar charges

(other than taxes imposed upon income, payroll or capital).

“Transmission System Code” means the code of standards and requirements originally issued by the OEB on July 14, 2000, as it may be amended, revised or replaced in whole or in part from time to time in accordance with the Section 70.2 and 70.3 of the *Ontario Energy Board Act*.

“Work Chargeable to Customer” means the work to be performed by Hydro One described in Schedule “A” of this Agreement.

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Schedule “A” (Lincoln Heights TS- B2 Bus Replacement)

PROJECT SCOPE - WORK CHARGEABLE TO CUSTOMER

Hydro One will perform the following work:

- Transition cell drawing review: Review of transition cell drawings for connection of the Customer’s new metalclad cells to our existing switchgear.
- Review design for new door in B2-Y2 Room: Due to the transition cell, there will be confined space behind the new B2 switchgear. To prevent any safety hazards, the Customer has requested for a new door for the B2-Y2 room.
- Hydro One to provide commissioning support for installation of the transition cell and any required re-wiring of P&C cables.

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Schedule “B”

CUSTOMER WORK

The Customer will:

- The Customer will replace and relocate their P&C equipment outside the existing location in the metalclad switchgear room.
- Customer to move all AC and DC power supply from Hydro One’s panels to dedicated Customer panels.
- Fuse & Link and Interface racks to be provided by Customer as demarcation point between Customer and Hydro One P&C wiring. Where such racks exist, Customer to bring up to current Hydro One standards.

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – Simplified – Lincoln Heights TS- B2 Bus Replacement

Schedule “C” (Lincoln Heights TS- B2 Bus Replacement):

Part 1: Estimate of Engineering and Construction Cost of the Work Chargeable to Customer:

The estimate of the Engineering and Construction Cost of the Work Chargeable to Customer (excluding HST) is summarized as follows:

<u>Project Description</u>	Estimated Engineering and Construction Cost
Project Management	15k
Engineering	15k
Equipment & Materials	N/A
Construction	80k
Stations & Operations	20k
Sub-Total	130k
Contingency	10k
AFUDC* & Overheads	10k
Total Price (\$)	150k

(*) AFUDC = Allowance for Funds Used During Construction and is the term used in the OEB accounting procedures meaning interests during construction if applicable.

Notes:

1. Price for preliminary engineering is not included in any of the prices above.
2. Contingency of 16% is included in the total.
3. Capital overheads are included in the total price.
4. Capital interest is included in the total price.
5. HST is not included in the estimate.

Part 2: Manner of Payment

The Engineering and Construction Cost of the Work Chargeable to Customer is estimated to be \$ **150,000** (excluding HST) (the “Cost Estimate”). Should the Customer default in paying any amount to Hydro One, Hydro One reserves the right to add the AFUDC as it deems necessary.

The Customer shall pay Hydro One the Cost Estimate (plus HST) by making the progress payments specified below on or before the Payment Milestone Date specified below. If applicable, Hydro One will invoice the Customer for the second payment 30 days prior to the Payment Milestone Date.

Payment Milestone Date	Work Chargeable to Customer (\$)	HST	Total Payment Required (incl. HST)
1. CCRA Execution	\$150,000	\$19,500	\$169,500

2.2 Scope Change

Any change in the Project Scope as detailed and documented in Schedule “A” whether they are initiated by the Customer or not may result in a change to the Project costs estimated in this Schedule “C” and the Project schedule, including the Ready for Service Date.

All Customer initiated scope changes to this Project must be in writing to Hydro One.

Hydro One will advise the Customer of any cost and schedule impacts of any Customer initiated scope changes.

Hydro One will not implement any Customer initiated scope changes until written approval has been received from the

**CONNECTION AND COST RECOVERY
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Customer accepting the new pricing and schedule impact.

Part 3: Miscellaneous

New or Modified Connection Facilities:
modification of switchgear at Lincoln Heights TS

Customer's HST Registration Number:



Documentation Required (after In Service Date): None

Revenue Metering: IESO compliant revenue metering to be provided by the Customer

Customer Notice Info:

Hydro Ottawa Limited
2711 Hunt Club Rd,
Ottawa, ON
K1G 3S4

Attention: Steve Hawthorne
Supervisor, Engineering
Programs and Major
Projects

**CONNECTION AND COST RECOVERY
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THIS SIMPLIFIED CONNECTION AND COST RECOVERY AGREEMENT made between Hydro One Networks Inc. (“**Hydro One**”) and Hydro Ot tawa Limited (**the “Customer”**) dated this of **May, 2021**.
5th day

WHEREAS

(a) the Customer will be installing their own metering VTs and CTs to meet requirements set out by the IESO, along with new metering cabinets (**the “Project”**)

(b) Hydro One is agreeable to performing the work required for the Project on the following terms and conditions, including but not limited to the Project cost and the Project schedule being subject to the Customer executing and delivering this Agreement to Hydro One by no later than the 23 day of April, 2021 (**the “Execution Date”**).

NOW THEREFORE in consideration of the mutual covenants, agreements, terms and conditions herein and other good and valuable consideration, the receipt and sufficiency of which is hereby irrevocably acknowledged, the parties agree as follows:

1. Each of the parties hereto confirms the truth and accuracy of the recitals and agrees that the recitals form part of this Agreement.

2. Subject to Section 13 and the termination rights herein, the Agreement shall be in full force and effect and binding on the parties as of the date that Hydro One executes the Agreement (**the “Effective Date”**) and shall expire on the date that the Customer pays Hydro One the final invoice in full for Work Chargeable to Customer or Hydro One issues a refund to the Customer in accordance with Section 10 hereof (**the “Term”**).

3. 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 the Agreement and to perform its obligations hereunder;

(c) the execution, delivery and performance of the 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 Material contracts or instruments to which it is bound; or (iii) any Applicable Laws;

(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) the Agreement constitutes a legal and binding obligation on it, enforceable against it in accordance with its terms;

(f) it is registered for purposes of Part IX of the Excise Tax Act (Canada). The HST registration number for Hydro One is [REDACTED] and the HST registration number for the Customer is [REDACTED]

**CONNECTION AND COST RECOVERY
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as specified in Schedule “C” of the Agreement; and

- (g) no proceedings have been instituted by or against it with respect to bankruptcy, insolvency, liquidation or dissolution.

Part A: Work Chargeable to Customer and Customer Work

4. The Customer and Hydro One shall perform their respective obligations outlined in the Agreement in a manner consistent with Good Utility Practice and the Transmission System Code, in compliance with all Applicable Laws, including, but not limited to the requirements of the Electrical Safety Authority, and using duly qualified and experienced people.

5. The parties acknowledge and agree that:

- (a) Hydro One is responsible for obtaining any and all permits, certificates, reviews and approvals required under any Applicable Laws with respect to the Work Chargeable to Customer;
- (b) the Customer is responsible for obtaining any and all permits, certificates, reviews and approvals required under any Applicable Laws with respect to the Customer Work;
- (c) the Customer shall perform the Customer Work at its own expense;
- (d) the Customer is responsible for installing equipment and facilities such as protection and control equipment to protect its own property, including, but not limited to the Customer’s Facilities;
- (e) the Customer shall provide Hydro One with Project data required by Hydro One, including, but not limited to: (i) the same technical information that the Customer provided the IESO during

any connection assessment and facility registration process associated with the Customer’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 Customer’s Facilities;

- (f) Hydro One may participate in the commissioning, inspection or testing of the Customer Work at a time that is mutually agreed by Hydro One and the Customer and the Customer shall ensure that the work performed by the Customer and others required for successful commissioning, inspection or testing of protective equipment is completed as required to enable Hydro One witnessing and testing to confirm satisfactory performance of such systems;
- (g) unless otherwise provided here in, Hydro One’s responsibilities under the Agreement with respect to the connection of the New or Modified Connection Facilities to Hydro One’s transmission system shall be limited to the performance of the Work Chargeable to Customer;
- (h) Hydro One is not permitted to connect any new, modified or replacement Customer’s Facilities unless any required connection authorizations, certificate of inspection or other applicable approval have been issued or given by the Ontario Electrical Safety Authority in relation to such facilities;
- (i) Hydro One may require that the Customer provide Hydro One with test certificates certifying that the Customer’s Facilities have passed all relevant tests and comply with the Transmission System Code, the

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Market Rules, Good Utility Practice, the standards of all applicable reliability organizations and any Applicable Laws, including, but not limited to any certificates of inspection that may be required by the Ontario Electrical Safety Authority;

- (j) in addition to the Work Chargeable to Customer described in Schedule “A”, Hydro One shall provide the Customer with such technical parameters as may be required to assist the Customer in ensuring that the design of the Customer’s Facilities is consistent with the requirements applicable to Hydro One’s transmission system and the basic general performance standards for facilities set out in the Transmission System Code, including Appendix 2 thereof;
- (k) if Hydro One requires access to the Customer’s Facilities for the purposes of performing the Work Chargeable to Customer or the Customer requires access to Hydro One’s facilities for the purposes of the Customer’s Work, the parties agree that Section 27.13 of the Connection Agreement shall govern such access and is hereby incorporated in its entirety by reference into, and forms an integral part of the Agreement. All references to “this Agreement” in Section 27.13 of the Connection Agreement shall be deemed to be a reference to this Agreement;
- (l) the Customer shall enter into a Connection Agreement or amendment as required with Hydro One at least 14 calendar days prior to the connection; and
- (m) the Customer shall provide Hydro One with copies of the documentation

specified in Schedule “C” of the Agreement under the heading “Documentation Required”, acceptable to Hydro One, within 120 calendar days after the Ready for Service Date. The Customer shall ensure that Hydro One may retain this documentation for Hydro One’s ongoing planning, system design, and operating review. The Customer shall also maintain and revise such documentation to reflect changes to the Customer’s Facilities and provide copies to Hydro One on demand and as specified in the Connection Agreement.

6. The Work Chargeable to Customer and Hydro One’s rights and requirements hereunder, including, but not limited to Hydro One’s:

- (i) specifications of the protection equipment on the Customer’s side of the Connection Point;
- (ii) review and acceptance of power system components on the Customer’s side of the Connection Point;
- (iii) acceptance of the technical specifications (including electrical drawings) for the Customer’s Facilities; and
- (iv) participation in the commissioning, inspection and testing of the Customer’s Facilities;

are solely for the purpose of Hydro One ensuring that the Customer’s Facilities will not materially reduce or adversely affect the reliability of Hydro One’s transmission system and do not adversely affect other customers connected to Hydro One’s transmission system.

7. Hydro One shall use reasonable efforts to complete the Work Chargeable to

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Customer by the 30 day of September ,2021 **(the “Ready for Service Date”)** provided that:

- (a) the Customer is in compliance with its obligations under the Agreement;
- (b) any work required to be performed by third parties has been performed in a timely manner and in a manner to the satisfaction of Hydro One, acting reasonably;
- (c) there are no delays resulting from Hydro One not being able to obtain outages from the IESO required for the Work Chargeable to Customer or from the IESO making changes to the Work Chargeable to Customer or the scheduling of all or a portion thereof;
- (d) Hydro One does not have to use its employees, agents and contractors performing the Work Chargeable to Customer elsewhere on its transmission system or distribution system due to an Emergency (as that term is defined in the Transmission System Code) or a Force Majeure Event;
- (e) Hydro One is able to obtain the materials and labour required to perform the Work Chargeable to Customer with the expenditure of Premium Costs where required;
- (f) there are no delays resulting from Hydro One being unable to obtain materials or equipment required from suppliers in time to meet the project schedule for any portion of the Work Chargeable to Customer provided that such delays are beyond the reasonable control of Hydro One; and

(g) the Customer executed the Agreement on or before the date specified as the Execution Date in the recitals.

8. Upon completion of the Work Chargeable to Customer, Hydro One shall own, operate and maintain all equipment and facilities installed by Hydro One as part of the Work Chargeable to the Customer in, under, on, over, along, upon, through and crossing Hydro One’s Property(ies).

The Customer acknowledges that:

- (i) ownership and title to the equipment referred to above shall throughout the Term and thereafter remain vested in Hydro One and the Customer shall have no right of property therein; and
- (ii) that any portion of the equipment referred to above that is located on the Customer’s Property(ies) shall be and remain the property of Hydro One and shall not be or become fixtures and/or part of the Customer’s Property(ies).

9. The Customer acknowledges and agrees that Hydro One is not responsible for the provision of power system components on the Customer’s Facilities, including, without limitation, all transformation, switching, metering and auxiliary equipment such as protection and control equipment.

All of the power system components on the Customer’s side of the Connection Point including, without limitation, all transformation, switching and auxiliary equipment such as protection and control equipment shall be subject to the acceptance of Hydro One with regard to Hydro One’s requirements to permit connection of the New or Modified Connection Facilities to Hydro One’s transmission system and shall be installed, maintained and operated in accordance with all Applicable Laws, codes and

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standards, including, but not limited to, the Transmission System Code, at the expense of the Customer.

Where Hydro One has equipment for automatic reclosing of circuit breakers after an interruption for the purpose of improving the continuity of feeder connection, it shall be the obligation of the Customer to provide adequate protective equipment for the Customer's Facilities that might be adversely affected by the operation of such reclosing equipment. The Customer shall provide such equipment as may be required from time to time by Hydro One for the prompt disconnection of any of the Customer's apparatus that might affect the proper functioning of Hydro One's reclosing equipment.

Part B: Work Chargeable to Customer

10. The Customer shall pay Hydro One's Engineering and Construction Cost (plus applicable Taxes) of the Work Chargeable to Customer which is estimated to be the amount specified in Schedule "C" of the Agreement in the manner specified in Schedule "C" of the Agreement.

Within 180 days after the Ready for Service Date, Hydro One shall provide the Customer with an invoice or a credit memorandum specifying the actual Engineering and Construction Cost of the Work Chargeable to Customer (plus applicable Taxes). Any difference between the Engineering and Construction Cost of the Work Chargeable to Customer (plus applicable Taxes) and the amount already paid by the Customer shall be paid within 30 days after the issuance of the invoice or credit memorandum by:

- (a) Hydro One to the Customer, if the amount already paid by the Customer exceeds the Engineering and

Construction Cost of the Work Chargeable to Customer (plus Taxes); or

- (b) the Customer to Hydro One, if the amount already paid by the Customer is less than the Engineering and Construction Cost of the Work Chargeable to Customer (plus Taxes).

Part C: Events of Default

11. Each of the following events shall constitute an "Event of Default" under the Agreement:

- (a) failure by the Customer to pay any amount due under this Agreement, including any amount payable pursuant to Section 10 within the time stipulated for payment;
- (b) breach by the Customer or Hydro One of any Material term, condition or covenant of the Agreement; or
- (c) the making of an order or resolution for the winding up of the Customer or of its operations or the occurrence of any other dissolution, bankruptcy or reorganization or liquidation proceeding instituted by or against the Customer.

For greater certainty, a dispute will not be considered an Event of Default under the Agreement. However, a party's failure to comply with the terms of a settlement or resolution of a dispute by the OEB will be considered an Event of Default under the Agreement.

12. Upon the occurrence of an Event of Default by the Customer hereunder (other than those specified in Section 11(c) of this Agreement, for which no notice is required to be given by Hydro One), Hydro One shall give the Customer written notice of the

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Event of Default and allow the Customer 30 calendar days from the date of receipt of the notice to rectify the Event of Default, at the Customer's sole expense. If such Event of Default is not cured to Hydro One's reasonable satisfaction within the 30 calendar day period, Hydro One may, in its sole discretion, exercise the following remedy in addition to any remedies that may be available to Hydro One under the terms of the Agreement, at common law or in equity: deem the Agreement to be repudiated and, after giving the Customer at least 10 calendar days' prior written notice thereof, recover, as liquidated damages and not as a penalty, the balance of the amounts payable by the Customer pursuant to Section 10.

13. Upon the occurrence of an Event of Default by Hydro One hereunder, the Customer shall give Hydro One written notice of the Event of Default and shall allow Hydro One 30 calendar days from the date of receipt of the notice to rectify the Event of Default at Hydro One's sole expense. If such Event of Default is not cured to the Customer's reasonable satisfaction within the 30 calendar day period, the Customer may pursue any remedies available to it at law or in equity, including at its option the termination of the Agreement.

14. All rights and remedies of Hydro One and the Customer provided herein are not intended to be exclusive but rather are cumulative and are in addition to any other right or remedy otherwise available to Hydro One and the Customer respectively at law or in equity, and any one or more of Hydro One's and the Customer's rights and remedies may from time to time be exercised independently or in combination and without prejudice to any other right or remedy Hydro One or the Customer may have or may have exercised. The parties further agree that where any of the remedies provided for and elected by the

non-defaulting party are found to be unenforceable, the non-defaulting party shall not be precluded from exercising any other right or remedy available to it at law or in equity.

Part D: Disputes

15. All disputes, including, but not limited to, disputes related to:

- (a) the cost and the allocation of the costs under this Agreement;
- (b) the cost and the allocation of costs of the Work Chargeable To Customer and notwithstanding Hydro One's decision not to allocate or to allocate any part of the costs of this work to the Customer at this time; or
- (c) any other costs and the allocation of any other costs associated with, related to, or arising out of the connection of the Project to Hydro One's transmission system or Hydro One's policies in respect of connections generally,

shall be dealt with in accordance with the dispute resolution procedure set out in the OEB-Approved Connection Procedures.

16. Before and after the existence of OEB-Approved Connection Procedures, if a dispute arises while Hydro One is performing the Work Chargeable to Customer, Hydro One shall not cease the work or slow the pace of the work without leave of the OEB.

Part E: Incorporation of Liability and Force Majeure Provisions

17. PART III: LIABILITY AND FORCE MAJEURE (with the exception of Section 15.5 thereof) and Sections 1.1 .12 and 1.1.17 of the Connection Agreement are hereby incorporated in their entirety by

**CONNECTION AND COST RECOVERY
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reference into, and form an integral part of the Agreement. Unless the context otherwise requires, all references in PART III: LIABILITY AND FORCE MAJEURE TO “this Agreement” shall be deemed to be a reference to the Agreement and all references to the “the Transmitter” shall be deemed to be a reference to Hydro One.

For the purposes of this Section 17, the parties agree that the reference to:

- (i) the Transmitter in lines 3 and 4 of Section 15.1 means the Transmitter or any party acting on behalf of the Transmitter such as contractors, subcontractors, suppliers, employees and agents; and
- (ii) the Customer in lines 3 and 4 of Section 15.2 means the Customer or any party acting on behalf of the Customer such as contractors, subcontractors, suppliers, employees and agents.

The parties agree that the aggregate liability of Hydro One under the Agreement and in particular under this Section 17 shall at no time exceed the actual Engineering and Construction Cost of the Work Chargeable to Customer.

Part F: General

18. This Agreement is subject to the Transmission System Code and the OEB-Approved Connection Procedures. If any provision of this Agreement is inconsistent with the:

- (a) Transmission System Code, the said provision shall be deemed to be amended so as to comply with the Transmission System Code;
- (b) OEB-Approved Connection Procedures, the said provision shall be deemed to be amended so as to

comply with the OEB-Approved Connection Procedures; or

- (c) Connection Agreement made between the parties, associated with the new customer connection facilities, the Connection Agreement governs.

19. The failure of any party hereto to enforce at any time any of the provisions of the Agreement or to exercise any right or option which is herein provided shall in no way be construed to be a waiver of such provision or any other provision nor in any way affect the validity of the Agreement or any part hereof or the right of any party to enforce thereafter each and every provision and to exercise any right or option. The waiver of any breach of the Agreement shall not be held to be a waiver of any other or subsequent breach. Nothing shall be construed or have the effect of a waiver except an instrument in writing signed by a duly authorized officer of the party against whom such waiver is sought to be enforced which expressly waives a right or rights or an option or options under the Agreement.

20. Other than as provided in this Agreement, no amendment, modification or supplement to the Agreement shall be valid or binding unless set out in writing and executed by the parties with the same degree of formality as the execution of the Agreement.

21. Any written notice required by the Agreement shall be deemed properly given only if either mailed or delivered to the Director, Account Management, Hydro One Networks Inc., 6th Floor, 483 Bay Street, Toronto, Ontario, M5G 2P5, fax no: (416) 345-5957 on behalf of Hydro One, and at the address specified in the customer notice section of Schedule “C” on behalf of the Customer.

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – Simplified – Woodroffe TS – Metering Upgrade

A faxed notice will be deemed to be received on the date of the fax if received before 3 p.m. or on the next Business Day if received after 3 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.

22. The Agreement 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, subject to Section 15, the courts of Ontario shall have exclusive jurisdiction to determine all disputes arising out of the Agreement.

23. The Agreement may be executed in counterparts, including email counterparts, each of which shall be deemed an original, but all of which shall together constitute one and the same Agreement.

24. The obligation to pay any amount due and payable hereunder, including, but not limited to, any amount due under Section 10 shall survive the termination of the Agreement.

25. **Invoices and Interest.** Invoiced amounts are due 30 days after invoice issuance. All overdue amounts including, but not limited to amounts that are not invoiced but required under the terms of this Agreement to be paid in a specified time period, shall bear interest at 1.5% per month compounded monthly (19.56 percent per year) for the time they remain unpaid.

26. This Agreement will supersede the terms of any purchase orders issued by the Customer to Hydro One in respect of the Project irrespective of whether same have been issued by Customer and/or accepted

by Hydro One on or after the execution of this Agreement by the Customer.

27. This Agreement 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. Appendix A attached hereto and Schedules "A", "B" and "C" are to be read with and form part of this Agreement.

28. In addition to the circumstances described in Section 7 of this Agreement, the Ready for Service Date is subject to any delays from Hydro One being unable to commence all or any part of the Work Chargeable to Customer and/or or delays that result in Hydro One having to cease performing all or any portion of the Work Chargeable to Customer 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) Hydro One may have limited availability of personnel, which may mean re-deploying personnel working on the Project to perform Hydro One's own essential service work or work on other customer connection projects where customers either executed Connection Cost Recovery Agreements 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

**CONNECTION AND COST RECOVERY
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(“High Priority Customer Connection Work”);


(c) the productivity of Hydro One personnel being diminished or impacted, including by reason of ensuring that our employees are appropriately socially distanced;

(d) Hydro One’s contractors and supply chains being impacted by the pandemic such that Hydro One cannot obtain or must wait longer for services Hydro One requires from third parties or there are shortages in either availability of equipment or materials required to perform the Hydro One Connection Work or the shortages are such that Hydro One needs to use or re-deploy the equipment or materials that Hydro One has procured for the Customer Project for Hydro One’s own essential service work or for High Priority Customer Connection Work; and

(e) Hydro One’s 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.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by the signatures of their proper authorized signatories, as of the date written below.

HYDRO ONE NETWORKS INC.



Frances Susan Vylie
Title: Director, Large Customer Account Management
Date: May 5, 2021 | 3:41:13 PM EDT

I have the authority to bind the Corporation

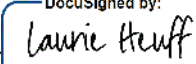
HYDRO OTTAWA LIMITED.

DocuSigned by:


Name: Guillaume Paradis
Title: Chief Electricity Distribution officer
Date: 2021-04-29

I have the authority to bind the Corporation

HYDRO OTTAWA LIMITED.

DocuSigned by:


Name: Laurie Huuff
Title: Director, Distribution Engineering and Asset M
Date: 2021-04-29

I have the authority to bind the Corporation

**CONNECTION AND COST RECOVERY
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Appendix “A”: **Definitions**

In the Agreement, unless the context otherwise requires, terms which appear therein without definition, shall have the meanings respectively ascribed thereto in the Transmission System Code and unless there is something in the subject matter or context inconsistent therewith, the following words shall have the following meanings:

“Agreement” means the Simplified Connection and Cost Recovery Agreement, Appendix “A” and Schedules “A”, “B” and “C” attached hereto.

“Applicable Laws” means any and all applicable laws, including environmental laws, statutes, codes, licensing requirements, treaties, directives, rules, regulations, protocols, policies, by-laws, orders, injunctions, rulings, awards, judgments or decrees or any requirement or decision or agreement with or by any government or government department, commission board, court authority or agency.

“Business Day” means a day other than Saturday, Sunday, statutory holiday in Ontario or any other day on which the principal chartered banks located in the City of Toronto, are not open for business during normal banking hours.

“Connection Agreement” means the form of connection agreement appended to the Transmission System Code as Appendix 1, Version A.

“Connection Point” means the point where the Customer’s Facilities are connected to Hydro One’s transmission system or are connected to third party facilities connected to Hydro One’s transmission system, as the case may be.

“Customer Work” means the work to be performed by the Customer, at its sole expense, which is described in Schedule “B” of this Agreement.

“Customer’s Facilities” has the meaning set forth in the Transmission System Code.

“Customer’s Property(ies)” means any lands owned by the Customer in fee simple or where the Customer has easement rights.

“Electricity Act, 1998” means the *Electricity Act, 1998* being Schedule “A” of the *Energy Competition Act*, S.O. 19 98, c.15, as amended.

“Engineering and Construction Cost” means Hydro One’s charge for equipment, labour and materials at Hydro One’s standard rates plus Hydro One’s standard overheads as well as interest during construction using Hydro One’s capitalization rate in effect during the construction period.

“Force Majeure Event” has the meaning ascribed thereto in the Connection Agreement.

“Good Utility Practice” has the meaning set forth in the Transmission System Code.

“Hydro One’s Property(ies)” means any lands owned by Hydro One in fee simple or where Hydro One now or hereafter has obtained easement rights.

“IESO” means the Independent Electricity System Operator continued under the Electricity Act, 1998.

“Market Rules” rules made under section 32 of the *Electricity Act, 1998* (Ontario), including, but not limited to Chapter 6 thereof.

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“In Service Date” has the same meaning ascribed to the term “comes into service” in the Transmission System Code.

“Material” relates to the essence of the contract, more than a mere annoyance to a right, but an actual obstacle preventing the performance or exercise of a right.

“New or Modified Connection Facilities” means the facilities owned by Hydro One as specified in Schedule “C” of the Agreement.

“OEB” means the Ontario Energy Board.

“OEB-Approved Connection Procedures” means Hydro One’s connection procedures as approved by the OEB from time to time.

“Ontario Energy Board Act” means the *Ontario Energy Board Act* being Schedule “B” of the *Energy Competition Act*, S.O. 1998, c. 15, as amended.

“Premium Costs” means those costs incurred by Hydro One in order to maintain or advance the Ready for Service Date, including, but not limited to, additional amounts expended for materials or services due to short time-frame for delivery; and the difference between having Hydro One’s employees, agents and contractors perform work on overtime as opposed to during normal business hours.

“Ready for Service Date” means the date upon which the Work Chargeable to Customer is fully and completely constructed, installed, commissioned and energised to the Connection Point. The Customer’s disconnect switches must be commissioned prior to this date in order to use them as isolation points.

“Taxes” means all property, municipal, sales, use, value added, goods and services, harmonized and any other non-recoverable taxes and other similar charges

(other than taxes imposed upon income, payroll or capital).

“Transmission System Code” means the code of standards and requirements originally issued by the OEB on July 14, 2000, as it may be amended, revised or replaced in whole or in part from time to time in accordance with the Section 70.2 and 70.3 of the *Ontario Energy Board Act*.

“Work Chargeable to Customer” means the work to be performed by Hydro One described in Schedule “A” of this Agreement.

**CONNECTION AND COST RECOVERY
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Schedule “A” (Woodroffe Metering Upgrade)

PROJECT SCOPE - WORK CHARGEABLE TO CUSTOMER

Hydro One will perform the following work:

- Remove Customer’s connections to Hydro One’s bus PTs and associated cables marked Not In Use in Hydro One’s cable trays to Customer’s decommissioned metering cabinets.. This connection is currently used by Customer for wholesale revenue metering and will no longer be required following Customer’s installation of their own VTs. Assumption made that equipment does not contain PCBs.
- Remove Customer’s connections to Hydro One’s breaker CTs and associated cables marked Not In Use in Hydro One’s cable trays to Customer’s decommissioned metering cabinets. This connection is currently used by Customer for wholesale revenue metering and will no longer be required following Customer’s installation of their own CTs. Assumption made that equipment does not contain PCBs.
- Provide Customer via ICCP the following points for buses J,Z,Q,B: MVA, MW, MVAR, Voltage, and Current

Update necessary drawings to reflect connection change to bus PTs, breaker CTs.

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Schedule “B”

CUSTOMER WORK

The Customer will:

- Install wholesale revenue metering VT and CT compliant with IESO standard.
- Install metering cabinet in Customer owned building
- Remove decommissioned metering cabinet from Hydro One owned building
- Identify as Not In Use decommissioned metering cables in Hydro One cable trays to be removed.
- Provide Hydro One with necessary drawings, including updated metering drawings.

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Schedule “C” (Project Title):

Part 1: Estimate of Engineering and Construction Cost of the Work Chargeable to Customer:

The estimate of the Engineering and Construction Cost of the Work Chargeable to Customer (excluding HST) is summarized as follows:

<u>Project Description</u>	Estimated Engineering and Construction Cost
Project Management	\$5,000
Equipment & Materials	\$0
Engineering & Construction	\$50,000
Stations & Operations	\$30,000
Sub-Total	\$85,000
Contingency, Overheads & AFUDC	\$0
Total Price (\$)	\$85,000

(*) AFUDC = Allowance for Funds Used During Construction and is the term used in the OEB accounting procedures meaning interests during construction if applicable.

Notes:

1. Price for preliminary engineering is not included in any of the prices above.
2. Contingency of 16% is included in the total.
3. Capital overheads are included in the total price.
4. Capital interest is included in the total price.
5. HST is not included in the estimate.

Part 2: Manner of Payment

The Engineering and Construction Cost of the Work Chargeable to Customer is estimated to be \$ **85,000.00** (excluding HST) (the “Cost Estimate”). Should the Customer default in paying any amount to Hydro One, Hydro One reserves the right to add the AFUDC as it deems necessary.

The Customer shall pay Hydro One the Cost Estimate (plus HST) by making the progress payments specified below on or before the Payment Milestone Date specified below.

Payment Milestone Date	Work Chargeable to Customer (\$)	HST	Total Payment Required (incl. HST)
1. CCRA Execution	40,000	5,200	45,200
2. Sept 30 th , 2021	45,000	5,580	50,580

2.2 Scope Change

Any change in the Project Scope as detailed and documented in Schedule “A” whether they are initiated by the Customer or not may result in a change to the Project cost as estimated in this Schedule “C” and the Project schedule, including the Ready for Service Date.

All Customer initiated scope changes to this Project must be in writing to Hydro One.

Hydro One will advise the Customer of any cost and schedule impacts of any Customer initiated scope changes.

Hydro One will not implement any Customer initiated scope changes until written approval has been received from the Customer accepting the new pricing and schedule impact.

**CONNECTION AND COST RECOVERY
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Part 3: Miscellaneous

New or Modified Connection Facilities:

Woodroffe TS

Customer's HST Registration Number:

██████████

Documentation Required (after In Service Date):

Revenue Metering: IESO compliant revenue metering to be provided by the Customer

Customer Notice Info:

Hydro Ottawa Limited
2711 Hunt Club Road
Ottawa ON K1G 3S4

Attention: Guillaume Paradis
Chief Electrical Distribution
Officer

Connection Cost Estimate Agreement – (Mer-Bleue MTS)

Hydro Ottawa Limited (the "**Customer**") has requested and Hydro One Networks Inc. ("**Hydro One**") has agreed to perform the Work as defined in the Scope of Work attached hereto (as Schedule "A"), to determine the estimated cost of the Proposed Project (defined below) and to undertake the Work under the Standard Study Agreement Terms and Conditions v. 5 (November 2011) attached hereto as Schedule "B", Schedule "A" and Schedule "B" both forming a part hereof (the "**Agreement**").

I. Proposed Project

The Customer is proposing to connect a 230kV/27.6kV transformer station, Mer-Bleue MTS, (the "**Customer's Facilities**") to Hydro One's transmission system [REDACTED] (the "**Proposed Project**").

II. Information Requirements

The Customer shall provide Hydro One with the following:

1. site location map(s) with suitable details of the major equipment location (including transformer, line entrance structure, 230kV breakers), line routing and the proposed connection to Hydro One's facilities;
2. single line diagrams of the transformer station, including all major 230kV and 27.6kV equipment;
3. technical descriptions of the operating philosophy of the electrical equipment, and the protection and control philosophy of the Customer's Facilities (including any proposed Customer Facilities related to the Proposed Project) that could affect Hydro One's transmission system; and
4. where applicable, a completed Impact Assessment Application for a System Impact Assessment to be performed by the IESO (available at www.ieso.ca) and a completed application for a Customer Impact Assessment to be performed by Hydro One.

III. Completion Date:

Hydro One shall complete the Work by no later than nine(9) months following the latest of:

- (a) the Customer executing this Agreement;
- (b) the Customer providing the information described above under the heading "Information Requirements";
- (c) where applicable, where the Customer has applied for a System Impact Assessment ("**SIA**") to be performed by the IESO, the Customer providing Hydro One with a copy of the SIA for the Proposed Project **OR** where Hydro One has applied for a SIA, Hydro One receiving the results of the SIA from the IESO; and
- (d) the Customer paying Hydro One the amount specified below in subsection V(a) under the heading "Costs".

IV. Impact of Subsequent Changes to the Information Provided by Customer or to the System Impact Assessment

If:

- (a) the Customer makes any changes to the information provided by the Customer as described above under the heading “Information Requirements” after Hydro One has commenced the Work; or
- (b) where applicable, the IESO makes any changes to the System Impact Assessment (“**SIA**”) for the Project;

and any of the changes in (a) or (b) above:

- (i) results in an increase in the cost of Hydro One performing the Work, then, notwithstanding the payments contemplated below under the heading “Costs”, the Customer shall make such further payment(s) as may be required by Hydro One in the time specified by Hydro One; and
- (ii) otherwise affects any other provision of this Agreement, including (but not limited to) the time required for completion of the Work, the parties shall negotiate and agree upon the required amendments to this Agreement, and Hydro One shall be under no obligation to resume performance of the Work until such time as the parties agree in writing on such amendments.

V. Costs

- (a) The Customer shall pay Hydro One’s Actual Cost of performing the Work. Hydro One estimates that the Actual Cost of performing the Work will be \$600,000 plus HST in the amount of \$78,000 which amount (including HST) the Customer shall pay Hydro One on the execution of this Agreement by the Customer (the “**Advance Payment**”). Hydro One shall apply the Advance Payment towards the Actual Cost of performing the Work.
- (b) Within 90 days after the completion of the Work, Hydro One shall provide the Customer with a final invoice or credit memorandum showing whether the Advance Payment exceeds or is less than the Actual Cost of performing the Work. Within 30 days after the said final invoice or credit memorandum is rendered by Hydro One, any difference between the Actual Cost (plus applicable Taxes) and Advance Payment shall be paid by Hydro One to the Customer (if the Advance Payment exceeds the Actual Cost plus applicable Taxes), or by the Customer to Hydro One (if the Advance Payment is less than the Actual Cost plus applicable Taxes).

VI. HST Registration Information

The HST registration number for Hydro One is [REDACTED]. The HST registration number for the Customer is [REDACTED].

VII. No Commitment to Back Feed and Ready for Service Dates for the Proposed Project Until CCRA Execution

The Customer acknowledges and agrees that Hydro One cannot agree to be bound to a ready for service date or a back feed date for the Proposed Project until such time as Hydro One and the Customer have executed a Connection and Cost Recovery Agreement (CCRA) for the Proposed Project.

VIII. Purchase Order

This Agreement will supersede the terms of any purchase orders issued by the Customer to Hydro One in respect of the Project irrespective of whether same have been issued by the Customer and/or accepted by Hydro One on or after the execution of this Agreement by the Customer.



IX. Term

Except as expressly set out in this Agreement, this Agreement shall be in full force and effect and binding on the parties upon the date that this Agreement was executed by Hydro One and shall expire on the date that is after the latest of:

- (a) Hydro One performing all of the Work; and
- (b) the Customer paying all amounts required to be paid by the Customer under the terms of this Agreement.

Termination of this Agreement for any reason shall not affect the liabilities of either party that were incurred or arose under this Agreement prior to the time of termination. Termination of this Agreement for any reason shall be without prejudice to the right of the terminating Party to pursue all legal and equitable remedies that may be available to it including, but not limited to, injunctive relief.

X. Counterparts

This Agreement may be executed by the parties in writing or via electronic signatures and in one or more in 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 Execution Date written below.

HYDRO ONE NETWORKS INC.

Signed by:

Robert Reinmuller

24DC60889B73411...

Name: Robert Reinmuller, P.Eng.

Title: Vice President, Transmission System Planning & Large Customer

Execution Date: January 16, 2025

I have the authority to bind the Corporation

HYDRO OTTAWA LIMITED

DocuSigned by:

Laurie Heuff

7E31070D87DA4FF...

Name: Laurie Heuff

Title: Vice President, Distribution System Planning and Asset Management

2024-12-12

DocuSigned by:

Steve Hawthorne

3FEDCAB67014DC

Name: Steve Hawthorne

Title: Director, Distribution Program Delivery

Date: 2024-12-12

I/We have the authority to bind the Corporation

SCHEDULE "A": Scope of Work - Connection Estimates

Hydro One will work with the Customer to develop planning specifications for Hydro One's use in preparation for developing estimates for the Proposed Project ("**Planning Specifications**"). The Planning Specifications may also identify the work that Hydro One requires the Customer to perform in respect of the Proposed Project.

Hydro One will prepare and provide the Customer with an estimate consistent with the Association for the Advancement of Cost Engineering ("**AACE**")'s Class 3 accuracy in the range of +30%/-20% for the work that will be outlined in the Planning Specifications as work that is to be performed by Hydro One (the "**Estimate**"). For greater certainty, the Estimate:

- will include the cost and the required work plan and schedule for Hydro One to perform the work necessary in respect of the Proposed Project, including, but not limited to:
 - Installation of a line tap from circuit [REDACTED]
 - Installation of wavetraps for circuit [REDACTED]
 - Review and modification of protection and control settings [REDACTED] terminal stations including the following (refer to the Protection Impact Assessment provided to IESO for the SIA):
 - Implement transfer trip sent from Hawthorne TS to Mer-Bleue MTS (including cascading transfer trip from St Isidore TS to Hawthorne TS).
 - Implement receiving of breaker fail redundant transfer trip (A and B) at Hawthorne TS sent from Mer-Bleue MTS, and cascade to other stations connected to the circuits [REDACTED]
 - Coordinate with Customer for line back-up function at Mer-Bleue MTS 230kV side.
 - Review if blocking signal from Mer-Bleue MTS is required. Add blocking signal receive into protection logic if required.
 - At Hawthorne TS, install Main and Alt CTM equipment compatible with Customer's teleprotection equipment and fiber medium.
 - Coordinate a suitable fiber demarcation point along the station fence at Hawthorne TS. Install splice box at demarcation point to transition between the Customer and Hydro One fiber. Review if the fiber installation completed as part of the Piperville MTS connection project can be used.
- will include real estate requirements and potential impact on land owners, environmental assessments and approvals, and regulatory approvals.
- will not include any estimate of the cost of the work that Hydro One identifies in the Planning Specifications as work that Customer must perform in respect of the Proposed Project.
 - Customer will build and own the station.
 - Customer is responsible to obtain all permits required for the station.
 - Refer to Protection Impact Assessment provided to IESO for SIA for protection and control requirements. The below provides high level requirements:
 - Implement transfer trip received [REDACTED] sent from Hawthorne TS and trip into the associated 230kV circuit breaker, then open disconnect switch.

- Install Breaker Fail (BF) protection on the 230kV circuit breakers. BF protection should send redundant (A and B) TT to Hydro One's Hawthorne TS.
- Redundant (A and B) line back-up function (for phase and ground protection) should be provided at the 230kV side of the transformers (each, respectively).
- Coordinate with Hydro One and if blocking signal is required as outlined in Hydro One scope of work above, implement blocking signal.
- Provide redundant fiber links for 'A' and 'B' teleprotection channels to Hawthorne TS (to splice box at Hawthorne TS as outlined in Hydro One work above). Path diversity is not required for the new teleprotection channels between Hawthorne TS and Mer-Bleue MTS. Coordination with Piperville MTS connection project possible. [REDACTED]
- The Customer's Mer-Bleue MTS shall communicate to Hydro One's ISOC via the Customer's existing ICCP link.

The schedule for performing the work outlined in the specifications will assume that the parties will enter into a CCRA by no later than the date that will be specified in the estimate. If the CCRA is not executed by such date, the required work plan, schedule and cost estimate will require revision.

The abovementioned activities, to be performed by Hydro One, shall be herein referred to as "**Work**".

At the request of the Customer, this Agreement is being executed and Hydro One is commencing to perform the Work in advance of the SIA being performed by the IESO and in advance of Hydro One performing a Customer Impact Assessment ("**CIA**") which Hydro One normally commences after the IESO has performed the SIA for the Proposed Project. The CIA and the SIA must be performed for the Proposed Project under the Transmission System Code. As such, the Customer is assuming that any additional requirements identified by the IESO in the SIA and/or in the CIA reports will not be included in the Estimate and all or a portion of same may need to be re-performed by Hydro One at the Customer's expense.

SCHEDULE B – Standard Study Agreement Terms and Conditions

1. Definitions

In the Agreement, unless there is something in the subject matter or context inconsistent therewith, the following words shall have the following meanings:

“**Actual Cost**” means Hydro One’s charge for equipment, labour and materials at Hydro One’s standard rates plus Hydro One’s standard overheads and interest thereon.

“**Applicable Laws**” means any and all applicable laws, including environmental laws, statutes, codes, licensing requirements, treaties, directives, rules, regulations, protocols, policies, by-laws, orders, injunctions, rulings, awards, judgments or decrees or any requirement or decision or agreement with or by any government or government department, commission, board, court or agency.

“**Business Day**” means a day that is not a Saturday, Sunday, statutory holiday in Ontario or any other day on which the principal chartered banks located in the City of Toronto are not open for business during normal banking hours.

“**Code**” or “**Transmission System Code**” means the *Transmission System Code*, the code of standards and requirements originally issued by the OEB on July 14, 2000 as published in the Ontario Gazette, as it may be amended, revised or replaced in whole or in part from time to time.

“**Confidential Information**” has the meaning ascribed thereto in the Connection Agreement.

“**Connection Agreement**” means the form of connection agreement appended to the Transmission System Code as Appendix 1, Version A where the Customer is a load customer and Version B where the Customer is a generator (as that term is defined in the Transmission System Code). Notwithstanding the foregoing, if the Customer has a transmission connection agreement that has been modified in the manner described in Section 2 of Schedule 2 of Hydro One’s OEB-issued transmission licence ET-2003-0035 (the “**Hydro One Licence**”) to reflect the amendments described in Schedule 3 [for legacy system configurations as well as operating concerns for Bruce Power and OPG generation facilities] and/or Schedule 4 [to facilitate compliance with Power Reactor Operating Licences, issued by the Canadian Nuclear Safety Commission] of Hydro One’s transmission licence ET-2003-0035; or has entered in the transmission connection agreement described in Section 3 of Schedule 2 of Hydro One’s licence, any reference to Connection Agreement in this Agreement shall mean the Customer’s executed transmission connection agreement with Hydro One.

“**Customer’s Facilities**” has the meaning set forth in the *Code*, and includes, but is not limited to any new, modified or replaced Customer’s Facilities.

“**IESO**” means the Independent Electricity System Operator.

“**Good Utility Practice**” has the meaning set forth in the *Code*.

“**Lender**” means a bank or other entity whose principal business is that of a financial institution.

“**OEB**” means the Ontario Energy Board.

“**OEB-Approved Connection Procedures**” means Hydro One’s connection procedures as approved by the OEB from time to time.

“**Person**” shall include individuals, trusts, partnerships, firms and corporation or any other legal entity.

“**Representative**” means (i) a person controlling or controlled by or under common control of a party and each of the respective directors, officers, employees and independent contractors of a party and such party’s Representative, (ii) any consultants, agents or legal, financial or professional advisors of a party or such party’s Representative and (iii) in the case of Customer, any institution providing or considering providing financing for the Proposed Project, including such institution’s directors, officers, employees and independent contractors or its consultants, agents or legal, financial or professional advisors.

“**Taxes**” means all property, municipal, sales, use, value added, goods and services, harmonized and any other non-recoverable taxes and other similar charges (other than Taxes imposed upon income, payroll or capital).

“**Work**” means the work to be conducted in accordance with the Scope of Work attached to the Agreement as Schedule “A”.

2. 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 the Agreement and to perform its obligations hereunder;
- (c) the execution, delivery and performance of the 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 material contracts or instruments to which it is bound; or any laws applicable to it;

- (d) any individual executing the Agreement, and any document in connection herewith, on its' behalf has been duly authorized by it to execute the Agreement and has the full power and authority to bind it;
- (e) the Agreement constitutes a legal and binding obligation on it, enforceable against it in accordance with its terms;
- (f) it is registered for purposes of Part IX of the *Excise Tax Act* (Canada); and
- (g) no proceedings have been instituted by or against it with respect to bankruptcy, insolvency, liquidation or dissolution.

3. The Customer and Hydro One shall perform their respective obligations outlined in the Agreement in a manner consistent with Good Utility Practice and in compliance with all Applicable Laws.

4. Except as provided herein, Hydro One makes no representation or warranty, express, implied, statutory or otherwise, including, but not limited to, any representation or warranty as to the merchantability or fitness of the Work or any part thereof for a particular purpose.

5. Customer Covenants

The Customer acknowledges and agrees that:

- (a) Hydro One has informed the Customer that the OEB-Approved Connection Procedures apply to the Proposed Project;
- (b) Hydro One has informed the Customer that should the Proposed Project proceed, an agreement must be executed by the Customer and Hydro One to address the terms and conditions (which may include terms with respect to capital contributions required to be made) of Hydro One performing the work required in order to provide for the connection of the Customer's Facilities prior to Hydro One initiating any modifications to Hydro One's facilities or purchasing any equipment;
- (c) the Customer will be responsible for ensuring that the Proposed Project complies with all Applicable Laws;

(d) if the Customer is a Generator Customer (as that term is defined in the *Code*), the Customer is responsible for:

- i. providing the IESO with the modeling and studies to show the acceptable dynamic behavior of the generators as specified in the IESO System Impact Assessment; and
- ii. any resulting requirements that come from the IESO's review of dynamic studies that were or are not part of the IESO's System Impact Assessment including, but not limited to changes required to be made to the Work as a consequence of such review;

(e) the Customer shall obtain all applicable approvals required by the IESO for the connection of the Proposed Project;

(f) all right, title and interest, including copyright ownership, to all information and material of any kind whatsoever (including, but not limited to the work product developed as part of the Work) that may be developed, conceived and/or produced by Hydro One during the performance of the Agreement is the property of Hydro One, and the Customer shall not do any act that may compromise or diminish Hydro One's interest as aforesaid;

(g) if the Work involves Hydro One preparing a Customer Impact Assessment, the Customer consents, notwithstanding any term to the contrary in the Agreement, to Hydro One releasing the completed Customer Impact Assessment Report to be prepared by Hydro One to the IESO, the Ontario Electrical Safety Authority and customers connected to Hydro One's transmission system in the vicinity of the Proposed Project that may be affected by the Proposed Project;

(h) if the Work involves Hydro One preparing a Customer Impact Assessment, it may provide a deposit to the IESO for the IESO studies in relation to the Proposed Project. In the event that the IESO refunds part of the deposit to Hydro One, Hydro One will refund such funds to the Customer within 30 days of receipt by Hydro One. In the event that the IESO studies cost more than the deposit, the Customer agrees that it will pay the additional costs of such studies as invoiced to Hydro One by the IESO; and

(i) Hydro One performs the Work based on the known and anticipated system conditions at the time the Work is performed, should there be any changes to system conditions, including, anticipated system conditions, between the time

that Hydro One completes the Work and when the Customer proposes to connect the Proposed Project, the Work may have to be revised at the Customer's expense at that time.

6. Liability and Force Majeure

PART III: LIABILITY AND FORCE MAJEURE (with the exception of Section 15.5 thereof) of the Connection Agreement ("**Part III**") and Sections 1.1.12 and 1.1.17 of the Connection Agreement are hereby incorporated in their entirety by reference into and form an integral part of the Agreement. Unless the context otherwise requires, all references in Part III to "this Agreement" shall be deemed to be a reference to the Agreement and all references to the "the Transmitter" shall be deemed to be a reference to Hydro One.

For the purposes of this Section 6, the parties agree that the references to:

- (i) the Transmitter in lines 3 and 4 of Section 15.1 of Part III means the Transmitter or any party acting on behalf of the Transmitter such as contractors, subcontractors, suppliers, employees and agents; and
- (ii) the Customer in lines 3 and 4 of Section 15.2 of Part III means the Customer or any party acting on behalf of the Customer such as contractors, subcontractors, suppliers, employees and agents.

This Section 6 shall survive the termination of the Agreement.

7. Events of Default

7.1 Each of the following events shall constitute an "Event of Default" under the Agreement:

- (a) failure by the Customer to pay any amount due under the Agreement;
- (b) breach by the Customer or Hydro One of any term, condition or covenant of the Agreement; or
- (c) the making of an order or resolution for the winding up of the Customer or Hydro One or of their respective operations or the occurrence of any other dissolution, bankruptcy or reorganization or liquidation proceeding instituted by or against the Customer or Hydro One.

7.2 Upon the occurrence of an Event of Default by the Customer hereunder (other than those specified in Subsection 7.1(c) of the Agreement, for which no notice is required to be given by Hydro One), Hydro One shall give the Customer written notice of the Event of Default and allow the Customer 15 calendar days from the date of receipt of the notice to rectify the Event of Default, at the Customer's sole expense. If such Event of Default is not cured to Hydro One's reasonable satisfaction within the 15 calendar day

period, Hydro One may, in its sole discretion, exercise the following remedy in addition to any remedies that may be available to Hydro One under the terms of the Agreement, at common law or in equity: deem the Agreement to be repudiated and, after giving the Customer at least 10 calendar days' prior written notice thereof, recover, as liquidated damages and not as a penalty, the sum of the amounts payable by the Customer less any amounts already paid by the Customer under the terms of the Agreement.

7.3 Upon the occurrence of an Event of Default by Hydro One hereunder (other than those specified in Subsection 7.1(c), the Customer shall give Hydro One written notice of the Event of Default and shall allow Hydro One 15 calendar days from the date of receipt of the notice to rectify the Event of Default at Hydro One's sole expense. If such Event of Default is not cured to the Customer's reasonable satisfaction within the 15 calendar day period, the Customer may pursue any remedies available to it at law or in equity, including at its option the termination of the Agreement.

7.4 All rights and remedies of Hydro One and the Customer provided herein are not intended to be exclusive but rather are cumulative and are in addition to any other right or remedy otherwise available to Hydro One and the Customer respectively at law or in equity, and any one or more of Hydro One's and the Customer's rights and remedies may from time to time be exercised independently or in combination and without prejudice to any other right or remedy Hydro One or the Customer may have or may not have exercised. The parties further agree that where any of the remedies provided for and elected by the non-defaulting party are found to be unenforceable, the non-defaulting party shall not be precluded from exercising any other right or remedy available to it at law or in equity.

8. Confidential Information

PART SEVEN: EXCHANGE AND CONFIDENTIALITY OF INFORMATION ("**Part 7**") and Sections 1.1.3 and 1.1.17 of the Connection Agreement are hereby incorporated in their entirety by reference into and form an integral part of this Agreement. Unless the context otherwise requires, all references in Part 7 to "this Agreement" shall be deemed to be a reference to this Agreement.

9. Transmission Bypass

If the Project involves the installation of a Generation Facility by the Customer at the site of a load facility that is connected to or is connecting to the transmission system, the Customer acknowledges that Hydro One has informed the Customer that:

- (a) other than in the circumstances described in Section 11.2.3A of the Code, Hydro One is required

to collect bypass compensation (calculated in accordance with Section 11.2.6 of the Code) from the Customer under Section 11.2.1(b) of the Code if the Customer, while retaining its connection to Hydro One's transmission system, also connects its load facility to a Generation Facility such that the Customer reduces its load served directly by Hydro One's transmission system, and the line connection or transformation connection rates in relation to that facility will be reduced; and

(b) if the Generation Facility has an installed capacity of 2 MW or more for renewable generation and 1 MW or higher for non-renewable generation and is being installed to displace all or any portion of the load demand at the load facility, the amounts invoiced by the IESO for line and transformation connection services applicable to the load facility will be calculated such that the customer demand in any hour will be the sum of: (a) the load-adjusted demand supplied from the transmission system plus (b) the demand that is supplied by a Generation Facility in accordance with Note 3 of the Provincial Transmission Rates set out in the OEB-approved Uniform Transmission Rates (OEB-2021-0276)).

10. Assignment for Financing Purposes

(a) The Customer may, without the written consent of Hydro One, assign by way of security only all or any part of its rights or obligations under the Agreement to a Lender(s). The Customer shall promptly notify Hydro One, in writing, upon making such assignment.

(b) The Customer may disclose Confidential Information of Hydro One to a Lender or prospective Lender provided that the Customer has taken all precautions as may be reasonable and necessary to prevent unauthorized use or disclosure of Hydro One's Confidential Information by a Lender or prospective Lender.

(c) Where a notice of an Event of Default has been served on the Customer under Section 7.2, an agent or trustee for and on behalf of the Lender(s) ("**Security Trustee**") or a receiver appointed by the Security Trustee ("**Receiver**") shall upon notice to Hydro One be entitled (but not obligated) to exercise all of the rights and obligations of the Customer under the Agreement and shall be entitled to remedy the default specified in the notice of default within the cure period referred to in Section 7.2. Hydro One agrees to accept performance of the Customer's obligations under the Agreement by the Security Trustee or Receiver in lieu of the Customer's performance of such obligations, and will not exercise any right to terminate the Agreement due to an event of default if the Security Trustee, its nominee or transferee, or the Receiver acknowledges in

writing its intention to be bound by the terms of the Agreement by notifying Hydro One, and such acknowledgment is received within 20 days of the date of receipt by the Customer of the notice of default.

(d) the Lender will have no obligation or liability under the Agreement by reason of the assignment until such time as the Lender, the Security Trustee or the Receiver exercises any of the rights or obligations of the Customer under the Agreement.

(e) The Customer shall be deemed to hold the provisions of this Section 10 that are for the benefit of Lender(s) in trust for such Lender(s) as third party beneficiary(ies) under the Agreement.

11. Code and OEB-approved Transmission Connection Procedures

This Agreement is subject to the *Transmission System Code* and the OEB-Approved Connection Procedures. If any provision of this Agreement is inconsistent with the:

- (a) *Transmission System Code*, the said provision shall be deemed to be amended so as to comply with the *Transmission System Code*; or
- (b) OEB-Approved Connection Procedures, the said provision shall be deemed to be amended so as to comply with the OEB-Approved Connection Procedures.

12. General

(a) Subject to Section 11, any amendment to the Agreement shall be made in writing and duly executed by both parties.

(b) Unless otherwise specified, references in the Agreement to Sections or Schedules are to sections, articles and Schedules of the Agreement. Any reference in the Agreement to any statute, regulation, any OEB-approved documents or any section thereof will, unless otherwise expressly stated, be deemed to be a reference to such statute, regulation, document or section as amended, restated or re-enacted from time to time. The insertion of headings is for convenience only, and shall not affect the interpretation of the Agreement. Unless the context requires otherwise, words importing the singular include the plural and vice versa. The words "including" or "includes" means including (or includes) without limitation.

(c) The failure of either party hereto to enforce at any time any of the provisions of the Agreement or to exercise any right or option which is herein provided shall in no way be construed to be a waiver of such provision or any other provision nor in any way affect the validity of the

Agreement or any part hereof or the right of either party to enforce thereafter each and every provision and to exercise any right or option. The waiver of any breach of the Agreement shall not be held to be a waiver of any other or subsequent breach. Nothing shall be construed or have the effect of a waiver except an instrument in writing signed by a duly authorized officer of the party against whom such waiver is sought to be enforced which expressly waives a right or rights or an option or options under the Agreement.

- (d) Other than in accordance with Section 10 above, the Agreement may not be assigned without the written consent of the other party, which consent will not be unreasonably withheld.
- (e) The Agreement 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.
- (f) Invoiced amounts are due 30 days after invoice issuance. All overdue amounts including, but not limited to amounts that are not invoiced but required under the terms of this Agreement to be paid in a specified time period, shall bear interest at 1.5% per month compounded monthly (19.56 percent per year) for the time they remain unpaid.
- (g) The obligation to pay any amount due and payable hereunder shall survive the termination of the Agreement.



CONNECTION AND COST RECOVERY AGREEMENT (CCRA) - LOAD

between

Hydro Ottawa Limited

and

Hydro One Networks Inc.

for

Terry Fox MTS Line Connection Project

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – LOAD**

Hydro Ottawa Limited (the "Customer") has requested and Hydro One Networks Inc. ("Hydro One") has agreed to connect the Customer's new Terry Fox Municipal Transformer Station ("Terry Fox MTS") to Hydro One's 230 kV circuit, M29C (the "Project") on the terms and conditions set forth in this Agreement dated 4th day of February, 2013 (the "Agreement") and the attached Standard Terms and Conditions for Load Customer Transmission Customer Connection Projects V4 3-2012 (the "Standard Terms and Conditions" or "T&C"). Schedules "A" and "B" attached hereto and the Standard Terms and Conditions are to be read with and form part of this Agreement.

Project Summary

The Customer is building a new 230/27.6 kV 45/75 MVA DESN transformer station (Terry Fox MTS) at [REDACTED] to serve the Customer's load. The Customer has requested that Hydro One build a double circuit 230 kV line connection to its new Terry Fox MTS from [REDACTED] circuit that is located [REDACTED]. The Project also includes the installation of a motorized 230 kV switch located between the two line taps.

Term: The term of this Agreement commences on the date first written above and terminates on the 25th anniversary of the In Service Date.


Special Circumstances

In addition to the circumstances described in Section 5 of the Standard Terms and Conditions, the Ready for Service Date is subject to the Customer executing and delivering this Agreement to Hydro One by no later than 8th day of February, 2013, (the "Execution Date").

Subject to Section 31 of the T&C, this Agreement 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.


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

HYDRO OTTAWA LIMITED


Name: Norm Fraser
Title: Chief Operating Officer, Distribution & Customer Service
Date: February 4th, 2013 I have the authority to bind the Corporation

LANCE JEFFERIOS
DIRECTOR DISTRIBUTION OPERATIONS
SIGNED FOR.

HYDRO ONE NETWORKS INC.


Name: Myles D'Arcey
Title: Senior VP, Customer Operations
Execution Date: February 8, 2013
I have the authority to bind the Corporation

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – LOAD**

Schedule “A” Terry Fox MTS Line Connection Project

PROJECT SCOPE

New or Modified Connection Facilities: Hydro One will design, construct, own and operate a new double circuit 230 kV line connection to the Customer’s Terry Fox MTS Station and install a motorized 230 kV disconnect switch located between the two line taps on M29C.

Connection Point: 230 kV transmission circuit, M29C, located adjacent to the Customer’s Terry Fox MTS at [REDACTED]

Ready for Service Date:

- a) Connection taps to transformers: November 15, 2013
- b) Motorized in-line 230kV disconnect switch: March 15, 2014.

HYDRO ONE CONNECTION WORK

Part 1: Transformation Connection Pool Work

Hydro One will:

Not applicable

Part 2: Line Connection Pool Work

Hydro One will:

Provide a double circuit 230 kV line connection to the Customer’s new Terry Fox MTS [REDACTED]

2.1 230 kV Line Tap

- Provide 2 x 230 kV overhead line taps from circuit M29C to the new Terry Fox MTS.
- Provide line trap for each 230kV line tap connection,
- Provide mid-span openers.
- Provide tapping structures as required. Locate the structures to align with the new Terry Fox MTStermination entrance structure.
- Terminate the line conductors at the new Terry Fox MTStermination entrance structures.
- Terminate the skywires at the mast extensions at the new Terry Fox MTStermination entrance structures.
- Arrange outages.

Note: In order for Hydro One to complete the work described in this Part 2, the Customer shall have completed the Customer Connection Work described in this Schedule “A”.

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

2.2 Protection changes

- Review & revise protections at Cherrywood TS, Almonte TS, Merivale TS and other stations as required to accommodate the new Terry Fox MTS.
- Review the Customer's protection/operation strategy to ensure compatibility with Hydro One's transmission system (see part 8 below for additional details).
- Provide new operating plates and revise operating diagrams on Hydro One facilities only.
- Carry out COVER process on Hydro One high voltage facilities.

2.3 SCADA quantities

- Review and revise SCADA at Hydro One's Facilities including SCADA facilities at the Ontario Grid Control Centre (OGCC) to meet Network Operating and IESO CSCC requirements and SCADA standards.

Part 3: Network Customer Allocated Work

Hydro One will install a 230 kV motorized disconnect switch on M29C between the two line taps connecting M29C to Terry Fox MTS.

Part 4: Network Pool Work (Non-Recoverable from Customer)

Hydro One will:

Not applicable

Part 5: Work Chargeable to Customer

Not Applicable

Part 6: Scope Change

For the purposes of this Part 6 of Schedule "A", the term "Non-Customer Initiated Scope Change(s)" means one or more changes that are required to be made to the Project Scope as detailed and documented in Parts 1 to 5 of this Schedule "A" such as a result of any one or more of the following:

- any environmental assessment(s);
- requirement for Hydro One to obtain approval under Section 92 (leave to construct) of the Ontario Energy Board Act if the transmission line route selected by Hydro One is greater than 2 km in length;
- Hydro One having to expropriate property under the Ontario Energy Board Act;
- conditions included by the OEB in any approval issued by the OEB under Section 92 of the Ontario Energy Board Act or any approval issued by the OEB to expropriate under the Ontario Energy Board Act; and
- any IESO requirements identified in the System Impact Assessment or any revisions thereto.

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

Any change in the Project Scope as detailed and documented in Parts 1 to 5 of this Schedule “A” whether they are initiated by the Customer or are Non-Customer Initiated Scope Changes, may result in a change to the Project costs estimated in Schedule “B” of this Agreement and the Project schedule, including the Ready for Service Date.

All Customer initiated scope changes to this Project must be in writing to Hydro One.

Hydro One will advise the Customer of any cost and schedule impacts of any Customer initiated scope changes. Hydro One will advise the Customer of any Material cost and/or Material schedule impacts of any Non-Customer Initiated Scope Changes.

Hydro One will not implement any Customer initiated scope changes until written approval has been received from the Customer accepting the new pricing and schedule impact.

Hydro One will implement all Non-Customer initiated scope changes until the estimate of the Engineering and Construction Cost of all of the Non-Customer initiated scope changes made by Hydro One reaches 10% of the total sum of the estimates of the Engineering and Construction Cost of:

- (i) the Transformation Connection Pool Work,
- (ii) the Line Connection Pool Work;
- (iii) Network Pool Work;
- (iv) Network Customer Allocated Work; and
- (v) The Work Chargeable to Customer.

At that point, no further Non-Customer initiated scope changes may be made by Hydro One without the written consent of the Customer accepting new pricing and schedule impact. If the Customer does not accept the new pricing and schedule impact, Hydro One will not be responsible for any delay in the Ready for Service Date as a consequence thereof.

CUSTOMER CONNECTION WORK

Part 1: General Project Requirements:

The Customer will:

- (a) enter into a Connection Agreement with Hydro One at least 14 days prior to the connection of the New Facility to Hydro One’s transmission system;
- (b) ensure that project data is made available or provided to Hydro One as required by Hydro One;
- (c) ensure that the work performed by the Customer and others required for successful installation, testing and commissioning of protective and metering equipment is completed as required to satisfy the Confirmation of Verification Evidence Report (“**COVER**”).
- (d) install metering facilities in accordance with the IESO’s Rules;
- (e) obtain the IESO’s approval of the connection design and satisfy any other requirements of the IESO), in order to connect to Hydro One’s transmission system; and
- (f) provide a dedicated communication circuit for remote access to the metering equipment in accordance with the IESO Rules.

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – LOAD

Part 2: Line tap

The Customer will:

- Provide suitable steel termination entrance structures to accommodate the 230 kV overhead line tap.
- Provide suitable lightning masts to accommodate overhead skywire(s) equipped with insulated end.
- Provide connections from the NEMA pads on the line conductors to the New Facility bus/equipment.
- Provide connections from the skywire(s) to the New Facility ground grid.
- Provide information on the phase rotation at the entrance structures.
- Provide environmental assessment report for the New Facility.

Part 3: Teleprotection at New Facility

The Customer will:

- Install main and alternate NSD570 teleprotection channels at Terry Fox MTS to communicate with Hydro One installed NSD570 at Merivale TS. Required commands include transfer trip.
- Use Hydro One Analog Standard 6446-60211-15-0R0.
- Provide two new S4T4 circuits between Merivale TS and Terry Fox MTS.
- Be responsible for design and construction at the Customer's site.

Part 4: Protection at New Facility

The Customer will:

- Install dual line backup protections to cover both phase and ground faults on 230 kV lines M29Censure that any Customer-owned protection that trips the 230kV transformer breaker must also independently and simultaneously open the transformer 230kV motorized disconnect switch.

Part 5: SCADA RTU

The Customer will:

- Comply with Market Rules For sending Real Time Data to the IESO.
- Monitor and transmit the quantities and device statuses, defined below, shall be monitored and transmitted continually to Hydro One:

A. Analogue Quantities

- (a) Where HV voltages are monitored
 - (I) HV active power (MW) and reactive power (MVAR) flows and directions for each transformer
 - (II) Three phase to phase or three phase to neutral voltages of each HV winding or bus
- (b) Where HV voltages are not monitored
 - (I) Low voltage active power (MW) and reactive power (MVAR) flows and directions for each transformer winding or for each LV bus
 - (II) Three phase to phase voltages of each low voltage bus

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – LOAD**

- (c) Under load tap changer (ULTC) positions
- (d) Off load tap changer (OLTC) positions do not have to be telemetered. However, the customer must provide Hydro One with the in service OLTC positions and notify Hydro One of any changes thereafter.

B. Device Statuses

- (a) All HV circuit breakers/switchers and bus tie breakers
- (b) All HV line-disconnect switches
- (c) All HV bus/tie sectionalizing switches
- (d) All LV transformer and bus tie breakers and switches
- (e) All LV capacitor breakers or isolating switches

C. Alarms

An alarm signal shall be generated and transmitted whenever a Customer-owned protection, which is designed to trip Hydro One's or the Customer-owned HV breakers, operates. A separate alarm must be provided for each circuit supplying the Customer. The alarms shall identify the name of the transformer station and the designation of the HV interrupted circuit.

Part 6: Telecommunications

The Customer will:

- Provide SCADA quantities as required by the Transmission System Code to OGCC as per Part 5.0 above.

Part 7: Revenue Metering

The Customer will:

- Provide revenue metering system to IESO requirements including but not limited to Chapter 6 of the IESO Market Rules.

Part 8: Interface Documentation

The Customer will submit the following Interface Documents for review per the Transmission System Code in complete packages of Group A, B, C.

Note: The Customer will be charged \$3,700 for each additional review performed by Hydro One due to partial submission or incomplete information in the submission.

Group A:

- IESO application & approval-for information only.
- System 1-line showing ratings of all electrical equipment, such as disconnect switches, bushing potential devices, CVTs, power transformers, grounding transformers, grounding resistors, breakers, etc.
- GPR study and associated station ground design.
- Entrance structure (electrical & structural)
- General arrangement of the station

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – LOAD**

Group B:

- DC station service 1 line showing ratings of all electrical equipment such as batteries, chargers, etc.
- Information on switchgear fault ratings
- HV surge arrester specification
- RTU configuration/communications protocol
- Line protection ac & dc EWD
- Transformer protection, ac & dc EWD
- HV disconnect switch/HV Circuit breaker ac & dc EWD
- LV breaker (transformer & bus tie breakers) ac & dc EWD
- Breaker failure (transformer & bus tie breakers) ac & dc EWD
- HV equipment operating & protection philosophy & design descriptions of protections

Group C:

- Power transformer nameplate
- Relay settings including relay logic diagrams, coordination studies and fault calculations
- Commissioning procedure

The Customer must identify all submitted documents with revision numbers and/or dates in a transmittal.

All submitted Connection Interface Documents are to be sent via courier from the customer to the Hydro One contact (MarcEstabrooks, e-mail: Marc.Estabrooks@hydroone.com)

All submitted drawings are to be submitted in full size, folded & collated into packages for Hydro One internal distribution. For example, if there are 3 sets, then we would expect 3 packages in one courier package.

- Number of sets:
- All single lines/3 sets
- General arrangement/3 sets
- All other drawings/documents/3 sets

The Customer must also provide a CD of all requested drawings.

Part 8: Site Work

The Customer will:

- Provide bucket truck access to Hydro One's mid-span-openers located on the Customer's property

EXISTING LOAD:

	A	B
Existing Load Facility	Existing Load (MW)¹	Normal Capacity (MW)²
Nepean TS	154.1 MW	No Overload
South March TS	49.1 MW	No Overload

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – LOAD**

Notes:

1. Existing Load means the Customer's Assigned Capacity at the Existing Load Facility as of the date of this Agreement (Section 3.0.3 of the Transmission System Code).
2. Any station load above the Normal Capacity of the Existing Load Facility (Overload) will be determined in accordance with Section 6.7.9 of the Transmission System Code and Hydro One's Connection Procedures. If the Overload is transferred to the New or Modified Connection Facilities, the Overload will be credited to the Line Connection Revenue, Transformation Connection Revenue or Network Revenue requirement, whichever is applicable.

OTHER RELEVANT CONSIDERATIONS:

- CCRA for Hawthorne TS 115 kV Lines dated January 7, 2003. This agreement includes incremental loads from King Edward TS, Moulton MS, Overbrooke TS, Riverdale TS, Russell TS and Slater TS. Incremental loads from these stations will not be included in the Terry Fox MTS load forecast.
- CCRA for Ellwood MTS Line Connection Project dated March 11, 2010. This agreement includes incremental loads from Albion TS. Incremental loads from this station will not be included in the Terry Fox MTS load forecast.
- CCRA for Cyrville MTS dated January 10, 2008. This agreement includes incremental loads from Moulton MS and Billberry Creek TS. Incremental loads from these stations will not be included in the Terry Fox MTS load forecast.

EXCEPTIONAL CIRCUMSTANCES RE. NETWORK CONSTRUCTION OR MODIFICATIONS:

None expected

MISCELLANEOUS

Customer Connection Risk Classification: Low Risk

True-Up Points: (a) following the fifth and tenth anniversaries of the In Service Date; and
(b) following the fifteenth anniversary of the In Service Date if the Actual Load is 20% higher or lower than the Load Forecast at the end of the tenth anniversary of the In Service Date.

Customer's HST Registration Number: XXXXXXXXXX

Documentation Required (after In Service Date): All drawings listed in Part "8" above and any others deemed necessary by Hydro One.

Ownership: Hydro One will own all equipment provided by Hydro One as part of the Hydro One Connection Work.

Approval Date (if Section 92 required to be obtained by Hydro One): Not Applicable.

Security Requirements: NIL

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – LOAD**

Easement Required from Customer:Not applicable

Approval Date (for OEB leave to construct):Not Applicable.

Revenue Metering: IESO compliant revenue metering to be provided by the Customer.

Customer Notice Info:

Hydro Ottawa Limited
3025 Albion Road
Ottawa, Ontario
K1G 3S4

Attention: Norm Fraser
Chief Operating Officer, Distribution and Customer Service

Fax #: 613-738-6426

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – LOAD**

Schedule “B” Terry Fox MTS Line Connection Project

TRANSFORMATION CONNECTION POOL WORK

Estimate of the Engineering and Construction Cost of the Transformation Connection Pool Work: Not Applicable.

Estimate of Transformation Connection Pool Work Capital Contribution:Not Applicable

Actual Engineering and Construction Cost of the Transformation Connection Pool Work:Not Applicable.

Actual Transformation Connection Pool Work Capital Contribution:To be provided 180 days after the Ready for Service Date.

LINE CONNECTION POOL WORK

Estimate of the Engineering and Construction Cost of the Line Connection Pool Work: \$3,065,341.00 plus HST in the amount of \$398,494.33 for a total of \$3,463,835.33

Estimate of Line Connection Revenue during the Economic Evaluation Period:

Estimate of Line Connection Pool Work Capital Contribution: \$151,000.00 plus HST in the amount of \$19,630.00 for a total of \$170,630.00.

Actual Engineering and Construction Cost of the Line Connection Pool Work:To be provided 180 days after the Ready for Service Date.

Line Connection Revenue during the Economic Evaluation Period:To be provided 180 days after the Ready for Service Date.

Actual Line Connection Pool Work Capital Contribution:To be provided 180 days after the Ready for Service Date.

NETWORK CUSTOMER ALLOCATED WORK

Estimate of the Engineering and Construction Cost of the Network Customer Allocated Work: \$750,000.00 plus HST in the amount of \$97,500.00 for a total of \$847,500.00.

Estimate of Network Revenue during the Economic Evaluation Period:

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – LOAD**

Estimate of Network Customer Allocated Work Capital Contribution: Not Applicable

Actual Engineering and Construction Cost of the Network Customer Allocated Work: To be provided 180 days after the Ready for Service Date.

Network Revenue during the Economic Evaluation Period: To be provided 180 days after the Ready for Service Date.

Actual Network Customer Allocated Work Capital Contribution: To be provided 180 days after the Ready for Service Date.

NETWORK POOL WORK (NON-RECOVERABLE FROM CUSTOMER):

The estimated Engineering and Construction Cost of the Network Pool Work (Non-Recoverable from Customer) is: \$ 0.00. Subject to Sections 10.3 and 18 of the Standard Terms and Conditions, Hydro One will perform this work at its own expense.

WORK CHARGEABLE TO CUSTOMER

Estimate of the Engineering and Construction Cost of the Work Chargeable To Customer: \$ 0.00 plus HST in the amount of \$ 0.00

Actual Engineering and Construction Cost of the Work Chargeable To Customer: To be provided 180 days after the Ready for Service Date.

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – LOAD**

**MANNER OF PAYMENT OF THE ESTIMATE OF CAPITAL CONTRIBUTIONS
AND WORK CHARGEABLE TO CUSTOMER**

The Customer shall pay Hydro One the estimate of the Transformation Connection Pool Work Capital Contribution, the estimate of Line Connection Pool Work Capital Contribution, the estimate of the Network Customer Allocated Work Capital Contribution and the estimate of the Engineering and Construction Cost of the Work Chargeable to Customer by making the progress payments specified below on or before the Payment Milestone Date specified below. Hydro One will invoice the Customer for each progress payment 30 days prior to the Payment Milestone Date.

Payment Milestone Date	Estimate of Transformation Connection Pool Work Capital Contribution	Estimate of Line Connection Pool Work Capital Contribution	Estimate of Network Customer Allocated Work Capital Contribution	Estimate of the Engineering and Construction Cost of the Work Chargeable To Customer	Total Payment Required
Ten business days following the Execution Date		\$76,000			\$76,000
July 31, 2013		\$75,000			\$75,000

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – LOAD**

**LINE CONNECTION REVENUE REQUIREMENTS AND LOAD FORECAST AT THE NEW OR
MODIFIED CONNECTION FACILITIES**

Annual Period Ending On:	New Load** (MW)	Part of New Load Exceeding Normal Capacity of Existing Load Facilities [C]	Adjusted Load Forecast (MW) [D]	Line Connection Revenue (k\$) for True-Up, based on [C] or [D], whichever is applicable
1 st Anniversary of In Service Date	7.5	7.5	7.5	72.1
2 nd Anniversary of In Service Date	13.6	13.6	13.6	130.1
3 rd Anniversary of In Service Date	19.4	19.4	19.4	186.3
4 th Anniversary of In Service Date	25.2	25.2	25.2	241.7
5 th Anniversary of In Service Date	28.9	28.9	28.9	277.2
6 th Anniversary of In Service Date	32.4	32.4	32.4	310.9
7 th Anniversary of In Service Date	33.0	33.0	33.0	317.2
8 th Anniversary of In Service Date	33.4	33.4	33.4	320.2
9 th Anniversary of In Service Date	33.7	33.7	33.7	323.2
10 th Anniversary of In Service Date	34.0	34.0	34.0	326.2
11 th Anniversary of In Service Date	34.4	34.4	34.4	329.9
12 th Anniversary of In Service Date	34.7	34.7	34.7	333.0
13 th Anniversary of In Service Date	35.1	35.1	35.1	336.6
14 th Anniversary of In Service Date	35.4	35.4	35.4	339.7
15 th Anniversary of In Service Date	35.8	35.8	35.8	343.4
16 th Anniversary of In Service Date	36.1	36.1	36.1	346.4
17 th Anniversary of In Service Date	36.5	36.5	36.5	350.1
18 th Anniversary of In Service Date	36.9	36.9	36.9	353.9
19 th Anniversary of In Service Date	36.9	36.9	36.9	354.2
20 th Anniversary of In Service Date	36.9	36.9	36.9	354.2
21 st Anniversary of In Service Date	36.9	36.9	36.9	354.2
22 nd Anniversary of In Service Date	36.9	36.9	36.9	354.2
23 rd Anniversary of In Service Date	36.9	36.9	36.9	354.2
24 th Anniversary of In Service Date	36.9	36.9	36.9	354.2
25 th Anniversary of In Service Date	36.9	36.9	36.9	354.2

Peak Load Index (PLI) = 0.856

** New Load based on Customer's Load Forecast which includes Part of New Load Exceeding Normal Capacity of Existing Load Facilities. "Overload" derived in accordance with Section 6.7.9 of the Transmission System Code and the OEB-Approved Connection Procedures. Any Customer load below the Normal Capacity of the Existing Load Facilities transferred to the New or Modified Facilities will not be credited towards the Transformation Connection Revenue Requirements, Line Connection Revenue Requirements or the Network Connection Revenue Requirements. The discounted cash flow calculation for Network Revenue requirements will be based on Incremental Network Load which is New Load less the amount of load, if any, that has been by-passed by the Customer at any of Hydro One's connection facilities.

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – LOAD**

**NETWORK REVENUE REQUIREMENTS
AND LOAD FORECAST AT THE NEW OR MODIFIED CONNECTION FACILITIES**

Annual Period Ending On:	New Load** - (MW)	Part of New Load Exceeding Normal Capacity of Existing Load Facilities [C]	Adjusted Load Forecast (MW) [D]	Network Revenue (k\$) for True-Up, Based on [C] or [D], whichever is applicable
1 st Anniversary of In Service Date	7.5	7.5	0.4	19.2
2 nd Anniversary of In Service Date	13.6	13.6	0.8	34.7
3 rd Anniversary of In Service Date	19.4	19.4	1.2	49.7
4 th Anniversary of In Service Date	25.2	25.2	1.5	64.5
5 th Anniversary of In Service Date	28.9	28.9	1.7	74.0
6 th Anniversary of In Service Date	32.4	32.4	1.9	83.0
7 th Anniversary of In Service Date	33.0	33.0	2.0	84.7
8 th Anniversary of In Service Date	33.4	33.4	2.0	85.5
9 th Anniversary of In Service Date	33.7	33.7	2.0	86.3
10 th Anniversary of In Service Date	34.0	34.0	2.0	87.1
11 th Anniversary of In Service Date	34.4	34.4	2.1	88.1
12 th Anniversary of In Service Date	34.7	34.7	2.1	88.9
13 th Anniversary of In Service Date	35.1	35.1	2.1	89.9
14 th Anniversary of In Service Date	35.4	35.4	2.1	90.7
15 th Anniversary of In Service Date	35.8	35.8	2.1	91.7
16 th Anniversary of In Service Date	36.1	36.1	2.2	92.5
17 th Anniversary of In Service Date	36.5	36.5	2.2	93.5
18 th Anniversary of In Service Date	36.9	36.9	2.2	94.5
19 th Anniversary of In Service Date	36.9	36.9	2.2	94.6
20 th Anniversary of In Service Date	36.9	36.9	2.2	94.6
21 st Anniversary of In Service Date	36.9	36.9	2.2	94.6
22 nd Anniversary of In Service Date	36.9	36.9	2.2	94.6
23 rd Anniversary of In Service Date	36.9	36.9	2.2	94.6
24 th Anniversary of In Service Date	36.9	36.9	2.2	94.6
25 th Anniversary of In Service Date	36.9	36.9	2.2	94.6

Peak Load Index (PLI)=0.78

** New Load based on Customer's Load Forecast which includes Part of New Load Exceeding Normal Capacity of Existing Load Facilities. "Overload" derived in accordance with Section 6.7.9 of the Transmission System Code and the OEB-Approved Connection Procedures. Any Customer load below the Normal Capacity of the Existing Load Facilities transferred to the New or Modified Facilities will not be credited towards the Transformation Connection Revenue Requirements, Line Connection Revenue Requirements or the Network Connection Revenue Requirements. The discounted cash flow calculation for Network Revenue requirements will be based on Incremental Network Load which is New Load less the amount of load, if any, that has been by-passed by the Customer at any of Hydro One's connection facilities.

Standard Terms and Conditions for Load Customer Transmission Customer Connection Projects

1. 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 the Agreement and to perform its obligations hereunder;
 - (c) the execution, delivery and performance of the 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 Material contracts or instruments to which it is bound; or (iii) 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) the Agreement constitutes a legal and binding obligation on it, enforceable against it in accordance with its terms;
 - (f) it is registered for purposes of Part IX of the *Excise Tax Act* (Canada). The HST registration number for Hydro One is [REDACTED] and the HST registration number for the Customer is as specified in Schedule "A" of the Agreement; and
 - (g) no proceedings have been instituted by or against it with respect to bankruptcy, insolvency, liquidation or dissolution.
- (b) the Customer shall perform the Customer Connection Work, at its own expense;
- (c) except as specifically provided in the Agreement, the Customer is responsible for obtaining any and all permits, certificates, reviews and approvals required under any Applicable Laws with respect to the Customer Connection Work and those required for the construction, Connection and operation of the Customer's Facilities including, but not limited to, where applicable, leave to construct pursuant to Section 92 of the *Ontario Energy Board Act, 1998*;
- (d) the Customer is responsible for installing equipment and facilities such as protection and control equipment to protect its own property, including, but not limited to the Customer's Facilities;
- (e) the Customer shall provide Hydro One with Project data required by Hydro One, including, but not limited to (i) the same technical information that the Customer provided the IESO during any connection assessment and facility registration process associated with the Customer'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 Customer's Facilities;
- (f) Hydro One may participate in the commissioning, inspection or testing of the Customer's Connection Facilities at a time that is mutually agreed by Hydro One and the Customer and the Customer shall ensure that the work performed by the Customer and others required for successful commissioning, inspection or testing of protective equipment is completed as required to enable Hydro One witnessing and testing to confirm satisfactory performance of such systems;
- (g) unless otherwise provided herein, Hydro One's responsibilities under the Agreement with respect to the Connection of the New or Modified Connection Facilities to Hydro One's transmission system shall be limited to the performance of the Hydro One Connection Work;
- (h) Hydro One is not permitted to Connect any new, modified or replacement Customer's Facilities unless any required Connection authorizations, certificate of inspection or other applicable approval have been issued or given by the Ontario Electrical Safety Authority in relation to such facilities;
- (i) Hydro One may require that the Customer provide Hydro One with test certificates certifying that the Customer's Facilities have passed all relevant tests and comply with the *Transmission System Code*, the Market Rules, Good Utility Practice, the standards of all applicable reliability organizations and any Applicable

Part A: Hydro One Connection Work and Customer Connection Work

2. The Customer and Hydro One shall perform their respective obligations outlined in the Agreement in a manner consistent with Good Utility Practice and the Transmission System Code, in compliance with all Applicable Laws, and using duly qualified and experienced people.

3. The parties acknowledge and agree that:

- (a) Hydro One is responsible for obtaining any and all permits, certificates, reviews and approvals required under any Applicable Laws with respect to the Hydro One Connection Work and those required for the construction, Connection and operation of the New or Modified Connection Facilities;

Laws, including, but not limited to any certificates of inspection that may be required by the Ontario Electrical Safety Authority;

(j) in addition to the Hydro One Connection Work described in Schedule "A", Hydro One shall: provide the Customer with such technical parameters as may be required to assist the Customer in ensuring that the design of the Customer's Facilities is consistent with the requirements applicable to Hydro One's transmission system and the basic general performance standards for facilities set out in the *Transmission System Code*, including Appendix 2 thereof; and

(k) if Hydro One requires access to the Customer's Facilities for the purposes of performing the Hydro One Connection Work or the Customer requires access to Hydro One's Facilities for the purposes of the Customer Connection Work, the parties agree that Section 27.13 of the Connection Agreement shall govern such access and is hereby incorporated in its entirety by reference into, and forms an integral part of the Agreement. All references to "this Agreement" in Section 27.13 shall be deemed to be a reference to the Agreement;

(l) the Customer shall enter into a Connection Agreement with Hydro One or amend its existing Connection Agreement with Hydro One at least 14 calendar days prior to the Connection;

(m) Hydro One shall use commercially reasonable efforts to ensure that any applications required to be filed to obtain any permits or approvals required under Applicable Laws for the Hydro One Connection Work are filed in a timely manner; and

(n) the Customer shall use commercially reasonable efforts to ensure that any applications required to be filed to obtain any permits or approvals required under Applicable Laws for the Customer Connection Work or for the construction, Connection and operation of the Customer's Facilities are filed in a timely manner.

4. The following aspects of the Hydro One Connection Work and Hydro One's rights and requirements hereunder are solely for the purpose of Hydro One ensuring that the Customer Facilities to be connected to Hydro One's transmission system do not materially reduce or adversely affect the reliability of Hydro One's transmission system and do not adversely affect other customers connected to Hydro One's transmission system, Hydro One's:

- (i) specifications of the protection equipment on the Customer's side of the Connection Point;
- (ii) acceptance of power system components on the Customer's side of the Connection Point;

- (iii) acceptance of the technical specifications (including electrical drawings) for the Customer's Facilities and/or the Customer Connection Work; and
- (iv) participation in the commissioning, inspection or testing of the Customer's Facilities,

The Customer is responsible for installing equipment and facilities such as protection and control equipment to protect its own property, including, but not limited to the Customer's Facilities.

5. Hydro One shall use commercially reasonable efforts to complete the Hydro One Connection Work by the Ready for Service Date specified in Schedule "A" provided that:

- (a) the Customer is in compliance with its obligations under the Agreement;
- (b) any work required to be performed by third parties has been performed in a timely manner and in a manner to the satisfaction of Hydro One, acting reasonably;
- (c) there are no delays resulting from Hydro One not being able to obtain outages from the IESO required for any portion of the Hydro One Connection Work or from the IESO making changes to the Hydro One Connection Work or the scheduling of all or a portion of the Hydro One Connection Work ;
- (d) Hydro One does not have to use its employees, agents and contractors performing the Hydro One Connection Work or the Network Pool Work elsewhere on its transmission system or distribution system due to an Emergency (as that term is defined in the *Transmission System Code*) or a Force Majeure Event;
- (e) Hydro One is able to obtain the materials and labour required to perform the Hydro One Connection Work with the expenditure of Premium Costs where required;
- (f) where Hydro One needs to obtain leave to construct pursuant to Section 92 of the *Ontario Energy Board Act, 1998*, such leave is obtained on or before the date specified as the Approval Date in Schedule "A" of the Agreement;
- (g) where applicable, Hydro One received the easement described in Section 24 hereof by the Easement Date specified in Schedule "A" of the Agreement;
- (h) Hydro One has received or obtained prior to the dates upon which Hydro One requires any or one or more of the following under Applicable Laws in order to perform all or any part of the Hydro One Connection Work:
 - (i) environmental approvals, permits or certificates;
 - (ii) land use permits from the Crown; and
 - (iii) building permits and site plan approvals;
- (j) Hydro One is able, using commercially reasonable efforts, to obtain all necessary land rights on terms substantially similar to the form of the easement that

is attached hereto as Appendix "B" of these Standard Terms and Conditions for the Project, prior to the dates upon which Hydro One needs to commence construction of the Hydro One Connection Work in order to meet the Ready for Service Date;

- (k) there are no delays resulting from Hydro One being unable to obtain materials or equipment required from suppliers in time to meet the project schedule for any portion of the Hydro One Connection Work provided that such delays are beyond the reasonable control Hydro One; and
- (l) the Customer executed the Agreement on or before the date specified as the Execution Date.

The Customer 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.

6. Upon completion of the Hydro One Connection Work:

- (a) Hydro One shall own, operate and maintain all equipment specified in Schedule "A" of the Agreement under the heading "Ownership"; and
- (b) other than equipment referred to in (a) above that shall be owned, operated and maintained by Hydro One, all other equipment provided by Hydro One as part of the Hydro One Connection Work or provided by the Customer as part of the Customer Connection Work shall be owned, operated and maintained by the Customer.

The Customer acknowledges that:

- (i) ownership and title to the equipment referred to in (a) above shall throughout the Term and thereafter remain vested in Hydro One and the Customer shall have no right of property therein; and
- (ii) any portion of the equipment referred to in (a) above that is located on the Customer's property shall be and remain the property of Hydro One and shall not be or become fixtures and/or part of the Customer's property.

7. The Customer acknowledges and agrees that Hydro One is not responsible for the provision of power system components on the Customer's Facilities, including, without limitation, all transformation, switching, metering and auxiliary equipment such as protection and control equipment.

All of the power system components on the Customer's side of the Connection Point including, without limitation, all transformation, switching and auxiliary equipment such as protection and control equipment shall be subject to the acceptance of Hydro One with

regard to Hydro One's requirements to permit Connection of the New or Modified Connection Facilities to Hydro One's transmission system, and shall be installed, maintained and operated in accordance with all Applicable Laws, codes and standards, including, but not limited to, the *Transmission System Code*, at the expense of the Customer.

8. Where Hydro One has equipment for automatic reclosing of circuit breakers after an interruption for the purpose of improving the continuity of supply, it shall be the obligation of the Customer to provide adequate protective equipment for the Customer's facilities that might be adversely affected by the operation of such reclosing equipment. The Customer shall provide such equipment as may be required from time to time by Hydro One for the prompt disconnection of any of the Customer's apparatus that might affect the proper functioning of Hydro One's reclosing equipment.

9. The Customer shall provide Hydro One with copies of the documentation specified in Schedule "A" of the Agreement under the heading "Documentation Required", acceptable to Hydro One, within 120 calendar days after the Ready for Service Date. The Customer shall ensure that Hydro One may retain this documentation for Hydro One's ongoing planning, system design, and operating review. The Customer shall also maintain and revise such documentation to reflect changes to the Customer's Facilities and provide copies to Hydro One on demand and as specified in the Connection Agreement.

Part B: Transformation Connection Pool Work and/or Line Connection Pool Work and/or Network Customer Allocated Work

10.1 To the extent that the Pool Funded Cost of the Hydro One Connection Work is not recoverable by Transformation Connection Revenue for the Transformation Connection Pool Work and/or Line Connection Revenue for the Line Connection Pool Work and/or Network Revenue for the Network Customer Allocated Work during the Economic Evaluation Period, the Customer agrees to pay Hydro One a Capital Contribution towards the Pool Funded Cost of the Transformation Connection Pool Work and/or a Capital Contribution towards the Pool Funded Cost of the Line Connection Pool Work and/or a Capital Contribution towards the Pool Funded Cost of the Network Customer Allocated Work and any amounts payable to Hydro One under Subsection 12 (a) (i) hereof.

An estimate of the Engineering and Construction Cost (not including Taxes) of the Transformation Connection Pool Work and/or Line Connection Pool Work and/or Network Customer Allocated Work is provided in Schedule "B" of the Agreement.

An estimate of the Capital Contribution for each of the Transformation Connection Pool Work, the Line Connection Pool Work and the Network Customer Allocated Work is specified in Schedule "B" of the Agreement (plus Taxes). The Customer shall pay Hydro One the estimated Capital Contribution(s) in the manner specified in Schedule "B" of the Agreement.

Within 180 calendar days after the Ready for Service Date, Hydro One shall provide the Customer with a new Schedule "B" to replace Schedule "B" of the Agreement attached hereto which shall identify the following:

- (i) the actual Engineering and Construction Cost of the Transformation Connection Pool Work;
- (ii) the actual Engineering and Construction Cost of the Line Connection Pool Work;
- (iii) the actual Engineering and Construction Cost of the Network Customer Allocated Work;
- (iv) the actual Engineering and Construction Cost of the Work Chargeable to Customer;
- (v) the actual Capital Contribution required to be paid by the Customer for each of the Transformation Connection Pool Work, the Line Connection Pool Work and the Network Customer Allocated Work; and
- (vi) the revised Transformation Connection Revenue and/or Line Connection Revenue requirements and/or Network Revenue requirements based on the Load Forecast or the Adjusted Load Forecast, whichever is applicable.

The new Schedule "B" shall be made a part hereof as though it had been originally incorporated into the Agreement.

If an estimate of a Capital Contributions paid by the Customer exceeds the actual Capital Contribution required to be paid by the Customer for any or all of the Transformation Connection Pool Work, the Line Connection Pool Work and the Network Customer Allocated Work, Hydro One shall refund the difference to the Customer (plus Taxes) within 30 days following the issuing of the new Schedule "B". If the estimate of a Capital Contribution paid by the Customer is less than the actual Capital Contributions required to be paid by the Customer for any or all of the Transformation Connection Pool Work, the Line Connection Pool Work and the Network Customer Allocated Work, the Customer shall pay Hydro One the difference (plus Taxes) within 30 days following the issuing of the new Schedule "B".

10.2 Hydro One shall not include the following amounts in the Capital Contributions referenced in Section 10.1, any capital contribution for:

- (a) a Connection Facility that was otherwise planned by Hydro One except for advancement costs;

- (b) capacity added to a Connection Facility in anticipation of future load growth not attributable to the Customer; or
- (c) the construction of or modifications to Hydro One's Network Facilities that may be required to accommodate the New or Modified Connection other than Network Customer Allocated Work unless Hydro One has indicated in Schedule "A" of the Agreement that exceptional circumstances exist so as to reasonably require the Customer to make a Capital Contribution.

10.3 Notwithstanding Sub-section 10.2(c) above, if Hydro One indicates in Schedule "A" of the Agreement that exceptional circumstances exist so as to reasonably require the Customer to make a Capital Contribution towards the Network Pool Work, Hydro One shall not, without the prior written consent of the Customer, refuse to commence or diligently perform the Network Pool Work pending direction from the OEB under section 6.3.5 of the *Transmission System Code* provided that the Customer provides Hydro One with a security deposit in accordance with Section 20 of these Standard Terms and Conditions.

Until such time as Hydro One has actually begun to perform the Network Pool Work, the Customer may request, in writing, that Hydro One not perform the Network Pool Work and Hydro One shall promptly return to the Customer any outstanding security deposit related to the Network Pool Work.

10.4 If the Customer has made a Capital Contribution under Section 10.1 hereof and where this Capital Contribution includes the cost of capacity on the Connection Facility not needed by the Customer as indicated in Schedule "B" of the Agreement, Hydro One shall provide the Customer with a refund, calculated in accordance with Section 6.2.25 of the *Transmission System Code* if that capacity is assigned to another Load Customer within five (5) years of the In Service Date.

11. Hydro One shall perform a True-Up, based on Actual Load:

- (a) at the True-Up Points specified in Schedule "A" of the Agreement; and
- (b) the time of disconnection where the Customer voluntarily and permanently disconnects the Customer's Facilities from Hydro One's transmission facilities and the prior to the final True-Up Point identified in (a) above.

For True-Up purposes, if the Customer does not pay a Capital Contribution, Hydro One shall provide the Customer with an Adjusted Load Forecast.

Hydro One shall perform True-Ups in a timely manner. Within 30 calendar days following completion of each of the True-Ups referred to in 11(a), Hydro One shall provide the Customer with the results of the True-Up.

12(a) If the result of a True-Up performed in accordance with Section 11 above is that the Actual Load and Updated Load Forecast is:

- (i) less than the load in the Load Forecast or the Adjusted Load Forecast, whichever is applicable, and therefore does not generate the forecasted Transformation Connection Revenue and/or Line Connection Revenue and/or Network Revenue required for the Economic Evaluation Period, the Customer shall pay Hydro One an amount equal to the shortfall adjusted to reflect the time value of money within 30 days after the date of Hydro One's invoice therefor; and
- (ii) more than the load in the Load Forecast or the Adjusted Load Forecast, whichever is applicable, and therefore generates more than the forecasted Transformation Connection Revenue and/or Line Connection Revenue and/or Network Revenue required for the Economic Evaluation Period, Hydro One shall post the excess Transformation Connection Revenue and/or Line Connection Revenue and/or Network Revenue as a credit to the Customer in a notional account. Hydro One shall apply this credit against any shortfall in subsequent True-Up calculations. Where the Customer paid a Capital Contribution in accordance with Section 10.1 hereof, Hydro One shall rebate the Customer an amount that is the lesser of the credit balance in the notional account adjusted to reflect the time value of money, and the Capital Contribution adjusted to reflect the time value of money by no later than 30 days following the final True-Up calculation.

12(b) All adjustments to reflect the time value of money to be performed under Subsection 12(a) above shall be performed in accordance with the OEB-Approved Connection Procedures. As of the date of this Agreement, the time value of money is determined using Hydro One's after-tax cost of capital as used in the original economic evaluation performed in accordance with the requirements of the *Transmission System Code*.

13.1 With respect to the installation of embedded generation (as determined in accordance with Section 11.1 of the *Transmission System Code*) during the applicable True-Up period Hydro One shall comply with the requirements of Section 6.5.8 of the *Transmission System Code* when carrying out True-Up calculations if the Customer is a Distributor or the requirements of Section 6.5.9 of the *Transmission System Code* when carrying out True-Up calculations if the Customer is a Load Customer other than a Distributor.

13.2 With respect to energy conservation, energy efficiency, load management or renewable energy activities that occurred during the applicable True-Up period Hydro One shall comply with the requirements of Section 6.5.10 of the *Transmission System Code* when carrying out True-Up calculations provided that the Customer demonstrates to the reasonable satisfaction of Hydro One (such as by means of an energy study or audit) that the amount of any reduction in the Customer's load has resulted from energy conservation, energy efficiency, load management or renewable energy activities that occurred during the applicable True-Up period.

14. Hydro One shall provide the Customer with all information pertaining to the calculation of all Engineering and Construction Costs, Capital Contributions and True-Ups that the Customer is entitled to receive in accordance with the requirements of the *Transmission System Code*.

Part C: Work Chargeable to Customer, Network Pool Work and Premium Costs

15.1 The Customer shall pay Hydro One's Engineering and Construction Cost (plus Taxes) of the Hydro One Connection Work described as Work Chargeable to Customer in Schedule "A" of the Agreement which is estimated to be the amounts specified in Schedule "B" of the Agreement in the manner specified in Schedule "B" of the Agreement.

Hydro One shall identify the actual Engineering and Construction Cost of the Work Chargeable to Customer in the revised Schedule "B" provided to the Customer in accordance with Section 10.1 of this Agreement. Any difference between the Engineering and Construction Cost of the Work Chargeable to Customer (plus Taxes) and the amount already paid by the Customer shall be paid within 30 days after the issuance of the revised Schedule "B" by:

- (a) Hydro One to the Customer, if the amount already paid by the Customer exceeds the Engineering and Construction Cost of the Work Chargeable to Customer (plus Taxes); or
- (b) the Customer to Hydro One, if the amount already paid by the Customer is less than the Engineering and Construction Cost of the Work Chargeable to Customer (plus Taxes).

15.2 Subject to Sections 10.3 and 18 hereof, Hydro One shall perform the Hydro One Connection Work described as Network Pool Work in Part 3 of Schedule "A" of the Agreement at Hydro One's sole expense.

16. As the Project is schedule-driven and as the estimated costs specified in Schedule "B" of the

Agreement are based upon normal timelines for delivery of material and performance of work, in addition to the amounts that the Customer is required to pay pursuant to Section 10.1 and 15.1 above, the Customer agrees to pay Hydro One's Premium Costs if the Customer causes or contributes to any delays, including, but not limited to, the Customer failing to execute the Agreement by the Execution Date specified in Schedule "A" of the Agreement.

Hydro One shall obtain the Customer's approval prior to Hydro One authorizing the purchase of materials or the performance of work that attracts Premium Costs. The Customer acknowledges that its failure to approve an expenditure of Premium Costs may result in further delays and Hydro One shall not be liable to the Customer as a result thereof. Hydro One shall invoice the Customer for expenditures of Premium Costs approved by the Customer within 180 calendar days after the Ready for Service Date.

Part D: Right of Customer to By-Pass Existing Load Facilities

17.1 Obligation to Notify Hydro One of Customer's Intent to Bypass an Existing Load Facility: If the Customer chooses to exercise its rights under the *Transmission System Code* and the Agreement to bypass the Existing Load Facility, the Customer shall notify Hydro One, in writing, at least 30 days prior to transferring load from the Existing Load Facility Hydro One will then proceed in accordance with Section 6.7 of the *Transmission System Code*.

17.2 Hydro One has not received a Notice of Customer Intent to Bypass an Existing Load Facility and Customer has Transferred Existing Load: Where Hydro One determines that the Customer has transferred load from the Existing Load Facility without notifying Hydro One or the OEB, Hydro One will notify the Customer, all other load customers served by the connection facility and the OEB of a potential by-pass situation in accordance with the OEB-Approved Connection Procedures. If the Customer does not intend to by-pass the Existing Load Facility, the Customer must in accordance with the OEB-Approved Connection Procedures:

- i. notify Hydro One and the OEB within 30 days of receiving Hydro One's notification of potential by-pass, that it has no intention of by-passing Hydro One's Existing Load Facility;
- ii. transfer the load back to the Existing Load Facility within an agreed time period; and
- iii. compensate Hydro One for the lost revenues.

17.3 The Customer agrees that Sections 17.1 and 17.2 above shall also be a term of the Connection Agreement.

Part E: Cancellation or Termination of Project and Early Termination of Agreement for Breach

18. Notwithstanding any other term of the Agreement, if at any time prior to the In-Service Date, the Project is cancelled or the Agreement is terminated for any reason whatsoever other than breach of the Agreement by Hydro One, the Customer shall pay Hydro One's Engineering and Construction Cost (plus Taxes) of the Line Connection Pool Work, the Transformation Connection Pool Work, the Network Pool Work, the Network Customer Allocated Work and the Work Chargeable to Customer incurred on and prior to the date that the Project is cancelled or the Agreement is terminated, including the preliminary design costs and all costs associated with the winding up of the Project, including, but not limited to, storage costs, vendor cancellation costs, facility removal expenses and any environmental remediation costs.

If the Customer provides written notice to Hydro One that it is cancelling the Project, Hydro One shall have 10 Business Days to provide written notice to the Customer listing the individual items listed as materials which it agrees to purchase. Hydro One shall deduct the actual cost of those individual items of materials being purchased by Hydro One from the Engineering and Construction Costs referred to above.

If Hydro One does not require all or part of the materials, the Customer may exercise any of the following options or a combination thereof:

- (i) where materials have been ordered but all or part of the materials have not been received by Hydro One, the Customer shall have the right to require Hydro One, at the Customer's sole expense, to continue with the purchase of the materials and transfer title to those materials on an "as is, where is basis" to the Customer upon the Customer paying Hydro One's Engineering and Construction Costs (plus Taxes) provided that the Customer exercises this option within 15 Business Days of the termination or cancellation; or
- (ii) where all or part of the materials have been received by Hydro One but have not been installed, the Customer shall have the right to require Hydro One, at the Customer's sole expense, to transfer title to the materials on an "as is, where is basis" to the Customer upon the Customer paying Hydro One's Engineering and Construction Costs (plus Taxes) provided that the Customer exercises this option within 15 Business Days of the termination or cancellation. The Customer shall also be responsible for any warehousing costs associated with the storage of the materials to the date of transfer; or

(iii) where all or part of the materials have been received by Hydro One and have been installed, the Customer shall have the right to require Hydro One, at the Customer's sole expense, to: transfer title to the materials on an "as is, where is basis" to the Customer upon the later of (A) the Customer paying Hydro One's Engineering and Construction Costs (plus Taxes); and (B) the date that Hydro One removes the materials from its property at the risk of the Customer; provided that the Customer exercises this option within 15 Business Days of the termination or cancellation. The Customer shall also be responsible for any Engineering and Construction Costs (plus Taxes) associated with the removal of the materials that have been installed by Hydro One.

The Customer shall pay Hydro One's Engineering and Construction Costs (plus Taxes) which become payable under this Section 18 within 30 calendar days after the date of invoice.

Part F: Sale, Lease, Transfer or Other Disposition of Customer's Facilities

19. In the event that the Customer sells, leases or otherwise transfers or disposes of the Customer's Facilities to a third party during the Term of the Agreement, the Customer shall cause the purchaser, lessee or other third party to whom the Customer's Facilities are transferred or disposed to enter into an assumption agreement with Hydro One to assume all of the Customer's obligations in the Agreement; and notwithstanding such assumption agreement unless Hydro One agrees otherwise, in writing, the Customer shall remain obligated under Sections 10.1, 12, 15.1 and 16 hereof. The Customer further acknowledges and agrees that in the event that all or a portion of the Customer's Facilities are shut down, abandoned or vacated for any period of time during the Term of the Agreement, the Customer shall remain obligated under Sections 10.1, 12, 15.1 and 16 for the said time period.

Part G: Security Requirements

20. If Hydro One requires that the Customer furnish security, which at the Customer's option may be in the form of cash, letter of credit or surety bond, the Customer shall furnish such security in the amount and by the dates specified in Schedule "A" of the Agreement. Hydro One shall return the security deposit to the Customer as follows:

(i) security deposits in the form of cash shall be returned to the Customer, together with Interest, less the amount of any Capital Contribution owed by the Customer once the Customer's Facilities are connected to Hydro One's New or Modified Connection Facilities; and

(ii) security deposits in any other form shall be returned to the Customer once the Customer's Facilities are connected to Hydro One's New or Modified Connection Facilities and any Capital Contribution has been paid.

Notwithstanding the foregoing, Hydro One may keep all or a part of the security deposit: (a) where and to the extent that the Customer fails to pay any amount due under the Agreement within the time stipulated for payment; or (b) in the circumstances described in the OEB-Approved Connection Procedures.

Part H: Disputes

21. Prior to the existence of OEB-Approved Connection Procedures either party may refer a Dispute to the OEB for a determination. Once there are OEB-Approved Connection Procedures, all disputes, including, but not limited to, disputes related to:

- (a) the cost and the allocation of the costs under this Agreement;
- (b) the cost and the allocation of costs of the Hydro One Connection Work and notwithstanding Hydro One's decision not to allocate or to allocate any part of the costs of this work to the Customer at this time; or
- (c) any other costs and the allocation of any other costs associated with, related to, or arising out of the connection of the Project to Hydro One's transmission system or Hydro One's policies in respect of connections generally,

shall be dealt with in accordance with the dispute resolution procedure set out in the OEB-Approved Connection Procedures.

22. Before and after the existence of OEB-Approved Connection Procedures, if a dispute arises while Hydro One is constructing the New or Modified Connection Facilities, Hydro One shall not cease the work or slow the pace of the work without leave of the OEB.

23. Hydro One shall refund to the Customer or the Customer shall pay to Hydro One any portion of Capital Contributions, as the case may be, which the OEB subsequently determines should not have been allocated to the Customer or should have been allocated to the Customer by Hydro One but were not, as the case may be, or should have been allocated in a manner different from that allocated by Hydro One in this Agreement.

Part I: Easement

24. If specified in Schedule "A" that an easement(s) is required from the Customer, the Customer shall grant an easement to Hydro One substantially in the form of the easement attached hereto as Appendix "B" of these

Standard Terms and Conditions for the property(ies) described as the Easement Lands in Schedule "A" on or before the date specified as the Easement Date in Schedule "A" (hereinafter referred to as the "Easement") with good and marketable title thereto, free of all encumbrances, first in priority except as noted herein, and in registerable form, in consideration of the sum of \$2.00.

Part J: Events of Default

25. Each of the following events shall constitute an "Event of Default" under the Agreement:

- (a) failure by the Customer to pay any amount due under the Agreement, including any amount payable pursuant to Sections 10.1, 12, 15.1, 16 or 18 within the time stipulated for payment;
- (b) breach by the Customer or Hydro One of any Material term, condition or covenant of the Agreement; or
- (c) the making of an order or resolution for the winding up of the Customer or Hydro One or of their respective operations or the occurrence of any other dissolution, bankruptcy or reorganization or liquidation proceeding instituted by or against the Customer or Hydro One.

For greater certainty, a dispute shall not be considered an Event of Default under this Agreement. However, a Party's failure to comply, within a reasonable period of time, with the terms of a determination of such a dispute by the OEB or with a decision of a court of competent jurisdiction with respect to a determination made by the OEB shall be considered an Event of Default under the Agreement.

26. Upon the occurrence of an Event of Default by the Customer hereunder (other than those specified in Section 25(c) of the Agreement, for which no notice is required to be given by Hydro One), Hydro One shall give the Customer written notice of the Event of Default and allow the Customer 30 calendar days from the date of receipt of the notice to rectify the Event of Default, at the Customer's sole expense. If such Event of Default is not cured to Hydro One's reasonable satisfaction within the 30 calendar day period, Hydro One may, in its sole discretion, exercise the following remedy in addition to any remedies that may be available to Hydro One under the terms of the Agreement, at common law or in equity: deem the Agreement to be repudiated and, after giving the Customer at least 10 calendar days' prior written notice thereof, recover, as liquidated damages and not as a penalty, the following:

- (i) the sum of the amounts payable by the Customer pursuant to Sections 10.1, 12, 15.1 and where applicable, Section 16 less any amounts already paid by the Customer in accordance with Section 10.1, 12,

15.1 and 16 if this clause is invoked after the In-Service Date; or

- (ii) the amounts payable under Section 16 and 18 less any amounts already paid by the Customer in accordance with Sections 10.1, 15.1 and 16 if this clause is invoked prior to the In-Service Date.

27. Upon the occurrence of an Event of Default by Hydro One hereunder (other than those specified in Section 25(c)), the Customer shall give Hydro One written notice of the Event of Default and shall allow Hydro One 30 calendar days from the date of receipt of the notice to rectify the Event of Default at Hydro One's sole expense. If such Event of Default is not cured to the Customer's reasonable satisfaction within the 30 calendar day period, the Customer may pursue any remedies available to it at law or in equity, including at its option the termination of the Agreement.

28. All rights and remedies of Hydro One and the Customer provided herein are not intended to be exclusive but rather are cumulative and are in addition to any other right or remedy otherwise available to Hydro One and the Customer respectively at law or in equity, and any one or more of Hydro One's and the Customer's rights and remedies may from time to time be exercised independently or in combination and without prejudice to any other right or remedy Hydro One or the Customer may have or may not have exercised. The parties further agree that where any of the remedies provided for and elected by the non-defaulting party are found to be unenforceable, the non-defaulting party shall not be precluded from exercising any other right or remedy available to it at law or in equity.

Part K: Changes to Transmission Rates

29. In the event that the Transformation Connection Service Rate, the Line Connection Service Rate or the Network Service Rate is rescinded or the methodology of determination or components is materially changed, the Parties agree to negotiate a new mechanism for the purposes of the Agreement, provided that such new mechanism will not result in an increase in the amounts of Capital Contribution or Security Deposits payable by the Customer to Hydro One hereunder. The Parties shall have 90 calendar days from the effective date of rescission or fundamental change of the Transformation Connection Service Rate, the Line Connection Service Rate or the Network Service Rate to agree to a new mechanism that is, to the extent possible, fair to the parties and constitutes a reasonably comparable replacement for the Transformation Connection Service Rate, the Line Connection Service Rate or the Network Service Rate. If the Parties are unable to successfully negotiate a replacement within that 90 calendar day period, this shall be considered a dispute under the terms

of this Agreement and the parties shall follow the dispute resolution procedure set out in the OEB-Approved Connection Procedures.

Any settlement on a new mechanism pursuant to this Section 29 shall apply retroactively from the date on which the Transformation Connection Service Rate, the Line Connection Service Rate or the Network Service Rate was rescinded or fundamentally changed. Until such time as a new mechanism is determined hereunder, any amounts to be paid by the Customer under the Agreement shall be based on the Transformation Connection Service Rate, the Line Connection Service Rate or the Network Service Rate in effect prior to the effective date of any such changes.

Part L: Incorporation of Liability and Force Majeure Provisions

30. PART III: LIABILITY AND FORCE MAJEURE (with the exception of Section 15.5 thereof) and Sections 1.1.12 and 1.1.17 of the Connection Agreement are hereby incorporated in their entirety by reference into, and form an integral part of the Agreement. Unless the context otherwise requires, all references in PART III: LIABILITY AND FORCE MAJEURE TO "this Agreement" shall be deemed to be a reference to the Agreement and all references to the "the Transmitter" shall be deemed to be a reference to Hydro One.

For the purposes of this Section 30, the Parties agree that the reference to:

- (i) the Transmitter in lines 3 and 4 of Section 15.1 means the Transmitter or any party acting on behalf of the Transmitter such as contractors, subcontractors, suppliers, employees and agents; and
- (ii) the Customer in lines 3 and 4 of Section 15.2 means the Customer or any party acting on behalf of the Customer such as contractors, subcontractors, suppliers, employees and agents.

Part M: General

31. This Agreement is subject to the *Transmission System Code* and the OEB-Approved Connection Procedures. If any provision of this Agreement is inconsistent with the:

- (a) *Transmission System Code*, the said provision shall be deemed to be amended so as to comply with the *Transmission System Code*;
- (b) OEB-Approved Connection Procedures the said provision shall be deemed to be amended so as to comply with the OEB-Approved Connection Procedures; and

- (c) Connection Agreement made between the parties, associated with the new customer connection facilities, on the same subject matter, the Connection Agreement governs.

32. The failure of either party hereto to enforce at any time any of the provisions of the Agreement or to exercise any right or option which is herein provided shall in no way be construed to be a waiver of such provision or any other provision nor in any way affect the validity of the Agreement or any part hereof or the right of either party to enforce thereafter each and every provision and to exercise any right or option. The waiver of any breach of the Agreement shall not be held to be a waiver of any other or subsequent breach. Nothing shall be construed or have the effect of a waiver except an instrument in writing signed by a duly authorized officer of the party against whom such waiver is sought to be enforced which expressly waives a right or rights or an option or options under the Agreement.

33. Other than as specifically provided in the Agreement, no amendment, modification or supplement to the Agreement shall be valid or binding unless set out in writing and executed by the parties with the same degree of formality as the execution of the Agreement.

34. Any written notice required by the Agreement shall be deemed properly given only if either mailed or delivered to the Secretary, Hydro One Networks Inc., 483 Bay Street, North Tower, 15th Floor, Toronto, Ontario M5G 2P5, fax no: (416) 345-6240 on behalf of Hydro One, and to the person at the address specified in Schedule "A" of the Agreement on behalf of the Customer.

A faxed notice shall be deemed to be received on the date of the fax if received before 3 p.m. on a business day or on the next business day if received after 3 p.m. or a day that is not a business day. 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.

35. The Agreement 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.

36. The Agreement may be executed in counterparts, including facsimile counterparts, each of which shall be deemed an original, but all of which shall together constitute one and the same agreement.

37. The Customer shall provide Hydro One with a copy of the Customer's final monthly bills associated

with the transmission of electricity from the Existing Load Facilities and/or the Customer's Facilities or authorize the IESO to provide Hydro One with same. Hydro One agrees to use this information solely for the purpose of the Agreement.

38. **Invoices and Interest:** Invoiced amounts are due 30 days after invoice issuance. All overdue amounts including, but not limited to amounts that are not invoiced but required under the terms of this Agreement to be paid in a specified time period, shall bear interest at 1.5% per month compounded monthly (19.56 percent per year) for the time they remain unpaid.

39. The obligation to pay any amount due hereunder, including, but not limited to, any amounts due under Sections 10.1, 12, 15.1, 16, 18 or 23 shall survive the termination of the Agreement.

Appendix "A": Definitions

In the Agreement, unless the context otherwise requires, terms which appear therein without definition, shall have the meanings respectively ascribed thereto in the *Transmission System Code* and unless there is something in the subject matter or context inconsistent therewith, the following words shall have the following meanings:

"Actual Load" means the actual load delivered by Hydro One to the Customer up to the True-Up Point in excess of the Normal Capacity of the Existing Load Facilities.

"Assigned Capacity" is calculated in accordance with Section 6.2.2 of the *Transmission System Code*.

"Adjusted Load Forecast" means a Load Forecast that has been adjusted to the point where the present value of the Transformation Connection Revenue and/or Line Connection Revenue and/or Network Revenue equals the present value of the Pool Funded Cost of the Transformation Connection Pool Work and/or the Pool Funded Cost of the Line Connection Pool Work and/or the Pool Funded Cost of the Network Customer Allocated Work.

"Agreement" means the Connection Cost Recovery Agreement, Schedules "A" and "B" attached thereto and these Standard Terms and Conditions.

"Applicable Laws" means any and all applicable laws, including environmental laws, statutes, codes, licensing requirements, treaties, directives, rules, regulations, protocols, policies, by-laws, orders, injunctions, rulings, awards, judgments or decrees or any requirement or decision or agreement with or by any government or governmental department, commission board, court authority or agency.

"Approval Date" means for the purpose of Subsection 5(f) of the Terms and Conditions, the date specified in Schedule "A" of the Agreement.

"Capital Contribution" means a capital contribution calculated using the economic evaluation methodology set out in the *Transmission System Code*.

"Connect and Connection" has the same meaning ascribed to the term "Connect" in the *Transmission System Code*.

"Connection Agreement" means the form of connection agreement appended to the *Transmission System Code* as Appendix 1, Version 1.

"Connection Facilities" has the meaning set forth in the *Transmission System Code*.

"Connection Point" has the meaning set forth in the *Transmission System Code* and for this project, is as specified in Schedule "A" of the Agreement.

"Customer Connection Work" means the work to be performed by the Customer, at its sole expense, which is described in Schedule "A" of the Agreement.

"Customer Connection Risk Classification" is as specified in Schedule "A" of the Agreement.

"Customer's Facilities" has the meaning set forth in the *Transmission System Code*, and includes, but is not limited to any new, modified or replaced Customer's Facilities.

"Customer's Property(ies)" means any lands owned by the Customer in fee simple or where the Customer has easement rights.

"Dispute" means a dispute between the Parties with respect to any of the matters listed in Section 6.1.4 of the *Transmission System Code* where either Party is alleging that the other is seeking to impose a term that is inconsistent or contrary to the *Ontario Energy Board Act*, the *Electricity Act, 1998*, Hydro One's transmission licence or the *Transmission System Code* or refusing to include a term or condition that is required to give effect to the Code.

"Distributor" has the meaning set forth in the *Transmission System Code*.

"Economic Evaluation Period" means the period of five (5) years for high risk connection, ten (10) years for a medium-high risk connection, fifteen (15) years for a medium-low risk connection and twenty-five years for a low risk connection commencing on the In Service Date whichever is applicable to the Customer as specified in Schedule "A" of the Agreement.

"Engineering and Construction Cost" means Hydro One's charge for equipment, labour and materials at Hydro One's standard rates plus Hydro One's standard overheads as well as interest during construction using Hydro One's capitalization rate in effect during the construction period.

"Electricity Act, 1998" means the *Electricity Act, 1998* being Schedule "A" of the *Energy Competition Act, S.O. 1998, c.15*, as amended.

"Existing Load" in relation to the Customer and each of the Existing Load Facilities is equal to the Customer's Assigned Capacity at each of the Existing Load Facilities on the date of this Agreement.

"Existing Load Facility or Existing Load Facilities" means the connection facility(ies) owned by Hydro One

as specified in the Existing Load Table in Schedule "A" of the Agreement where the Customer has Existing Load.

"Force Majeure Event" has the meaning ascribed thereto in the Connection Agreement.

"HST" means the Harmonized Sales Tax.

"Hydro One Connection Work" means the work to be performed by Hydro One, which is described in Schedule "A" of the Agreement.

"Hydro One Facilities" means Hydro One's structures, lines, transformers, breakers, disconnect switches, buses, voltage/current transformers, protection systems, telecommunication systems, cables and any other auxiliary equipment used for the purpose of transmitting electricity.

"Hydro One's Property(ies)" means any lands owned by Hydro One in fee simple or where Hydro One now or hereafter has obtained easement rights.

"IESO" means the Independent Electricity System Operator continued under the *Electricity Act, 1998*.

"In Service Date" has the same meaning ascribed to the term "comes into service" in the *Transmission System Code*.

"Incremental Network Load" means the Customer's New Load less the amount of load, if any, that has been bypassed by the Customer at any of Hydro One's connection facilities.

"Interest" means the interest rates specified by the OEB to be applicable to security deposits in the form of cash as specified in Subsection 6.3.11(b) in the *Transmission System Code*.

"Line Connection Pool Work" means the Hydro One Connection Work specified in Schedule "A" of the Agreement under the heading "Line Connection Pool Work".

"Line Connection Revenue" means the amount of line connection revenue attributable to that part of the Customer's New Load to be received by Hydro One through the monthly collection of the Line Connection Service Rate during the Economic Evaluation Period.

"Line Connection Service Rate" means the line connection service rate approved by the OEB in Hydro One's Rate Order from time to time, or any mechanism instituted in accordance with Section 29.

"Load Customer" has the meaning set forth in the *Transmission System Code*.

"Load Forecast" means the initial load forecast of the New Load in excess of the Normal Capacity of the Existing Load Facilities used in the initial economic evaluation for the Economic Evaluation Period.

"Material" relates to the essence of the contract, more than a mere annoyance to a right, but an actual obstacle preventing the performance or exercise of a right.

"Network Customer Allocated Work" means the construction of or modifications to Network Facilities specified in Schedule "A" of the Agreement under the heading "Network Customer Allocated Work" that are minimum connection requirements.

"Network Facilities" has the meaning set forth in the *Transmission System Code*.

"Network Pool Work" means the Hydro One Connection Work specified in Schedule "A" of the Agreement under the heading "Network Pool Work".

"Network Revenue" means the amount of network revenue attributable to the Incremental Network Load to be received by Hydro One through the monthly collection of the Network Service Rate during the Economic Evaluation Period.

"Network Service Rate" means the network service rate approved by the OEB in Hydro One's Rate Order from time to time, or any mechanism instituted in accordance with Section 29.

"New Load" means the load at the New or Modified Connection Facility that is in excess of, for each of the Existing Load Facilities, the lesser of the Existing Load or the Normal Capacity.

"New or Modified Connection Facilities" means the facilities owned by Hydro One as specified in Schedule "A" of the Agreement.

"Normal Capacity" means, where the Customer is:

- (a) the only Load Customer supplied by an Existing Load Facility, the total normal supply capacity of the Existing Load Facility as determined in accordance with the OEB-Approved Connection Procedures; and
- (b) one of two or more Load Customers served by an Existing Load Facility, the Customer's pro-rated share of the total normal supply capacity of the Existing Load Facility as determined in accordance with the OEB-Approved Connection Procedures.

"OEB" means the Ontario Energy Board.

“OEB-Approved Connection Procedures” means Hydro One’s connection procedures as approved by the OEB from time to time.

“Ontario Energy Board Act” means the *Ontario Energy Board Act* being Schedule “B” of the *Energy Competition Act*, S.O. 1998, c. 15, as amended.

“Pool-Funded Cost” means the present value of the Engineering and Construction Cost and projected on-going maintenance and other related incremental costs (including, but not limited to applicable taxes, and net of tax benefits), of each of the Transformation Connection Pool Work, the Line Connection Pool Work and/or the Network Customer Allocated Work calculated in accordance with the principles, criteria and methodology set out in Appendices 4 and 5 of the Transmission System Code.

“Premium Costs” means those costs incurred by Hydro One in order to maintain or advance the Ready for Service Date, including, but not limited to, additional amounts expended for materials or services due to short time-frame for delivery; and the difference between having Hydro One’s employees, agents and contractors perform work on overtime as opposed to during normal business hours.

“Rate Order” has the meaning ascribed thereto in the *Transmission System Code*.

“Ready for Service Date” means the date upon which the Hydro One Connection Work is fully and completely constructed, installed, commissioned and energised to the Connection Point. The Customer’s disconnect switches must be commissioned prior to this date in order to use them as isolation points.

“Standard Terms and Conditions” means these Standard Terms and Conditions for Low Risk Transmission Customer Connection Projects and Appendices “A” and “B” attached hereto.

“Taxes” means all property, municipal, sales, use, value added, goods and services, harmonized and any other non-recoverable taxes and other similar charges (other than taxes imposed upon income, payroll or capital).

“Transformation Connection Pool Work” means the Hydro One Connection Work specified in Schedule “A” of the Agreement under the heading “Transformation Connection Pool Work”.

“Transformation Connection Revenue” means the amount of transformation connection revenue attributable to that part of the Customer’s New Load to be received by Hydro One through the monthly collection of the

Transformation Connection Service Rate during the Economic Evaluation Period.

“Transformation Connection Service Rate” means the line connection service rate approved by the OEB in Hydro One’s Rate Order from time to time, or any mechanism instituted in accordance with Section 29.

“Transmission System Code” or “Code” means the code of standards and requirements issued by the OEB on July 25, 2005 that came into force on August 20, 2005 as published in the Ontario Gazette, as it may be amended, revised or replaced in whole or in part from time to time.

“Transmitter’s Facilities” has the meaning ascribed thereto in the *Transmission System Code*.

“True-Up” means the calculation to be performed by Hydro One, as a transmitter, at each True-Up Point in accordance with the requirements of Subsection 6.5.4 of the *Transmission System Code*.

“True-Up Point” means the points of time based upon the Customer Connection Risk Classification when Hydro One is required to perform a True-Up as described in Section 11 of these Terms and Conditions.

“Updated Load Forecast” means the load forecast of the New Load in excess of the Normal Capacity of the Existing Load Facilities for the remainder of the Economic Evaluation Period.

“Work Chargeable to Customer” means the Hydro One Connection Work specified in Part 4 of Schedule “A” of the Agreement under the heading “Work Chargeable to Customer”.

Appendix "B": Form of Easement

INTEREST / ESTATE TRANSFERRED

The Transferor is the owner in fee simple and in possession of _____

(the "Lands").

The Transferee has erected, or is about to erect, certain Works (as more particularly described in paragraph 1(a) hereof) in, through, under, over, across, along and upon the Lands.

1 The Transferor hereby grants and conveys to Hydro One Networks Inc, its successors and assigns the rights and easement, free from all encumbrances and restrictions, the following unobstructed and exclusive rights, easements, rights-of-way, covenants, agreements and privileges in perpetuity (the "**Rights**") in, through, under, over, across, along and upon that portion of the Lands of the Transferor described herein and shown highlighted on Schedule "A" hereto annexed (the "**Strip**") for the following purposes:

- (a) To enter and lay down, install, construct, erect, maintain, open, inspect, add to, enlarge, alter, repair and keep in good condition, move, remove, replace, reinstall, reconstruct, relocate, supplement and operate and maintain at all times in, through, under, over, across, along and upon the Strip an electrical transmission system and telecommunications system consisting in both instances of a pole structures, steel towers, anchors, guys and braces and all such aboveground or underground lines, wires, cables, telecommunications cables, grounding electrodes, conductors, apparatus, works, accessories, associated material and equipment, and appurtenances pertaining to or required by either such system (all or any of which are herein individually or collectively called the "**Works**") as in the opinion of the Transferee are necessary or convenient thereto for use as required by Transferee in its undertaking from time to time, or a related business venture.
- (b) To enter on and selectively cut or prune, and to clear and keep clear, and remove all trees (subject to compensation to Owners for merchantable wood values), branches, bush and shrubs and other obstructions and materials in, over or upon the Strip, and without limitation, to cut and remove all leaning or decayed trees located on the Lands whose proximity to the Works renders them liable to fall and come in contact with the Works or which may in any way interfere with the safe, efficient or serviceable operation of the Works or this easement by the Transferee.
- (c) To conduct all engineering, legal surveys, and make soil tests, soil compaction and environmental studies and audits in, under, on and over the Strip as the Transferee in its discretion considers requisite.
- (d) To erect, install, construct, maintain, repair and keep in good condition, move, remove, replace and use bridges and such gates in all fences which are now or may hereafter be on the Strip as the Transferee may from time to time consider necessary.
- (e) Except for fences and permitted paragraph 2(a) installations, to clear the Strip and keep it clear of all buildings, structures, erections, installations, or other obstructions of any nature (hereinafter collectively called the "**obstruction**") whether above or below ground, including removal of any materials and equipment or plants and natural growth, which in the opinion of the Transferee, endanger its Works or any person or property or which may be likely to become a hazard to any Works of the Transferee or to any persons or property or which do or may in any way interfere with the safe, efficient or serviceable operation of the Works or this easement by the Transferee.
- (e) To enter on and exit by the Transferor's access routes and to pass and repass at all times in, over, along, upon and across the Strip and so much of the Lands as is reasonably required, for Transferee, its respective officers, employees, agents, servants, contractors, subcontractors, workmen and permittees with or without all plant machinery, material, supplies, vehicles and equipment for all purposes necessary or convenient to the exercise and enjoyment of this easement and
- (f) To remove, relocate and reconstruct the line on or under the Strip.

2. The Transferor agrees that:

- (a) It will not interfere with any Works established on or in the Strip and shall not, without the Transferee's consent in writing, erect or cause to be erected or permit in, under or upon the Strip any obstruction or plant or permit any trees, bush, shrubs, plants or natural growth which does or may interfere with the Rights granted herein. The Transferor agrees it shall not, without the Transferee's consent in writing, change or permit the existing configuration, grade or elevation of the Strip to be changed and the Transferor further agrees that no excavation or opening or work which may disturb or interfere with the existing surface of the Strip shall be done or made unless consent therefore in writing has been obtained from Transferee, provided however, that the Transferor shall not be required to obtain such permission in case of emergency. Notwithstanding the foregoing, in cases where in the reasonable discretion of the Transferee, there is no danger or likelihood of danger to the Works of the Transferee or to any persons or property and the safe or serviceable operation of this easement by the Transferee is not interfered with, the Transferor may at its expense and with the prior written approval of the Transferee, construct and maintain roads, lanes, walks, drains, sewers, water pipes, oil and gas pipelines, fences (not to exceed 2 metres in height) and service cables on or under the Strip (the "**Installation**") or any portion thereof; provided that prior to commencing such Installation, the Transferor shall give to the Transferee thirty (30) days notice in writing thereof to enable the Transferee to have a representative present to inspect the proposed Installation during the performance of such work, and provided further that Transferor comply with all instructions given by such representative and that all such work shall be done to the reasonable satisfaction of such representative. In the event of any unauthorised interference aforesaid or contravention of this paragraph, or if any authorised interference, obstruction or Installation is not maintained in accordance with the Transferee's instructions or in the Transferee's reasonable opinion, may subsequently interfere with the Rights granted herein, the Transferee may at the Transferor's expense, forthwith remove, relocate, clear or correct the offending interference, obstruction, Installation or contravention complained of from the Strip, without being liable for any damages caused thereby.
- (b) notwithstanding any rule of law or equity, the Works installed by the Transferee shall at all times remain the property of the Transferee, notwithstanding that such Works are or may become annexed or affixed to the Strip and shall at anytime and from time to time be removable in whole or in part by Transferee.
- (c) no other easement or permission will be transferred or granted and no encumbrances will be created over or in respect to the Strip, prior to the registration of a Transfer of this grant of Rights.
- (d) the Transferor will execute such further assurances of the Rights in respect of this grant of easement as may be requisite.
- (e) the Rights hereby granted:
 - (i) shall be of the same force and effect to all intents and purposes as a covenant running with the Strip.
 - (ii) is declared hereby to be appurtenant to and for the benefit of the Works and undertaking of the Transferee described in paragraph 1(a).

3. The Transferee covenants and agrees to obtain at its sole cost and expense all necessary postponements and subordinations (in registrable form) from all current and future prior encumbrancers, postponing their respective rights, title and interests to the Transfer of Easement herein so as to place such Rights and easement in first priority on title to the Lands.

4. There are no representations, covenants, agreements, warranties and conditions in any way relating to the subject matter of this grant of Rights whether expressed or implied, collateral or otherwise except those set forth herein.

5. No waiver of a breach or any of the covenants of this grant of Rights shall be construed to be a waiver of any succeeding breach of the same or any other covenant.

6. The burden and benefit of this transfer of Rights shall run with the Strip and the Works and undertaking of the Transferee and shall extend to, be binding upon and enure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF the Transferor has hereunto set his hand and seal to this Agreement, this ___ day of _____, 200__.

SIGNED, SEALED AND DELIVERED

In the presence of)	
)	
_____ (seal))	_____)
Signature of Witness	)	Transferor's Signature
)	
)	
_____)	)	_____ (seal)
Signature of Witness	)	Transferor's Signature

SIGNED, SEALED AND DELIVERED)	
In the presence of	)	Consent Signature & Release of
	)	Transferor's Spouse, if non-owner.
)	
)	
_____)	)	_____ (seal)
Signature of Witness)	

CHARGEES

THE CHARGEES of land described in a Charge/Mortgage of Land dated _____
 Between _____ and _____
 and registered as Instrument Number _____ on _____ does
 hereby consent to this Easement and releases and discharges the rights and easement herein from the said
 Charge/Mortgage of Land.

Name	Signature(s)	Date of Signatures
		Y M D

Per:

I/We have authority to bind the Corporation



INVOICE

Mailing Address:
 Hydro One Networks Inc.
 483 BAY ST (ACCOUNTS RECEIVABLE UNIT - TCA8)
 TORONTO, ON, M5G 2P5

HYDRO OTTAWA LIMITED
 2711 HUNT CLUB RD PO BOX 8700
 OTTAWA, ON, K1G 3S4
 CANADA

Invoice No.: 3000328874
 Customer Ref. No.: PO# 112122-OG
 Invoice Date: AUG 11, 2021
 Due Date: SEP 10, 2021
 Customer No.: 20001108
 Payment Terms: Net 30
 Interest on Late Payments: 19.56 % per year

GST/HST No.: XXXXXXXXXX

For Billing Enquiries, please call: 1-877-554-7344
 Business Hours: 8:00am - 4:00pm Eastern Standard Time

Hydro Ottawa, COVER, Richmond South DS-

Line Item No.	Description	Qty.	Unit Price	TOTAL
1	Hydro Ottawa, COVER, Richmond South DS HST 13.00%	1.000	20,653.00	20,653.00 2,684.89
Subtotal				20,653.00
HST				2,684.89
TOTAL				\$ 23,337.89

BU: 9202012913
WO: 385941
PO: 112122
Object Account: 14610
Sub Account: 1400

**Scott
Nichols**

Digitally signed by Scott Nichols
 DN: cn=Scott Nichols, o=Hydro
 Ottawa Limited, ou=Asset Planning,
 email=scottnichols@hydroottawa.co
 m, c=CA
 Date: 2021.08.18 10:17:30 -04'00'

Approved By: Scott Nichols
Title: Distribution Engineer
Date: August 18th, 2021

Please note: Invoice is subject to Late Payment Interest Charges, if total payment is not received by due date.

Please return this portion with payment or write the complete invoice number on your cheque.		
Please send your payment to: HYDRO ONE NETWORKS INC. ACCOUNTS RECEIVABLE UNIT - TCA8 483 BAY ST., TORONTO, ON, M5G 2P5	Customer No.: 20001108 Customer Name: HYDRO OTTAWA LIMITED 2711 HUNT CLUB RD PO BOX 8700 OTTAWA, ON, K1G 3S4 CANADA	Invoice No: 3000328874 Amount Due: \$ 23,337.89 Due Date: SEP 10, 2021 Amount Remitted: _____ Date: _____

Please remit payment directly to address noted above. For payment through Visa/Mastercard, call 1-877-554-7344.
 This invoice cannot be paid against your energy account via your financial institution or Internet banking.



INVOICE

Mailing Address:
 Hydro One Networks Inc.
 483 BAY ST (ACCOUNTS RECEIVABLE UNIT - TCA8)
 TORONTO, ON, M5G 2P5

Invoice No.: 3000320718
 Customer Ref. No.: PO: 109450-OG
 Invoice Date: APR 23, 2021
 Due Date: MAY 23, 2021
 Customer No.: 20001108
 Payment Terms: Net 30
 Interest on Late Payments: 19.56 % per year

HYDRO OTTAWA LIMITED
 2711 HUNT CLUB RD
 PO BOX 8700
 OTTAWA, ON, K1G 3S4
 CANADA

GST/HST No.: [REDACTED]

For Billing Enquiries, please call: 1-877-554-7344
 Business Hours: 8:00am - 4:00pm Eastern Standard Time

Actual Cost Reconciliation [REDACTED]
 [REDACTED] Please notify FinanceAR@HydroOne.com with payment details and invoice number prior to completing the transfer

Line Item No.	Description	Qty.	Unit Price	TOTAL
1	Actual Cost	1.000	11,950.00	11,950.00
	Simplified CCRA_CBR01427 Richmond MTS - Add MSOs			
	HST 13.00%			1,553.50

Subtotal	11,950.00
HST	1,553.50
TOTAL	\$ 13,503.50



**Scott
Nichols**

Digitally signed by Scott Nichols
 DN: cn=Scott Nichols, o=Hydro
 Ottawa Limited, ou=Asset Planning,
 email=scottnichols@hydroottawa.co
 m, c=CA
 Date: 2021.05.10 08:48:25 -04'00'

Approved By: Scott Nichols
Title: Distribution Engineer
Date: May 10th, 2021

Please note: Invoice is subject to Late Payment Interest Charges, if total payment is not received by due date.

Please return this portion with payment or write the complete invoice number on your cheque.		
Please send your payment to: HYDRO ONE NETWORKS INC. ACCOUNTS RECEIVABLE UNIT - TCA8 483 BAY ST., TORONTO, ON, M5G 2P5	Customer No.: 20001108 Customer Name: HYDRO OTTAWA LIMITED 2711 HUNT CLUB RD PO BOX 8700 OTTAWA, ON, K1G 3S4 CANADA	Invoice No: 3000320718 Amount Due: \$ 13,503.50 Due Date: MAY 23, 2021 Amount Remitted: _____ Date: _____

Please remit payment directly to address noted above. For payment through Visa/Mastercard, call 1-877-554-7344.
 This invoice cannot be paid against your energy account via your financial institution or Internet banking.

CONNECTION COST RECOVERY AGREEMENT COST RECONCILIATION

May 4, 2021

Dear Scott Nichols,

**RE: Results for Connection Cost Recovery Agreement (CCRA) – Richmond MTS:
Add New Mid Span Openers**

Please find attached the CCRA and an invoice in relation to the CCRA – Richmond MTS: Add New Mid Span Openers. The result of the Actual Cost Reconciliation shows that the previous payment made by Hydro Ottawa Limited is less than the actual project cost. Consequently, an additional payment is required of Hydro Ottawa Limited to make up the shortfall. An invoice for \$13,503.50 (\$11,950 plus HST of \$1,553.50) has been issued and enclosed.

CCRA True-Up Summary

CCRA: Richmond MTS: Add New Mid Span Openers

Customer: Hydro Ottawa Limited

True-up Type: Actual Cost Reconciliation

Result: Shortfall of \$13,503.50 (including HST)

If you have any questions, please contact your Hydro One Account Executive, Jayde Suleman, at Jayde.Suleman@HydroOne.com.

Sincerely,

A handwritten signature in blue ink, appearing to read "Abla Nur".

Abla Nur,
Analyst, Large Customer Account Management
Hydro One Networks Inc.

CCRA Actual Cost Reconciliation - Richmond MTS: Add New Mid Span Openers

Customer: Hydro Ottawa Limited

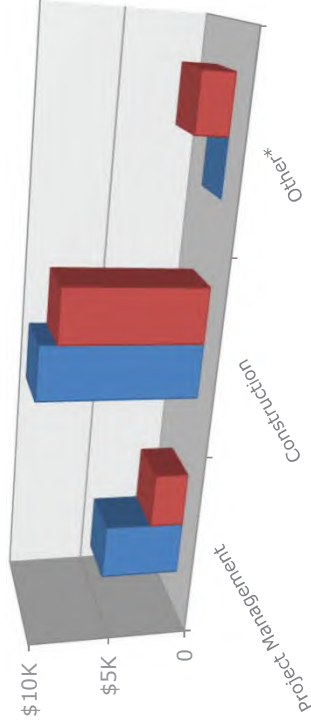
PROJECT COSTS

Category	Estimate	Actual
Project Management	\$ 5,000.00	\$ 2,118.00
Engineering	\$ 0.00	\$ 0.00
Materials	\$ 0.00	\$ 0.00
Construction	\$ 10,000.00	\$ 8,915.00
Commissioning	\$ 0.00	\$ 0.00
Other*	\$ 0.00	\$ 2,022.17
TOTAL excl. HST	\$ 15,000.00	\$ 13,055.17
HST	\$ 1,950.00	\$ 1,697.17
TOTAL incl. HST	\$ 16,950.00	\$ 14,752.34

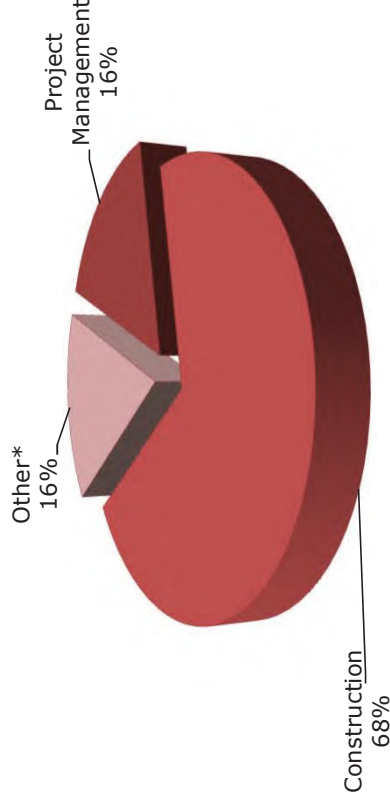
*Includes Overhead, Contingency, and Interest

Total Variance (Actual-Estimate) excl. HST \$ (1,944.83)
Total Variance (Actual-Estimate) incl. HST \$ (2,197.66)

Estimate vs. Actual



Actual Project Cost Breakdown



CUSTOMER CAPITAL COST CONTRIBUTION REQUIREMENT

Final Customer Capital Contributions incl. HST	\$	13,503.50
Previous Customer Contributions incl. HST	\$	0.00
Customer Charge (or Refund) incl. HST	\$	13,503.50

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – Richmond MTS: Add New Mid Span Openers**

THIS SIMPLIFIED CONNECTION AND COST RECOVERY AGREEMENT made between Hydro One Networks Inc. (“**Hydro One**”) and Hydro Ottawa Limited (the “**Customer**”) dated this 29 of April, 2019.

WHEREAS

(a) The Customer has requested Hydro One to provide a new set of mid span openers (MSOs) at Richmond MTS. Richmond MTS currently has on set of MSOs within the station. The new set will be located at the entrance of the station.

(b) Hydro One is agreeable to performing the work required for the Project on the following terms and conditions, including but not limited to the Project cost and the Project schedule being subject to the Customer executing and delivering this Agreement to Hydro One by no later than the 29th day of April , 2019 (the “**Execution Date**”).

NOW THEREFORE in consideration of the mutual covenants, agreements, terms and conditions herein and other good and valuable consideration, the receipt and sufficiency of which is hereby irrevocably acknowledged, the parties agree as follows:

1. Each of the parties hereto confirms the truth and accuracy of the recitals and agrees that the recitals form part of this Agreement.

2. Subject to Section 13 and the termination rights herein, the Agreement shall be in full force and effect and binding on the parties as of the date that Hydro One executes the Agreement (the “**Effective Date**”) and shall expire on the date that the Customer pays Hydro One the final invoice in full for Work Chargeable to Customer or Hydro One issues a refund to the Customer in accordance with Section 10 hereof (the “**Term**”).

3. 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 the Agreement and to perform its obligations hereunder;

(c) the execution, delivery and performance of the 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 Material contracts or instruments to which it is bound; or (iii) any Applicable Laws;

(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) the Agreement constitutes a legal and binding obligation on it, enforceable against it in accordance with its terms;

(f) it is registered for purposes of Part IX of the Excise Tax Act (Canada). The HST registration number for Hydro One is 87086-5821 RT0001 and the HST

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – Richmond MTS: Add New Mid Span Openers**

registration number for the Customer is as specified in Schedule "C" of the Agreement; and

- (g) no proceedings have been instituted by or against it with respect to bankruptcy, insolvency, liquidation or dissolution.

Part A: Work Chargeable to Customer and Customer Work

4. The Customer and Hydro One shall perform their respective obligations outlined in the Agreement in a manner consistent with Good Utility Practice and the Transmission System Code, in compliance with all Applicable Laws, including, but not limited to the requirements of the Electrical Safety Authority, and using duly qualified and experienced people.

5. The parties acknowledge and agree that:

- (a) Hydro One is responsible for obtaining any and all permits, certificates, reviews and approvals required under any Applicable Laws with respect to the Work Chargeable to Customer;
- (b) the Customer is responsible for obtaining any and all permits, certificates, reviews and approvals required under any Applicable Laws with respect to the Customer Work;
- (c) the Customer shall perform the Customer Work at its own expense;
- (d) the Customer is responsible for installing equipment and facilities such as protection and control equipment to protect its own property, including, but not limited to the Customer's Facilities;
- (e) the Customer shall provide Hydro One with Project data required by Hydro One, including, but not limited to: (i) the same technical information that the

Customer provided the IESO during any connection assessment and facility registration process associated with the Customer'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 Customer's Facilities;

- (f) Hydro One may participate in the commissioning, inspection or testing of the Customer Work at a time that is mutually agreed by Hydro One and the Customer and the Customer shall ensure that the work performed by the Customer and others required for successful commissioning, inspection or testing of protective equipment is completed as required to enable Hydro One witnessing and testing to confirm satisfactory performance of such systems;
- (g) unless otherwise provided herein, Hydro One's responsibilities under the Agreement with respect to the connection of the New or Modified Connection Facilities to Hydro One's transmission system shall be limited to the performance of the Work Chargeable to Customer;
- (h) Hydro One is not permitted to connect any new, modified or replacement Customer's Facilities unless any required connection authorizations, certificate of inspection or other applicable approval have been issued or given by the Ontario Electrical Safety Authority in relation to such facilities;
- (i) Hydro One may require that the Customer provide Hydro One with test certificates certifying that the Customer's Facilities have passed all relevant tests and comply with the

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – Richmond MTS: Add New Mid Span Openers**

Transmission System Code, the Market Rules, Good Utility Practice, the standards of all applicable reliability organizations and any Applicable Laws, including, but not limited to any certificates of inspection that may be required by the Ontario Electrical Safety Authority;

- (j) in addition to the Work Chargeable to Customer described in Schedule "A", Hydro One shall provide the Customer with such technical parameters as may be required to assist the Customer in ensuring that the design of the Customer's Facilities is consistent with the requirements applicable to Hydro One's transmission system and the basic general performance standards for facilities set out in the Transmission System Code, including Appendix 2 thereof;
 - (k) if Hydro One requires access to the Customer's Facilities for the purposes of performing the Work Chargeable to Customer or the Customer requires access to Hydro One's facilities for the purposes of the Customer's Work, the parties agree that Section 27.13 of the Connection Agreement shall govern such access and is hereby incorporated in its entirety by reference into, and forms an integral part of the Agreement. All references to "this Agreement" in Section 27.13 of the Connection Agreement shall be deemed to be a reference to this Agreement;
 - (l) the Customer shall enter into a Connection Agreement or amendment as required with Hydro One at least 14 calendar days prior to the connection; and
 - (m) the Customer shall provide Hydro One with copies of the documentation specified in Schedule "C" of the Agreement under the heading "Documentation Required", acceptable to Hydro One, within 120 calendar days after the Ready for Service Date. The Customer shall ensure that Hydro One may retain this documentation for Hydro One's ongoing planning, system design, and operating review. The Customer shall also maintain and revise such documentation to reflect changes to the Customer's Facilities and provide copies to Hydro One on demand and as specified in the Connection Agreement.
6. The Work Chargeable to Customer and Hydro One's rights and requirements hereunder, including, but not limited to Hydro One's:
- (i) specifications of the protection equipment on the Customer's side of the Connection Point;
 - (ii) review and acceptance of power system components on the Customer's side of the Connection Point;
 - (iii) acceptance of the technical specifications (including electrical drawings) for the Customer's Facilities; and
 - (iv) participation in the commissioning, inspection and testing of the Customer's Facilities;
- are solely for the purpose of Hydro One ensuring that the Customer's Facilities will not materially reduce or adversely affect the reliability of Hydro One's transmission system and do not adversely affect other customers connected to Hydro One's transmission system.

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – Richmond MTS: Add New Mid Span Openers**

7. Hydro One shall use reasonable efforts to complete the Work Chargeable to Customer by the 29 day of April, 2019 (the "Ready for Service Date") provided that:

- (a) the Customer is in compliance with its obligations under the Agreement;
- (b) any work required to be performed by third parties has been performed in a timely manner and in a manner to the satisfaction of Hydro One, acting reasonably;
- (c) there are no delays resulting from Hydro One not being able to obtain outages from the IESO required for the Work Chargeable to Customer or from the IESO making changes to the Work Chargeable to Customer or the scheduling of all or a portion thereof;
- (d) Hydro One does not have to use its employees, agents and contractors performing the Work Chargeable to Customer elsewhere on its transmission system or distribution system due to an Emergency (as that term is defined in the Transmission System Code) or a Force Majeure Event;
- (e) Hydro One is able to obtain the materials and labour required to perform the Work Chargeable to Customer with the expenditure of Premium Costs where required;
- (f) there are no delays resulting from Hydro One being unable to obtain materials or equipment required from suppliers in time to meet the project schedule for any portion of the Work Chargeable to Customer provided that such delays are beyond the reasonable control of Hydro One; and

(g) the Customer executed the Agreement on or before the date specified as the Execution Date in the recitals.

8. Upon completion of the Work Chargeable to Customer, Hydro One shall own, operate and maintain all equipment and facilities installed by Hydro One as part of the Work Chargeable to the Customer in, under, on, over, along, upon, through and crossing Hydro One's Property(ies).

The Customer acknowledges that:

- (i) ownership and title to the equipment referred to above shall throughout the Term and thereafter remain vested in Hydro One and the Customer shall have no right of property therein; and
- (ii) that any portion of the equipment referred to above that is located on the Customer's Property(ies) shall be and remain the property of Hydro One and shall not be or become fixtures and/or part of the Customer's Property(ies).

9. The Customer acknowledges and agrees that Hydro One is not responsible for the provision of power system components on the Customer's Facilities, including, without limitation, all transformation, switching, metering and auxiliary equipment such as protection and control equipment.

All of the power system components on the Customer's side of the Connection Point including, without limitation, all transformation, switching and auxiliary equipment such as protection and control equipment shall be subject to the acceptance of Hydro One with regard to Hydro One's requirements to permit connection of the New or Modified Connection Facilities to Hydro One's transmission system and shall be installed, maintained and operated in accordance with all Applicable Laws, codes and

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – Richmond MTS: Add New Mid Span Openers**

standards, including, but not limited to, the Transmission System Code, at the expense of the Customer.

Construction Cost of the Work Chargeable to Customer (plus Taxes); or

Where Hydro One has equipment for automatic reclosing of circuit breakers after an interruption for the purpose of improving the continuity of feeder connection, it shall be the obligation of the Customer to provide adequate protective equipment for the Customer's Facilities that might be adversely affected by the operation of such reclosing equipment. The Customer shall provide such equipment as may be required from time to time by Hydro One for the prompt disconnection of any of the Customer's apparatus that might affect the proper functioning of Hydro One's reclosing equipment.

- (b) the Customer to Hydro One, if the amount already paid by the Customer is less than the Engineering and Construction Cost of the Work Chargeable to Customer (plus Taxes).

Part B: Work Chargeable to Customer

Part C: Events of Default

10. The Customer shall pay Hydro One's Engineering and Construction Cost (plus applicable Taxes) of the Work Chargeable to Customer which is estimated to be the amount specified in Schedule "C" of the Agreement in the manner specified in Schedule "C" of the Agreement.

11. Each of the following events shall constitute an "Event of Default" under the Agreement:

- (a) failure by the Customer to pay any amount due under this Agreement, including any amount payable pursuant to Section 10 within the time stipulated for payment;
- (b) breach by the Customer or Hydro One of any Material term, condition or covenant of the Agreement; or
- (c) the making of an order or resolution for the winding up of the Customer or of its operations or the occurrence of any other dissolution, bankruptcy or reorganization or liquidation proceeding instituted by or against the Customer.

Within 180 days after the Ready for Service Date, Hydro One shall provide the Customer with an invoice or a credit memorandum specifying the actual Engineering and Construction Cost of the Work Chargeable to Customer (plus applicable Taxes). Any difference between the Engineering and Construction Cost of the Work Chargeable to Customer (plus applicable Taxes) and the amount already paid by the Customer shall be paid within 30 days after the issuance of the invoice or credit memorandum by:

For greater certainty, a dispute will not be considered an Event of Default under the Agreement. However, a party's failure to comply with the terms of a settlement or resolution of a dispute by the OEB will be considered an Event of Default under the Agreement.

- (a) Hydro One to the Customer, if the amount already paid by the Customer exceeds the Engineering and

12. Upon the occurrence of an Event of Default by the Customer hereunder (other than those specified in Section 11(c) of this Agreement, for which no notice is required to be given by Hydro One), Hydro One shall give the Customer written notice of the

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – Richmond MTS: Add New Mid Span Openers**

Event of Default and allow the Customer 30 calendar days from the date of receipt of the notice to rectify the Event of Default, at the Customer's sole expense. If such Event of Default is not cured to Hydro One's reasonable satisfaction within the 30 calendar day period, Hydro One may, in its sole discretion, exercise the following remedy in addition to any remedies that may be available to Hydro One under the terms of the Agreement, at common law or in equity: deem the Agreement to be repudiated and, after giving the Customer at least 10 calendar days' prior written notice thereof, recover, as liquidated damages and not as a penalty, the balance of the amounts payable by the Customer pursuant to Section 10.

13. Upon the occurrence of an Event of Default by Hydro One hereunder, the Customer shall give Hydro One written notice of the Event of Default and shall allow Hydro One 30 calendar days from the date of receipt of the notice to rectify the Event of Default at Hydro One's sole expense. If such Event of Default is not cured to the Customer's reasonable satisfaction within the 30 calendar day period, the Customer may pursue any remedies available to it at law or in equity, including at its option the termination of the Agreement.

14. All rights and remedies of Hydro One and the Customer provided herein are not intended to be exclusive but rather are cumulative and are in addition to any other right or remedy otherwise available to Hydro One and the Customer respectively at law or in equity, and any one or more of Hydro One's and the Customer's rights and remedies may from time to time be exercised independently or in combination and without prejudice to any other right or remedy Hydro One or the Customer may have or may have exercised. The parties further agree that where any of the remedies provided for and elected by the

non-defaulting party are found to be unenforceable, the non-defaulting party shall not be precluded from exercising any other right or remedy available to it at law or in equity.

Part D: Disputes

15. All disputes, including, but not limited to, disputes related to:

- (a) the cost and the allocation of the costs under this Agreement;
- (b) the cost and the allocation of costs of the Work Chargeable To Customer and notwithstanding Hydro One's decision not to allocate or to allocate any part of the costs of this work to the Customer at this time; or
- (c) any other costs and the allocation of any other costs associated with, related to, or arising out of the connection of the Project to Hydro One's transmission system or Hydro One's policies in respect of connections generally,

shall be dealt with in accordance with the dispute resolution procedure set out in the OEB-Approved Connection Procedures.

16. Before and after the existence of OEB-Approved Connection Procedures, if a dispute arises while Hydro One is performing the Work Chargeable to Customer, Hydro One shall not cease the work or slow the pace of the work without leave of the OEB.

Part E: Incorporation of Liability and Force Majeure Provisions

17. PART III: LIABILITY AND FORCE MAJEURE (with the exception of Section 15.5 thereof) and Sections 1.1.12 and 1.1.17 of the Connection Agreement are hereby incorporated in their entirety by

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – Richmond MTS: Add New Mid Span Openers**

reference into, and form an integral part of the Agreement. Unless the context otherwise requires, all references in PART III: LIABILITY AND FORCE MAJEURE TO “this Agreement” shall be deemed to be a reference to the Agreement and all references to the “the Transmitter” shall be deemed to be a reference to Hydro One.

For the purposes of this Section 17, the parties agree that the reference to:

- (i) the Transmitter in lines 3 and 4 of Section 15.1 means the Transmitter or any party acting on behalf of the Transmitter such as contractors, subcontractors, suppliers, employees and agents; and
- (ii) the Customer in lines 3 and 4 of Section 15.2 means the Customer or any party acting on behalf of the Customer such as contractors, subcontractors, suppliers, employees and agents.

The parties agree that the aggregate liability of Hydro One under the Agreement and in particular under this Section 17 shall at no time exceed the actual Engineering and Construction Cost of the Work Chargeable to Customer.

Part F: General

18. This Agreement is subject to the Transmission System Code and the OEB-Approved Connection Procedures. If any provision of this Agreement is inconsistent with the:

- (a) Transmission System Code, the said provision shall be deemed to be amended so as to comply with the Transmission System Code;
- (b) OEB-Approved Connection Procedures, the said provision shall be deemed to be amended so as to

comply with the OEB-Approved Connection Procedures; or

- (c) Connection Agreement made between the parties, associated with the new customer connection facilities, the Connection Agreement governs.

19. The failure of any party hereto to enforce at any time any of the provisions of the Agreement or to exercise any right or option which is herein provided shall in no way be construed to be a waiver of such provision or any other provision nor in any way affect the validity of the Agreement or any part hereof or the right of any party to enforce thereafter each and every provision and to exercise any right or option. The waiver of any breach of the Agreement shall not be held to be a waiver of any other or subsequent breach. Nothing shall be construed or have the effect of a waiver except an instrument in writing signed by a duly authorized officer of the party against whom such waiver is sought to be enforced which expressly waives a right or rights or an option or options under the Agreement.

20. Other than as provided in this Agreement, no amendment, modification or supplement to the Agreement shall be valid or binding unless set out in writing and executed by the parties with the same degree of formality as the execution of the Agreement.

21. Any written notice required by the Agreement shall be deemed properly given only if either mailed or delivered to the Director, Account Management, Hydro One Networks Inc., 13th Floor, 483 Bay Street, Toronto, Ontario, M5G 2P5, fax no: (416) 345-5957 on behalf of Hydro One, and at the address specified in the customer notice section of Schedule “C” on behalf of the Customer.

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – Richmond MTS: Add New Mid Span Openers**

A faxed notice will be deemed to be received on the date of the fax if received before 3 p.m. or on the next Business Day if received after 3 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.

22. The Agreement 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, subject to Section 15, the courts of Ontario shall have exclusive jurisdiction to determine all disputes arising out of the Agreement.

23. The Agreement may be executed in counterparts, including email counterparts, each of which shall be deemed an original, but all of which shall together constitute one and the same Agreement.

24. The obligation to pay any amount due and payable hereunder, including, but not limited to, any amount due under Section 10 shall survive the termination of the Agreement.

25. **Invoices and Interest.** Invoiced amounts are due 30 days after invoice issuance. All overdue amounts including, but not limited to amounts that are not invoiced but required under the terms of this Agreement to be paid in a specified time period, shall bear interest at 1.5% per month compounded monthly (19.56 percent per year) for the time they remain unpaid.

26. This Agreement will supersede the terms of any purchase orders issued by the Customer to Hydro One in respect of the Project irrespective of whether same have been issued by Customer and/or accepted

by Hydro One on or after the execution of this Agreement by the Customer.

27. This Agreement 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. Appendix A attached hereto and Schedules "A", "B" and "C" are to be read with and form part of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by the signatures of their proper authorized signatories, as of the date written below.

HYDRO OTTAWA LIMITED

Paradis, Guillaume
AB115E39C3334D4...

Name: Guillaume Paradis
Title: Director, Distribution Engineering & Asset Management
Date: April 29, 2019
I have the authority to bind the Corporation

HYDRO ONE NETWORKS INC.

Spencer Gill

Name: Spencer Gill
Title: Director, Large Customer Account Management
Date: *MAY 14, 2019*
I have the authority to bind the Corporation

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – Simplified – Richmond MTS: Add New Mid Span Openers

Appendix “A”: Definitions

In the Agreement, unless the context otherwise requires, terms which appear therein without definition, shall have the meanings respectively ascribed thereto in the Transmission System Code and unless there is something in the subject matter or context inconsistent therewith, the following words shall have the following meanings:

“Agreement” means the Simplified Connection and Cost Recovery Agreement, Appendix “A” and Schedules “A”, “B” and “C” attached hereto.

“Applicable Laws” means any and all applicable laws, including environmental laws, statutes, codes, licensing requirements, treaties, directives, rules, regulations, protocols, policies, by-laws, orders, injunctions, rulings, awards, judgments or decrees or any requirement or decision or agreement with or by any government or government department, commission board, court authority or agency.

“Business Day” means a day other than Saturday, Sunday, statutory holiday in Ontario or any other day on which the principal chartered banks located in the City of Toronto, are not open for business during normal banking hours.

“Connection Agreement” means the form of connection agreement appended to the Transmission System Code as Appendix 1, Version A.

“Connection Point” means the point where the Customer’s Facilities are connected to Hydro One’s transmission system or are connected to third party facilities connected to Hydro One’s transmission system, as the case may be.

“Customer Work” means the work to be performed by the Customer, at its sole expense, which is described in Schedule “B” of this Agreement.

“Customer’s Facilities” has the meaning set forth in the Transmission System Code.

“Customer’s Property(ies)” means any lands owned by the Customer in fee simple or where the Customer has easement rights.

“Electricity Act, 1998” means the *Electricity Act, 1998* being Schedule “A” of the *Energy Competition Act*, S.O. 1998, c.15, as amended.

“Engineering and Construction Cost” means Hydro One’s charge for equipment, labour and materials at Hydro One’s standard rates plus Hydro One’s standard overheads as well as interest during construction using Hydro One’s capitalization rate in effect during the construction period.

“Force Majeure Event” has the meaning ascribed thereto in the Connection Agreement.

“Good Utility Practice” has the meaning set forth in the Transmission System Code.

“Hydro One’s Property(ies)” means any lands owned by Hydro One in fee simple or where Hydro One now or hereafter has obtained easement rights.

“IESO” means the Independent Electricity System Operator continued under the Electricity Act, 1998.

“Market Rules” rules made under section 32 of the *Electricity Act, 1998* (Ontario), including, but not limited to Chapter 6 thereof.

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – Richmond MTS: Add New Mid Span Openers**

“In Service Date” has the same meaning ascribed to the term “comes into service” in the Transmission System Code.

“Material” relates to the essence of the contract, more than a mere annoyance to a right, but an actual obstacle preventing the performance or exercise of a right.

“New or Modified Connection Facilities” means the facilities owned by Hydro One as specified in Schedule “C” of the Agreement.

“OEB” means the Ontario Energy Board.

“OEB-Approved Connection Procedures” means Hydro One’s connection procedures as approved by the OEB from time to time.

“Ontario Energy Board Act” means the *Ontario Energy Board Act* being Schedule “B” of the *Energy Competition Act*, S.O. 1998, c. 15, as amended.

“Premium Costs” means those costs incurred by Hydro One in order to maintain or advance the Ready for Service Date, including, but not limited to, additional amounts expended for materials or services due to short time-frame for delivery; and the difference between having Hydro One’s employees, agents and contractors perform work on overtime as opposed to during normal business hours.

“Ready for Service Date” means the date upon which the Work Chargeable to Customer is fully and completely constructed, installed, commissioned and energised to the Connection Point. The Customer’s disconnect switches must be commissioned prior to this date in order to use them as isolation points.

“Taxes” means all property, municipal, sales, use, value added, goods and services, harmonized and any other non-recoverable taxes and other similar charges

(other than taxes imposed upon income, payroll or capital).

“Transmission System Code” means the code of standards and requirements originally issued by the OEB on July 14, 2000, as it may be amended, revised or replaced in whole or in part from time to time in accordance with the Section 70.2 and 70.3 of the *Ontario Energy Board Act*.

“Work Chargeable to Customer” means the work to be performed by Hydro One described in Schedule “A” of this Agreement.

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – Richmond MTS: Add New Mid Span Openers**

Schedule "A" Richmond MTS: Add new mid span openers

PROJECT SCOPE - WORK CHARGEABLE TO CUSTOMER

Hydro One will perform the following work:

- Install a new set of MSOs on 115kV circuit S7M at the entrance of Richmond MTS. The new set of MSOs will be installed on the tower on the east side of the station, at Hydro One's transmission line structure R127.

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – Richmond MTS: Add New Mid Span Openers**

Schedule “B”

CUSTOMER WORK

The Customer will:

- Provide the necessary material for the installation of the MSOs. Material shall meet Hydro One standard.
- Provide Hydro One access to the station to install the MSOs.
- Provide Hydro One access to the station for the operation and maintenance of the MSOs.
- Inform the IESO and obtain any necessary approvals for the new MSOs.

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – Richmond MTS: Add New Mid Span Openers**

Schedule “C” (Project Title):

Part 1: Estimate of Engineering and Construction Cost of the Work Chargeable to Customer:

The estimate of the Engineering and Construction Cost of the Work Chargeable to Customer (excluding HST) is summarized as follows:

<u>Project Description</u>	<u>Estimated Engineering and Construction Cost</u>
Project Management	\$5,000
Engineering	
Equipment & Materials	
Construction	\$10,000
Stations & Operations	
Sub-Total	
Contractor’s Contingency	
AFUDC* & Overheads	
Total Price (\$)	\$15,000

(*) AFUDC = Allowance for Funds Used During Construction and is the term used in the OEB accounting procedures meaning interests during construction if applicable.

Notes:

1. Price for preliminary engineering is not included in any of the prices above.
2. Contingency of 16% is included in the total.
3. Capital overheads are included in the total price.
4. Capital interest is included in the total price.
5. HST is not included in the estimate.

Part 2: Manner of Payment

The Engineering and Construction Cost of the Work Chargeable to Customer is estimated to be \$ **15,000.00** (excluding HST) (the “Cost Estimate”). Should the Customer default in paying any amount to Hydro One, Hydro One reserves the right to add the AFUDC as it deems necessary.

The Customer shall pay Hydro One the Cost Estimate (plus HST) by making the progress payments specified below on or before the Payment Milestone Date specified below. If applicable, Hydro One will invoice the Customer for the second payment 30 days prior to the Payment Milestone Date.

<u>Payment Milestone Date</u>	<u>Work Chargeable to Customer (\$)</u>	<u>HST</u>	<u>Total Payment Required (incl. HST)</u>
1. CCRA Execution	\$15,000	\$1,950	\$16,950

2.2 Scope Change

Any change in the Project Scope as detailed and documented in Schedule “A” whether they are initiated by the Customer or not may result in a change to the Project costs estimated in this Schedule “C” and the Project schedule, including the Ready for Service Date.

All Customer initiated scope changes to this Project must be in writing to Hydro One.

Hydro One will advise the Customer of any cost and schedule impacts of any Customer initiated scope changes.

Hydro One will not implement any Customer initiated scope changes until written approval has been received from the

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – Richmond MTS: Add New Mid Span Openers**

Customer accepting the new pricing and schedule impact.

Part 3: Miscellaneous

New or Modified Connection Facilities: A new set of MSOs at the entrance of Richmond MTS

Customer's HST Registration Number:
HST# 863391363 RT0001

Documentation Required (after In Service Date): Not applicable

Revenue Metering: IESO compliant revenue metering to be provided by the Customer

Customer Notice Info:

Hydro Ottawa Limited
1970 Merivale Road, Ottawa, ON, K2G 6Y9

Attention: Scott Nichols, P.Eng, PMP
Project Manager, Asset Planning

CONNECTION COST RECOVERY AGREEMENT RESULTS



November 1, 2023

Dear Steve Hawthorne,

RE: Results for Connection Cost Recovery Agreement (CCRA) – Sustainment Upgrade 115 and New 230 kV line

Hydro One has completed the Actual Cost Reconciliation of the Connection Cost Recovery Agreement (CCRA) – Sustainment Upgrade 115 and New 230 kV line. Please find attached the Economic Evaluation Summary, CCRA with Revised Schedule B, and credit invoice in relation to the Actual Cost Reconciliation. The result of the Economic Evaluation shows that previous capital contribution made by Hydro Ottawa Limited exceeded the required capital contribution. Consequently, a refund in the amount of \$6,445,630.74 (including HST) has been issued via wire payment.

CCRA True-Up Summary

CCRA: Sustainment Upgrade 115 and New 230 kV line

Customer: Hydro Ottawa Limited

Project In-service Date: November 15, 2021

CCRA True-up Type: Actual Cost Reconciliation

Result: Refund of \$6,445,630.74 (\$5,704,098.00 plus HST in the amount of \$741,532.74)

For more information please review the [Transmission Connection Procedures](#) found on our [Transmission Load Connection Process](#) site. If you have any questions, please contact your Hydro One Account Executive, Jayde Suleman, at Jayde.Suleman@HydroOne.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Abu Alam". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Abu Alam
Analyst, Large Customer Account Management
Hydro One Networks Inc.



INVOICE

Mailing Address:
 Hydro One Networks Inc.
 483 BAY ST (ACCOUNTS RECEIVABLE UNIT - TCA8)
 TORONTO, ON, M5G 2P5

Invoice No.: 3000390904
 Customer Ref. No.: AR 23974
 Invoice Date: OCT 06, 2023
 Due Date: NOV 05, 2023
 Customer No.: 20001108
 Payment Terms: Net 30
 Interest on Late Payments: 19.56 % per year

HYDRO OTTAWA LIMITED
 2711 HUNT CLUB RD PO BOX 8700
 OTTAWA, ON, K1G 3S4
 CANADA

GST/HST No.: XXXXXXXXXX

For Billing Enquiries, please call: 1-877-554-7344
 Business Hours: 8:00am - 4:00pm Eastern Standard Time

Actual Cost Reconciliation | CCRA_CBR01354 | Connection of Cambrian MTS and S7M Line Upgrade

Line Item No.	Description	Qty.	Unit Price	TOTAL
1	Required Capital Contribution Line Connection Pool - 115 kV Line Tap HST 13.00%	1.000	2,717,400.00	2,717,400.00 353,262.00
2	Paid Capital Contribution Line Connection Pool - 115 kV Line Tap HST 13.00%	1.000	3,087,500.00-	3,087,500.00- 401,375.00-

Please note: Invoice is subject to Late Payment Interest Charges, if total payment is not received by due date.

Please return this portion with payment or write the complete invoice number on your cheque.		
Please send your payment to: HYDRO ONE NETWORKS INC. ACCOUNTS RECEIVABLE UNIT - TCA8 483 BAY ST., TORONTO, ON, M5G 2P5	Customer No.: 20001108 Customer Name: HYDRO OTTAWA LIMITED 2711 HUNT CLUB RD PO BOX 8700 OTTAWA, ON, K1G 3S4 CANADA	Invoice No: 3000390904 Amount Due: \$ 6,445,630.74- Due Date: NOV 05, 2023 Amount Remitted: _____ Date: _____

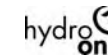
Please remit payment directly to address noted above. For payment through Visa/Mastercard, call 1-877-554-7344.
 This invoice cannot be paid against your energy account via your financial institution or Internet banking.



Line Item No.	Description	Qty.	Unit Price	TOTAL
3	Required Capital Contribution Line Connection Pool - New 230 kV Line HST 13.00%	1.000	23,858,800.00	23,858,800.00 3,101,644.00
4	Paid Capital Contribution Line Connection Pool - New 230 kV Line HST 13.00%	1.000	26,963,500.00-	26,963,500.00- 3,505,255.00-
5	Required Capital Contribution Network Pool - 115 kV P&C/Station Work (115 kV Line Extension) HST 13.00%	1.000	540,200.00	540,200.00 70,226.00
6	Paid Capital Contribution Network Pool - 115 kV P&C/Station Work (115 kV Line Extension) HST 13.00%	1.000	509,900.00-	509,900.00- 66,287.00-
7	Required Capital Contribution Work Chargeable to Customer - 115 kV Rebuild HST 13.00%	1.000	24,094,726.00	24,094,726.00 3,132,314.38
8	Paid Capital Contribution Work Chargeable to Customer - 115 kV Rebuild HST 13.00%	1.000	26,354,324.00-	26,354,324.00- 3,426,062.12-
			Subtotal	5,704,098.00-
			HST	741,532.74-
			TOTAL	\$ 6,445,630.74-

Please remit payment directly to address noted above. For payment through Visa/Mastercard, call 1-877-554-7344.
This invoice cannot be paid against your energy account via your financial institution or Internet banking.

SUMMARY OF CONTRIBUTION CALCULATIONS
Line Pool - Actual cost



Facility Name		Riverdale new tap A&R																										
Description:		Riverdale x Overbrook build new tap A&R																										
Customer:		Hydro Ottawa																										
	Month Year	In-Service Date	Project year ended - annualized from In-Service Date																									
		May-31 2019	May-31 2020	May-31 2021	May-31 2022	May-31 2023	May-31 2024 <i>1st true-up</i>	May-31 2025	May-31 2026	May-31 2027	May-31 2028	May-31 2029 <i>2nd true-up</i>	May-31 2030	May-31 2031	May-31 2032	May-31 2033	May-31 2034 <i>3rd true-up</i>	May-31 2035	May-31 2036	May-31 2037	May-31 2038	May-31 2039	May-31 2040	May-31 2041	May-31 2042	May-31 2043	May-31 2044	
Revenue & Expense Forecast		0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	
Load Forecast (MW)		6.2	11.5	21.0	28.1	34.7	39.1	43.0	46.2	49.5	52.5	54.9	57.8	59.4	60.3	61.2	62.0	62.8	63.6	64.4	64.8	64.8	64.8	64.8	64.8	64.8	64.8	
Load adjustments (MW)		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Tariff Applied (\$/kW/Month)		0.87	0.87	0.87	0.87	0.87	0.87	0.87	0.87	0.87	0.87	0.87	0.87	0.87	0.87	0.87	0.87	0.87	0.87	0.87	0.87	0.87	0.87	0.87	0.87	0.87	0.87	
Incremental Revenue - \$k		64.4	120.5	219.4	292.9	362.0	408.5	448.8	481.9	516.5	547.9	573.6	603.5	620.1	629.8	638.7	647.0	655.3	663.6	671.9	676.8	676.8	676.8	676.8	676.8	676.8	676.8	
Removal Costs - \$k		(0.0)																										
On-going O&M&A Costs - \$k		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Municipal Tax - \$k			(41.1)	(41.1)	(41.1)	(41.1)	(41.1)	(41.1)	(41.1)	(41.1)	(41.1)	(41.1)	(41.1)	(41.1)	(41.1)	(41.1)	(41.1)	(41.1)	(41.1)	(41.1)	(41.1)	(41.1)	(41.1)	(41.1)	(41.1)	(41.1)	(41.1)	
Net Revenue/(Costs) before taxes - \$k		(0.0)	23.2	79.4	178.3	251.8	320.9	367.4	407.7	440.7	475.4	506.7	532.5	562.3	578.9	588.7	597.5	605.8	614.2	622.5	630.8	635.6	635.6	635.6	635.6	635.6	635.6	
Income Taxes - \$k		0.0	98.0	179.0	136.8	102.6	70.8	46.0	23.8	4.5	(14.4)	(31.6)	(46.6)	(62.1)	(73.5)	(82.4)	(90.7)	(98.3)	(105.5)	(112.3)	(118.7)	(123.8)	(127.4)	(130.7)	(133.7)	(136.5)	(139.0)	
Operating Cash Flow (after taxes) - \$k		(0.0)	121.3	258.4	315.1	354.4	391.6	413.3	431.5	445.2	461.0	475.1	485.8	500.2	505.5	506.2	506.9	507.6	508.7	510.2	512.1	511.8	508.2	504.9	501.9	499.1	496.6	
PV Operating Cash Flow (after taxes) - \$k	(A)	5,598.7	(0.0)	117.9	237.5	273.8	291.1	304.2	303.5	299.5	292.2	286.0	278.7	269.4	262.2	250.5	237.2	224.5	212.6	201.4	191.0	181.2	171.2	160.7	151.0	141.9	133.4	125.4
Capital Expenditures - \$k																												
Capital cost before overheads & AFUDC - \$k			(8,204.1)																									
- Overheads - \$k			(1,218.0)																									
- AFUDC - \$k			(407.9)																									
Total upfront capital expenditures - \$			(9,830.0)																									
On-going capital expenditures - \$k			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
PV On-going capital expenditures - \$			0.0																									
Total capital expenditures - \$k			(9,830.0)																									
PV CCA Residual Tax Shield - \$k			48.2																									
PV Working Capital - \$k			0.0																									
PV Capital (after taxes) - \$k	(B)	(9,781.8)	(9,781.8)	(9,663.9)	(9,426.4)	(9,152.5)	(8,861.4)	(8,557.2)	(8,253.7)	(7,954.2)	(7,662.0)	(7,376.0)	(7,097.3)	(6,827.9)	(6,565.6)	(6,315.1)	(6,077.9)	(5,853.4)	(5,640.8)	(5,439.5)	(5,248.5)	(5,067.3)	(4,896.1)	(4,735.4)	(4,584.4)	(4,442.5)	(4,309.2)	(4,183.7)
Cumulative PV Cash Flow (after taxes) - \$k (A) + (B)		(4,183.7)	(9,781.8)	(9,663.9)	(9,426.4)	(9,152.5)	(8,861.4)	(8,557.2)	(8,253.7)	(7,954.2)	(7,662.0)	(7,376.0)	(7,097.3)	(6,827.9)	(6,565.6)	(6,315.1)	(6,077.9)	(5,853.4)	(5,640.8)	(5,439.5)	(5,248.5)	(5,067.3)	(4,896.1)	(4,735.4)	(4,584.4)	(4,442.5)	(4,309.2)	(4,183.7)

Discounted Cash Flow Summary			
Economic Study Horizon - Years:	25		
Discount Rate - %	5.78%		
	Before Cont	After Cont	Impact
	\$k	\$k	\$k
PV Incremental Revenue	6,177.6	6,177.6	
PV OM&A Costs	(0.0)	(0.0)	
PV Municipal Tax	(552.6)	(552.6)	
PV Income Taxes	(1,490.6)	(1,490.6)	(0.0)
PV CCA Tax Shield	1,511.9	751.5	(760.5)
PV Capital - Upfront	(9,830.0)	(9,830.0)	
Add: PV Capital Contribution	0.0	4,944.2	4,944.2
PV Capital - On-going	0.0	0.0	
PV Working Capital	0.0	0.0	
PV Surplus / (Shortfall)	(4,183.7)	(0.0)	4,183.7
Profitability Index*	0.6	1.0	

Notes:
*PV of total cash flow, excluding net capital expenditure & on-going capital & proceeds on disposal / PV of net capital expenditure & on-going capital & proceeds on disposal

Capital Contributions				
	Date	PV of Cont	Previous Cont Payments	Current Cont / (Credit)
		\$k	\$k	\$k
Initial economic evaluation	2019	4,944.2	6,375.0	(1,430.8)
Total		4,944.2	6,375.0	(1,430.8)
Contribution Required (before HST)				N/A
HST @ 13%				N/A
Contribution Required (including HST)				N/A
Notes:				
1) Payment from customer must include HST.				

Other Assumptions		Notes:	
In-Service Date:	31-May-19		
Municipal Tax	0.42%	Transmission system average	
Federal Income Tax	15.00%	2016 federal corporate income tax	
Ontario Corporation Income Tax	11.50%	2016 provincial corporate income tax	
Working cash net lag days	-1.04	As Per Lead Lag study prepared by Navigant for 2015 and 2016 Transmiss	
CCA Rate for Class 47 Assets	8%	100% Class 47 assets	

CONNECTION COST RECOVERY AGREEMENT RESULTS

October 25, 2022

Dear Margaret Flores,

RE: Results for Connection Cost Recovery Agreement (CCRA) – A6R Riverdale JCT x Overbrook TS

Hydro One has completed the Actual Cost Reconciliation of the Connection Cost Recovery Agreement (CCRA) – A6R Riverdale JCT x Overbrook TS. Please find attached the Economic Evaluation Summary, CCRA with Revised Schedule B, and a credit invoice in relation to the Actual Cost Reconciliation. The result of the Economic Evaluation shows that the actual capital contribution required is less than the estimated capital contribution and payments made to date by Hydro Ottawa Limited. Consequently, a refund in the amount of \$1,430,800 (plus HST) will be issued to Hydro Ottawa Limited.

CCRA True-Up Summary

CCRA: A6R Riverdale JCT x Overbrook TS

Customer: Hydro Ottawa Limited

Project In-service Date: May 31, 2019

CCRA True-up Type: Actual Cost Reconciliation

Result: Refund of \$1,430,800 (plus HST)

For more information please review the [Transmission Connection Procedures](#) found on our [Transmission Load Connection Process](#) site. If you have any questions, please contact your Hydro One Account Executive, Jayde Suleman, at Jayde.Suleman@HydroOne.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Abu Alam". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Abu Alam
Analyst, Large Customer Account Management
Hydro One Networks Inc.



INVOICE

Mailing Address:
 Hydro One Networks Inc.
 483 BAY ST (ACCOUNTS RECEIVABLE UNIT - TCA8)
 TORONTO, ON, M5G 2P5

Invoice No.: 3000362103
 Customer Ref. No.: AR 23271
 Invoice Date: JUL 26, 2022
 Due Date: AUG 25, 2022
 Customer No.: 20001108
 Payment Terms: Net 30
 Interest on Late Payments: 19.56 % per year

HYDRO OTTAWA LIMITED
 2711 HUNT CLUB RD PO BOX 8700
 OTTAWA, ON, K1G 3S4
 CANADA

GST/HST No.: XXXXXXXXXX

For Billing Enquiries, please call: 1-877-554-7344
 Business Hours: 8:00am - 4:00pm Eastern Standard Time

Final Milestone Payment & Actual Cost Reconciliation of CCRA-A6R Riverdale JCT x Overbrook TS_CBR01073

Line Item No.	Description	Qty.	Unit Price	TOTAL
1	RFS Payment - Capital Contribution CCRA_A6R Riverdale x Overbrook_CBR01073 HST 13.00%	1.000	587,900.00	587,900.00 76,427.00
2	Credit - Line Capital Contribution Paid CCRA_A6R Riverdale x Overbrook_CBR01073 HST 13.00%	1.000	6,962,900.00-	6,962,900.00- 905,177.00-

Please note: Invoice is subject to Late Payment Interest Charges, if total payment is not received by due date.

Please return this portion with payment or write the complete invoice number on your cheque.		
Please send your payment to: HYDRO ONE NETWORKS INC. ACCOUNTS RECEIVABLE UNIT - TCA8 483 BAY ST., TORONTO, ON, M5G 2P5	Customer No.: 20001108 Customer Name: HYDRO OTTAWA LIMITED 2711 HUNT CLUB RD PO BOX 8700 OTTAWA, ON, K1G 3S4 CANADA	Invoice No: 3000362103 Amount Due: \$ 1,616,804.00- Due Date: AUG 25, 2022 Amount Remitted: _____ Date: _____

Please remit payment directly to address noted above. For payment through Visa/Mastercard, call 1-877-554-7344.
 This invoice cannot be paid against your energy account via your financial institution or Internet banking.



Line Item No.	Description	Qty.	Unit Price	TOTAL
3	Line Actual Capital Contribution CCRA_A6R Riverdale x Overbrook_CBR01073 HST 13.00%	1.000	4,944,200.00	4,944,200.00 642,746.00
			Subtotal	1,430,800.00-
			HST	186,004.00-
			TOTAL	\$ 1,616,804.00-

Please remit payment directly to address noted above. For payment through Visa/Mastercard, call 1-877-554-7344.
This invoice cannot be paid against your energy account via your financial institution or Internet banking.



**REQUISITION FOR PAYMENT
BY ACCOUNTS PAYABLE**

To Be Used For:
Approval of payments
when no invoice will be received.

Pay Hydro One Inc. Treasury Division
483 Bay Street, South Tower, 8th Floor
Toronto Ont.
M5G 2P5

Details:

Payment milestone #1 for Hydro One CCRA for Merivale re-build

Dec-15-16
Date

EFT:

Transit # [REDACTED]
Account # [REDACTED]

	Currency
Cost	\$ 1,127,972.00
* H.S.T.	146,636.00
Total Cost	\$ 1,274,608.00
* G.S.T. Reg.No.	[REDACTED]

Work Order No.	Due Date	Accounting Distribution
Parent WO: [REDACTED] Cost Code: 1400	16-Dec-16 31-Jan-17	Act No.
Certified Correct	Approved	\$ 146,636.00
John Hughes		Act No.
		\$ 1,127,972.00

**REQUISITION FOR PAYMENT
BY ACCOUNTS PAYABLE**

To Be Used For:
Approval of payments
when no invoice will be received.

Pay Hydro One Inc. Treasury Division
483 Bay Street, South Tower, 8th Floor
Toronto Ont.
M5G 2P5

Details:

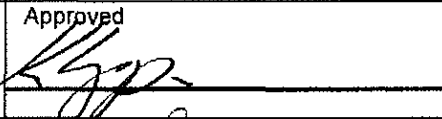
Payment for Hydro One Connection and Cost Recovery Agreement for Merivale DS

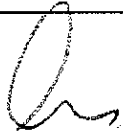
13-Dec-16
Date

EFT:

Transit # [REDACTED]
Account # [REDACTED]

		Currency
Cost	\$	<u>1,127,972.00</u>
* G.S.T.		<u>146,636.00</u>
Total Cost	\$	<u>1,274,608.00</u>
* G.S.T. Reg.No.		[REDACTED]

Work Order No.	Due Date	Accounting Distribution
Parent WO: [REDACTED] Cost Code: 1400	15-Dec-16	Act No. _____ \$ 146,636.00
Certified Correct	Approved	Act No. _____ \$ 1,127,972.00
Kyle Epp		


Casey Malone
Manager,
Distribution Policies & Standards


Owen Mahaffy
Director, Distribution Engineering
& Asset Management



INVOICE

Mailing Address:
 Hydro One Networks Inc.
 483 BAY ST (ACCOUNTS RECEIVABLE UNIT - TCA8)
 TORONTO, ON, M5G 2P5

Invoice No.: 3000206787
 Customer Ref. No.: AR#23579
 Invoice Date: DEC 12, 2016
 Due Date: JAN 11, 2017
 Customer No.: 20001108
 Payment Terms: Net 30
 Interest on Late Payments: 19.56 % per year

HYDRO OTTAWA LIMITED
 3025 ALBION ROAD N.
 PO BOX 8700
 OTTAWA, ON, K1G 3S4
 CANADA

GST/HST No.: XXXXXXXXXX

For Billing Enquiries, please call: 1-877-554-7344
 Business Hours: 8:00am - 4:00pm Eastern Standard Time

Line Item No.	Description	Qty.	Unit Price	TOTAL
1	#1 Payment - CCRA - Merivale MTS Rebuild HST 13.00%	1.000	1,127,972.00	1,127,972.00 146,636.36
Subtotal				1,127,972.00
HST				146,636.36
TOTAL				\$ 1,274,608.36

Please note: Invoice is subject to Late Payment Interest Charges, if total payment is not received by due date.

Please return this portion with payment or write the complete invoice number on your cheque.		
Please send your payment to: HYDRO ONE NETWORKS INC. ACCOUNTS RECEIVABLE UNIT TCA8 483 BAY ST., TORONTO, ON, M5G 2P5	Customer No.: 20001108 Customer Name: HYDRO OTTAWA LIMITED 3025 ALBION ROAD N. PO BOX 8700 OTTAWA, ON, K1G 3S4 CANADA	Invoice No: 3000206787 Amount Due: \$ 1,274,608.36 Due Date: JAN 11, 2017 Amount Remitted: _____ Date: _____

Please remit payment directly to address noted above. For payment through Visa/Mastercard, call 1-877-554-7344.
 This invoice cannot be paid against your energy account via your financial institution or Internet banking.



INVOICE

Mailing Address:
 Hydro One Networks Inc.
 483 BAY ST (ACCOUNTS RECEIVABLE UNIT - TCA8)
 TORONTO, ON, M5G 2P5

Invoice No.: 3000256462
 Customer Ref. No.: AR: 25276
 Invoice Date: NOV 29, 2018
 Due Date: DEC 29, 2018
 Customer No.: 20000107
 Payment Terms: Net 30
 Interest on Late Payments: 19.56 % per year

HYDRO OTTAWA
 3025 ALBION ROAD NORTH
 PO BOX 8700
 OTTAWA, ON, K1G 3S4
 CANADA

GST/HST No.: [REDACTED]

For Billing Enquiries, please call: 1-877-554-7344
 Business Hours: 8:00am - 4:00pm Eastern Standard Time

Wire Transfer Info: [REDACTED]

Line Item No.	Description	Qty.	Unit Price	TOTAL
1	Slater T1 Emergency Replacement Upgrade 100MVA. C/O Jenna Gillis, Manager, Assets. 75 MVA to 100MVA upgrade - incremental costs. HST 13.00%	1.000	229,554.00	229,554.00
				29,842.02
			Subtotal	229,554.00
			HST	29,842.02
			TOTAL	\$ 259,396.02

Please note: Invoice is subject to Late Payment Interest Charges, if total payment is not received by due date.

Please return this portion with payment or write the complete invoice number on your cheque.		
Please send your payment to: HYDRO ONE NETWORKS INC. ACCOUNTS RECEIVABLE UNIT - TCA8 483 BAY ST., TORONTO, ON, M5G 2P5	Customer No.: 20000107 Customer Name: HYDRO OTTAWA 3025 ALBION ROAD NORTH PO BOX 8700 OTTAWA, ON, K1G 3S4 CANADA	Invoice No: 3000256462 Amount Due: \$ 259,396.02 Due Date: DEC 29, 2018 Amount Remitted: _____ Date: _____

Please remit payment directly to address noted above. For payment through Visa/Mastercard, call 1-877-554-7344.
 This invoice cannot be paid against your energy account via your financial institution or Internet banking.



Mailing Address:
 Hydro One Networks Inc.
 483 BAY ST (ACCOUNTS RECEIVABLE UNIT - TCA8)
 TORONTO, ON, M5G 2P5

HYDRO OTTAWA LIMITED
 2711 HUNT CLUB RD
 PO BOX 8700
 OTTAWA, ON, K1G 3S4
 CANADA

3000322302

INVOICE

Invoice No.: 3000322302
 Customer Ref. No.: N/A
 Invoice Date: MAY 14, 2021
 Due Date: JUN 13, 2021
 Customer No.: 20001108
 Payment Terms: Net 30
 Interest on Late Payments: 19.56 % per year

GST/HST No.: XXXXXXXXXX

For Billing Enquiries, please call: 1-877-554-7344
 Business Hours: 8:00am - 4:00pm Eastern Standard Time



Please

notify FinanceAR@HydroOne.com with payment details and invoice number prior to completing the transfer.

Line Item No.	Description	Qty.	Unit Price	TOTAL
1	CCEA-CBR01681-Limebank MTS New Transformer T4 Connection HST 13.00%	1.000	74,637.00	74,637.00
				9,702.81
Subtotal				74,637.00
HST				9,702.81
TOTAL				\$ 84,339.81



Digitally signed by Kevin
 Ainsworth
 Date: 2021.06.28 07:34:17 -04'00'

Please note: Invoice is subject to Late Payment Interest Charges, if total payment is not received by due date.

Please return this portion with payment or write the complete invoice number on your cheque.		
Please send your payment to: HYDRO ONE NETWORKS INC. ACCOUNTS RECEIVABLE UNIT TCA8 483 BAY ST., TORONTO, ON, M5G 2P5	Customer No.: 20001108 Customer Name: HYDRO OTTAWA LIMITED 2711 HUNT CLUB RD PO BOX 8700 OTTAWA, ON, K1G 3S4 CANADA	Invoice No: 3000322302 Amount Due: \$ 84,339.81 Due Date: JUN 13, 2021 Amount Remitted: _____ Date: _____

Please remit payment directly to address noted above. For payment through Visa/Mastercard, call 1-877-554-7344.
 This invoice cannot be paid against your energy account via your financial institution or Internet banking.

CONNECTION COST RECOVERY AGREEMENT RESULTS

July 29, 2022

Dear Margaret Flores,

RE: Results for Connection Cost Recovery Agreement (CCRA) – Hawthorne TS & Cyrville MTS

Hydro One has completed the 15th anniversary true-up of the Connection Cost Recovery Agreement (CCRA) – Hawthorne TS & Cyrville MTS. Please find attached the Economic Evaluation Summary, CCRA, and invoice in relation to the 15th anniversary true-up. The result of the Economic Evaluation shows that an additional capital contribution is required of Hydro Ottawa Limited as the incremental Line Connection revenue as originally forecasted did not materialize. Consequently, an invoice in the amount of \$2,508,600 (plus HST) has been issued to Hydro Ottawa Limited. Please note that this is the final true-up of the CCRA.

CCRA True-Up Summary

CCRA: Hawthorne TS & Cyrville MTS

Customer: Hydro Ottawa Limited

Project In-service Date: May 30, 2004

CCRA True-up Type: 15th Anniversary

Result: Shortfall of \$2,508,600 (plus HST)

For more information please review the [Transmission Connection Procedures](#) found on our [Transmission Load Connection Process](#) site. If you have any questions, please contact your Hydro One Account Executive, Jayde Suleman, at Jayde.Suleman@HydroOne.com.

Sincerely,



Abu Alam
Analyst, Large Customer Account Management
Hydro One Networks Inc.

Date:	8-Jun-22
Project #	13725

SUMMARY OF CONTRIBUTION CALCULATIONS
Line Pool - 3rd true-up

Facility Name		Ottawa Area Network Reinforcement																										
Description:		Evaluation includes Cyrville																										
Customer:		Hydro Ottawa																										
	Month Year	In-Service Date		Project year ended - annualized from In-Service Date																								
		May-30 2004	May-30 2005	May-30 2006	May-30 2007	May-30 2008	May-30 2009 1st true-up	May-30 2010	May-30 2011	May-30 2012	May-30 2013	May-30 2014 2nd true-up	May-30 2015	May-30 2016	May-30 2017	May-30 2018	May-30 2019 3rd true-up	May-30 2020	May-30 2021	May-30 2022	May-30 2023	May-30 2024	May-30 2025	May-30 2026	May-30 2027	May-30 2028	May-30 2029	
Revenue & Expense Forecast		0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	
Load Forecast (MW)		0.0	20.0	13.2	11.0	4.2	1.1	16.3	6.0	10.3	1.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.1	27.4	34.9	39.4	41.2	42.7	43.9	45.0		
Load adjustments (MW)		0.0	1.0	3.6	5.9	8.3	11.4	23.7	24.8	28.6	32.6	25.4	23.0	28.8	21.6	23.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Tariff Applied (\$/kW/Month)		0.0	21.0	16.8	16.9	12.5	12.6	40.0	30.8	38.8	33.8	25.4	23.0	28.8	21.6	23.2	0.0	0.0	3.1	27.4	34.9	39.4	41.2	42.7	43.9	45.0		
Incremental Revenue - \$k		0.0	206.6	165.6	166.2	122.9	123.6	393.7	303.5	382.2	332.2	250.2	226.8	283.3	212.7	228.2	0.0	0.0	30.9	269.2	343.5	387.9	405.6	420.1	431.8	442.8		
Removal Costs - \$k		0.0																										
On-going OM&A Costs - \$k		0.0	(56.7)	(56.7)	(56.7)	(56.7)	(56.7)	(65.6)	(65.6)	(65.6)	(65.6)	(65.6)	(65.6)	(65.6)	(65.6)	(65.6)	(65.6)	(65.6)	(65.6)	(65.6)	(65.6)	(65.6)	(65.6)	(65.6)	(65.6)	(65.6)		
Ontario Capital Tax and Municipal Tax - \$k		0.0	(89.3)	(88.7)	(88.0)	(87.4)	(89.4)	(88.5)	(87.9)	(87.2)	(85.5)	(85.3)	(84.7)	(84.2)	(83.7)	(83.2)	(82.7)	(82.3)	(81.8)	(81.4)	(81.1)	(80.7)	(80.3)	(80.0)	(79.7)	(79.4)		
Net Revenue/(Costs) before taxes - \$k		0.0	(146.1)	61.2	20.8	22.1	(23.2)	(30.6)	240.2	150.6	180.7	99.3	76.4	133.4	63.4	79.4	(148.4)	(147.9)	(118.5)	122.1	196.8	241.6	259.6	274.4	286.4	297.8		
Income Taxes - \$k		0.0	96.8	55.9	69.6	66.0	95.1	109.4	(9.6)	23.4	2.2	32.6	38.5	11.0	37.2	27.4	120.4	117.4	101.6	(11.5)	(34.5)	(55.0)	(64.5)	(72.5)	(79.3)	(85.7)		
Operating Cash Flow (after taxes) - \$k		0.0	(49.3)	117.1	90.5	88.1	72.0	78.8	230.6	174.1	215.8	182.9	131.9	115.0	144.5	100.7	106.8	(28.0)	(30.5)	(15.0)	120.6	162.3	186.5	195.1	201.9	207.1	212.1	
PV Operating Cash Flow (after taxes) - \$k	(A)	1,424.0	0.0	(47.8)	107.0	77.8	71.3	54.9	56.5	155.8	110.8	129.3	103.2	70.0	57.5	68.0	44.6	44.6	(11.0)	(11.3)	(5.2)	39.6	50.1	54.2	53.4	52.0	50.2	48.4
Capital Expenditures - \$k																												
Capital cost before overheads & AFUDC - \$k			(5,374.0)																									
- Overheads - \$k			(50.0)																									
- AFUDC - \$k			(250.9)																									
Total upfront capital expenditures - \$k			(5,674.9)																									
On-going capital expenditures - \$k			0.0	0.0	0.0	0.0	(892.5)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PV On-going capital expenditures - \$k			(680.5)																									
Total capital expenditures - \$k			(6,355.4)																									
Capital Contributions - \$k																												
Previous capital contribution/credit			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current capital contribution/credit			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PV of annual capital contributor			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total PV			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PV Proceeds on disposal of assets - \$k			0.0																									
PV CCA Residual Tax Shield - \$k			84.8																									
PV Working Capital - \$k			(21.5)																									
PV Capital (after taxes) - \$k	(E)	(6,292.0)	(6,292.0)	(6,339.8)	(6,232.8)	(6,155.0)	(6,083.7)	(6,028.8)	(5,972.3)	(5,816.4)	(5,705.7)	(5,576.4)	(5,473.2)	(5,403.2)	(5,345.7)	(5,277.7)	(5,233.0)	(5,188.5)	(5,199.5)	(5,210.8)	(5,216.0)	(5,176.4)	(5,126.3)	(5,072.1)	(5,018.7)	(4,966.7)	(4,916.4)	(4,868.0)
Cumulative PV Cash Flow (after taxes) - \$k (A) + (B)		(4,868.0)	(6,292.0)	(6,339.8)	(6,232.8)	(6,155.0)	(6,083.7)	(6,028.8)	(5,972.3)	(5,816.4)	(5,705.7)	(5,576.4)	(5,473.2)	(5,403.2)	(5,345.7)	(5,277.7)	(5,233.0)	(5,188.5)	(5,199.5)	(5,210.8)	(5,216.0)	(5,176.4)	(5,126.3)	(5,072.1)	(5,018.7)	(4,966.7)	(4,916.4)	(4,868.0)

Discounted Cash Flow Summary			
Economic Study Horizon - Years:	25	Before Cont	After Cont
Discount Rate - %	6.21%	Impact	
	\$k	\$k	\$k
PV Incremental Revenue	2,836.1	2,836.1	
PV OM&A Costs	(809.3)	(809.3)	
PV Ontario Capital Tax and Municipal Tax	(1,106.8)	(169.4)	937.4
PV Income Taxes	(511.5)	(2,160.7)	(1,649.2)
PV CCA Tax Shield	1,100.4	522.6	(577.8)
PV Capital - Upfront	(5,674.9)	(5,674.9)	
Add: PV Capital Contribution	0.0	(5,674.9)	482.7
PV Capital - On-going	(680.5)	(680.5)	6,157.6
PV Proceeds on disposal of asset	0.0	0.0	
PV Working Capital	(21.5)	(21.5)	
PV Surplus / (Shortfall)	(4,868.0)	(0.0)	4,868.0
Profitability Index*	0.2	1.0	

Notes:
*PV of total cash flow, excluding net capital expenditure & on-going capital & proceeds on disposal / PV of net capital expenditure & on-going capital & proceeds on disposal

Capital Contributions				
	Date	PV of Cont \$k	Previous Cont Payments \$k	Current Cont / (Credit) \$k
Initial economic evaluation	2004	550.3	550.3	
1st true-up	2009	691.0	934.1	
2nd true-up	2014	3,900.5	7,126.3	
3rd true-up	2019	1,015.8		2,508.6
Total		6,157.6	8,610.7	2,508.6
Contribution Required (before HST)				2,508.6

Notes:
1) Payment from customer must include HST/GST.

Other Assumptions		Notes:
In-Service Date:	30-May-04	
Municipal Tax	1.28%	Transmission system average
Federal Income Tax	27.00%	Federal corporate income tax
Ontario Corporation Income Tax	14.00%	Provincial corporate income tax
Working cash net lag days	22.22	As per Lead Lag study
CCA Rate for Class 47 Assets	8%	0% Class 47 assets



INVOICE

Mailing Address:
 Hydro One Networks Inc.
 483 BAY ST (ACCOUNTS RECEIVABLE UNIT - TCA8)
 TORONTO, ON, M5G 2P5

Invoice No.: 3000356469
 Customer Ref. No.: N/A
 Invoice Date: JUL 27, 2022
 Due Date: AUG 26, 2022
 Customer No.: 20001108
 Payment Terms: Net 30
 Interest on Late Payments: 19.56 % per year

HYDRO OTTAWA LIMITED
 2711 HUNT CLUB RD PO BOX 8700
 OTTAWA, ON, K1G 3S4
 CANADA

GST/HST No.: [REDACTED]

For Billing Enquiries, please call: 1-877-554-7344
 Business Hours: 8:00am - 4:00pm Eastern Standard Time

Wire Transfer Info: [REDACTED]

Line Item No.	Description	Qty.	Unit Price	TOTAL
1	Line Connection Pool Contribution Hawthorne-Cyrville CCRA True Up (15th Anniversary)_CBR00864 HST 13.00%	1.000	2,508,600.00	2,508,600.00
			Subtotal	2,508,600.00
			HST	326,118.00
			TOTAL	\$ 2,834,718.00

Please note: Invoice is subject to Late Payment Interest Charges, if total payment is not received by due date.

Please return this portion with payment or write the complete invoice number on your cheque.		
Please send your payment to: HYDRO ONE NETWORKS INC. ACCOUNTS RECEIVABLE UNIT - TCA8 483 BAY ST., TORONTO, ON, M5G 2P5	Customer No.: 20001108 Customer Name: HYDRO OTTAWA LIMITED 2711 HUNT CLUB RD PO BOX 8700 OTTAWA, ON, K1G 3S4 CANADA	Invoice No: 3000356469 Amount Due: \$ 2,834,718.00 Due Date: AUG 26, 2022 Amount Remitted: _____ Date: _____

Please remit payment directly to address noted above. For payment through Visa/Mastercard, call 1-877-554-7344.
 This invoice cannot be paid against your energy account via your financial institution or Internet banking.

THIS AMENDING AGREEMENT made the 2nd day of November 2022.

BETWEEN:

HYDRO ONE NETWORKS INC., a corporation incorporated pursuant to the laws of the Province of Ontario and licensed by the OEB (“**Hydro One**”).

OF THE FIRST PART;

- and -

HYDRO OTTAWA LIMITED (the "**Customer**")

OF THE SECOND PART.

From time to time, Hydro One and the Customer shall be individually referred to in this Agreement as "Party" and collectively as "Parties".

WHEREAS:

1. Hydro One and the Customer entered into a Simplified Connection and Cost Recovery Agreement dated July 17, 2020 executed (collectively, the "**Agreement**");
2. the Parties intend to amend the Agreement to reflect changes to the cost and scope of work for the Lincoln Heights TS B2 Bus Replacement project in the manner set out below:

NOW THEREFORE, in consideration of the foregoing, and of the mutual covenants, agreements, terms and conditions herein contained, the Parties, intending to be legally bound, hereby agree as follows:

1. Each of the Parties represents and warrants that the recitals, to the extent that the recitals are applicable to that Party, are true and accurate and form part of this Amending Agreement.
2. All terms which are defined in the Agreement and which appear in this Amending Agreement without definition, shall have the meanings respectively ascribed thereto in the Agreement.
3. The Agreement is hereby amended by:
 - (a) adding the following to Schedule “A” (Lincoln Heights TS – B2 Bus Replacement), under Project Scope – Work Chargeable to Customer:
 - 1) Review RFC to ensure that it meets the new standards for the Batteries & provide integration with their HVAC design for the building. Hrs include EN and drafting.
 - 2) Procurement cost, CN & CM cost associated with changes to the building HVAC system, given the current supply chain constraints. This includes the exterior fan and louvre between P&C room and oil room.
 - 3) Procurement and Construction cost associated with moving the receptacle and sprinkler pipe to accommodate for the new DC batteries in the new location.
 - 4) CN & Commissioning support associated with DC demerger.
 - 5) Project management support throughout the process.
 - 6) 10% contingency for unexpected costs.

- (b) deleting Schedule "C" Part 1 and Part 2 and replacing it with Schedule "C" Part 1 and Part 2, attached hereto as Appendix I to this Amending Agreement. Part 3 shall remain unchanged.

- 4. The Parties do hereby reconfirm that the terms and conditions of the Agreement as amended by this Amending Agreement shall continue to be in full force and effect.

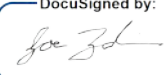
- 5. This Amending Agreement and each of the Parties' respective rights and obligations under this Amending Agreement, shall be binding on and shall inure to the benefit of the Parties hereto and each of their respective successors and permitted assigns.

- 6. This Amending Agreement 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.

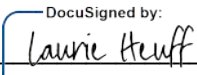
- 7. This Amending Agreement shall be construed and enforced in accordance with, and the rights of the Parties shall be governed by, the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF, the Parties hereto, intending to be legally bound, have caused this Amending Agreement to be executed by the signatures of their proper officers duly authorized in their behalf.

HYDRO ONE NETWORKS INC.

DocuSigned by:

7CF2486C0737281...
Name: Joe Zerdin, P.Eng.
Title: Director, Large Customer Account Management
I have the authority to bind the Corporation

HYDRO OTTAWA LIMITED

DocuSigned by:

2022-11-10
Name: Director, Distribution Engineering and Asset Management
7E31070D87DA4FF...
Title:

Name:
Title:
I/We have the authority to bind the Corporation

Appendix I:**Schedule "C" (Lincoln Heights TS- B2 Bus Replacement):****Part 1: Estimate of Engineering and Construction Cost of the Work Chargeable to Customer:**

The estimate of the Engineering and Construction Cost of the Work Chargeable to Customer (excluding HST) is summarized as follows:

Project Description	Original CCRA (\$)	Original + Amending (\$)	Delta/Amending Agreement (\$)
Project Management	\$ 15,000	27,000	12,000
Engineering	\$ 15,000	27,250	12,250
Equipment & Materials	\$ -	33,374.10	33,374.10
Construction	\$ 80,000	90,000	10,000
Stations & Operations	\$ 20,000	23,000	3,000
Contingency, AFUDC* & Overheads (10%)	\$ 20,000	26,662.41	6,662.41
Total Price (\$)	\$ 150,000	227,686.51	77,686.51

(* AFUDC = Allowance for Funds Used During Construction and is the term used in the OEB accounting procedures meaning interests during construction if applicable.

Notes:

1. Price for preliminary engineering is not included in any of the prices above.
2. Contingency of 10% is included in the total.
3. Capital overheads are included in the total price.
4. Capital interest is included in the total price.
5. HST is not included in the estimate.

Part 2: Manner of Payment

The Engineering and Construction Cost of the Work Chargeable to Customer is estimated to be \$ 77,686.51 (excluding HST) (the "Cost Estimate"). Should the Customer default in paying any amount to Hydro One, Hydro One reserves the right to add the AFUDC as it deems necessary.

The Customer shall pay Hydro One the Cost Estimate (plus HST) by making the progress payments specified below on or before the Payment Milestone Date specified below. If applicable, Hydro One will invoice the Customer for the second payment 30 days prior to the Payment Milestone Date.

Payment Milestone Date	Work Chargeable to Customer (\$)	HST	Total Payment Required (incl. HST)
1. CCRA Payment Received	\$150,000	\$19,500	\$169,500
2. Execution of Amending Agreement by Customer	\$77,686.51	\$10,099.25	\$87,785.75



INVOICE

Mailing Address:
 Hydro One Networks Inc.
 483 BAY ST (ACCOUNTS RECEIVABLE UNIT - TCA8)
 TORONTO, ON, M5G 2P5

Invoice No.: 3000375854
 Customer Ref. No.: AR26908
 Invoice Date: MAR 09, 2023
 Due Date: APR 08, 2023
 Customer No.: 20001108
 Payment Terms: Net 30
 Interest on Late Payments: 19.56 % per year

HYDRO OTTAWA LIMITED
 2711 HUNT CLUB RD PO BOX 8700
 OTTAWA, ON, K1G 3S4
 CANADA

GST/HST No. [REDACTED]

For Billing Enquiries, please call: 1-877-554-7344
 Business Hours: 8:00am - 4:00pm Eastern Standard Time

DO NOT MAIL Wire Transfer Info: [REDACTED]

Line Item No.	Description	Qty.	Unit Price	TOTAL
1	Actual Cost	1.000	33,460.30	33,460.30
	Woodroffe TS - Metering Upgrade - CRB01661			
	HST 13.00%			4,349.84
Subtotal				33,460.30
HST				4,349.84
TOTAL				\$ 37,810.14

Please note: Invoice is subject to Late Payment Interest Charges, if total payment is not received by due date.

Please return this portion with payment or write the complete invoice number on your cheque.		
Please send your payment to: HYDRO ONE NETWORKS INC. ACCOUNTS RECEIVABLE UNIT - TCA8 483 BAY ST., TORONTO, ON, M5G 2P5	Customer No.: 20001108 Customer Name: HYDRO OTTAWA LIMITED 2711 HUNT CLUB RD PO BOX 8700 OTTAWA, ON, K1G 3S4 CANADA	Invoice No: 3000375854 Amount Due: \$ 37,810.14 Due Date: APR 08, 2023 Amount Remitted: _____ Date: _____

Please remit payment directly to address noted above. For payment through Visa/Mastercard, call 1-877-554-7344.
 This invoice cannot be paid against your energy account via your financial institution or Internet banking.

Date:	9-Dec-24
Project #:	17320

SUMMARY OF CONTRIBUTION CALCULATIONS
Line Pool - 2nd true-up

Facility Name:	Terry Fox MTS																											
	Description: Disconnect switch -double circuit tap to the cust owned station from 230 KV circuit M29C																											
Customer:	Hydro Ottawa																											
Month Year	In-Service Date	Project year ended - annualized from In-Service Date																										
	Dec-9 2013	Dec-9 2014	Dec-9 2015	Dec-9 2016	Dec-9 2017	Dec-9 2018	Dec-9 2019	Dec-9 2020	Dec-9 2021	Dec-9 2022	Dec-9 2023	Dec-9 2024	Dec-9 2025	Dec-9 2026	Dec-9 2027	Dec-9 2028	Dec-9 2029	Dec-9 2030	Dec-9 2031	Dec-9 2032	Dec-9 2033	Dec-9 2034	Dec-9 2035	Dec-9 2036	Dec-9 2037	Dec-9 2038		
		1st true-up					2nd true-up					3rd true-up																
Revenue & Expense Forecast																												
Load Forecast (MW)		2.7	18.6	21.2	22.3	24.3	21.2	27.6	26.6	29.6	28.1	24.6	25.1	29.0	30.2	31.1	32.0	32.8	33.2	34.1	36.5	38.9	41.4	42.4	43.4	44.3		
Load adjustments (MW)		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Tariff Applied (\$/kW/Month)		2.7	18.6	21.2	22.3	24.3	21.2	27.6	26.6	29.6	28.1	24.6	25.1	29.0	30.2	31.1	32.0	32.8	33.2	34.1	36.5	38.9	41.4	42.4	43.4	44.3		
Incremental Revenue - \$k		0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80		
Removal Costs - \$k		25.7	178.3	203.2	213.9	233.4	204.0	264.5	254.9	283.8	269.9	236.4	240.6	278.7	289.9	298.4	306.9	315.4	318.6	327.6	349.9	373.5	397.0	407.3	416.3	425.3		
On-going O&M&A Costs - \$k		0.0	(0.2)	(0.2)	(0.2)	(0.2)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)		
Ontario Capital Tax and Municipal Tax - \$k			(17.1)	(17.1)	(17.1)	(17.1)	(17.1)	(17.1)	(17.1)	(17.1)	(17.1)	(17.1)	(17.1)	(17.1)	(17.1)	(17.1)	(17.1)	(17.1)	(17.1)	(17.1)	(17.1)	(17.1)	(17.1)	(17.1)	(17.1)	(17.1)		
Net Revenue/(Costs) before taxes - \$k		0.0	8.5	161.1	185.9	196.6	215.9	186.4	246.9	237.3	266.2	252.3	218.9	223.1	261.1	272.3	280.8	289.3	297.8	301.0	310.0	332.4	355.9	379.5	389.7	407.8		
Income Taxes - \$k		0.0	31.6	22.3	10.5	2.9	(6.6)	(2.9)	(22.6)	(23.5)	(34.3)	(33.5)	(27.3)	(30.9)	(43.2)	(48.3)	(52.4)	(56.4)	(60.3)	(62.7)	(66.4)	(73.6)	(81.0)	(88.3)	(92.0)	(96.9)		
Operating Cash Flow (after taxes) - \$k		0.0	40.1	163.4	196.4	199.5	209.3	183.6	224.3	213.8	231.9	218.8	191.5	192.2	217.9	224.0	228.4	232.9	237.5	238.4	243.6	258.8	274.9	291.2	297.7	303.5		
PV Operating Cash Flow (after taxes) - \$k	(A)	2,723.9	0.0	38.9	167.9	169.6	162.5	160.7	133.0	153.2	137.7	140.9	125.3	103.5	97.9	104.7	101.5	97.6	93.8	90.2	85.4	82.3	82.5	82.6	82.5	79.6	76.5	73.5
Capital Expenditures - \$k																												
Capital cost before overheads & AFUDC - \$k			(2,646.1)																									
- Overheads - \$k			(471.3)																									
- AFUDC - \$k			(74.5)																									
Total upfront capital expenditures - \$k			(3,191.9)																									
On-going capital expenditures - \$k			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
PV On-going capital expenditures - \$k			0.0																									
Total capital expenditures - \$k			(3,191.9)																									
PV Proceeds on disposal of assets - \$k			0.0																									
PV CCA Residual Tax Shield - \$k			14.4																									
PV Working Capital - \$k			(0.0)																									
PV Capital (after taxes) - \$k	(B)	(3,177.5)	(3,177.5)																									
Cumulative PV Cash Flow (after taxes) - \$k (A) + (B)		(453.6)	(3,177.5)	(3,138.6)	(2,970.7)	(2,801.0)	(2,638.6)	(2,477.8)	(2,344.9)	(2,191.7)	(2,053.9)	(1,913.1)	(1,787.7)	(1,684.3)	(1,586.3)	(1,481.7)	(1,380.2)	(1,282.6)	(1,188.8)	(1,098.5)	(1,013.1)	(930.8)	(848.3)	(765.7)	(683.1)	(603.6)	(527.1)	(453.6)

Discounted Cash Flow Summary			
Economic Study Horizon - Years:	25		
Discount Rate - %	6.04%		
	Before Cont	After Cont	Impact
	\$k	\$k	\$k
PV Incremental Revenue	3,299.4	3,299.4	
PV O&M&A Costs	(5.5)	(5.5)	
PV Ontario Capital Tax and Municipal Tax	(223.7)	(223.7)	
PV Income Taxes	(813.6)	(813.6)	0.0
PV CCA Tax Shield	481.8	397.1	(84.6)
PV Capital - Upfront	(3,191.9)	(3,191.9)	
Add: PV Capital Contribution	0.0	(3,191.9)	538.2
PV Capital - On-going	0.0	0.0	
PV Proceeds on disposal of assets	0.0	0.0	
PV Working Capital	(0.0)	(0.0)	
PV Surplus / (Shortfall)	<u>(453.6)</u>	<u>0.0</u>	<u>453.6</u>
Profitability Index*	0.9	1.0	

Notes:
*PV of total cash flow, excluding net capital expenditure & on-going capital & proceeds on disposal / PV of net capital expenditure & on-going capital & proceeds on disposal

Capital Contributions			
	Date	PV of Cont \$k	Current Cont / (Credit) \$k
Initial economic evaluation	2013	159.0	
1st true-up	2018	379.2	
2nd true-up	2023	0.0	0.0
Total		538.2	0.0
Contribution Required (before HST)			N/A
HST @ 13%			N/A
Contribution Required (including HST)			N/A
Notes:	1) Payment from customer must include HST.		

Other Assumptions		Notes:
In-Service Date:	9-Dec-13	
Municipal Tax	0.53%	Transmission system average
Federal Income Tax	15.00%	Federal corporate income tax
Ontario Corporation Income Tax	11.50%	Provincial corporate income tax
Working cash net lag days	14.67	As per Lead Lag study
CCA Rate for Class 47 Assets	8%	100% Class 47 assets

Calculation Time Stamp: 09-Dec-24, 5:35 PM

Date:	13-Dec-24
Project #:	17320

SUMMARY OF CONTRIBUTION CALCULATIONS
Network Pool - 1st true-up

Facility Name:	Terry Fox MTS
Description:	
Customer:	Hydro Ottawa

	Month Year	Project year ended - annualized from In-Service Date																										
		Nov-12 2017	Nov-12 2018	Nov-12 2019	Nov-12 2020	Nov-12 2021	Nov-12 2022	Nov-12 2023	Nov-12 2024	Nov-12 2025	Nov-12 2026	Nov-12 2027	Nov-12 2028	Nov-12 2029	Nov-12 2030	Nov-12 2031	Nov-12 2032	Nov-12 2033	Nov-12 2034	Nov-12 2035	Nov-12 2036	Nov-12 2037	Nov-12 2038	Nov-12 2039	Nov-12 2040	Nov-12 2041	Nov-12 2042	
		0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	
Revenue & Expense Forecast																												
Load Forecast (MW)			24.3	21.2	27.6	26.6	29.6	28.1	24.6	25.0	28.7	30.1	31.0	31.9	32.8	33.2	34.0	36.2	38.7	41.2	42.3	43.3	44.2	45.2	46.1	47.3	48.6	
Load adjustments (MW)			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Tariff Applied (\$/kW/Month)			24.3	21.2	27.6	26.6	29.6	28.1	24.6	25.0	28.7	30.1	31.0	31.9	32.8	33.2	34.0	36.2	38.7	41.2	42.3	43.3	44.2	45.2	46.1	47.3	48.6	
Income Taxes - \$k			3.57	3.57	3.57	3.57	3.57	3.57	3.57	3.57	3.57	3.57	3.57	3.57	3.57	3.57	3.57	3.57	3.57	3.57	3.57	3.57	3.57	3.57	3.57	3.57	3.57	
Incremental Revenue - \$k			1,041.7	910.3	1,180.3	1,137.4	1,266.3	1,204.3	1,052.6	1,072.3	1,228.2	1,290.4	1,328.3	1,366.2	1,404.1	1,420.6	1,458.2	1,552.8	1,657.9	1,763.0	1,814.1	1,854.4	1,894.7	1,935.0	1,975.3	2,026.7	2,080.4	
Removal Costs - \$k		1.8																										
On-going OM&A Costs - \$k		0.0	(6.8)	(6.8)	(6.8)	(6.8)	(6.8)	(6.8)	(13.5)	(13.5)	(13.5)	(13.5)	(13.5)	(13.5)	(13.5)	(13.5)	(13.5)	(16.5)	(16.5)	(16.5)	(16.5)	(16.5)	(16.5)	(16.5)	(16.5)	(16.5)	(16.5)	
Ontario Capital Tax and Municipal Tax - \$k			(15.1)	(15.1)	(15.1)	(15.1)	(15.1)	(15.1)	(15.1)	(15.1)	(15.1)	(15.1)	(15.1)	(15.1)	(15.1)	(15.1)	(15.1)	(15.1)	(15.1)	(15.1)	(15.1)	(15.1)	(15.1)	(15.1)	(15.1)	(15.1)	(15.1)	
Net Revenue/(Costs) before taxes - \$k		1.8	1,019.8	888.4	1,158.4	1,115.5	1,244.4	1,175.6	1,024.0	1,043.7	1,199.6	1,261.8	1,299.7	1,337.6	1,375.5	1,392.0	1,429.5	1,521.2	1,626.3	1,731.4	1,782.5	1,822.8	1,863.1	1,903.4	1,943.6	1,995.1	2,048.8	
Income Taxes - \$k			(0.5)	(240.3)	(177.9)	(254.0)	(246.9)	(234.9)	(270.3)	(233.4)	(241.7)	(285.8)	(304.8)	(317.2)	(329.5)	(341.5)	(347.7)	(359.4)	(385.2)	(414.5)	(443.7)	(458.4)	(470.2)	(481.9)	(493.5)	(505.1)	(519.5)	(534.9)
Operating Cash Flow (after taxes) - \$k		1.3	779.5	710.5	904.4	868.6	959.4	905.3	790.6	802.0	913.8	956.9	982.5	1,008.1	1,034.0	1,044.3	1,070.2	1,136.0	1,211.8	1,287.7	1,324.1	1,352.6	1,381.2	1,409.8	1,438.6	1,475.6	1,514.3	
Cumulative PV @ 6.04%																												
PV Operating Cash Flow (after taxes) - \$k (A)		13,111.1	1.3	767.0	650.7	781.0	707.5	736.9	655.8	540.0	516.6	555.1	548.2	530.8	513.6	496.8	473.2	457.3	457.8	460.5	461.5	447.5	431.1	415.1	399.6	384.5	371.9	360.0
Capital Expenditures - \$k																												
Capital cost before overheads & AFUDC - \$k			(2,320.1)																									
- Overheads - \$k			(329.3)																									
- AFUDC - \$k			(179.2)																									
Total upfront capital expenditures - \$k			(2,828.6)																									
On-going capital expenditures - \$k			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
PV On-going capital expenditures - \$k			0.0																									
Total capital expenditures - \$k			(2,828.6)																									
Capital Contributions - \$k																												
Previous capital contribution/(credit)			0.0	0.0	0.0	0.0																						
Current capital contribution/(credit)							0.0																					
PV of annual capital contribution			0.0	0.0	0.0	0.0																						
Total PV			0.0				0.0																					
PV Proceeds on disposal of assets - \$k			0.0																									
PV CCA Residual Tax Shield - \$k			12.8																									
PV Working Capital - \$k			(0.3)																									
PV Capital (after taxes) - \$k (B)		(2,816.1)	(2,816.1)																									
Cumulative PV Cash Flow (after taxes) - \$k (A) + (B)		10,295.0	(2,814.8)	(2,057.8)	(1,407.1)	(626.1)	81.4	818.3	1,474.0	2,014.0	2,530.7	3,085.8	3,634.0	4,164.7	4,678.4	5,175.2	5,648.3	6,105.6	6,563.4	7,023.9	7,485.3	7,932.8	8,363.9	8,779.0	9,178.6	9,563.1	9,935.0	10,295.0

Discounted Cash Flow Summary	
Economic Study Horizon - Years:	25
Discount Rate - %	6.04%
	\$k
PV Incremental Revenue	17,628.8
PV OM&A Costs	(155.7)
PV Ontario Capital Tax and Municipal Tax	(198.3)
PV Income Taxes	(4,577.8)
PV CCA Tax Shield	426.9
PV Capital - Upfront	(2,828.6)
Add: PV Capital Contribution	0.0
PV Capital - On-going	0.0
PV Proceeds on disposal of assets	0.0
PV Working Capital	(0.3)
PV Surplus / (Shortfall)	<u>10,295.0</u>
Profitability Index*	4.6

Notes:
*PV of total cash flow, excluding net capital expenditure & on-going capital & proceeds on disposal / PV of net capital expenditure & on-going capital & proceeds on disposal

Other Assumptions	Notes:
In-Service Date:	12-Nov-17
Municipal Tax	0.53% Transmission system average
Federal Income Tax	15.00% Federal corporate income tax
Ontario Corporation Income Tax	11.50% Provincial corporate income tax
Working cash net lag days	14.67 As per Lead Lag study
CCA Rate for Class 47 Assets	8% 100% Class 47 assets

CONNECTION COST RECOVERY AGREEMENT RESULTS



December 20, 2024

Dear Scott Nichols,

RE: Results for Connection Cost Recovery Agreement (CCRA) – Terry Fox MTS Line Connection

Hydro One has completed the Actual Cost Reconciliation, 5th Anniversary True-Up, and 10th Anniversary True-Up (Line Pool only) of the Connection Cost Recovery Agreement (CCRA) – Terry Fox MTS Line Connection. Please find attached the Economic Evaluation Summary, CCRA with Revised Schedule B, and invoice in relation to the Actual Cost Reconciliation and 5th Anniversary. The result of the Economic Evaluation shows that no capital contribution is required for the Network Pool and has been paid fully by the incremental load revenues, but the capital contribution made by Hydro Ottawa Limited fell short of the required capital contribution for the Line Pool. Consequently, an invoice in the amount of \$8,000 (excluding HST) for the Actual Cost Reconciliation and \$508,400 (excluding HST) for the 5th Anniversary true-up has been issued.

CCRA True-Up Summary

CCRA: Terry Fox MTS Line Connection

Customer: Hydro Ottawa Limited

Line Pool Project In-service Date: December 9, 2013

Network Pool Project In-service Date: November 12, 2017

CCRA True-up Type: Actual Cost Reconciliation, 5th Anniversary True-Up, 10th Anniversary True-Up (Line Pool only)

Result: Shortfall of \$516,400 (excluding HST) for Actual Cost Reconciliation and 5th Anniversary True-Up

For more information please review the [Transmission Connection Procedures](#) found on our [Transmission Load Connection Process](#) site. If you have any questions, please contact your Hydro One Account Executive, Jayde Suleman, at Jayde.Suleman@HydroOne.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Abu Alam". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Abu Alam
Analyst, Large Customer Account Management
Hydro One Networks Inc.



INVOICE

Mailing Address:
 Hydro One Networks Inc.
 483 BAY ST (ACCOUNTS RECEIVABLE UNIT - TCA8)
 TORONTO, ON, M5G 2P5

Invoice No.: 3000445588
 Customer Ref. No.: N/A
 Invoice Date: DEC 17, 2024
 Due Date: JAN 16, 2025
 Customer No.: 20001108
 Payment Terms: Net 30
 Interest on Late Payments: 19.56 % per year

HYDRO OTTAWA LIMITED
 2711 HUNT CLUB RD PO BOX 8700
 OTTAWA, ON, K1G 3S4
 CANADA

GST/HST No.: [REDACTED]

For Billing Enquiries, please call: 1-877-554-7344
 Business Hours: 8:00am - 4:00pm Eastern Standard Time

****Do Not Mail**** CCRA_CBR00266 Actual Cost Reconciliation & 5th Anniversary True-Up [REDACTED]
 [REDACTED] | Please notify
 FinanceAR@HydroOne.com with payment details and invoice numb

Line Item No.	Description	Qty.	Unit Price	TOTAL
1	Line Capitl Contrib - Actual Cost Recon. CCRA_CBR00266 Terry Fox MTS Connection HST 13.00%	1.000	8,000.00	8,000.00 1,040.00
2	Line Capitl Contrib - 5th Anniv. True-Up CCRA_CBR00266 Terry Fox MTS Connection HST 13.00%	1.000	508,400.00	508,400.00 66,092.00
			Subtotal	516,400.00
			HST	67,132.00
			TOTAL	\$ 583,532.00

Please note: Invoice is subject to Late Payment Interest Charges, if total payment is not received by due date.

Please return this portion with payment or write the complete invoice number on your cheque.		
Please send your payment to: HYDRO ONE NETWORKS INC. ACCOUNTS RECEIVABLE UNIT - TCA8 483 BAY ST., TORONTO, ON, M5G 2P5	Customer No.: 20001108 Customer Name: HYDRO OTTAWA LIMITED 2711 HUNT CLUB RD PO BOX 8700 OTTAWA, ON, K1G 3S4 CANADA	Invoice No: 3000445588 Amount Due: \$ 583,532.00 Due Date: JAN 16, 2025 Amount Remitted: _____ Date: _____

Please remit payment directly to address noted above. For payment through Visa/Mastercard, call 1-877-554-7344.
 This invoice cannot be paid against your energy account via your financial institution or Internet banking.



INVOICE

Mailing Address:
 Hydro One Networks Inc.
 483 BAY ST (ACCOUNTS RECEIVABLE UNIT - TCA8)
 TORONTO, ON, M5G 2P5

Invoice No.: 3000299306
 Customer Ref. No.: n/a
 Invoice Date: JUL 23, 2020
 Due Date: AUG 22, 2020
 Customer No.: 20001108
 Payment Terms: Net 30
 Interest on Late Payments: 19.56 % per year

HYDRO OTTAWA LIMITED
 2711 HUNT CLUB RD
 PO BOX 8700
 OTTAWA, ON, K1G 3S4
 CANADA

GST/HST No.: XXXXXXXXXX

For Billing Enquiries, please call: 1-877-554-7344
 Business Hours: 8:00am - 4:00pm Eastern Standard Time

Line Item No.	Description	Qty.	Unit Price	TOTAL
1	CCRA-Lincoln Heights_CBR01590 HST 13.00%	1.000	150,000.00	150,000.00 19,500.00
			Subtotal	150,000.00
			HST	19,500.00
			TOTAL	\$ 169,500.00

Please note: Invoice is subject to Late Payment Interest Charges, if total payment is not received by due date.

Please return this portion with payment or write the complete invoice number on your cheque.		
Please send your payment to: HYDRO ONE NETWORKS INC. ACCOUNTS RECEIVABLE UNIT - TCA8 483 BAY ST., TORONTO, ON, M5G 2P5	Customer No.: 20001108 Customer Name: HYDRO OTTAWA LIMITED 2711 HUNT CLUB RD PO BOX 8700 OTTAWA, ON, K1G 3S4 CANADA	Invoice No: 3000299306 Amount Due: \$ 169,500.00 Due Date: AUG 22, 2020 Amount Remitted: _____ Date: _____

Please remit payment directly to address noted above. For payment through Visa/Mastercard, call 1-877-554-7344.
 This invoice cannot be paid against your energy account via your financial institution or Internet banking.



INVOICE

Mailing Address:
 Hydro One Networks Inc.
 483 BAY ST (ACCOUNTS RECEIVABLE UNIT - TCA8)
 TORONTO, ON, M5G 2P5

Invoice No.: 3000294914
 Customer Ref. No.: N/A
 Invoice Date: MAY 12, 2020
 Due Date: JUN 11, 2020
 Customer No.: 20001108
 Payment Terms: Net 30
 Interest on Late Payments: 19.56 % per year

HYDRO OTTAWA LIMITED
 2711 HUNT CLUB RD
 PO BOX 8700
 OTTAWA, ON, K1G 3S4
 CANADA

GST/HST No.: XXXXXXXXXX

For Billing Enquiries, please call: 1-877-554-7344
 Business Hours: 8:00am - 4:00pm Eastern Standard Time

Line Item No.	Description	Qty.	Unit Price	TOTAL
1	Uplands MTS: Telecommunication Upgrade HST 13.00% - CCRA Execution Payment	1.000	75,000.00	75,000.00 9,750.00
			Subtotal	75,000.00
			HST	9,750.00
			TOTAL	\$ 84,750.00

Please note: Invoice is subject to Late Payment Interest Charges, if total payment is not received by due date.

Please return this portion with payment or write the complete invoice number on your cheque.		
Please send your payment to: HYDRO ONE NETWORKS INC. ACCOUNTS RECEIVABLE UNIT - TCA8 483 BAY ST., TORONTO, ON, M5G 2P5	Customer No.: 20001108 Customer Name: HYDRO OTTAWA LIMITED 2711 HUNT CLUB RD PO BOX 8700 OTTAWA, ON, K1G 3S4 CANADA	Invoice No: 3000294914 Amount Due: \$ 84,750.00 Due Date: JUN 11, 2020 Amount Remitted: _____ Date: _____

Please remit payment directly to address noted above. For payment through Visa/Mastercard, call 1-877-554-7344.
 This invoice cannot be paid against your energy account via your financial institution or Internet banking.

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – Overbrook 13.kV Switchgear Upgrades**

THIS SIMPLIFIED CONNECTION AND COST RECOVERY AGREEMENT made between Hydro One Networks Inc. (“**Hydro One**”) and Hydro Ottawa Limited (**the “Customer”**) dated this 4 of June, 2021.

WHEREAS

(a) The Customer is planning upgrades at Overbrook TS which includes the replacement of their metalclad switchgear and the addition of four feeder breakers (**the “Project”**). Hydro One’s scope of work is to assist with connection of the Customer to Hydro One’s equipment, including P&C and removal work.

(b) Hydro One is agreeable to performing the work required for the Project on the following terms and conditions, including but not limited to the Project cost and the Project schedule being subject to the Customer executing and delivering this Agreement to Hydro One by no later than the 30 day of June , 2021 (**the “Execution Date”**).

NOW THEREFORE in consideration of the mutual covenants, agreements, terms and conditions herein and other good and valuable consideration, the receipt and sufficiency of which is hereby irrevocably acknowledged, the parties agree as follows:

1. Each of the parties hereto confirms the truth and accuracy of the recitals and agrees that the recitals form part of this Agreement.

2. Subject to Section 13 and the termination rights herein, the Agreement shall be in full force and effect and binding on the parties as of the date that Hydro One executes the Agreement (**the “Effective Date”**) and shall expire on the date that the Customer pays Hydro One the final invoice in full for Work Chargeable to Customer or

Hydro One issues a refund to the Customer in accordance with Section 10 hereof (**the “Term”**).

3. 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 the Agreement and to perform its obligations hereunder;
- (c) the execution, delivery and performance of the 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 Material contracts or instruments to which it is bound; or (iii) any Applicable Laws;
- (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) the Agreement constitutes a legal and binding obligation on it, enforceable against it in accordance with its terms;

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – Overbrook 13.kV Switchgear Upgrades**

- (f) it is registered for purposes of Part IX of the Excise Tax Act (Canada). The HST registration number for Hydro One is [REDACTED] and the HST registration number for the Customer is as specified in Schedule “C” of the Agreement; and
- (g) no proceedings have been instituted by or against it with respect to bankruptcy, insolvency, liquidation or dissolution.

Part A: Work Chargeable to Customer and Customer Work

4. The Customer and Hydro One shall perform their respective obligations outlined in the Agreement in a manner consistent with Good Utility Practice and the Transmission System Code, in compliance with all Applicable Laws, including, but not limited to the requirements of the Electrical Safety Authority, and using duly qualified and experienced people.

5. The parties acknowledge and agree that:

- (a) Hydro One is responsible for obtaining any and all permits, certificates, reviews and approvals required under any Applicable Laws with respect to the Work Chargeable to Customer;
- (b) the Customer is responsible for obtaining any and all permits, certificates, reviews and approvals required under any Applicable Laws with respect to the Customer Work;
- (c) the Customer shall perform the Customer Work at its own expense;
- (d) the Customer is responsible for installing equipment and facilities such as protection and control equipment to protect its own property, including, but not limited to the Customer’s Facilities;

- (e) the Customer shall provide Hydro One with Project data required by Hydro One, including, but not limited to: (i) the same technical information that the Customer provided the IESO during any connection assessment and facility registration process associated with the Customer’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 Customer’s Facilities;

- (f) Hydro One may participate in the commissioning, inspection or testing of the Customer Work at a time that is mutually agreed by Hydro One and the Customer and the Customer shall ensure that the work performed by the Customer and others required for successful commissioning, inspection or testing of protective equipment is completed as required to enable Hydro One witnessing and testing to confirm satisfactory performance of such systems;

- (g) unless otherwise provided herein, Hydro One’s responsibilities under the Agreement with respect to the connection of the New or Modified Connection Facilities to Hydro One’s transmission system shall be limited to the performance of the Work Chargeable to Customer;

- (h) Hydro One is not permitted to connect any new, modified or replacement Customer’s Facilities unless any required connection authorizations, certificate of inspection or other applicable approval have been issued or given by the Ontario Electrical Safety Authority in relation to such facilities;

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – Overbrook 13.kV Switchgear Upgrades**

- (i) Hydro One may require that the Customer provide Hydro One with test certificates certifying that the Customer's Facilities have passed all relevant tests and comply with the Transmission System Code, the Market Rules, Good Utility Practice, the standards of all applicable reliability organizations and any Applicable Laws, including, but not limited to any certificates of inspection that may be required by the Ontario Electrical Safety Authority;
- (j) in addition to the Work Chargeable to Customer described in Schedule "A", Hydro One shall provide the Customer with such technical parameters as may be required to assist the Customer in ensuring that the design of the Customer's Facilities is consistent with the requirements applicable to Hydro One's transmission system and the basic general performance standards for facilities set out in the Transmission System Code, including Appendix 2 thereof;
- (k) if Hydro One requires access to the Customer's Facilities for the purposes of performing the Work Chargeable to Customer or the Customer requires access to Hydro One's facilities for the purposes of the Customer's Work, the parties agree that Section 27.13 of the Connection Agreement shall govern such access and is hereby incorporated in its entirety by reference into, and forms an integral part of the Agreement. All references to "this Agreement" in Section 27.13 of the Connection Agreement shall be deemed to be a reference to this Agreement;
- (l) the Customer shall enter into a Connection Agreement or amendment as required with Hydro One at least 14 calendar days prior to the connection; and
- (m) the Customer shall provide Hydro One with copies of the documentation specified in Schedule "C" of the Agreement under the heading "Documentation Required", acceptable to Hydro One, within 120 calendar days after the Ready for Service Date. The Customer shall ensure that Hydro One may retain this documentation for Hydro One's ongoing planning, system design, and operating review. The Customer shall also maintain and revise such documentation to reflect changes to the Customer's Facilities and provide copies to Hydro One on demand and as specified in the Connection Agreement.
6. The Work Chargeable to Customer and Hydro One's rights and requirements hereunder, including, but not limited to Hydro One's:
- (i) specifications of the protection equipment on the Customer's side of the Connection Point;
- (ii) review and acceptance of power system components on the Customer's side of the Connection Point;
- (iii) acceptance of the technical specifications (including electrical drawings) for the Customer's Facilities; and
- (iv) participation in the commissioning, inspection and testing of the Customer's Facilities;
- are solely for the purpose of Hydro One ensuring that the Customer's Facilities will not materially reduce or adversely affect the reliability of Hydro One's transmission

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – Overbrook 13.kV Switchgear Upgrades**

system and do not adversely affect other customers connected to Hydro One's transmission system.

7. Hydro One shall use reasonable efforts to complete the Work Chargeable to Customer by the 30 day of July , 2023 **(the "Ready for Service Date")** provided that:

- (a) the Customer is in compliance with its obligations under the Agreement;
- (b) any work required to be performed by third parties has been performed in a timely manner and in a manner to the satisfaction of Hydro One, acting reasonably;
- (c) there are no delays resulting from Hydro One not being able to obtain outages from the IESO required for the Work Chargeable to Customer or from the IESO making changes to the Work Chargeable to Customer or the scheduling of all or a portion thereof;
- (d) Hydro One does not have to use its employees, agents and contractors performing the Work Chargeable to Customer elsewhere on its transmission system or distribution system due to an Emergency (as that term is defined in the Transmission System Code) or a Force Majeure Event;
- (e) Hydro One is able to obtain the materials and labour required to perform the Work Chargeable to Customer with the expenditure of Premium Costs where required;
- (f) there are no delays resulting from Hydro One being unable to obtain materials or equipment required from suppliers in time to meet the project schedule for any portion of the Work

Chargeable to Customer provided that such delays are beyond the reasonable control of Hydro One; and

(g) the Customer executed the Agreement on or before the date specified as the Execution Date in the recitals.

8. Upon completion of the Work Chargeable to Customer, Hydro One shall own, operate and maintain all equipment and facilities installed by Hydro One as part of the Work Chargeable to the Customer in, under, on, over, along, upon, through and crossing Hydro One's Property(ies).

The Customer acknowledges that:

- (i) ownership and title to the equipment referred to above shall throughout the Term and thereafter remain vested in Hydro One and the Customer shall have no right of property therein; and
- (ii) that any portion of the equipment referred to above that is located on the Customer's Property(ies) shall be and remain the property of Hydro One and shall not be or become fixtures and/or part of the Customer's Property(ies).

9. The Customer acknowledges and agrees that Hydro One is not responsible for the provision of power system components on the Customer's Facilities, including, without limitation, all transformation, switching, metering and auxiliary equipment such as protection and control equipment.

All of the power system components on the Customer's side of the Connection Point including, without limitation, all transformation, switching and auxiliary equipment such as protection and control equipment shall be subject to the acceptance of Hydro One with regard to Hydro One's requirements to permit connection of the New or Modified

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – Overbrook 13.kV Switchgear Upgrades**

Connection Facilities to Hydro One's transmission system and shall be installed, maintained and operated in accordance with all Applicable Laws, codes and standards, including, but not limited to, the Transmission System Code, at the expense of the Customer.

Where Hydro One has equipment for automatic reclosing of circuit breakers after an interruption for the purpose of improving the continuity of feeder connection, it shall be the obligation of the Customer to provide adequate protective equipment for the Customer's Facilities that might be adversely affected by the operation of such reclosing equipment. The Customer shall provide such equipment as may be required from time to time by Hydro One for the prompt disconnection of any of the Customer's apparatus that might affect the proper functioning of Hydro One's reclosing equipment.

Part B: Work Chargeable to Customer

10. The Customer shall pay Hydro One's Engineering and Construction Cost (plus applicable Taxes) of the Work Chargeable to Customer which is estimated to be the amount specified in Schedule "C" of the Agreement in the manner specified in Schedule "C" of the Agreement.

Within 180 days after the Ready for Service Date, Hydro One shall provide the Customer with an invoice or a credit memorandum specifying the actual Engineering and Construction Cost of the Work Chargeable to Customer (plus applicable Taxes). Any difference between the Engineering and Construction Cost of the Work Chargeable to Customer (plus applicable Taxes) and the amount already paid by the Customer shall be paid within 30 days after the issuance of the invoice or credit memorandum by:

- (a) Hydro One to the Customer, if the amount already paid by the Customer exceeds the Engineering and Construction Cost of the Work Chargeable to Customer (plus Taxes); or
- (b) the Customer to Hydro One, if the amount already paid by the Customer is less than the Engineering and Construction Cost of the Work Chargeable to Customer (plus Taxes).

Part C: Events of Default

11. Each of the following events shall constitute an "Event of Default" under the Agreement:

- (a) failure by the Customer to pay any amount due under this Agreement, including any amount payable pursuant to Section 10 within the time stipulated for payment;
- (b) breach by the Customer or Hydro One of any Material term, condition or covenant of the Agreement; or
- (c) the making of an order or resolution for the winding up of the Customer or of its operations or the occurrence of any other dissolution, bankruptcy or reorganization or liquidation proceeding instituted by or against the Customer.

For greater certainty, a dispute will not be considered an Event of Default under the Agreement. However, a party's failure to comply with the terms of a settlement or resolution of a dispute by the OEB will be considered an Event of Default under the Agreement.

12. Upon the occurrence of an Event of Default by the Customer hereunder (other

**CONNECTION AND COST RECOVERY
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than those specified in Section 11(c) of this Agreement, for which no notice is required to be given by Hydro One), Hydro One shall give the Customer written notice of the Event of Default and allow the Customer 30 calendar days from the date of receipt of the notice to rectify the Event of Default, at the Customer's sole expense. If such Event of Default is not cured to Hydro One's reasonable satisfaction within the 30 calendar day period, Hydro One may, in its sole discretion, exercise the following remedy in addition to any remedies that may be available to Hydro One under the terms of the Agreement, at common law or in equity: deem the Agreement to be repudiated and, after giving the Customer at least 10 calendar days' prior written notice thereof, recover, as liquidated damages and not as a penalty, the balance of the amounts payable by the Customer pursuant to Section 10.

13. Upon the occurrence of an Event of Default by Hydro One hereunder, the Customer shall give Hydro One written notice of the Event of Default and shall allow Hydro One 30 calendar days from the date of receipt of the notice to rectify the Event of Default at Hydro One's sole expense. If such Event of Default is not cured to the Customer's reasonable satisfaction within the 30 calendar day period, the Customer may pursue any remedies available to it at law or in equity, including at its option the termination of the Agreement.

14. All rights and remedies of Hydro One and the Customer provided herein are not intended to be exclusive but rather are cumulative and are in addition to any other right or remedy otherwise available to Hydro One and the Customer respectively at law or in equity, and any one or more of Hydro One's and the Customer's rights and remedies may from time to time be exercised independently or in combination and without prejudice to any other right or

remedy Hydro One or the Customer may have or may have exercised. The parties further agree that where any of the remedies provided for and elected by the non-defaulting party are found to be unenforceable, the non-defaulting party shall not be precluded from exercising any other right or remedy available to it at law or in equity.

Part D: Disputes

15. All disputes, including, but not limited to, disputes related to:

- (a) the cost and the allocation of the costs under this Agreement;
- (b) the cost and the allocation of costs of the Work Chargeable To Customer and notwithstanding Hydro One's decision not to allocate or to allocate any part of the costs of this work to the Customer at this time; or
- (c) any other costs and the allocation of any other costs associated with, related to, or arising out of the connection of the Project to Hydro One's transmission system or Hydro One's policies in respect of connections generally,

shall be dealt with in accordance with the dispute resolution procedure set out in the OEB-Approved Connection Procedures.

16. Before and after the existence of OEB-Approved Connection Procedures, if a dispute arises while Hydro One is performing the Work Chargeable to Customer, Hydro One shall not cease the work or slow the pace of the work without leave of the OEB.

Part E: Incorporation of Liability and Force Majeure Provisions

**CONNECTION AND COST RECOVERY
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17. PART III: LIABILITY AND FORCE MAJEURE (with the exception of Section 15.5 thereof) and Sections 1.1.12 and 1.1.17 of the Connection Agreement are hereby incorporated in their entirety by reference into, and form an integral part of the Agreement. Unless the context otherwise requires, all references in PART III: LIABILITY AND FORCE MAJEURE TO “this Agreement” shall be deemed to be a reference to the Agreement and all references to the “the Transmitter” shall be deemed to be a reference to Hydro One.

For the purposes of this Section 17, the parties agree that the reference to:

- (i) the Transmitter in lines 3 and 4 of Section 15.1 means the Transmitter or any party acting on behalf of the Transmitter such as contractors, subcontractors, suppliers, employees and agents; and
- (ii) the Customer in lines 3 and 4 of Section 15.2 means the Customer or any party acting on behalf of the Customer such as contractors, subcontractors, suppliers, employees and agents.

The parties agree that the aggregate liability of Hydro One under the Agreement and in particular under this Section 17 shall at no time exceed the actual Engineering and Construction Cost of the Work Chargeable to Customer.

Part F: General

18. This Agreement is subject to the Transmission System Code and the OEB-Approved Connection Procedures. If any provision of this Agreement is inconsistent with the:

- (a) Transmission System Code, the said provision shall be deemed to be

amended so as to comply with the Transmission System Code;

- (b) OEB-Approved Connection Procedures, the said provision shall be deemed to be amended so as to comply with the OEB-Approved Connection Procedures; or
- (c) Connection Agreement made between the parties, associated with the new customer connection facilities, the Connection Agreement governs.

19. The failure of any party hereto to enforce at any time any of the provisions of the Agreement or to exercise any right or option which is herein provided shall in no way be construed to be a waiver of such provision or any other provision nor in any way affect the validity of the Agreement or any part hereof or the right of any party to enforce thereafter each and every provision and to exercise any right or option. The waiver of any breach of the Agreement shall not be held to be a waiver of any other or subsequent breach. Nothing shall be construed or have the effect of a waiver except an instrument in writing signed by a duly authorized officer of the party against whom such waiver is sought to be enforced which expressly waives a right or rights or an option or options under the Agreement.

20. Other than as provided in this Agreement, no amendment, modification or supplement to the Agreement shall be valid or binding unless set out in writing and executed by the parties with the same degree of formality as the execution of the Agreement.

21. Any written notice required by the Agreement shall be deemed properly given only if either mailed or delivered to the Director, Account Management, Hydro One Networks Inc., 6th Floor, 483 Bay Street, Toronto, Ontario, M5G 2P5, fax no: (416)

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – Simplified – Overbrook 13.kV Switchgear Upgrades

345-5957 on behalf of Hydro One, and at the address specified in the customer notice section of Schedule “C” on behalf of the Customer.

A faxed notice will be deemed to be received on the date of the fax if received before 3 p.m. or on the next Business Day if received after 3 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.

22. The Agreement 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, subject to Section 15, the courts of Ontario shall have exclusive jurisdiction to determine all disputes arising out of the Agreement.

23. The Agreement may be executed in counterparts, including email counterparts, each of which shall be deemed an original, but all of which shall together constitute one and the same Agreement.

24. The obligation to pay any amount due and payable hereunder, including, but not limited to, any amount due under Section 10 shall survive the termination of the Agreement.

25. **Invoices and Interest.** Invoiced amounts are due 30 days after invoice issuance. All overdue amounts including, but not limited to amounts that are not invoiced but required under the terms of this Agreement to be paid in a specified time period, shall bear interest at 1.5% per month compounded monthly (19.56 percent per year) for the time they remain unpaid.

26. This Agreement will supersede the terms of any purchase orders issued by the Customer to Hydro One in respect of the Project irrespective of whether same have been issued by Customer and/or accepted by Hydro One on or after the execution of this Agreement by the Customer.

27. This Agreement 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. Appendix A attached hereto and Schedules “A”, “B” and “C” are to be read with and form part of this Agreement.

28. In addition to the circumstances described in Section 7 of this Agreement, the Ready for Service Date is subject to any delays from Hydro One being unable to commence all or any part of the Work Chargeable to Customer and/or or delays that result in Hydro One having to cease performing all or any portion of the Work Chargeable to Customer 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) Hydro One may have limited availability of personnel, which may mean re-deploying personnel working on the Project to perform Hydro One’s own essential service work or work on other customer connection projects where customers either executed Connection Cost Recovery Agreements prior to this one being executed or where the other

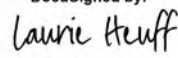
**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – Overbrook 13.kV Switchgear Upgrades**

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 (“High Priority Customer Connection Work”);

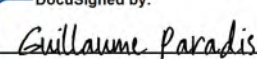
- (c) the productivity of Hydro One personnel being diminished or impacted, including by reason of ensuring that our employees are appropriately social distanced;
- (d) Hydro One’s contractors and supply chains being impacted by the pandemic such that Hydro One cannot obtain or must wait longer for services Hydro One requires from third parties or there are shortages in either availability of equipment or materials required to perform the Hydro One Connection Work or the shortages are such that Hydro One needs to use or re-deploy the equipment or materials that Hydro One has procured for the Customer Project for Hydro One’s own essential service work or for High Priority Customer Connection Work; and
- (e) Hydro One’s 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.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by the signatures of their proper authorized signatories, as of the date written below.

HYDRO OTTAWA LIMITED

DocuSigned by:

7E31070D87DA4FF...

Name: Director, 2021-06-15
Title: Chief Electrical Engineering and Asset M

DocuSigned by:

3115E39C3334D4...

Name: 2021-06-15
Title: Chief Electricity Distribution Officer
Date:

I have the authority to bind the Corporation

HYDRO ONE NETWORKS INC.



Name: Joe Zerdin, P.Eng
Title: Director, Large Customer Account Management
Date: August 3, 2021 | 8:34:12 AM PDT
I have the authority to bind the Corporation

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – Simplified – Overbrook 13.kV Switchgear Upgrades

Appendix “A”: **Definitions**

In the Agreement, unless the context otherwise requires, terms which appear therein without definition, shall have the meanings respectively ascribed thereto in the Transmission System Code and unless there is something in the subject matter or context inconsistent therewith, the following words shall have the following meanings:

“Agreement” means the Simplified Connection and Cost Recovery Agreement, Appendix “A” and Schedules “A”, “B” and “C” attached hereto.

“Applicable Laws” means any and all applicable laws, including environmental laws, statutes, codes, licensing requirements, treaties, directives, rules, regulations, protocols, policies, by-laws, orders, injunctions, rulings, awards, judgments or decrees or any requirement or decision or agreement with or by any government or government department, commission board, court authority or agency.

“Business Day” means a day other than Saturday, Sunday, statutory holiday in Ontario or any other day on which the principal chartered banks located in the City of Toronto, are not open for business during normal banking hours.

“Connection Agreement” means the form of connection agreement appended to the Transmission System Code as Appendix 1, Version A.

“Connection Point” means the point where the Customer’s Facilities are connected to Hydro One’s transmission system or are connected to third party facilities connected to Hydro One’s transmission system, as the case may be.

“Customer Work” means the work to be performed by the Customer, at its sole expense, which is described in Schedule “B” of this Agreement.

“Customer’s Facilities” has the meaning set forth in the Transmission System Code.

“Customer’s Property(ies)” means any lands owned by the Customer in fee simple or where the Customer has easement rights.

“Electricity Act, 1998” means the *Electricity Act, 1998* being Schedule “A” of the *Energy Competition Act*, S.O. 1998, c.15, as amended.

“Engineering and Construction Cost” means Hydro One’s charge for equipment, labour and materials at Hydro One’s standard rates plus Hydro One’s standard overheads as well as interest during construction using Hydro One’s capitalization rate in effect during the construction period.

“Force Majeure Event” has the meaning ascribed thereto in the Connection Agreement.

“Good Utility Practice” has the meaning set forth in the Transmission System Code.

“Hydro One’s Property(ies)” means any lands owned by Hydro One in fee simple or where Hydro One now or hereafter has obtained easement rights.

“IESO” means the Independent Electricity System Operator continued under the Electricity Act, 1998.

“Market Rules” rules made under section 32 of the *Electricity Act, 1998* (Ontario), including, but not limited to Chapter 6 thereof.

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – Simplified – Overbrook 13.kV Switchgear Upgrades

“In Service Date” has the same meaning ascribed to the term “comes into service” in the Transmission System Code.

“Material” relates to the essence of the contract, more than a mere annoyance to a right, but an actual obstacle preventing the performance or exercise of a right.

“New or Modified Connection Facilities” means the facilities owned by Hydro One as specified in Schedule “C” of the Agreement.

“OEB” means the Ontario Energy Board.

“OEB-Approved Connection Procedures” means Hydro One’s connection procedures as approved by the OEB from time to time.

“Ontario Energy Board Act” means the *Ontario Energy Board Act* being Schedule “B” of the *Energy Competition Act*, S.O. 1998, c. 15, as amended.

“Premium Costs” means those costs incurred by Hydro One in order to maintain or advance the Ready for Service Date, including, but not limited to, additional amounts expended for materials or services due to short time-frame for delivery; and the difference between having Hydro One’s employees, agents and contractors perform work on overtime as opposed to during normal business hours.

“Ready for Service Date” means the date upon which the Work Chargeable to Customer is fully and completely constructed, installed, commissioned and energised to the Connection Point. The Customer’s disconnect switches must be commissioned prior to this date in order to use them as isolation points.

“Taxes” means all property, municipal, sales, use, value added, goods and services, harmonized and any other non-recoverable taxes and other similar charges

(other than taxes imposed upon income, payroll or capital).

“Transmission System Code” means the code of standards and requirements originally issued by the OEB on July 14, 2000, as it may be amended, revised or replaced in whole or in part from time to time in accordance with the Section 70.2 and 70.3 of the *Ontario Energy Board Act*.

“Work Chargeable to Customer” means the work to be performed by Hydro One described in Schedule “A” of this Agreement.

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – Simplified – Overbrook 13.kV Switchgear Upgrades

Schedule “A” Overbrook 13.kV Switchgear Upgrades

PROJECT SCOPE - WORK CHARGEABLE TO CUSTOMER

Hydro One will perform the following work:

- Provide construction support for connection of the Customer's transition cell to Hydro One's metalclad.
- Provide the Customer with AC service from Outdoor AC panel to new the Customer's AC panel.
- Modify 'A' and 'B' Q1, Q2, J1, and J2 bus differential protections to include additional Customer feeder breaker CT into each differential zone
 - Each bus has one additional the Customer's feeder breaker being added
 - Hydro One's bus protection/breaker failure to trip the Customer's feeder breakers
- Modify bus protection to trip bus and bank breakers on the Customer's feeder breaker failure signal.
- Procure and install SEL-2440 as device interface between Hydro One and the Customer's trip signals. Connect Hydro One's trip signals to SEL-2440 device interface. One CTM per bus.
- Coordinate with the Customer to use existing interfacing racks for connecting DC signals between Hydro One and the Customer's protection equipment.
- Coordinate with the Customer to provide or reuse existing link racks to connect summed CT connections
- Connect the Customer building fire alarm to RTU.
- Remove the Customer's revenue metering connections to Hydro One's protection PTs and CTs.

- Provide the Customer's via ICCP the following points for buses J1,J2,Q1,W2: MVA, MW, MVAR, Voltage, and Current
- Update drawings.
- COVER

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – Overbrook 13.kV Switchgear Upgrades**

Schedule “B”

CUSTOMER WORK

The Customer will:

- Provide connections to new CT/PT units for wholesale revenue metering
- Identify any metering wires in Hydro One’s cable trays that need to be removed as a result of the Customer’s upgrade of wholesale revenue metering.
- Provide feeder breaker signal to Hydro One’s bus protections
- Provide SEL-2440 device interface for DC signaling between customer and Hydro One protections
- The Customer will bring fiber to Hydro One CTM, and the Customer will own and maintain the fiber itself;
- Provide COVER documentation

CONNECTION AND COST RECOVERY AGREEMENT (CCRA) – Simplified – Overbrook 13.kV Switchgear Upgrades

Schedule “C” (Overbrook 13.kV Switchgear Upgrades):

Part 1: Estimate of Engineering and Construction Cost of the Work Chargeable to Customer:

The estimate of the Engineering and Construction Cost of the Work Chargeable to Customer (excluding HST) is summarized as follows:

<u>Project Description</u>	Estimated Engineering and Construction Cost
Project Management	\$20k
Engineering	\$55k
Equipment & Materials	\$20k
Construction	\$142k
Stations & Operations	\$35
Sub-Total	\$272
Contingency	\$20k
AFUDC* & Overheads	\$33k
COVER	\$25k
Total Price (\$)	\$350k

(*) AFUDC = Allowance for Funds Used During Construction and is the term used in the OEB accounting procedures meaning interests during construction if applicable.

Notes:

1. Price for preliminary engineering is not included in any of the prices above.
2. Contingency of 16% is included in the total.
3. Capital overheads are included in the total price.
4. Capital interest is included in the total price.
5. HST is not included in the estimate.

Part 2: Manner of Payment

The Engineering and Construction Cost of the Work Chargeable to Customer is estimated to be \$ **350,000.00** (excluding HST) (the “Cost Estimate”). Should the Customer default in paying any amount to Hydro One, Hydro One reserves the right to add the AFUDC as it deems necessary.

The Customer shall pay Hydro One the Cost Estimate (plus HST) by making the progress payments specified below on or before the Payment Milestone Date specified below. If applicable, Hydro One will invoice the Customer for the second payment 30 days prior to the Payment Milestone Date.

Payment Milestone Date	Work Chargeable to Customer (\$)	HST	Total Payment Required (incl. HST)
1. Study Agreement (Paid January 22, 2021)	\$100,000.0	\$13,000.0	\$113,000.0
2. CCRA Execution	\$125,000.0	\$16,250.0	\$141,250.0
3. 4 Months Following Execution	\$125,000.0	\$16,250.0	\$141,250.0

2.2 Scope Change

Any change in the Project Scope as detailed and documented in Schedule “A” whether they are initiated by the Customer or not may result in a change to the Project costs estimated in this Schedule “C” and the Project schedule, including the Ready for Service Date.

All Customer initiated scope changes to this Project must be in writing to Hydro One.

**CONNECTION AND COST RECOVERY
AGREEMENT (CCRA) – Simplified – Overbrook 13.kV Switchgear Upgrades**

Hydro One will advise the Customer of any cost and schedule impacts of any Customer initiated scope changes.

Hydro One will not implement any Customer initiated scope changes until written approval has been received from the Customer accepting the new pricing and schedule impact.

Part 3: Miscellaneous

New or Modified Connection Facilities:
Overbrook TS

Customer's HST Registration Number:
[REDACTED]

Documentation Required (after In Service Date): Updated customer drawings, including SLD, revenue metering drawings.

Revenue Metering: IESO compliant revenue metering to be provided by the Customer

Customer Notice Info:

Hydro Ottawa Limited
2711 Hunt Club Rd
Ottawa, ON
K1G 3S4

Attention: Scott Nichols
Project Manager

THIS "AMENDING AGREEMENT" made the 13 day of May, 2022.

BETWEEN:

HYDRO ONE NETWORKS INC., a corporation incorporated pursuant to the laws of the Province of Ontario and licensed by the OEB ("**Hydro One**").

OF THE FIRST PART;

- and -

HYDRO OTTAWA LIMITED (the "**Customer**")

OF THE SECOND PART.

From time to time, Hydro One and the Customer shall be individually referred to in this Amending Agreement as "Party" and collectively as "Parties".

WHEREAS:

1. Hydro One and the Customer entered into a Simplified Connection and Cost Recovery Agreement, dated June 4, 2021 (collectively, the "**Agreement**");
2. the Parties intend to amend the Agreement to reflect changes to the cost and scope in the Overbrook TS 13.kV Switchgear Upgrade project in the manner set out below:


NOW THEREFORE, in consideration of the foregoing, and of the mutual covenants, agreements, terms and conditions herein contained, the Parties, intending to be legally bound, hereby agree as follows:

1. Each of the Parties represents and warrants that the recitals, to the extent that the recitals are applicable to that Party, are true and accurate and form part of this Amending Agreement.
2. All terms which are defined in the Agreement and which appear in this Amending Agreement without definition, shall have the meanings respectively ascribed thereto in the Agreement.
3. The Agreement is hereby amended by:
 - i) deleting Schedule "C" Part 1 and Part 2 and replacing it with the new Schedule "C" (Overbrook 13.kV Switchgear Upgrades) Part 1 and Part 2 attached hereto as Appendix I to the Amending Agreement. Part 3: Miscellaneous shall remain unchanged.
 - ii) adding the following to Schedule "A" (Overbrook 13.kV Switchgear Upgrades) under Project Scope – Work Chargeable to Customer:
 - Conduct HiPot testing for buses J1, J2, Q1, Q2
 - Modification to scope of work and additional procurement needed for bus protection and breaker fail upgrade.

4. The Parties do hereby reconfirm that the terms and conditions of the Agreement as amended by this Amending Agreement shall continue to be in full force and effect.
5. This Amending Agreement and each of the Parties' respective rights and obligations under this Amending Agreement, shall be binding on and shall inure to the benefit of the Parties hereto and each of their respective successors and permitted assigns.
6. This Amending Agreement and any amendment or termination of any provision of this Amending Agreement may be executed by the Parties in writing or via electronic signatures and in one or more in 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, intending to be legally bound, have caused this Amending Agreement to be executed by the signatures of their proper officers duly authorized in their behalf.

HYDRO ONE NETWORKS INC.

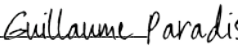
DocuSigned by:


7CF248BC0727481
Name: Joe Zerdin, P.Eng.
Title: Director, Large Customer Account Management
I have the authority to bind the Corporation
May 13, 2022

HYDRO OTTAWA LIMITED

DocuSigned by:


Name: 7E31070D87DA4FF...
Title:

DocuSigned by: 2022-05-11

A8115E39C3334D4...

I have the authority to bind the Corporation

Appendix I

Schedule "C" (Overbrook 13.kV Switchgear Upgrades):

Part 1: Estimate of Engineering and Construction Cost of the Work Chargeable to Customer:

The estimate of the Engineering and Construction Cost of the Work Chargeable to Customer (excluding HST) is summarized as follows:

Project Description	Estimated Engineering and Construction Cost
Project Management	60k
Engineering	95k
Equipment & Materials	26k
Construction	237k
Stations & Operations	155k
Sub-Total	573k
Contingency	\$43k
AFUDC* & Overheads	\$70k
Total Price (\$)	\$686k

(* AFUDC = Allowance for Funds Used During Construction and is the term used in the OEB accounting procedures meaning interests during construction if applicable.

Notes:

1. Price for preliminary engineering is not included in any of the prices above.
2. Contingency of 7.5% is included in the total.
3. Capital overheads are included in the total price.
4. Capital interest is included in the total price.
5. HST is not included in the estimate.

Part 2: Manner of Payment

The Engineering and Construction Cost of the Work Chargeable to Customer is estimated to be \$ **686,000** (excluding HST) (the "Cost Estimate"). Should the Customer default in paying any amount to Hydro One, Hydro One reserves the right to add the AFUDC as it deems necessary.

The Customer shall pay Hydro One the Cost Estimate (plus HST) by making the progress payments specified below on or before the Payment Milestone Date specified below. If applicable, Hydro One will invoice the Customer for the second payment 30 days prior to the Payment Milestone Date.

Payment Milestone Date	Work Chargeable to Customer (\$)	HST	Total Payment Required (incl. HST)
1. Study Agreement (Paid January 22, 2021)	\$100,000	\$13,000	\$113,000
2. CCRA Execution Payment (Paid)	\$125,000	\$16,250	\$141,250
3. 4 Month Following CCRA Execution (Paid)	\$125,000	\$16,250	\$141,250
4. Amending Agreement Execution	\$150,000	\$19,500	\$169,500
5. 3 Month Following Amending Agreement Execution	\$186,000	\$24,180	\$210,180



INVOICE

Mailing Address:
 Hydro One Networks Inc.
 483 BAY ST (ACCOUNTS RECEIVABLE UNIT - TCA8)
 TORONTO, ON, M5G 2P5

Invoice No.: 3000310116
 Customer Ref. No.: AR26880
 Invoice Date: DEC 02, 2020
 Due Date: JAN 01, 2021
 Customer No.: 20001108
 Payment Terms: Net 30
 Interest on Late Payments: 19.56 % per year

HYDRO OTTAWA LIMITED
 2711 HUNT CLUB RD
 PO BOX 8700
 OTTAWA, ON, K1G 3S4
 CANADA

GST/HST No.: XXXXXXXXXX

For Billing Enquiries, please call: 1-877-554-7344
 Business Hours: 8:00am - 4:00pm Eastern Standard Time

Line Item No.	Description	Qty.	Unit Price	TOTAL
1	Execution Payment	1.000	100,000.00	100,000.00
	Feasibility Study_CBR015990-Overbrook TS			
	HST 13.00%			13,000.00
Subtotal				100,000.00
HST				13,000.00
TOTAL				\$ 113,000.00



S. Nichols
Received By: Scott Nichols
Title: Distribution Engineer
Date: January 12th, 2021

Please note: Invoice is subject to Late Payment Interest Charges, if total payment is not received by due date.

Please return this portion with payment or write the complete invoice number on your cheque.		
Please send your payment to: HYDRO ONE NETWORKS INC. ACCOUNTS RECEIVABLE UNIT - TCA8 483 BAY ST., TORONTO, ON, M5G 2P5	Customer No.: 20001108 Customer Name: HYDRO OTTAWA LIMITED 2711 HUNT CLUB RD PO BOX 8700 OTTAWA, ON, K1G 3S4 CANADA	Invoice No: 3000310116 Amount Due: \$ 113,000.00 Due Date: JAN 01, 2021 Amount Remitted: _____ Date: _____

Please remit payment directly to address noted above. For payment through Visa/Mastercard, call 1-877-554-7344.
 This invoice cannot be paid against your energy account via your financial institution or Internet banking.



Mailing Address:
 Hydro One Networks Inc.
 483 BAY ST (ACCOUNTS RECEIVABLE UNIT - TCA8)
 TORONTO, ON, M5G 2P5

HYDRO OTTAWA LIMITED
 2711 HUNT CLUB RD PO BOX 8700
 OTTAWA, ON, K1G 3S4
 CANADA

INVOICE

Invoice No.: 3000362053
 Customer Ref. No.: N/A
 Invoice Date: OCT 12, 2022
 Due Date: NOV 11, 2022
 Customer No.: 20001108
 Payment Terms: Net 30
 Interest on Late Payments: 19.56 % per year

GST/HST No.: [REDACTED]

For Billing Enquiries, please call: 1-877-554-7344
 Business Hours: 8:00am - 4:00pm Eastern Standard Time

[REDACTED] | Please notify FinanceAR@HydroOne.com with payment details and invoice number prior to completing the transfer.

Line Item No.	Description	Qty.	Unit Price	TOTAL
1	Amending Simplified CCRA_CBR01785 Overbrook TS-Switchgear Upgrade-3 Month Following Amending Agreement Execution HST 13.00%	1.000	186,000.00	186,000.00
				24,180.00
			Subtotal	186,000.00
			HST	24,180.00
			TOTAL	\$210,180.00

Please note: Invoice is subject to Late Payment Interest Charges, if total payment is not received by due date.

Please return this portion with payment or write the complete invoice number on your cheque.		
Please send your payment to: HYDRO ONE NETWORKS INC. ACCOUNTS RECEIVABLE UNIT- TCA8 483 BAY ST., TORONTO, ON, M5G 2P5	Customer No.: 20001108 Customer Name: HYDRO OTTAWA LIMITED 2711 HUNT CLUB RD PO BOX 8700 OTTAWA, ON, K1G 3S4 CANADA	Invoice No: 3000362053 Amount Due: \$ 210,180.00 Due Date: NOV 11, 2022 Amount Remitted: _____ Date: _____

Please remit payment directly to address noted above. For payment through Visa/Mastercard, call 1-877-554-7344.
 This invoice cannot be paid against your energy account via your financial institution or Internet banking.



INVOICE

Mailing Address:
 Hydro One Networks Inc.
 483 BAY ST (ACCOUNTS RECEIVABLE UNIT - TCA8)
 TORONTO, ON, M5G 2P5

Invoice No.: 3000322393
 Customer Ref. No.: AR: 23579
 Invoice Date: MAY 17, 2021
 Due Date: JUN 16, 2021
 Customer No.: 20001108
 Payment Terms: Net 30
 Interest on Late Payments: 19.56 % per year

HYDRO OTTAWA LIMITED
 2711 HUNT CLUB RD
 PO BOX 8700
 OTTAWA, ON, K1G 3S4
 CANADA

GST/HST No.: [REDACTED]

For Billing Enquiries, please call: 1-877-554-7344
 Business Hours: 8:00am - 4:00pm Eastern Standard Time

Actual Cost Reconciliation True-Up CBR01038 [REDACTED]
 [REDACTED] | Please notify FinanceAR@HydroOne.com with payment details and
 invoice number prior to completing the transfer.

Line Item No.	Description	Qty.	Unit Price	TOTAL
1	Actual Cost True-Up CCRA - Merivale MTS Rebuild HST 13.00%	1.000	2,076,163.38	2,076,163.38 269,901.24
2	Credit: Previous Payments CCRA - Merivale MTS Rebuild HST 13.00%	1.000	2,226,767.00-	2,226,767.00- 289,479.71-
			Subtotal	150,603.62-
			HST	19,578.47-
			TOTAL	\$ 170,182.09-

Please note: Invoice is subject to Late Payment Interest Charges, if total payment is not received by due date.

Please return this portion with payment or write the complete invoice number on your cheque.		
Please send your payment to: HYDRO ONE NETWORKS INC. ACCOUNTS RECEIVABLE UNIT - TCA8 483 BAY ST., TORONTO, ON, M5G 2P5	Customer No.: 20001108 Customer Name: HYDRO OTTAWA LIMITED 2711 HUNT CLUB RD PO BOX 8700 OTTAWA, ON, K1G 3S4 CANADA	Invoice No: 3000322393 Amount Due: \$ 170,182.09- Due Date: JUN 16, 2021 Amount Remitted: _____ Date: _____

Please remit payment directly to address noted above. For payment through Visa/Mastercard, call 1-877-554-7344.
 This invoice cannot be paid against your energy account via your financial institution or Internet banking.

1 **INTERROGATORY RESPONSES TO ONTARIO ENERGY BOARD STAFF**

2
3 **2-Staff-88**

4
5 **EVIDENCE REFERENCE:**

6
7 Ref. 1: Exhibit 2 / Tab 5 / Schedule 6 / pp. 39-40 (pdf Exhibit 2 part 4, pp. 158-159)

8
9 Preamble:

10 Hydro Ottawa states that the Capital program costs will increase from \$41.5M (2021-2025) to
11 \$59.2M (2026-2030) in the Program Summary for System Expansion.

12
13 **QUESTION(S):**

- 14
15 a) How many poles will be replaced under this program from 2026-2030?
16 b) Classify the poles that will be replaced by their present assessed condition.

17
18
19 **RESPONSE(S):**

20
21 a) System expansion projects are driven by customer service requests, making their location,
22 timeline, and type (either station or distribution system expansion) dependent on several factors
23 related to customer requests which are determined as and when these requests are submitted.
24 Consequently, Hydro Ottawa is unable to provide the number of poles that will be replaced
25 within the 2026-2030 rate period under this program. Please refer to section 4.3.1 of Schedule
26 2-5-6 - System Access Investments for further detail.

27
28 b) As mentioned in the response question (a), the specific poles to be replaced under this
29 program, and their exact number, are currently unknown. This information becomes available as
30 and when the customer requests are submitted. Hence Hydro Ottawa is not in a position to
31 provide a condition assessment at this time.

INTERROGATORY RESPONSES TO ONTARIO ENERGY BOARD STAFF

2-Staff-89

EVIDENCE REFERENCE:

Ref. 1: Exhibit 2 / Tab 5 / Schedule 6 / pp. 52-53 (pdf Exhibit 2 part 4, p. 171-172)

Preamble:

Hydro Ottawa states the forecast capital contributions for System Expansion in the forecast period (2026-2030) are “64% of gross cost in line with the average contribution capital proportion for the 2018 to 2022 period.”

Using the values in Table 11 on page 52, OEB staff have calculated the contributed capital as a percentage of the gross to be 53% in the historic period (2021-2025), and 45% in the forecast period (2026-2030)

QUESTION(S):

- a) Please explain the discrepancy between Table 11 on page 52 and the statement on page 53.
- b) Please confirm how Hydro Ottawa has forecast the contributed capital amounts for System Expansion for the forecast period.
- c) Please explain why Hydro Ottawa proposed to use the 2018 to 2022 period as a basis to forecast System Expansion contributions, rather than more recent data.

RESPONSE(S):

- a) 2026-2030 contributed capital excluding discrete large load requests is expected to be 64% of gross cost in line with the average contribution capital proportion for the 2018 to 2022 period. The contribution rate in Table 11 on page 52 includes five discrete projects that have specific

- 1 contribution rates, as noted on page 42 in Section 4.3.1 of Schedule 2-5-6 - System Access
2 Investments.
3
4 b) Test Year contributions for the System Expansion program were formulated by extrapolating
5 from the 2018-2022 period.
6
7 c) Please refer to part a) of Hydro Ottawa's response to interrogatory 2-CCC-23 for details on
8 Hydro Ottawa's Capital Contribution budgeting for System Expansion.

INTERROGATORY RESPONSES TO ONTARIO ENERGY BOARD STAFF

2-Staff-90

EVIDENCE REFERENCE:

Ref. 1: Exhibit 2 / Tab 5 / Schedule 7 / p. 5 (pdf Exhibit 2 part 4, p. 203)

QUESTION(S):

a) Hydro Ottawa states that the budget program for Stations and Switchgears “covers the cost of replacing end-of-life breakers, in deteriorated condition at four stations: Rideau Heights DS, Parkwood Hills DS, Hinchey TH, and Russell TB.” Please provide the full scope and cost of the switchgear (and associated equipment) renewal projects at each of the four listed stations.

RESPONSE(S):

a) Hydro Ottawa notes an error on Page 29, Table 4 of Schedule 2-5-7: the Station Switchgear (Replacement) units for 2029 and 2030 should be “-” and “21” respectively, not “14” and “14”. Table A presents the details of the switchgear renewal program between 2026-2030.

Table A - Switchgear Renewal Program Details (2026-2030)

Station	Scope/Specifics	Timeline	Cost
Rideau Heights DS	Renewal of six metalclad SF6 breakers across two buses including the related end-of-life P&C relays, switchgear bus lineups, obsolete RTUs, and DC battery bank/panel adjustments, along with necessary civil work	2026-2028	\$5.94M
Parkwood Hills DS	Renewal of six metalclad SF6 breakers across two buses including the related end-of-life P&C relays, switchgear bus lineups, obsolete RTUs, and DC battery bank/panel adjustments, along with necessary civil work	2026-2027	\$4.2M

Station	Scope/Specifics	Timeline	Cost
Hinchey TH	Renewal of five metalclad air breakers in one bus including the related end-of-life P&C relays, switchgear bus lineups, obsolete RTUs, and DC battery bank/panel adjustments, along with necessary civil work	2026-2027	\$3.45M
Russell TB	Renewal of 21 metalclad air breakers across four buses including the related end-of-life P&C relays, switchgear bus lineups, obsolete RTUs, and DC battery bank/panel adjustments, along with necessary civil work	2029-2030	\$9.83M

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The budget for the station switchgear renewal program is based on an average unit cost of \$620,000 per breaker (also encompassing the aforementioned related end-of-life equipment, as applicable) at each of the four stations, as detailed in Hydro Ottawa’s response to interrogatory 2-SEC-50. A risk factor has been included to account for unforeseen challenges and cost escalations associated with the broader switchgear renewal work. Additionally, an average annual increase has been incorporated to address the rising future costs of equipment and materials.

INTERROGATORY RESPONSES TO ONTARIO ENERGY BOARD STAFF

2-Staff-91

EVIDENCE REFERENCE:

Ref. 1: Exhibit 2 / Tab 5 / Schedule 7 / pp. 5-6, 10, 54 (pdf Exhibit 2 part 4, pp. 203-204, 208, 252)

Preamble:

Hydro Ottawa's EOL Voltage Conversion program is focused on decommissioning 4 kV stations that have reached EOL, based on transformer risk assessments conducted in Copperleaf PA. The 4 kV system is also noted to be insufficient to meet future load demands. Five stations are included in the program: Fisher AK, Dagmar AC, Henderson UN, Church AA, and Vaughan UG. At the same time, Hydro Ottawa notes that without intervention, the proportion of station transformers reaching EOL could exceed 51% by 2030, with degraded condition levels increasing by 7% every 5 years. Hydro Ottawa also targets replacing 42% of OH distribution assets that have reached EOL by 2040, as noted in Table 8 - OH Distribution Asset Renewal Program Performance Outcomes.

QUESTION(S):

- a) What is the detailed project scope and cost for each of the five cited station voltage conversion projects (Fisher AK, Dagmar AC, Henderson UN, Church AA, and Vaughan UG)?
- b) What are the existing primary and secondary voltages at each of these five stations, and what will they be post-conversion?
- c) Does the EOL Voltage Conversion program include associated line upgrade costs? If not, please specify the line upgrade scope and cost for each station.
- d) How does Hydro Ottawa define "end-of-life" in this context? Does it refer to assets that have reached their TUL, or assets that are in unacceptable condition?
- e) Aside from assessed condition, what other primary factors are driving transformer retirements (e.g., system capacity limitations, voltage standardization, risk mitigation)? For each factor,

1 please indicate the proportion of transformer replacements over the test period attributable to
 2 that factor.

3
 4

5 **RESPONSE(S):**

6
 7
 8
 9

a) The scope and cost for the EOL voltage conversion projects proposed between 2026-2030 is shown in Table A.

10 **Table A - Scope and Cost for proposed EOL Voltage Conversion Projects (2026-2030)**

Station	Scope	Total
Fisher AK	Completion of EOL voltage conversion initiatives. Work in the various phases include: pole renewals, insulator and transformer replacements, conductor upgrades, vault conversions, fuse installations/replacements, switchgear upgrades, and station egress reconfiguration. The project's final phases involve disconnecting the existing 4 kV transformers and energizing the feeders at 13 kV	\$10.4M
Dagmar AC	Completion of EOL voltage conversion initiatives. Work in the various phases include: pole renewals, insulator and transformer replacements, conductor upgrades, vault conversions, fuse installations/replacements, switchgear upgrades, and station egress reconfiguration. The project's final phases involve disconnecting the existing 4 kV transformers and energizing the feeders at 13 kV	\$9.6M
Henderson UN	Completion of the voltage conversion plans on the distribution system, inclusive of pole renewals, insulator and transformer replacements, conductor upgrades, vault conversions, fuse installations/replacements	\$20.2M
Vaughan UG	Completion of 50% of the voltage conversion plans on the distribution system, inclusive of pole renewals, insulator and transformer replacements, conductor upgrades, vault conversions, fuse installations/replacements	\$15M
Church AA	Completion of 50% of the voltage conversion plans on the distribution system inclusive of pole renewals, insulator and transformer replacements, conductor upgrades, vault conversions, fuse installations/replacements	\$9M

11

- 1 b) The existing primary voltage at the five stations is 13 kV and the secondary voltage is 4 kV.
2 Post-conversion, these stations will no longer exist (be decommissioned) and the 4 kV feeders
3 will be converted to 13 kV on the distribution system and be supplied by the upstream 13 kV
4 stations.
5
- 6 c) Yes, the EOL Voltage Conversion program includes line upgrade costs on the distribution
7 system (from 4 kV to 13 kV) and is included in the cost summary (per station) in Table A above.
8
- 9 d) Hydro Ottawa's determination of "end-of-life" involves a consideration of age and condition of
10 major station assets (inclusive of station transformers and switchgear) within 4 kV stations.
11 More information regarding the age and condition demographics of major station assets within
12 the identified stations and Hydro Ottawa's basis for proposing EOL voltage conversion is
13 outlined in Section 2.3.3 Station Transformers of Schedule 2-5-7 - System Renewal
14 Investments.
15
- 16 e) All EOL voltage conversion projects were initiated on the basis of condition and risk
17 considerations of the 4 kV transformers and switchgear units at the identified stations. System
18 capacity limitations, growing demand for electrification and the need for redundancy/ties in the
19 system were the major secondary drivers of the new EOL voltage conversion projects identified
20 through 2026-2030.

1 **INTERROGATORY RESPONSES TO ONTARIO ENERGY BOARD STAFF**

2
3 **2-Staff-92**

4
5 **EVIDENCE REFERENCE:**

6
7 Ref. 1: Exhibit 2 / Tab 5 / Schedule 7 / pp. 20-21 (pdf Exhibit 2 part 4, pp. 218-219)

8
9 **QUESTION(S):**

10
11 a) Hydro Ottawa states, “Approximately 69% of Hydro Ottawa’s 2,000 service relays (across all
12 types) have reached the end of their TUL (refer to Figure 13).” Please provide condition
13 demographics for this asset class.

14 i) If a condition profile has not been developed or documented for this asset class, please
15 explain why such an assessment was not undertaken.

16
17
18 **RESPONSE(S):**

19
20 a) Hydro Ottawa does not have separate condition demographics for station relays.

21
22 i) Maintenance for station relays primarily involves functional operation checks and
23 verifying that each relay contact performs its intended function within the control scheme
24 (based on settings). This maintenance is more of an operational verification exercise
25 than a data-based condition assessment, unlike other asset types. The visual condition
26 of control and operating mechanism components (e.g., relays, contactors, control wiring,
27 terminal blocks) is the only inspection parameter that can be used for health indexing.
28 However, this is considered part of the condition assessment for breakers and
29 switchgear (as relays are a major sub-system within breakers/switchgear).
30 Consequently, there are insufficient condition parameters available to perform a
31 comprehensive condition assessment or health indexing specifically for relays.

1 Hydro Ottawa also had a third party, Hatch, review the maturity of its Asset Condition
2 Assessment (ACA) implementation. The summary of this review is available in
3 Attachment 2-5-4(C) - Asset Condition Assessment Third Party Review. Overall, Hatch
4 found that Hydro Ottawa's ACA framework is based on solid, industry-aligned practices
5 and is well-integrated with the company's broader asset management processes and
6 procedures, as outlined in Section 5.1.2.1 Asset Condition Assessment of Schedule
7 2-5-4 - Asset Management Process.

1 **INTERROGATORY RESPONSES TO ONTARIO ENERGY BOARD STAFF**

2
3 **2-Staff-93**

4
5 **EVIDENCE REFERENCE:**

6
7 Ref. 1: Exhibit 2 / Tab 5 / Schedule 7 / pp. 40-42 (pdf Exhibit 2 part 4, pp. 238-240)

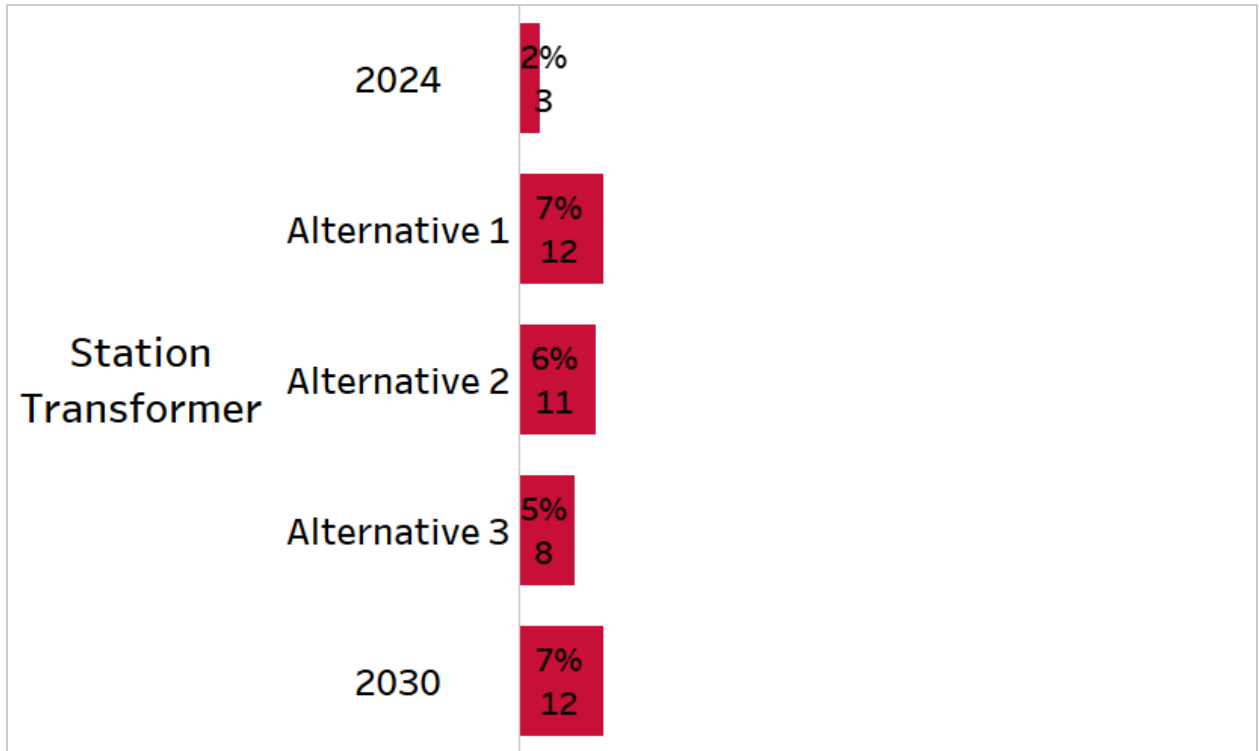
8
9 **QUESTION(S):**

- 10
11 a) Please revise Figure 21 to use the same scale as is used in Figure 20.
12 b) Please revise Figure 23 to use the same scale as is used in Figure 22.
13 c) Please revise Figure 25 to use the same scale as is used in Figure 24.

14
15
16 **RESPONSE(S):**

- 17
18 a) Please see revised Figure A below:

1 **Figure A - Number of Station Transformers Projected to Reach a Deteriorated Condition**
2 **by 2030**



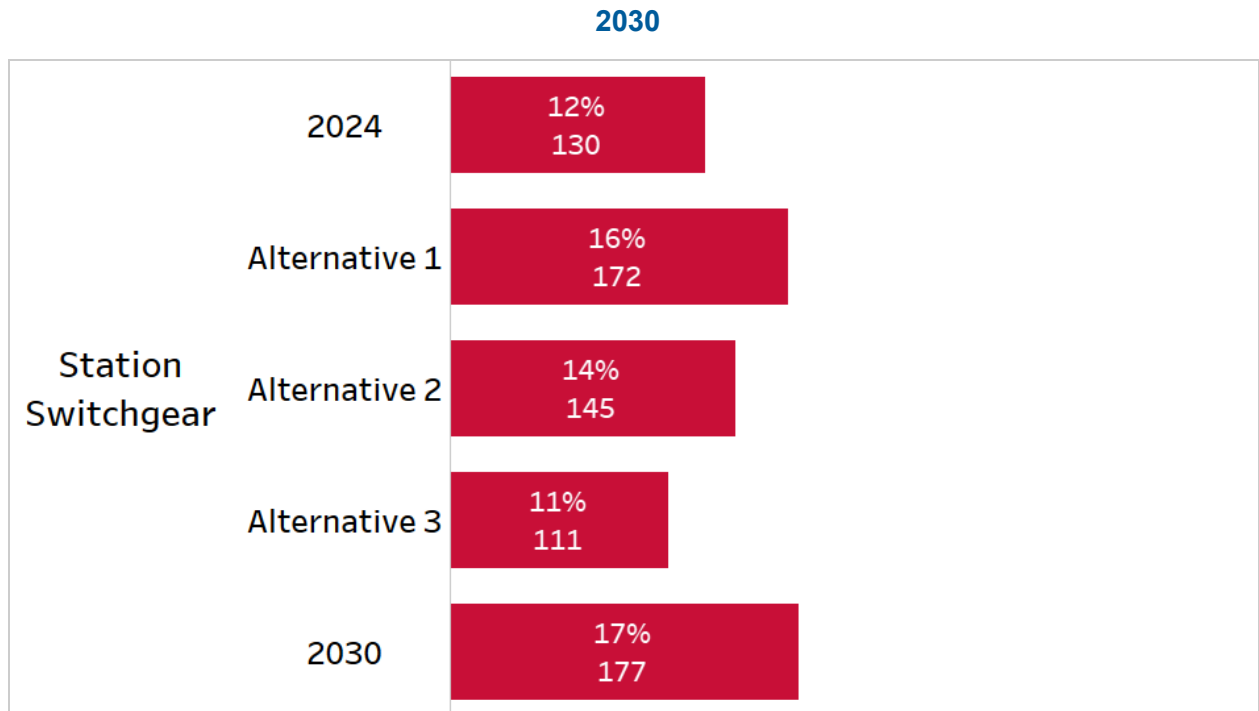
3

1 b) Please see revised Figure B below:

2

3 **Figure B - Number of Station Switchgears Projected to Reach a Deteriorated Condition by**

4



5

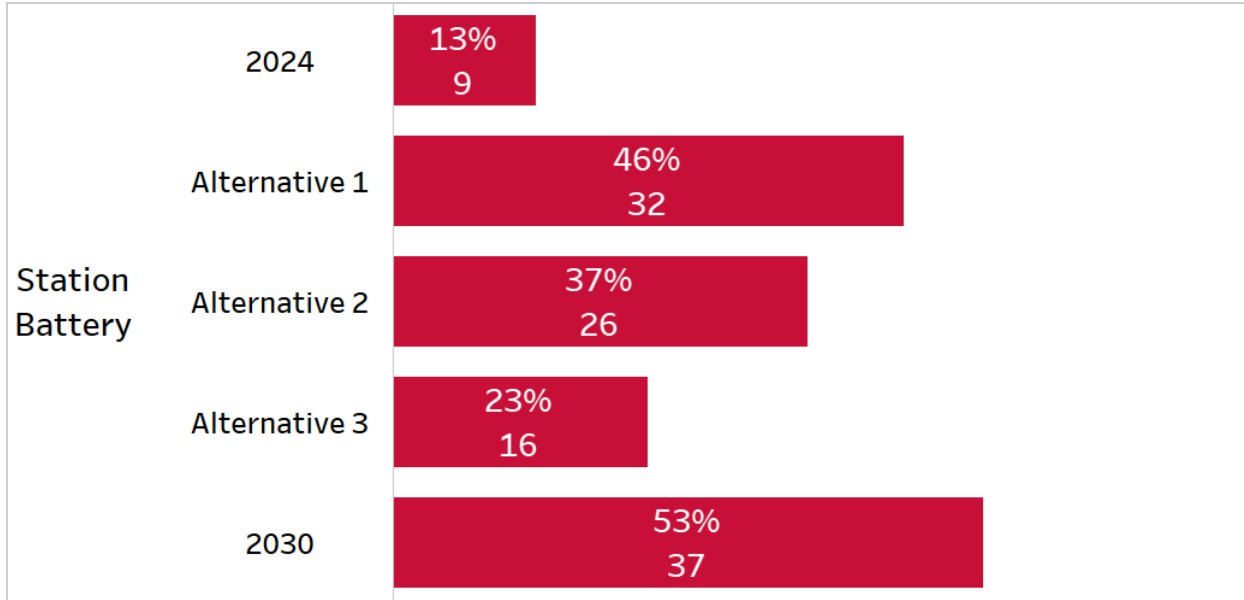
6

7 c) Hydro Ottawa interprets this question as adjusting the scales to visually show a comparison
 8 between the number of station batteries projected to reach Typical Useful Life by 2030 to those
 9 projected to reach a deteriorated condition by 2030. This requires a scale adjustment to Figure
 10 24 instead of Figure 25 due to the larger data set in Figure 25.

11

12 Please see Figure C below for a scaled version of Figure 24.

1 **Figure C - Number of Station Batteries Projected to Reach Typical Useful Life by 2030**



2

INTERROGATORY RESPONSES TO ONTARIO ENERGY BOARD STAFF

2-Staff-94

EVIDENCE REFERENCE:

Ref. 1: Exhibit 2 / Tab 5 / Schedule 7 / p. 53 (pdf Exhibit 2 part 4, p. 251)

QUESTION(S):

a) Hydro Ottawa states, "Based on the assessment and the outcomes of the Resilience Investment Business Case report detailed in Attachment 2-5-4(E) - Resilience Investment Business Case Report, it is recommended that at least one lateral line per year (approximately 30 poles) slated for replacement are amenable to undergrounding or other hardening measures." Please provide the cost of each proposed annual lateral hardening project, and the risk cost reduction attributable to each project.

RESPONSE(S):

a) Hydro Ottawa notes an error on Page 70, Table 11 of Schedule 2-5-7 -the incremental resilience investments should be "\$1.8M/year", not "\$1.6M/year."

As part of Hydro Ottawa's annual planning process, Hydro Ottawa defines and refines the specific project scopes, for all projects, including the strategic lateral undergrounding. Through this process, other options are evaluated, including line relocation and fortification of critical overhead sections. As such, the cost and risk cost reduction for each project cannot be provided at this time. As detailed in Table 11 of Schedule 2-5-7 System Renewal Investments, and based on the correction noted above, the budget for the incremental resilience investments assumes 30 poles (one lateral) will be candidates for strategic undergrounding each year. The annual estimated cost was determined by an assumption of an average 50-meter span between poles

- 1 at a rate of \$1,200 per meter for underground infrastructure. The total strategic undergrounding
- 2 cost within the OH Distribution Asset Renewal program is therefore projected to be \$1.8 million
- 3 annually, totaling \$9 million between 2026 and 2030.

INTERROGATORY RESPONSES TO ONTARIO ENERGY BOARD STAFF

2-Staff-95

EVIDENCE REFERENCE:

Ref. 1: Exhibit 2 / Tab 5 / Schedule 7 / p. 59 (pdf Exhibit 2 part 4, p. 257)

Ref. 2: Exhibit 2 / Tab 5 / Schedule 3 / p. 56 (pdf Exhibit 2 part 2, p. 218)

Preamble:

Hydro Ottawa states, "Poles in a degraded condition pose significant risk to Hydro Ottawa's system highlighted by the steady trend of outages due to poles and pole attachments (an average of 18 outages per year between 2019 and 2023) as detailed in Section 4.5.6.2 of Schedule 2-5-3 - Performance Measurement for Continuous Improvement."

QUESTION(S):

- a) Please break out the cited average of 18 outages per year by failure mechanisms, i.e., trees or branches falling against lines or structures, third party interference such as vehicle or equipment contacts, pole fires, wind loading, ice loading, snow loading, direct lightning strikes, spontaneous condition-related failure, etc.
- b) Which of the listed failure mechanisms are pole condition-dependent and which are not. Please discuss.
- c) Table 26 in Section 4.5.6.2 of Schedule 2-5-3 shows equipment failures for Pole and Pole Attachment.
 - i) Is this the 18 outages on average being discussed?
 - ii) What is the steady trend that is being referenced here?
- d) Please classify failures in OH Conductor in Table 26 by the conductor system component that failed, e.g., wire, splice/sleeve, dead-end/tension clamp, other.
 - i) Are insulator, insulator clamp or damper failures included in overhead conductor failures?

1

2 **RESPONSE(S):**

3

4 a) The average of 18 outages is primarily attributed to failures of poles and pole-mounted
5 attachments, including fires resulting from insulation failure, broken insulators/arresters, and
6 crossarm failures. These 18 outages specifically fall under the "Equipment Failure" category as
7 defined by the OEB. Other causes, such as direct lightning strikes, are classified under different
8 OEB primary cause categories.

9

10 b) The 18 outages cited between 2019 and 2023 are due to pole and pole attachment conditions.
11 As a part of the pole testing and visual inspection/infrared (IR) scanning maintenance programs,
12 Hydro Ottawa currently captures information on pole and pole attachment conditions from the
13 ground level (as shown in Table 5 under Schedule 4-1-2: Operations, Maintenance and
14 Administration Program Costs).

15

16 c)

17 i) Yes, Table 26 shows the 18 outages on average being discussed in Section 3.3.3 of
18 Schedule 2-5-7 - System Renewal.

19

20 ii) The steady trend being referenced is the average number of outages between 2019-2023
21 due to pole and pole attachment failures.

22

23 d) The classification of OH conductor failures between 2019-2023 is shown in Table A below.

1

Table A - OH Conductor Failures Classification

Secondary Apparatus	2019	2020	2021	2022	2023
Ampact	2	1	1	3	5
Hot-Line Clamp	4	9	2	1	3
O/H Conductor	7	6	8	3	16
Pigtail	2	2	1	0	0
Sleeve	2	1	1	0	0
Unknown \ Other	0	2	0	2	0

2

3

4

5

- i) Insulator, insulator clamp and damper failures are included under the pole attachment primary apparatus category.

1 **INTERROGATORY RESPONSES TO ONTARIO ENERGY BOARD STAFF**

2
3 **2-Staff-96**

4
5 **EVIDENCE REFERENCE:**

6
7 Ref. 1: Exhibit 2 / Tab 5 / Schedule 7 / p. 60 (pdf Exhibit 2 part 4, p. 258)

8
9 **Preamble:**

10 Hydro Ottawa states there has been “an average of 25 outages per year between 2019 and 2023”.

11
12 **QUESTION(S):**

- 13
14 a) Please provide annual OH transformer failures as a percentage of the total OH transformer
15 fleet.
16 b) How many customers are interrupted on average following an OH transformer failure?
17 c) What is the average duration of an OH transformer failure outage?
18 d) What is the average age of an OH transformer when it fails due to condition? (Please exclude
19 failures due to causes other than condition).

20
21
22 **RESPONSE(S):**

- 23
24 a) Please see Table A below, which provides the annual OH transformer failures as a percentage
25 of the total OH transformer fleet. Failure data was derived from Table 26 Equipment Failure by
26 Primary Apparatus in Section 4.5.6.2 Equipment Failure by Asset Orientation & Asset Type of
27 Schedule 2-5-3 - Performance Measurement for Continuous Improvement. Annual OH
28 transformer fleet data was derived from internal annual reporting.

1 **INTERROGATORY RESPONSES TO ONTARIO ENERGY BOARD STAFF**

2
3 **2-Staff-97**

4
5 **EVIDENCE REFERENCE:**

6
7 Ref. 1: Exhibit 2 / Tab 5 / Schedule 7 / pp. 60-62 (pdf Exhibit 2 part 4, pp. 258-260)

8
9 **Preamble:**

10 Hydro Ottawa states, “The data on the condition of OH transformers is improving
11 and is primarily based on the translation of age to condition through Copperleaf PA.”

12
13 **QUESTION(S):**

- 14
15 a) How does Hydro Ottawa validate the results of the Copperleaf PA translations of age to
16 condition?
17 b) Confirm that the data used to create Figure 33 is based on the Copperleaf PA translation of
18 equipment age to condition.
19 i) If not confirmed, please explain the data provenance.
20 c) Does Hydro Ottawa use this condition translation data to trigger pre-emptive replacement of OH
21 Transformers without physically validating equipment condition with an onsite inspection?
22

23
24 **RESPONSE(S):**

- 25
26 a) As outlined in Section 5.1.2.1 Asset Condition Assessment of Schedule 2-5-4 Asset
27 Management Process, Hydro Ottawa validates the translation of asset age to condition using a
28 linear piecewise/linear relationship. This model was established through a formal failure curve
29 development exercise conducted in partnership with the consulting firm Hatch, creating a
30 validated, data-driven connection between an asset's age and its expected condition as per
31 Attachment 2-5-4(C) - Asset Condition Third Party Review. This relationship serves as the basis

- 1 for translating age into an equivalent condition value within the Copperleaf PA system.
2 Furthermore, as referenced in part (a), Asset Health Index and Failure Information of Section
3 5.1.4.1 PA Inputs of Schedule 2-5-4 Asset Management Process, this method is specifically
4 applied in the absence of health index information, where Copperleaf PA translates the age of
5 an asset to its equivalent condition using these established age-condition curves.
6
- 7 b) Yes, the data used to create Figure 33 of Schedule 2-5-7 System Renewal Investments is based
8 on the Copperleaf PA translation of equipment age to condition as described in Section 3.3.3.
9 Poles and OH Distribution Transformers, OH Transformers of Schedule 2-5-7 System Renewal
10 Investments.
11
- 12 c) No, Hydro Ottawa does not use this condition translation data to trigger pre-emptive
13 replacement of overhead transformers without physically validating equipment condition with an
14 onsite inspection. As described in section 2.3.2 Renewing Deteriorating Infrastructure of
15 Schedule 2-5-1 - Distribution System Plan Overview, Hydro Ottawa's risk-mitigation asset
16 renewal strategy relies heavily upon condition information from maintenance inspection. Hydro
17 Ottawa's Asset Condition Assessment (ACA), as explained in section 2.1.1 Asset Management
18 Process of Schedule 2-5-1 - Distribution System Plan Overview, involves incorporating
19 additional parameters derived from testing, inspection and maintenance programs.

1 **INTERROGATORY RESPONSES TO ONTARIO ENERGY BOARD STAFF**

2
3 **2-Staff-98**

4
5 **EVIDENCE REFERENCE:**

6
7 Ref. 1: Exhibit 2 / Tab 5 / Schedule 7 / pp. 62-63 (pdf Exhibit 2 part 4, pp. 260-262)

8
9 **Preamble:**

10 Hydro Ottawa states, “there is a sharp increase in the number of OH switches reaching their TUL by
11 2035 (at 12%), and further increasing to more than half (54%) of the OH switches reaching their
12 TUL by 2040. This shows the need for intervention now, to avoid a backlog in the future.”

13
14 **QUESTION(S):**

15
16 a) Given the apparent disconnect between the age and condition demographics shown in Figures
17 34 & 35, please explain why 12% of OH switches reaching TUL by 2035 is of major concern,
18 considering that the total percentage of units in poor or very poor condition remains unchanged
19 from 2024 to 2035 with no investment.

20
21 _____
22 **RESPONSE(S):**

23
24 a) Although an OH switch may not currently be in poor or very poor condition, reaching its TUL
25 means it is more susceptible to rapid degradation and, therefore, more likely to pose an
26 imminent risk of failure. The focus on OH switches is further justified by historical data showing
27 this asset type experienced one of the highest numbers of failures between 2019 and 2023 (see
28 Table 26 of Schedule 2-5-3 - Performance Measurement for Continuous Improvement). This
29 trend has already led to increased outages and corrective costs, prompting targeted investment
30 in their renewal. The planned investment is a proactive measure to address a tangible and
31 urgent risk, as detailed in Section 3.5.2 of Schedule 2-5-7 - System Renewal Investments.

- 1 Allowing 12% of these historically problematic assets to remain in service past their TUL risks a
- 2 significant increase in failures. By intervening now, Hydro Ottawa aims to prevent a much larger
- 3 and more costly backlog when over half (54%) of the OH switches reach their TUL by 2040, as
- 4 referenced in Section 3.3.4. of Schedule 2-5-7 - System Renewal Investments.

1 **INTERROGATORY RESPONSES TO ONTARIO ENERGY BOARD STAFF**

2
3 **2-Staff-99**

4
5 **EVIDENCE REFERENCE:**

6
7 Ref. 1: Exhibit 2 / Tab 5 / Schedule 7 / p. 67 (pdf Exhibit 2 part 4, pp. 265)

8
9 **QUESTION(S):**

10
11 a) Table 10 - Detailed Unit Replacements per OH Distribution Asset Class, provides information on
12 replacements in Historical Years, Bridge Years and Test Years. Are OH transformers always
13 replaced when the pole is replaced, regardless of condition or vintage of the transformer? Please
14 explain.

15
16 _____
17 **RESPONSE(S):**

18
19 a) No, OH transformers are not always replaced when the pole is replaced, regardless of condition
20 or vintage of the transformer. As part of its pole inspection program, Hydro Ottawa assesses the
21 condition of overhead transformers on-site and replaces them if necessary. There is no specific
22 budget for overhead transformers; their replacement is integrated into the pole renewal program
23 taking in consideration the condition and vintage of OH transformer. Since poles and overhead
24 transformers have a similar typical useful life of 53 years, Hydro Ottawa leverages the pole
25 renewal program to replace degraded overhead transformers.

1 **INTERROGATORY RESPONSES TO ONTARIO ENERGY BOARD STAFF**

2
3 **2-Staff-100**

4
5 **EVIDENCE REFERENCE:**

6
7 Ref. 1: Exhibit 2 / Tab 5 / Schedule 7 / p. 60 (pdf Exhibit 2 part 4, p. 258)

8
9 **QUESTION(S):**

- 10 a) Please explain if the pole damage shown in Figure 31 was attributable to the pole condition prior
11 to the extreme weather event.
- 12 b) Would the damage have been avoided had the pole been replaced with a new pole prior to the
13 extreme weather event?

14
15
16 **RESPONSE(S):**

- 17
18 a) The pole shown in Figure 31 was damaged following the June 26, 2023 thunderstorm, which
19 was a Major Event Day that impacted 15,413 customers and resulted in 38,677 customer hours
20 of interruption. As detailed in Table A below, the pole's condition before the extreme weather
21 was not a factor in the damage, which was exclusively caused by the adverse weather event.

1 **Table A - Inspection Information of the Pole Prior to the Thunderstorm**

Inspection Specific	Value
Date of Inspection	6/14/2022
Pole Installation Year	2019
Crossarm Condition	Good/No Problem
Overhead Transformer Condition	No Rust/Leak
Pole Top Condition	Good/No Problem
Pole Shell Condition	Good/No Problem
Woodpecker Damage	None
Sound Test Result	Sounded Good
Signs of Insect Infestation	No Insect Infestation

- 2
- 3 b) The pole, installed in 2019, was in good condition and therefore not considered for replacement
- 4 prior to the 2023 weather event, based on the information shown in Table A.