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Hydro One Networks Inc.

420 Welham Road Barrie Ontario L4N 8Z2 www.HydroOne.com Tel: 866 272 3330 Fax: (705) 719 0716 subdivision@HydroOne.com



December 29, 2023

Township of Huron-Kinloss 21 Queen Street Ripley, Ontario N0G 2R0

Attn: John Yungblut

Re: Lake Range Drive

Based on the approval of the Preliminary Hydro One Electrical Design, we are submitting the following electronic copy of the Multi-Service Connection Cost Agreement for your approval and follow up:

Enclosed

- 1. Hydro One Multi-Service Connection Cost Agreement, including cost estimates for design as well as any required line expansions.
- 2. Standard Terms and Conditions for Multi-Service Connection Projects.
- 3. Subdivision Design/Drawings 302748667-2023-22-12 labeled "Final Approval".
- 4. Lot Connection Tracker spreadsheet.
- 5. Easement Instructions and appropriate Easement Schedule (if required).

Tasks Completed and Returned

- 1. Return a dated and signed Hydro One Multi-Service Connection Cost Agreements with all Schedules fully executed.
- 2. Security for Expansion Deposit (Surety Bond, Letter of Credit, Certified Cheque) Note: If using Certified Cheque for Expansion Deposit, please provide separate Certified Cheque from Option (A or B) amount.
- 3. Insurance Certificate
- 4. Please provide a Draft M plan prepared by an Ontario Land Surveyor.
- 5. Please complete attached Lot Connection Tracker spreadsheet.

Civic addresses are required to release your project to construction. Please populate the Lot # (from the M-Plan) and 911 Address columns for the forecasted connections within your development. Please return the completed Tracker by email to subdivision@hydroone.com, noting the Subdivision project name in the Subject line. Please note that additional trip charges may apply if addresses or lot numbers are updated after the construction drawings are released and the cables have to be relabeled in the field.

6. Fulfillment of all easement requirements for the Subdivision (if required).

Easement instructions and schedule are attached. Please inquire with your assigned Technician if you are unsure of the process to have your easements registered.

The Work Package to the field will not be released until receipt of all items listed above.

Please note all documents **MUST** be completed in full and returned along with your payment, a copy of the Certificate of Insurance and Security for Expansion Deposit prior to the scheduling of this project. Once we receive your signed Hydro One Subdivision agreement, our typical timelines

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to acquire material and schedule work is as follows: less than 50K = 30 days, greater than 50 & less than 500K = 60 days, or greater than 500K = 120 days.

The Estimated timelines for your project to be scheduled once all the agreement obligations have been met is 30 days.

Information Required to Schedule Work

- 1. Your proposed schedule to start construction of the Subdivision.
- 2. For all subdivisions the following work is to be performed exclusively by Hydro One in the installation of the electrical distribution system. The developer is responsible for all of these costs. The work to be performed exclusively by Hydro One entails the following:
 - Installation of the underground primary up the dip pole (Existing poles only), termination of the primary cable and connection to the Hydro One distribution System.
 - Make ready work on existing Hydro One facilities including the dip pole/take off pole and any existing transformers or kiosks.
 - Installation of the transformers (overhead and padmount) and kiosks including the inserts, elbows, elbow arrestors, fault indicators, insulating caps, feed through inserts.
 - Primary Terminations at the transformers and kiosks.
 - Secondary terminations at the transformer and the meter lugs (line side).
 - Connecting of the ground grid to the transformer and the kiosk.
 - Numbers, signs and locks at transformers and kiosks.
 - Switching/isolation of existing Hydro One facilities.
 - Splicing cable to existing Hydro One cable.
 - Provide and install Submarine cable signs
- 3. Along with the items outlined above in Section 2, the developer is responsible for all costs outlined in Option A. Option A entails the following:
 - Hydro One will be responsible for installing the primary and secondary cabling (from the transformer to the meter base).
 - Hydro One will be responsible for the cable labeling to Hydro One-Nomenclature standards.
 - Hydro one will be responsible for stakes, 100mm duct protection and plastic bags for Secondary Cables.
 - Hydro One will be responsible for training of the secondary conductors to the secondary blocks and termination of the secondary cable on the blocks.
 - Installing all poles, guys and anchors.
 - Installing grounding for poles in <u>Overhead</u> developments only.
- 4. Should the Developer select Option B, Hydro One requires 2 weeks to schedule a site inspector. Should additional time be required over and above the amount included in our cost estimate, additional costs will be incurred based on our established hourly rate. Once established, 48-hr notice is required to re-schedule the inspector. This should be

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done through the local Zone Scheduler whose contact number will be provided upon return of the signed Hydro One agreements. Along with the items outlined above in Section 2, the Developer is responsible for all costs outlined in Option B. Option B entails the following:

- The Developer will be responsible for installing the primary and secondary cabling (from the transformer to the meter base). **Meter base is to be located on driveway side.**
- The Developer will be responsible for the cable labeling to Hydro One-Nomenclature standards.
- The Developer will be responsible for stakes, 100mm-duct protection and plastic bags for Secondary Cables.
- The Developer will be responsible for training of the secondary conductors to the secondary blocks (not electrically connected).
- Installing all poles, guys and anchors.
- Installing grounding for poles in <u>Overhead</u> developments only.
- 5. In addition to the above noted items, the developer is responsible for the civil work in the subdivision. The civil work entails the following:
 - Trenching for primary and secondary cables.
 - All ducts, including road crossing ducts.
 - Transformer and kiosk concrete vaults.
 - Masonry sand padding of primary and secondary cables.
 - Crushed stone foundations for transformer and kiosk vaults.
 - Grounding around transformer and kiosk vaults for <u>Underground</u> developments only.
 - Posts for Submarine cable signs.
- 6. If approval is not received within 6 months from the date the agreement was issued, the design will be re-estimated using the current labour and material costs. There will be a fee for the review and the new estimate.
- 7. Please note there are lead-times required to order and receive material and this lead-time could delay part or the entire project. Hydro One will not schedule and/or order material for any part of the project until such time as the approved agreement and required funds are received.
- 8. Developer is responsible to obtain Notice of Project (NOP) Form from the Ministry of Labour https://www.enop.labour.gov.on.ca/ENOPWeb/welcome.do and provide a copy to Hydro One.

Economic Evaluation

1. Based on the data submitted for the criteria in the Hydro One NCCI form, Hydro One has completed an economic evaluation to calculate the Developer's and Hydro One's share of the electrical distribution system costs. These costs are outlined in Option A and Option B of the Subdivision Agreement. This evaluation conforms to the requirements of the Ontario Energy Board's Distribution System Code. A copy of this evaluation is attached for your perusal.

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- 2. The economic evaluation will also include but not be limited to the external and internal electrical servicing costs for the subdivision lots, "upstream" costs (substation and feeder costs), the electrical design, planning and field administration costs.
- 3. Hydro One will rebate the Developer the apportioned share for the residential units, as calculated in the economic evaluation. This rebate will be reflected in the Subdivision Agreement and /or processed once the subdivision is energized.

***If selecting Option B and the Multi-Service Connection Cost Agreement indicates a refund, please note that this is the maximum amount available for refund. In order to determine the actual refund amount, Hydro One requires a copy of the Developer's Contractor invoice for the Contestable work up to the secondary splice locations. The amount paid to the Developer (once the site is energized) will be the lesser of the Schedule F refund amount in the agreement or the Contestable amount in the Contractor invoice plus Hydro One's valuation of the Connection work.

- 4. Hydro One will require an expansion deposit, in addition to the capital contribution, from the developer in the form of Certified Cheque, Surety Bond or Letter of Credit.
- 5. The expansion deposit payment to Hydro One will equal the present value of the forecasted revenue used in the Discounted Cash Flow calculation (re Appendix B of the Ontario Energy Board Distribution System Code)
- 6. Once per fiscal year the developer will be entitled to a rebate based on a calculation completed by Hydro One Networks. This calculation will be based on the number of connections in the development for that year.
- 7. Warranty on alterative bids (Option B) is now 10% of the total expansion deposit which is held for a period of 2 years from the date of final connection or 2 years after the connection horizon has expired. Please note that the connection horizon is 5 years from the date of energization.

Should you have any questions regarding the contents of this letter, please do not hesitate to contact this office.

Sincerely,

Yana Gruenschloss Engineering Support Assistant (Barrie)



In Process

Multi-Service Connection Cost Agreement

Project Type: Subdivision

Developer: TOWNSHIP OF HURON-KINLOSS

Subdivision Name: ZSD - Lake Range Drive (DESIGN)

Required Execution Date of Contract: Jun 19, 2024



TOWNSHIP OF HURON-KINLOSS (the "Developer") has requested and Hydro One Networks Inc. ("Hydro One") has agreed to perform certain work pertaining to the connection of the project described below, on the terms and conditions set forth in this Multi-Service Connection Cost Agreement dated this 22nd day of Dec 2023, (the "Agreement"). The attached Standard Terms and Conditions for Multi-Service Connection Projects V6-2023 (the "Standard Terms and Conditions") and the following schedules, as amended, supplemented or restated from time to time, are to be read with and form part of the Agreement:

- Schedule "A" (Description of the Non-Contestable Work and the Contestable Work);
- Schedule "B" (Description of Civil Work);
- Schedule "C" (Specifications);
- Schedule "D" (Hydro One Design Drawing # 000302748667-2023-12-22)
- Schedule "E" (Economic Evaluation Results)
- Schedule "F" (Option A/Option B Chart)
- Schedule "G" (Form of Transfer of Ownership of Primary Distribution System, Secondary Distribution System, Line Expansion and Residential Service Cables)

Unless otherwise defined herein, all capitalized terms herein shall have the meaning ascribed to them in the Standard Terms and Conditions

I. Project Summary

The Developer is planning to:

Expand or develop a subdivision known as ZSD - Lake Range Drive (DESIGN) at the property located at Pt Lots, Concession, Township of Huron as more particularly described in PIN, and
where a plan of subdivision has been registered as at _:_ a.m./p.m. on the day
of, (the foregoing being hereinafter described as the "Project").
The Developer hereby agrees to proceed with one of the following options:
Option A: Hydro One performs the Non-Contestable Work and the Contestable Work; or
Option B: The Developer performs the Contestable Work and Hydro One performs the Non-Contestable Work, by confirming its' selection of the appropriate option contained in below:
The Developer hereby elects Option A by checking the box below and initialling where specified below and agrees with and accepts all the figures contained in the Option A Chart set out in Schedule "F". Option A (Developer's Signatories' Initials)
The Developer hereby elects Option B by checking the box below and initialling where specified below and

II. Term

Except as expressly set out in this Agreement, this Agreement shall be in full force and effect and binding on the parties upon execution by both parties and shall terminate on the 7th anniversary of the Energization Date.

Option B _____ (Developer's Signatories' Initials)



Termination of the Agreement for any reason shall not relieve either party of its liabilities and obligations existing under the Agreement at the time of termination. Termination of this Agreement for any reason shall be without prejudice to the right of either party, including the terminating party, to pursue all legal and equitable remedies that may be available to it including, but not limited to, injunctive relief.

III. Impact on Agreement if Developer Fails to Execute the Agreement by the Required Execution Date

All amounts quoted in the applicable Option A Chart or the Option B Chart (including, but not limited to, the Firm Offer and the estimate of Available Support and the estimate of the Capital Contributions will only remain valid until the Required Execution Date (see Part IV below).

This Agreement shall be null and void and neither party shall have any further liability or obligation to the other if the Developer fails to do any of the following:

- (i) Execute and deliver this Agreement to Hydro One by the Required Execution Date; or
- (ii) Deliver the Capital Contribution to Hydro One upon the execution of the Agreement by the Developer; or
- (iii) Deliver the Expansion Deposit to Hydro One upon the execution of the Agreement by the Developer; or
- (iv) Deliver proof of insurance as required under the terms of this Agreement upon the execution of the Agreement by the Developer.

IV. Miscellaneous:

Developer's HST Registration / Exemption Number: 1	
Expansion Deposit: ²	\$0.00
Expansion Deposit HST:	\$0.00
Expansion Deposit Amount Payable (with HST):	\$0.00
Easement Date: ³	2 nd day of Feb 2024
Permit (s.28(2)) Date: ³	
Customer Connection Horizon:	5 years
Required Execution Date:	19 th day of Jun 2024
Revenue Horizon:	25 years
Developer Notice Info: ⁴	
TOWNSHIP OF HURON-KINLOSS	

See Subsection 1.1(e) of the Standard Terms and Conditions.

See Sections 6.1 and 6.2 of the Standard Terms and Conditions.

³ See Subsections 5.2(I) of the Standard Terms and Conditions.

See Section 13.5 of the Standard Terms and Conditions.



PO BOX 130 21 QUEEN STREET RIPLEY	ON N0G 2R0
Attention:	
Fax:	

V. Entire Agreement

Subject to Section 2.4 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.

VI. Offer to connect

This Agreement constitutes Hydro One's offer to connect for the new or modified connection of the project to Hydro One's distribution system. If you wish to accept Hydro One's offer to connect on the terms and conditions below by entering into this Agreement with Hydro One, You must execute and deliver this Agreement to Hydro One by no later than the Required Execution Date identified above in part IV together with the amounts payable by you on execution of this Agreement (including any Expansion Deposit)

VII. Amendments

It is recognised that from time to time during the currency of the Agreement the parties hereto may mutually, unless otherwise provided for in the Agreement, alter, amend, modify or vary the provisions of the Agreement and such alteration, amendment, modification, variation or substitution shall be effected in writing and attached hereto and shall be deemed to form part hereof and shall, from the date agreed upon, alter, amend, modify, vary or substitute the Agreement in the manner and to the extent set forth in writing by the parties. Subject to the foregoing, 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.

VIII. Successors and Permitted Assigns

This Agreement shall be binding upon and shall ensure to the benefit of the successors and permitted assigns of the Parties and the Chief and Council.

IX. Counterparts and Electronic Signature

This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement. The facsimile, email or other electronically delivered signatures of the parties shall be deemed to constitute original signatures, and facsimile or electronic copies hereof shall be deemed to constitute duplicate originals. For greater certainty, execution and delivery of this Agreement by electronic exchange bearing the copies of a party's signature shall constitute a valid and binding execution and delivery of this Agreement by such party. An electronically scanned copy of a signature shall constitute and shall be deemed to be sufficient evidence of a party's execution of this Agreement, without necessity of further proof.



IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

HYDRO ONE NETWORKS INC.



I have the authority to bind the Corporation

TOWNSHIP OF HURON-KINLOSS

Name. John Yungblut

Title: Date:

I have the authority to bind the corporation.



Schedule "A" Description of the Contestable and Non-Contestable Work

See attached Drawing 000302748667-2023-12-22

Description of Non-Contestable Work Hydro One MUST perform:

For Underground Lines (Including Submarine):

- 1. Perform make ready work on existing Hydro One facilities (dip pole or existing transformer or kiosk)
- 2. Termination of all primary and secondary cables within the Electrical Distribution System
- 3. Installation of transformers and kiosks including inserts, elbows, insulating caps, arrestors and feed through
- 4. Install kiosks including insulating caps
- 5. Install numbering, signs, locks and phase markings on transformers and kiosks
- 6. Connection of grounds to transformers and kiosks
- 7. Install switching/isolation of existing Hydro One facilities
- 8. Perform Inspection

For Overhead Lines:

- 1. Perform make ready work on existing Hydro One facilities
- 2. Termination of all primary cables at transformer and switch locations and secondary cables transitioning to underground within the Electrical Distribution System
- 3. Install transformers and transformer framing
- 4. Install switches

Description of Contestable Work Hydro One or Developer/Contractor can perform (Unless otherwise stated on Drawing):

For Underground Lines (Including Submarine):

- 1. Supply and install primary and secondary cables
- 2. Install secondary splices

For Overhead Lines:

- 1. Install new poles, primary and secondary conductor, guys and anchors
- 2. Install primary and secondary framing
- 3. Install grounding (Plates and Rods)



Schedule "B" - Description of Civil Work

The Developer shall perform the following Civil Work, at its own expense, in accordance with the terms of this Agreement, including, the applicable Hydro One Specifications and standards:

For Underground Lines:

- Excavate trenches:
- Install sand padding with masonry sand;
- Supply and install pre-cast concrete vaults and backfill;
- Install bollards if specified by Hydro One in the design of the Electrical Distribution System;
- Install grounding (Rods);
- Install a crushed stone base for transformers and kiosks;
- Install partial and complete duct banks as specified on drawing (Direct Buried and or Concrete Encased);
- Install road crossing ducts (Including Road Cuts and Bores) complete with pull rope and caps for spares;
 and
- Perform any other Civil Work referenced in the applicable Hydro One Specifications and standards.

For Sub-cable work (In addition to requirements for Underground Lines):

- Install poured pads (when specified on drawing) in accordance with Hydro One's Standard DU-06-302;
- Supply and install pre-cast concrete vaults and or aluminum vaults;
- Install masonry sand padding and crushed stone; and
- Perform any other Civil Work referenced in the applicable Hydro One specifications and standards.

All Forestry work outside of operating clearances around existing lines



Schedule "C" - Specifications

The following will be provided to the Developer through a PDF attachment on an e-mail:

The Hydro One Overhead and Underground Distribution Standards

In Process



Schedule "D" - Hydro One Design - Drawing # 000302748667-2023-12-22

In Process



Schedule "E": Economic Evaluation Result

 Date:
 22-Dec-23

 Project #
 302748667

 Basis of Cost Estimate for the Project:
 Class A

Estimated Project In-Service Dat 1-Mar-24
Economic Study Horizon (no. of years): 25

Project Name:	TOWNSHIP OF HURON-KINLO	SS							
		In-Ser	vice						
	0	Date	<	Project year end	led - annualize	ed from In-Serv	rice Date	>	
	0		Mar-1	Mar-1	Mar-1	Mar-1	Mar-1	Mar-1	Mar-1
			2024	<u> 2025</u>	2026	<u>2027</u>	2028	2029	<u> 2030 - 2049</u>
Total Connections			0	0	0	0	0	0	0
Total incremental Energy (kWh/mo	nth) - for energy billed rate classes	3	0	0	0	0	0	0	0
Total incremental Demand (kW/mo	nth) - for demand billed rate classe	es	0	0	0	0	0	0	0
Gross Revenue - \$K annual			0.0	0.0	0.0	0.0	0.0	0.0	0.0
OM&A Costs - \$K			0.0	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)
Ontario Capital Tax and Municipal Ta	ıx - \$K		0.0	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Operating Cash Flow (before taxes	s) - \$K		0.0	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	<u>(0.4)</u>
Capital Expenditures - \$K - include	es interest & OH								
Upfront - capital cost before overhead	ds & AFUDC		(\$34.9)						
- Overheads			\$0.0						
- AFUDC			\$0.0						
- Line Expansion - Fair Share Amo	ount		\$0.0						
- Subdivision Expansion - Fair Sha	are Amount		\$0.0						
Total Upfront capital expenditures			(\$34.9)						



	Discoun	ted Cash Flow Summary	,		
Economic Study Horizon - Years:		25			
Discount Rate - %		5.50%			
Includes OEB-approved ROE and forecast	cost of deb	t			
\$K		Before Contribution		After Contribution	Impact
PV Incremental Revenue		\$0.0		\$0.0	
PV Incremental OM&A Costs		(\$5.3)		(\$5.3)	
PV Ontario Capital Tax and Municipal Tax		(\$0.2)		(\$0.2)	
PV Taxes		\$1.5		\$1.5	(\$0.0)
PV CCA Tax Shield		\$5.5		(\$0.8)	(\$6.2)
PV Capital - Upfront	(\$34.9)		(\$34.9)		
Add: PV Capital Contribution	<u>\$0.0</u>	(\$34.9)	<u>\$39.7</u>	\$4.8	\$39.7
PV Capital - On-going		\$0.0		\$0.0	
PV Proceeds on disposal of depreciable prop	erty	\$0.0		\$0.0	
PV Working Capital		<u>(\$0.0)</u> .		<u>(\$0.0)</u>	
PV Surplus / (Shortfall)		(\$33.5)		(\$0.0)	<u>\$33.5</u>
Capital Contribution required (may be of	fset by Tra	nsfer Price, if applicable	e) - \$k \$39.7		

Payback Year: (NPV = 0) 2024

No. of years required for 0.0 payback:



		In-Service							
		Date	<	Project year e	ended after ir	n-service date	e >	Incre	mental
			Cumu	ılative numb	er of Conne	ctions		Avg montl	nly usage
Connection Type	Rate Class	2024	2025	2026	2027	2028	2029	per conr	nection*
Residential	R1	0	0	0	0	0	0	N/A	kWh
GS < 50 kW	None	0	0	0	0	0	0	N/A	kWh
GS > 50 kW	None	0	0	0	0	0	0	N/A	kW
ST	None	0	0	0	0	0	0	N/A	kW
St.Lgt	None	0	0	0	0	0	0	N/A	kWh
Dgen	None	0	0	0	0	0	0	N/A	kWh
Total		0	0	0	0	0	0	*Incremental, as	of year 5
Other Assumptions									
Grants in Lieu of Municipal tax		0.046%	Distribut	ion system av	verage				
Income Tax Provision		26.50%	Rates Per EB-2017-0049 - HONI Distribution Rates 2018-2022 - Draft Rate Order						
Capital Cost Allowance		8.0%	100% Class 47 assets						
Working cash net lag days		26.69	Per Navigant Lead Lag study (Dec. 2016) - EB-2017-0048 Exhibit D1-1-3 Attachment 1						

Expansion Length	Metres
Line Expansion	0
Subdivision Expansion	203

Expansion Deposit, before HST	Dollars
Maximum Expansion Deposit per DSC 3.2.20	\$0
Expansion Deposit Amount Due	100%
Expansion Deposit Payable	\$0
Deposit Refund per Residential C	#DIV/0!
Deposit Refund per GS < 50 kW Co	N/A
Deposit Refund per kW for Demand	N/A

For Expansion Fair Share Administration	
Project Costs:	
Line Expansion Fair Share	\$0
Line Expansion Capital + PV OM&A	\$897
Subdivision Expansion Fair Share	\$0
Subdivision Line Expansion Capital + PV OM&A	\$35,077
Connection: Capital + PV OM&A	\$4,209
Total Capital Contribution	\$39,720
Capital Contrbution Allocated to:	
1. Line Expansion Fair Share, then	\$0
2. Line Expansion, then	\$897
3. Subdivision Expansion Fair Share, then	\$0
4. Subdivision Line Expansion, then	\$35,077
5. Connection Costs	\$3,746



Schedule "F": Option A/Option B Charts

Optio	on A - Hydro One Networks Performs Non-Contestable Work	and Contestable Work
Part '	1 Non-Contestable Work Firm Offer	
		TOTAL
1.0	Engineering & Design	
1.1	Design Costs	\$897.26
	Total Cost Section 1.1	\$897.26
2.0	Cost of Non-Contestable Work Other Than Line Expansion	
		TOTAL
2.1	Non-Contestable Subdivision Connection Costs	
	Material	\$121.16
	Labour	\$2,740.22
	Equipment	\$1,001.60
	Other Miscellaneous	\$0.00
	Administration & Overheads	\$345.72
	400A Meterbase Credit	\$0.00
	Total Cost Section 2.1	\$4,208.70
2.2	Non-Contestable Subdivision Secondary Costs	
	Material	\$0.00
	Labour	\$0.00
	Equipment	\$0.00
	Other Miscellaneous	\$0.00
	Administration & Overheads	\$0.00
	Total Cost Section 2.2	\$0.00
2.3	Non-Contestable Subdivision Primary Costs	
	Material	\$1,170.81
	Labour	\$5,753.03
	Equipment	\$2,003.21
	Other Miscellaneous	\$0.00
	Administration & Overheads	\$1,098.09
	Forestry Cost (If Applicable)	\$3,450.57
	Total Cost Section 2.3	\$13,475.71
3.0	Cost Of Non-Contestable Line Expansion (If Applicable)	
	233 21 131 23113313313 21110 Expandion (in Applicable)	TOTAL
3.1	Non-Contestable Line Expansion Costs	
	Material	\$0.00



	Labour	\$0.00
	Equipment	\$0.00
	Other Miscellaneous	\$0.00
	Administration & Overheads	\$0.00
3.2	Cost To Connect To An Existing Powerline	\$0.00
3.3	Forestry Cost (If Applicable)	\$0.00
3.4	Miscellaneous Approvals Such As Water Crossing, Railway	
	Crossing, Pipeline Crossing, etc.	\$0.00
3.5	Easements, Permits and Approvals	\$0.00
	Total Cost Section 3.1 to 3.5	\$0.00
Part	2 Contestable Work Firm Offer	
		TOTAL
4.0	Cost of Contestable Work Other Than Line Expansion	
4.1	Contestable Subdivision Connection Costs	
7.1	Material	\$0.00
	Labour	\$0.00
	Equipment	\$0.00
	Other Miscellaneous	\$0.00
	Administration & Overheads	\$0.00
	Total Cost Section 4.1	\$0.00
	10.00 000 000.01 711	ψ0.00
4.2	Contestable Subdivision Secondary Costs	
	Material	\$0.00
	Labour	\$0.00
	Equipment	\$0.00
	Other Miscellaneous	\$0.00
	Administration & Overheads	\$0.00
	Total Cost Section 4.2	\$0.00
4.3	Contestable Subdivision Primary Costs	
7.0	Material Material	\$7,984.27
	Labour	\$5,158.75
	Equipment	\$1,836.28
	Other Miscellaneous	\$0.00
	Administration & Overheads	\$1,340.49
	Total Cost Section 4.3	\$16,319.79
	Total Goot Gootlen Tio	ψ10,010.10
5.0	Contestable Cost Of Line Expansion (If Applicable)	
		TOTAL
5.1	Contestable Cost of Line Expansion	
	Material	\$0.00
	Labour	\$0.00



	Equipment	\$0.00
	Other Miscellaneous	\$0.00
	Administration & Overheads	\$0.00
	Total Cost Section 5.1	\$0.00
	Total Cost (Sections 1.0 through 5.0) -Included in DCF	\$34,901.46
	Less: Credit for Replacement of End of Life or Advanced Age Assets	\$0.00
	Less: DCF Revenue Support Credit or Cost	\$4,818.80
	Remaining Balance (Capital Contribution from DCF)	\$39,720.26
Part :	Non-Contestable and Contestable Work Above Standard Co	onnection
		TOTAL
6.0	Items Excluded From Receiving Support	
6.1	Pad-mount Transformer Differential/Incremental Cost	\$0.00
6.2	Returned Material Charge	\$0.00
6.3	Additional Layout Fees	\$0.00
	Total Cost Section 6.1 to 6.3	\$0.00
Part 4	4 Totals	
	Sub-Total (without HST) for Option A	\$39,720.26
	HST for Option A	\$5,163.63
	Grand Total (with HST) for Option A	\$44,883.89
	Less: Design Fees prepaid (with HST)	(\$282.50)
	Less: Other Deposit Paid (with HST)	\$0.00
	GST/HST# 870865821RT0001	
A-1	The Developer shall pay 100% of the Remaining Cost to be incurred by Hydro One Networks at the time of signing of this Agreement, in the amount of =	\$44,601.39
A-2	Maximum Refund Available to Developer After Hydro One Networks Support Applied	\$0.00
l elec	et to choose Option A 🔲	Signature



Option B - Hydro One Networks Performs Non-Contestable Work Only				
Part '	1 Non-Contestable Work Firm Offer			
		TOTAL		
1.0	Engineering & Design			
1.1	Design Costs	\$897.26		
	Total Cost Section 1.1	\$897.26		
2.0	Cost of Non-Contestable Work Other Than Line Expansion	TOTAL		
	N 0 1 1 0 1 1 1 1 0 1 1 1 1 1 1 1 1 1 1	TOTAL		
2.1	Non-Contestable Subdivision Connection Costs			
	Material	\$121.16		
	Labour	\$2,740.22		
	Equipment	\$1,001.60		
	Other Miscellaneous	\$0.00		
	Administration & Overheads	\$345.72		
	400A Meterbase Credit	\$0.00		
	Total Cost Section 2.1	\$4,208.70		
2.2	Non-Contestable Subdivision Secondary Costs			
	Material	\$0.00		
	Labour	\$0.00		
	Equipment	\$0.00		
	Other Miscellaneous	\$0.00		
	Administration & Overheads	\$0.00		
	Total Cost Section 2.2	\$0.00		
2.3	Non-Contestable Subdivision Primary Costs			
	Material	\$1,170.81		
	Labour	\$5,753.03		
	Equipment	\$2,003.21		
	Other Miscellaneous	\$0.00		
	Administration & Overheads	\$1,098.09		
	Forestry Cost (If Applicable)	\$3,450.57		
	Total Cost Section 2.3	\$13,475.71		
3.0	Cost Of Non-Contestable Line Expansion (If Applicable)			
3.0	OST OF HOLF-COINCESTABLE EMPERSION (II Applicable)	TOTAL		
3.1	Non-Contestable Line Expansion Costs			
	Material	\$0.00		
	Labour	\$0.00		
	Equipment	\$0.00		
	Other Miscellaneous	\$0.00		



	Administration & Overheads	\$0.00
3.2	Cost To Connect To An Existing Powerline	\$0.00
3.3	Forestry Cost (If Applicable)	\$0.00
3.4	Miscellaneous Approvals Such As Water Crossing, Railway	
	Crossing, Pipeline Crossing, etc.	\$0.00
3.5	Easements, Permits and Approvals	\$0.00
	Total Cost Section 3.1 to 3.5	\$0.00
	Total Cost (Sections 1.0 through 3.0)	\$18,581.67
	Less: Credit for Replacement of End of Life or Advanced Age	. ,
	Assets	\$0.00
	Less: DCF Revenue Support Credit or Cost	\$4,818.80
	Total Remaining Balance	\$23,400.47
Part	2 Non-Contestable Work Above Standard Connection	
i di c	Their contestable Work Above Standard Connection	TOTAL
4.0	Items Excluded From Receiving Support	101712
4.1	Pad-mount Transformer Differential/Incremental Cost	\$0.00
4.2	Work Site Inspection (If Applicable)	\$653.30
4.3	Returned Material Charge	\$0.00
4.4	Additional Layout Fees	\$0.00
	Total Cost Section 4.1 to 4.4	\$653.30
Part :	3 Totals	
1 411	Sub-Total (without HST) for Option B	\$24,053.77
	HST for Option B	\$3,126.99
	Grand Total (with HST) for Option B	\$27,180.76
	Less: Design Fees prepaid (with HST)	(\$282.50)
	Less: Other Deposit Paid (with HST)	\$0.00
	GST/HST# 870865821RT0001	
Part -	4 Totals Unused Support Available For Contestable work	
		TOTAL
B-1	The Developer shall pay 100% of the Remaining Cost to be	
	incurred by Hydro One Networks at the time of signing of this	# 00.000.00
D 0	Agreement, in the amount of =	\$26,898.26
B-2	Maximum Refund Available to Developer After Hydro One Networks Support Applied	\$0.00
	et to choose Option B 🖂	Signature

^{*}Please see Subsection 9.5 of the Standard Terms and Conditions for information on the refund process



Schedule "G" - Form of Transfer of Ownership of Primary Distribution System, Secondary Distribution System, Line Expansion and Residential Service Cables

TRANSFER OF OWNERSHIP OF PRIMARY DISTRIBUTION SYSTEM, SECONDARY DISTRIBUTION SYSTEM, LINE EXPANSION AND RESIDENTIAL SERVICE CABLE

(CONSTRUCTED BY HYDRO ONE NETWORKS INC. OR DEVELOPER)

Hydro One Networks Inc. Expansion/Connection #: 000302748667-2023-12-22

TOWNSHIP OF HURON-KINLOSS

In accordance with the Multi-Service Connection Cost Agreement made between the undersigned Developer (the "**Developer**") and Hydro One Networks Inc. dated the 22nd day of Dec 2023 (the "**Agreement**"), the Developer hereby irrevocably conveys all rights, title and interest, free and clear of all present and future mortgages, liens, demands, charges, pledges, adverse claims, rights, title, retention agreements, security interests, or other encumbrances of any nature and kind whatsoever in the:

- (a) Primary Distribution System and any Line Expansion as described in Schedule "D" of the Agreement and as referred to in the said Agreement; and
- (b) that part of the Secondary Distribution System as described in Schedule "D" of the Agreement and as referred to in the said Agreement that has been installed as of the Energization Date of the Primary Distribution System; and
- (c) any Residential Service cables connected to the Secondary Distribution System described in (b) above on the Energization Date of the Primary Distribution System,

to Hydro One Networks Inc. with effect as of the Energization Date of the Primary Distribution System;

AND:

- (1) any addition to the Secondary Distribution System as described in Schedule "E" of the Agreement and as referred to in the said Agreement that is installed following the Energization Date of the Primary Distribution System; and
- (2) any Residential Service cables connected to the Secondary Distribution System,

to Hydro One Networks Inc. with effect as of the Energization Date of the addition to the Secondary Distribution System described in (1) above.



IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

HYDRO ONE NETWORKS INC.

Digitally signed by
Donovan Dockrill
Date: 2023.12.22 11:14:56
-05'00'

I have the authority to bind the Corporation

TOWNSHIP OF HURON-KINLOSS

Name John Yungblut

Title: Date:

I have the authority to bind the corporation.

Representations and Warranties

- 1.1 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) 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;
- (d) the Agreement constitutes a legal and binding obligation on it, enforceable against it in accordance with its terms;
- (e) it is registered for purposes of Part IX of the Excise Tax Act (Canada). The registration number for Hydro One is 87086-5821 RT0001 and the registration number for the Developer is as specified in Part IV of the Agreement; and
- (f) no proceedings have been instituted by or against it with respect to bankruptcy, insolvency, liquidation or dissolution.
- 1.2 If the Developer is a First Nation, the representations and warranties set out in Section 1.1 do not apply to the First Nation and in their place and stead, the First Nation represents and warrants to Hydro One that:
- (a) the First Nation is a Band of Indians within the meaning of the *Indian Act* (Canada) and the Council has authority to act on behalf of and to bind the First Nation, and each of the representations, warranties, covenants, releases and agreements of the First Nation in this Agreement is binding on the First Nation and the Council: and
- (b) this Agreement and the execution and delivery hereof by the First Nation and of all documents to be executed and delivered by the First Nation pursuant hereto, including any permit to be issued by Her Majesty the Queen in right of Canada pursuant to Section 28 of the *Indian Act* (Canada), have been duly authorized by all necessary action on the part of the First Nation, including the passing of a valid BCR, a certified copy of which shall be delivered by the First Nation to Hydro One simultaneously with the execution and delivery of this Agreement and will be attached to the Agreement as Schedule "I", and such agreements and other documents constitute valid and binding obligations of the

- First Nation enforceable against it in accordance with their terms and conditions; and
- (c) the First Nation has received independent legal advice with respect to all terms and conditions of such agreements and the performance of any terms, conditions and covenants contemplated herein and therein to be performed by the First Nation; and
- (d) that there are no other persons with other possessory rights, including, but not limited to certificates of possession, in and to the lands where the Subdivision Development is located on the Reserve.

Incorporation of Code and Application of the Conditions of Service

- 2.1 The Code, as it may be amended from time to time, is hereby incorporated in its entirety by reference into, and forms part of, the Agreement. Unless the context otherwise requires, all references to "the Agreement" include a reference to the Code.
- 2.2 Hydro One hereby agrees to be bound by and at all times to comply with the Code, and the Developer acknowledges and agrees that Hydro One is bound at all times to comply with the Code in addition to complying with the provisions of the Agreement.
- 2.3 In addition to the Agreement, the relationship between Hydro One and the Developer will be governed by Hydro One's Conditions of Service that are in effect at the relevant time. In the event of a conflict or an inconsistency between a provision of the Agreement and a provision of Hydro One's Conditions of Service, the provision of the Agreement shall govern.
- 2.4 In the event of a conflict or an inconsistency between a provision of the Code or the Agreement, the provision of the Code shall govern. The fact that a condition, right, obligation or other term appears in the Agreement but not in the Code shall not be interpreted as or deemed to be grounds for finding of a conflict or inconsistency.

Hydro One Disclaimer

3.1 Except as provided herein Hydro One makes no warranties, express or implied, and Hydro One disclaims any warranty implied by law, including implied warranties of merchantability or fitness for a particular purpose and implied warranties of custom or usage with respect to the Non-Contestable Work, any other work performed by Hydro One under the terms of the Agreement and where applicable, the Contestable Work.

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Hydro One Rights and Obligations

- 4.1 Hydro One shall, subject to the terms and conditions of the Agreement:
- (a) perform the Non-Contestable Work and where applicable, the Contestable Work in a manner consistent with Good Utility Practice, in accordance with the Conditions of Service and the Code, and in compliance with all Applicable Laws;
- (b) prepare all estimates and offers under the terms of the Agreement in accordance with Good Utility Practice and industry standards;
- (c) provide temporary construction services to the Developer subject to the execution of a separate agreement with respect to the actual Cost thereof;
- (d) advise the Developer of service locations upon request;
- (e) ensure all electrical equipment and facilities provided by the Developer shall be of sufficient size, as determined by Hydro One, to service the Project as well as the adjacent lands which in the opinion of Hydro One, may be required, in whole or in part, in order to serve such adjacent lands;
- (f) upon the Developer's notification, provide an Inspector during work on the site in accordance with the requirements of the Specifications; and
- (g) if the Developer chooses "Option B, perform Customer Connections in accordance with the Conditions of Service upon receipt of written notice from the Developer that any one or more of the industrial/commercial or residential units within the Project have passed inspection by the Electrical Safety Authority or within such time period as may be practicable as determined by Hydro One subject to Developer's and/or connecting customer's compliance with the Conditions of Service, including the requirements for payment.
- 4.2 Notwithstanding any other term to the contrary in the Agreement, Hydro One will not:
- (a) perform construction after the ground freezes, unless requested to do so by the Developer. The Developer shall be responsible for any and all additional actual Costs, as determined by Hydro One that may be incurred during any such construction period;
- (b) provide Three-Phase Secondary wire or any conductor for Industrial/Commercial Services under the terms of the Agreement;
- (c) design, construct, own or maintain any Three-Phase Industrial/Commercial Secondary Services or Residential Service(s)

- (d) design or install streetlights under the terms of the Agreement:
- (e) perform Civil Work;
- reimburse the Developer for the cost of any Civil Work and will not include such costs in any Economic Evaluation;
- (g) construct Industrial/Commercial Services or Residential Service(s) under the terms of the Agreement if the Developer has chosen Option B;
- (h) perform any Non-Contestable Work or Contestable Work, as the case may be, until Hydro One has received everything listed in Part III of the Agreement; or
- (i) connect or energize any Industrial/Commercial Services and/or Residential Services where the Developer has chosen Option B until:
 - the assets comprising the Contestable Work have been transferred to Hydro One in accordance with the terms of the Agreement; and
 - (ii) all of the Contestable Work, the Non-Contestable Work and any work to be performed by the Developer under the terms of the Agreement have been fully performed; and
 - (iii) the Developer has provided Hydro One with a copy of the registered plan of subdivision and/or binding registered easements from all legal and beneficial owners of lands traversed by the Contestable Work and/or land use permits for Crown lands traversed by the Contestable Work, in forms that are satisfactory to and in favour of Hydro One.
- 4.3 Hydro One will not be obligated to commence or continue the Non-Contestable Work and where applicable, the Contestable Work unless and until the Developer has:
- (a) paid the Capital Contribution specified in the applicable Option A or Option B Chart or in a Revised Chart (as defined in Section 5.3 below) and the Expansion Deposit;
- (b) made arrangements for inspection(s) of the:
 - (i) Civil Work; and
 - (ii) the Contestable Work if the Developer has chosen Option B;
- (c) where the Developer is performing the Contestable Work, obtained Contractor approval from Hydro One in accordance with the provisions of Section 5.5 below.
- 4.4 In the event that the Developer and/or the Contractor have not performed all of the work to be performed by the Developer in accordance with the terms of this Agreement despite the Developer

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and/or the Contractor advising Hydro One otherwise. the Developer shall reimburse Hydro One for all costs and expenses incurred by Hydro One in its preparation to perform the work on the scheduled sate, including, without limitation, Hydro One's restocking fee for returning material ordered for the work to Hydro One's stores, the hourly rates payable to Hydro One's employees, agents and contractors who attended at the site on the scheduled work date and any other charges or expenses related to additional trips required to be made to the site by Hydro One's employees, agents and contractors. Hydro One will invoice the Developer for such costs, charges and expenses.

Developer Obligations

5.1 The Developer shall be responsible for obtaining, at its own expense, all necessary approvals, required by law or otherwise for the Project and the Developer shall register the requisite plans in the applicable Land Registry Office prior to the energization of all or any part of the Electrical Distribution System.

The Developer shall forthwith provide evidence of compliance with this clause to Hydro One upon request

- 5.2 The Developer covenants that in any event it will, at its own expense and unless otherwise specified below, by no later than 6 months after the Required Execution Date:
- (a) notify Hydro One, Bell Canada, any other affected telecommunications company(ies), and any other affected third party of any revisions to the engineering site plan prior to commencing or continuing the Project construction;
- (b) prior to the commencement of the construction of the Contestable Work and the Non-Contestable Work, provide clearance and grading of the Electrical Distribution System routes to within 15 centimetres of final levels, and where required by the municipality, install curbs. If no curbs are to be installed, ditches and shoulders must be shaped.
- incorporate the Hydro One Design, as approved by the Developer, into the engineering drawings for the Subdivision;
- (d) provide Hydro One with the location of curb cuts and walkways at least six (6) weeks in advance of the performance of any portion of the Contestable Work and/or Non-Contestable Work. Any relocation of such services after the six (6) week period may result in additional Capital Cost, which will be the sole responsibility of the Developer;
- (e) provide location stake out of any other service(s) that might conflict with all or any

- portion of the Contestable Work and/or Non-Contestable Work:
- (f) identify lot lines and other reference points immediately prior to the commencement of any part of the Contestable Work and/or Non-Contestable Work or the construction of a joint use trench;
- (g) provide survey plans prepared by an Ontario Land Surveyor;
- (h) provide Hydro One personnel with unobstructed access to and along the route for the Electrical Distribution System;
- prior to commencing construction of the Civil Work, arrange to have Hydro One perform an inspection of the Civil Work;
- (j) perform the Civil Work in accordance with the Specifications;
- (k) co-ordinate the Civil Work with respect to when trenches will be opened for the installation of electrical conductors as well as the installation of cables by Bell Canada, cable TV providers or other third parties who may be sharing the same trench;
- defer sodding, final granular fill and paving until after the Electrical Distribution System has been installed to Hydro One's satisfaction; and
- (m) grant to Hydro One and register an easement and/or ensure that a permit is issued to Hydro One pursuant to Section 28(2) of the *Indian Act* (Canada), in, on, over, along, under, across, through the Subdivision lands identified on the Hydro One Design for the purposes of electricity distribution to the Subdivision in a form acceptable to Hydro One, and execute all necessary documents and consents connected therewith on or before the Easement Date specified in Part IV of the Agreement.
- 5.3 If at any time after the execution of the Agreement, the Developer submits revised plans or requires additional design work, Hydro One will prepare a new Firm Offer based on the revised plans or additional design work at the Developer's expense. Hydro One will then provide the Developer with the appropriate Option A Chart or Option B Chart (the "Revised Chart") and the Revised Chart shall be made a part of the Agreement as though it had been originally incorporated into the Agreement. In the event that the Capital Contribution paid by the Developer on the execution of the Agreement:
- (a) exceeds the Capital Contribution identified in the Revised Chart, the difference will be returned to the Developer by no later than 30 days after the date that Hydro One delivered the Revised Chart to the Developer; and
- (b) is less than the Capital Contribution identified in the Revised Chart, the Developer shall pay Hydro

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One the difference within 14 days after the date that Hydro One delivered the Revised Chart to the Developer.

- 5.4 If the Developer has chosen Option B, the Developer covenants that it will:
- (a) complete all of the Contestable Work in accordance with Hydro One's design and Specifications;
- (b) subject to Section 5.5 below, if the Developer uses a Contractor for all or any part of the Contestable Work:
 - select and hire the Contractor;
 - (ii) pay all Contractor(s) costs for the Contestable Work;
 - (iii) assume full responsibility for the construction of any part of the Contestable Work being performed by a Contractor;
 - (iv) be responsible for administering the contract with such Contractor;
- (c) in addition to paying the Capital Contribution, pay Hydro One:
 - to inspect and approve all aspects of the Contestable Work as a part of a system commissioning activity;
 - (ii) all costs for additional design, engineering or installation of facilities required to complete the Contestable Work;
 - (iii) the cost of inspection or approval of the Contestable Work performed by the Developer and/or the Contractor;
- (d) approve, jointly with Hydro One, the "as-built" drawings of the Electrical Distribution System on or prior to the energization of the Primary Distribution System and where applicable, any Line Expansion;
- (e) contact Hydro One to make arrangements for pre-construction site meetings; and
- (f) provide binding registered easements from all legal and beneficial owners of lands traversed by the Contestable Work and/or land use permits for Crown lands traversed by the Contestable Work, in a form that is satisfactory to and in favour of Hydro One.
- 5.5 If the Developer has chosen Option B, any person performing all or any part of the Contestable Work (including, but not limited to the Developer, any employees, officers or directors of the Developer, and any employees, officers, directors, agents and

sub-contractors of the Developer's Contractor). Prior to entering into any contract with a Contractor for the performance of any or all of or any part of the Contestable Work, the Developer shall provide Hydro One with evidence of the Contractor's previous experience and satisfactory performance of the Contractor and its workers in the area of expertise to be contracted by the Developer in order to first obtain Hydro One's prior approval of the Contractor. Such experience and performance must be to the satisfaction of Hydro One before the Developer signs a contract with the said Contractor and before the Contractor commences any of the Contestable Work.

Notwithstanding Section 11.1 of the Agreement, the Customer acknowledges and agrees that Hydro One will not assume and shall not be liable or responsible for any and all liabilities, debts or obligations and demands, direct or indirect, absolute or contingent, of the Developer, whether or not related to, attributable to or in any way connected with the Contestable Work. The Developer shall pay, satisfy, assume, discharge, observe, perform, fulfil, release, and indemnify and save harmless Hydro One and its successors, its directors, officers, employees, representatives and agents from and against such liabilities, debts and obligations and all costs, expenses, debts, demands, proceedings, suits, actions, losses or claims in connection therewith. This obligation shall survive the termination of the Agreement.

Financial Terms

- 6.1 The Capital Contribution and the Expansion Deposit are payable by the Customer upon the execution of the Agreement.
- 6.2 Expansion Deposits shall be in the form of cash by way of a certified cheque, bank draft or wire transfer, letter of credit or surety bond. Letters of credit must meet the Letter of Credit Minimum Requirements and surety bonds must meet the Surety Bond Minimum Requirements. Letters of credit and surety bonds shall not expire until the later of:
- (a) the end of the two-year warranty period set out in Section 9.1 below; and
- (b) 180 days following the expiry of the Customer Connection Horizon.

In the event that the Expansion Deposit provided by the Developer is in the form of a Letter of Credit which has an expiry date that is earlier than the period set out above, the Developer acknowledges and agrees that Hydro One shall have the right to

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draw down on the remainder of the amount secured by the Letter of Credit at any time during the period commencing on the day that is 30 days prior to the expiry of the Letter of Credit. Hydro One shall treat the amount drawn from the Letter of Credit as a cash deposit thereafter.

6.3 Invoiced amounts are due 30 days after invoice issuance. All overdue amounts including, amounts that are not invoiced but required under the terms of the Agreement to be paid by the Developer 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.

Economic Evaluations and Apportioned Benefit Evaluations

7.1 Hydro One's offer as reflected in the Option A Chart or Option B Chart, is a Firm Offer. The results of the Economic Evaluation for the Project are attached to the Agreement as Schedule "F".

Expansion Deposit Use and Return/ Reimbursements for Unforecasted Customer Connections

- If the Developer chooses Option B, Hydro One shall be allowed to retain and use the Expansion Deposit to cover Hydro One's Costs in the circumstances where Hydro One must complete, repair or bring the Contestable Work and the Civil Work up to a standard that is acceptable to Hydro One in accordance with Good Utility Practice and all Applicable Laws. Complete, repair or bring up to standard includes Costs Hydro One incurs to ensure that the Civil Work and the Contestable Work are completed to the proper design and technical standards and specifications, and that the Contestable Work operates properly energized.
- Subject to Sections 8.1 and 8.3, Hydro One shall annually return the percentage of the Expansion Deposit in proportion to the actual Customer Connections residential (for developments) or actual demand (for commercial and industrial developments) that materialized in that year (i.e., if twenty percent of the forecasted Customer Connections or demand materialized in that year, then Hydro One shall return to the Developer twenty percent of the Expansion Deposit) commencing on the first anniversary of the Energization Date. This annual calculation shall only be done for the duration of the Customer Connection Horizon. If at the end of the Customer Connection Horizon, the forecasted Customer Connections (for residential developments) or forecasted demand (for

commercial and industrial developments) has not materialized, Hydro One shall retain the remaining portion of the Expansion Deposit.

- 8.3 If the Developer chose Option B, Hydro One may retain up to ten percent of the Expansion Deposit during the warranty period described in Section 9.1 below. Hydro One shall return any remaining portion of this part of the Expansion Deposit at the end of such warranty period. This portion of the Expansion Deposit can be applied to any work required to repair the Contestable Work.

 8.4 Where the Expansion Deposit is provided by the Developer in the form of cash, Hydro One shall return the Expansion Deposit to the Developer together with interest in accordance with the following conditions:
- interest shall accrue monthly on the Expansion Deposit commencing on receipt of the total Expansion Deposit required by Hydro One;
 and
- (b) the interest rate shall be at the prime business rate set by the Bank of Canada less 2 percent.
- 8.5 Hydro One will not reimburse any amounts to the Developer in respect of the Expansion Deposit except in accordance with Section 8.2 above.

Option B - Transfer Requirements, Transfer Price and Refund Process

- 9.1 If the Developer chooses Option B, the Developer represents and warrants that the Contestable Work shall be free from defects, for a period of two (2) years that begins:
- (a) when the last forecasted Customer Connection in the Project materialize (for residential developments) or the last forecasted demand materializes (for commercial or industrial developments); or
- (b) at the end of the Customer Connection Horizon;

whichever comes first.

- 9.2 In addition to the representations and warranties described in Section 9.1 above, on the date that the Contestable Work is transferred to Hydro One, the Developer represents and warrants to Hydro One that:
- (a) the Contestable Work is free and clear of all mortgages, liens, demands, charges, pledges, adverse claims, rights, title, retention agreements, security interests, or other

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- encumbrances of any nature and kind whatsoever:
- (b) the Contestable Work is free and clear of any work orders, non-compliance orders, deficiency notices or other such notices relative to the Contestable Work or any part thereof which have been issued by any regulatory authority, or fire department, police sanitation. environment, labour, health or other governmental authorities or agencies;
- (c) there are no matters under discussion with any regulatory authority, police or fire department, sanitation, environment, labour, health or other governmental authorities or agencies relating to work orders, non-compliance orders, deficiency notices or other such notices pertaining to all or any part of the Contestable Work;
- (d) the Developer is the sole owner of the Contestable Work;
- that the Contestable Work has been performed in accordance with Hydro One's design and the Specifications; and
- (f) all deficiencies identified by Hydro One have been remedied.
- 9.3 The Developer agrees that the representations and warranties in Sections 9.1 and 9.2 above shall survive the transfer, and the execution and delivery of any easements or other land rights, bills of sale, assignments or other instruments of transfer of title to the Contestable Work and the payment of the tTransfer pPrice by Hydro One.
- 9.4 The Developer shall transfer legal and beneficial ownership of the Contestable Work to Hydro One by no later than 15 days after the latest of:
- (a) the Developer providing Hydro One with a breakdown of the cost of the Contestable Work in a form acceptable to Hydro One, together with copies of all documents related to the Contestable Work including, but not limited to, all invoices, purchase orders and fixed price contracts related to the design and construction of the Contestable Work and the procurement of equipment;
- (b) Hydro One inspecting and approving the constructed facilities comprising the Contestable Work:
- (c) the Developer providing Hydro One with a copy of the registered plan of subdivision, binding registered easements from all legal and beneficial owners of lands traversed by the Contestable Work and/or land use permits for Crown lands traversed by the Contestable Work, in a form that is satisfactory to and in favour of Hydro One.

Hydro One will review the information 9.5 submitted by the Developer in accordance with subsection 9.4(a) to determine the Transfer Price. To determine the final Capital Contribution payable by the Developer, Hydro One will re-run the initial Economic Evaluation in accordance with Section 3.2.19 of the Code using the Transfer Price payable to the Developer as a cost to Hydro One instead of Hydro One's cost to construct the Contestable Work. All the other items in the initial Economic Evaluation performed by Hydro One remain fixed including Hydro One's costs to perform the Non-Contestable Work and the Available Support (i.e. the forecasted future revenue from the Customer's Connections as determined using the Developer's Load Forecast).

Following the completion of the final Economic Evaluation, Hydro One deducts the Transfer Price and the sum of the amounts that the Developer paid on execution of the Agreement identified in the Option B Chart, if any, and the amounts previously paid for Design and Staking Paid identified in the Option B Chart (collectively the "Developer Credits") from the amount payable by the Developer as the final Capital Contribution ("Final Capital Contribution"). If the Developer Credits exceed the Final Capital Contribution, Hydro One will refund the difference to the Developer. The maximum refund that the Developer can receive is identified in the Option B Chart.

Insurance Requirements

- 10.1 The Developer shall, during the term of the Agreement, maintain a policy or policies of insurance in which Hydro One is named as an additional insured and which policy or policies shall contain a crossliability clause in the amount of FIVE MILLION DOLLARS (\$5,000,000.00) per occurrence (or as otherwise agreed, in writing, by the parties) for the following:
- against liability due to damage to the property of Hydro One or any other person or persons including a third party, and against liability due to injury to or death of any person or persons including a third party in any one instance; and
- (ii) Automobile Liability Insurance, covering all licensed motor vehicles owned, non-owned, hired, rented or leased and used in connection with the Developers work under the Agreement covering Bodily Injury, including death, personal injury and Property Damage Liability to a combined inclusive minimum limit of TWO MILLION DOLLARS (\$2,000,000.00) and mandatory accident benefits.

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- 10.2 Upon execution and at any time thereafter at Hydro One's written request which may be made from time to time during the term of the Agreement, the Developer shall provide Hydro One with a certificate of insurance confirming that the minimum coverage required hereunder are in effect and that the coverage will not be cancelled, non-renewed, or materially changed by endorsement or through issuance of other policy(ies) of insurance which restricts or reduces coverage, without 30 days advance written notice by registered mail, or courier, receipt required, to: Hydro One Networks Inc., Risk and Insurance Department, 483 Bay Street, 8th Floor, South Tower, Toronto, Ontario, M5G 2P5.
- 10.3 The Developer acknowledges and agrees that:
- (a) failure of Hydro One to demand such certificate or other evidence of full compliance with these insurance requirements or failure of Hydro One to identify a deficiency from evidence provided will not be construed as a waiver of Developer's obligation to maintain such insurance;
- (b) the acceptance of delivery by Hydro One of any certificate of insurance evidencing the required coverage and limits does not constitute approval or agreement by Hydro One that the insurance requirements have been met or that the insurance policies shown in the certificates of insurance are in compliance with the requirements;
- (c) if the Developer fails to maintain the insurance as set forth here, Hydro One will have the right, but not the obligation, to purchase said insurance at the Developer 's expense. Alternatively, the Developer's failure to maintain the required insurance may result in termination of this agreement at Hydro One's option;
- (d) all deductibles shall be to the account of Developer;
- (e) with the exception of Subsection 10.1(ii) (Automobile Liability), all insurance noted above shall specify that it is primary coverage and not contributory with or in excess of any other insurance that may be maintained by Hydro One; and
- coverage provided for Hydro One should not be invalidated or vitiated by actions or in actions of others.
- 10.4 The Developer agrees that the insurance described in Section 10.1 does not in any way limit the Developer's liability under the terms of the Agreement.

<u>Liability, Indemnification</u> and Events of Force Majeure

- 11.1(a) The liability provisions of section 2.2 of the Code apply to the Agreement and are hereby incorporated by reference into, and forms part of, the Agreement *mutatis mutandis*.
- (b) A party shall have a duty to mitigate any losses relating to any claim for indemnification from the other party that may be made in relation to that other party. Nothing in this section shall require the mitigating party to mitigate or alleviate the effects of any strike, lockout, restrictive work practice or other labour dispute.
- (c) A party shall give prompt written notice to the other party of any claim with respect to which indemnification is being or may be sought under the Agreement.
- 11.2 Except for any amounts due and payable by the Developer to Hydro One or by Hydro One to the Developer, neither Hydro One nor the Developer shall be deemed to be in default of the Agreement where the failure to perform or the delay in performing any obligation is due to a Force Majeure Event.
- If a Force Majeure Event prevents or delays either party from performing any of its obligations under the Agreement, that party shall:
- (a) other than for Force Majeure Events related to acts of God, promptly notify the other party of the Force Majeure Event and its assessment in good faith of the effect that the event will have on its ability to perform or resume any of its obligations. Other than for Force Majeure Events related to acts of God, if the immediate notice is not in writing, it shall be confirmed in writing as soon as reasonably practical;
- (b) not be entitled to suspend performance of any of its obligations under the Agreement to any greater extent or for any longer time than the Force Majeure Event requires it to do;
- (c) use its best efforts to mitigate the effects of the Force Majeure Event, remedy its delay in performing or its inability to perform, and resume full performance of its obligations;
- (d) keep the other party continually informed of its efforts;
- (e) other than for Force Majeure Events related to acts of God, provide written notice to the other party when it resumes performance of any obligations affected by the Force Majeure Event; and
- (f) if the Force Majeure Event is a strike, lock out or other labour dispute involving Hydro One's employees, Hydro One shall be entitled to discharge its obligation to notify the Developer in writing by means of placing an ad in a local newspaper.

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Event(s) of Default and Termination

- 12.1 Each of the following events shall constitute an "Event of Default" under the Agreement:
- failure by the Developer to pay any amount due under the Agreement within the time stipulated for payment;
- (b) breach by the Developer of any term, condition, or covenant of the Agreement; and
- (c) the making of an order or resolution for the winding up of the Developer 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 Developer or Hydro One
- 12.2 Upon the occurrence of an Event of Default (other than those specified in Subsection 12.1(c) above, for which no notice is required to be given by Hydro One), Hydro One shall give the Developer written notice of the Event of Default and allow the Developer 10 days from the date of receipt of the notice to rectify the Event of Default, at the Developer's sole expense. If such Event of Default is not cured to Hydro One's reasonable satisfaction within the 10 day period, Hydro One may, in its sole discretion, exercise any of the following remedies in addition to any remedies that may be available to Hydro One under the terms of the Agreement, at common law or in equity:
- (a) Hydro One may take such action as may be appropriate to correct the breach and recover the cost thereof on demand from the Developer and the Developer shall pay the amount of said costs to Hydro One immediately upon Hydro One's demand; and
- (b) recover the Cancellation/Termination Costs from the Developer by applying the Capital Contribution paid by the Developer and where necessary, the Expansion Deposit, against the Cancellation/ Termination Costs. In the event that the Capital Contribution and the Expansion Deposit:
 - (i) exceeds the Cancellation/Termination Costs, the unspent Capital Contribution and the Expansion Deposit will be returned to the Developer by no later than 180 days after the date that the Agreement is terminated; and
 - (ii) are less than Cancellation/Termination Costs, the Developer shall pay Hydro One

the difference within 30 days after the date of Hydro One's invoice.

The Cancellation/Termination Costs may exceed the amount(s) paid on execution as the Developer will no longer qualify for credits (or any reductions in the amounts that would otherwise be payable to reflect the revenues attributable to energy usage or demand (as such load or demand will no longer materialize).

- 12.3 In the event of any one or more of the following:
- (a) the Developer has chosen Option A and the Developer has not completed any one or more of the items of work described in Subsection 5.2 within the specified timeframe(s); or
- (b) the Developer has chosen Option B and the Developer has not commenced construction of the Contestable Work and/or the Non-Contestable Work has not commenced within 6 months of the Required Execution Date; or
- (c) the Contestable Work and Non-Contestable Work are not fully complete and energized by no later than 12 months following the Required Execution Date; or
- (d) the Developer cancels the Project; or
- (e) the Developer fails to perform the Civil Work within 12 months of the execution of the Agreement; or
- (e) the Developer has not provided Hydro One with the Registered Plan of Subdivision and the binding registered easements from all legal and beneficial owners of lands traversed by the Contestable Work and/or land use permits for Crown lands traversed by the Contestable Work, in a form that is satisfactory to and in favour of Hydro One:
 - (i) where the Developer has chosen Option A, within 30 days of the completion of the Contestable Work and Non-Contestable Work; and
 - (ii) where the Developer has chosen Option B, by no later than 12 months following the Required Execution Date,

Hydro One may, at its option, on the provision of written notice to the Developer, terminate the Agreement, without penalty or liability on the part of Hydro One. The Developer shall pay the Cancellation/Termination Costs. Hydro One will apply the Capital Contribution paid by the Developer and where necessary, the Expansion Deposit, against the Cancellation/Termination Costs. In the

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event that the Capital Contribution and the Expansion Deposit:

- (a) exceed the Cancellation/Termination Costs, the unspent Capital Contribution and the Expansion Deposit will be returned to the Developer by no later than 180 days after the date that the Agreement is terminated; and
- (b) is less than Cancellation/Termination Costs, the Developer shall pay Hydro One the difference within 30 days after the date of Hydro One's invoice.

Cancellation/Termination Costs may exceed the amount(s) paid on execution as the Developer will no longer qualify for credits (or any reductions in the amounts that would otherwise be payable to reflect the revenues attributable to energy usage or demand (as such load or demand will no longer materialize).

Miscellaneous

- 13.1 Assignment. This Agreement and any rights, remedies, liabilities or obligations arising under it shall not be assignable by the Developer in whole or in part, without the prior written consent of Hydro One, which consent shall not be unreasonably withheld. The Developer further covenants and agrees to cause the permitted assignee to execute an assumption agreement with the Developer and Hydro One, thereby agreeing to be bound by the terms and conditions of the Agreement and to assume the Developer's obligations herein. Hydro One may withhold its consent to any proposed assignment until the proposed assignee executes the said Assumption Agreement. The parties agree that notwithstanding the assignment by the Developer pursuant to this clause, the Developer shall continue to remain liable for all of its obligations under the Agreement unless released by Hydro One. Subject to all of the foregoing, the Agreement shall extend to, be binding upon and enure to the benefit of the parties to the Agreement and their respective successors and permitted assigns.
- 13.2 <u>Interpretation.</u> 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 only for convenience 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 word "including" (or includes) means including (or includes) without limitation.

- 13.3 Waiver. The failure of either party to the Agreement 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.
- 13.4 <u>Severability.</u> If any provision of the Agreement is declared invalid or unenforceable by a court of competent jurisdiction, such provision shall be deemed severed and shall not affect the validity or enforceability of the remaining provisions of the Agreement, unless such invalidity or unenforceability renders the operation of the Agreement impossible.
- 13.5 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 Inc., if being mailed or delivered at the following address: 420 Welham Rd, Barrie, Ontario, L4N 8Z2, fax no: (705) 719 0716 on behalf of Hydro One, and to the person at the address specified in Part IV of the Agreement on behalf of the Developer. 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.
- 13.6 <u>Applicable Law.</u> This 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 federal laws of Canada applicable therein, and the courts of Ontario shall have

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exclusive jurisdiction to determine all disputes arising out of the Agreement.

- 13.7 Electronic Signatures & Counterparts. The 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 copy of this agreement and all of which, when taken together, shall constitute one and the same instrument. Signed versions of this Agreement may be delivered by fax, electronic mail (in portable document format) or other transmission method and any counterpart so delivered shall be deemed binding and enforceable for all purposes to the same extent as if delivered in original form.
- 13.8 <u>Further Acts.</u> Each party shall, at the other party's request and expense, execute and do all such further acts and things as may be necessary to carry out the full intent and meaning of the Agreement and the transactions contemplated thereby.
- 13.9 <u>Survival</u>. The obligation to pay any amount due under the terms of the Agreement shall survive the termination of the Agreement.

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Appendix "A": Definitions

In the Agreement unless there is something in the subject matter or context inconsistent therewith, the following words shall have the following meanings:

- "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 decree or any requirements or decision or agreement with or by any government or governmental department, commission, board, court authority or agency.
- "Available Support" is the forecasted future revenue from the Customer Connections as determined using the Developer's Load Forecast in the Economic Evaluation.
- "Bank" means a bank listed in Schedule I or II of the Bank Act (Canada).
- "Cancellation/Termination Costs" means the actual Cost of the Non-Contestable Work and where the Developer chose Option A, the Contestable Work performed by Hydro One to date of termination (plus applicable Taxes) accrued 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 Non-Contestable Work and where the Developer selects Option B, the Contestable Work, including, storage costs, facility removal expenses, any environmental remediation costs and a material restocking fee of 25% of the Cost of the Non-Contestable Work (as set out in the Firm Offer) and where the Developer chose Option A, the Cost of the Contestable Work (as set out in the Firm Offer).
- "Capital Contribution" is the amount payable by the Developer that represents the shortfall between the present value of the projected costs and the present value of the projected revenue for distribution services provided by the Non-Contestable Work and Contestable Work facilities, all as determined by the Economic Evaluation.
- "Civil Work" means the work to be performed by the Developer described in Schedule "B".
- **"Code"** means the *Distribution System Code* issued by the OEB under the *Ontario Energy Board Act*, as amended or revised from time to time.
- "Conditions of Service" means the document as amended from time to time, developed by Hydro One in accordance with subsection 2.3 of the Code that

- describes Hydro One's operating practices and connection rules.
- "Contestable Work" means the work described in Schedule "A" under the heading "Description of Contestable Work" which may be performed by Hydro One or the Developer depending on whether the Developer chooses to proceed under Option A or Option B as described in the Agreement. Contestable Work is described in the Code as being "work that is eligible for alternative bid".
- "Contractor" means the person or entity, the company or the individual hired by the Developer to perform the Contestable Work on the Developer's behalf.
- **"Cost"** means Hydro One's charge for equipment, labour, and materials at Hydro One's standard rates plus Hydro One's standard overheads.
- "Council" means the council of the First Nation, which is a "council of the band", within the meaning of the *Indian Act* (Canada).
- "Customer Connection" means a standard connection service that is connected to the Electrical Distribution System that also has an account with Hydro One for billing purposes.
- "Customer Connection Horizon" means the period of five (5) years beginning on the Energization Date.
- "Distribution System" means Hydro One's system for distributing electricity, and includes any structures, equipment or other things used for that purpose.
- "Economic Evaluation" means the analytical tool designed and used by Hydro One using the methodology described in Appendix "B" of the Code based on the estimated Cost of the Non-Contestable and Contestable Work and forecasted revenues, as described in Appendix "B" of the Code, to determine if the future revenue from the Customer Connections will pay for the capital Cost and on-going maintenance costs of the Non-Contestable and Contestable Work. The Economic Evaluation performed for the Connection of the Subdivision is attached to this Agreement as Schedule "F" and for the purposes of "Option "B", it is an initial Economic Evaluation and the final Economic Evaluation will be performed in accordance with Section 9.5.
- "Electrical Distribution System" means the Primary Distribution System, the Secondary Distribution System, the Residential Services and/or

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Industrial/Commercial Service(s) and where required, any Line Expansion.

- "Energization Date" or "In Service Date" means the date that the Primary Distribution System and the Line Expansion, if any, is successfully energized by Hydro One.
- **"Expansion Deposit"** means the amount specified in Section IV of the Agreement which represents:
- (i) where the Developer has to pay a Capital Contribution, 100% of the present value of the forecasted revenues; and
- (ii) where the Developer does not have to pay a Capital Contribution, 100% of the present value of the projected capital costs and on-going maintenance costs of the Non-Contestable Work and Contestable Work facilities.

The Expansion Deposit covers both the forecast risk (the risk associated with whether the Available Support will materialize as forecasted) and the asset risk (the risk associated with ensuring that the Contestable Work when it is performed by the Developer, is constructed, that it is completed to the proper design and technical standards and specifications, and that the Contestable Work operates properly when energized).

- "Firm Offer" means the amounts specified in the Option A Chart set out in Schedule "G" and the amount specified in the Option B Chart set out in Schedule "G".
- "First Nation" means a Band of Indians (including any successor to the Band) within the meaning of the *Indian Act* (Canada) represented by the Council.
- "Force Majeure Event" shall be deemed to be a cause beyond the reasonable control of the party whose inability as aforesaid is involved such as, but without limitation to, strike, lockout or other labour dispute of that party's employees, damage or destruction by the elements, accident to the works of that party, fire explosion, war on the Queen's enemies, legal act of the public authorities, insurrection, act of God or inability to obtain essential services or to transport materials, products or equipment because of the effect of similar causes on that party's suppliers or carriers.
- "Good Utility Practice" has the meaning given to it in the Code.
- "Hydro One Design" means the design performed by Hydro One that is attached to the Agreement as Schedule "D";

- "Hydro One Networks Connection Work" means the Non-Contestable Work and where the Developer selects Option A, the Contestable Work.
- "Industrial/Commercial Service(s)" means the electrical system located from the transformer to the service entrance of each industrial/commercial unit.
- "Inspector" means an employee of Hydro One who has been assigned to inspect the Contractor's work and method of installation in accordance with the Specifications.
- "Letter of Credit Minimum Requirements" means a letter of credit that meets all of the following minimum requirements:
- (a) is in a form that is satisfactory, to Hydro One;
- (b) is issued by a Bank;
- (c) allows for presentment in Toronto, Ontario or presentment using a valid fax number where the Bank does not have a branch in Toronto, Ontario:
- (d) has an expiry date that is acceptable to Hydro One;
- (e) 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, 13th Floor, South Tower, Toronto, Ontario M5G 2P5 Attn: Treasurer at least 60 days prior to any expiration date;
- (f) permits partial drawings and multiple presentations:
- (g) 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 Developer to make such demand, and without recognizing any claim of the Developer;
- (h) 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 Developer pursuant to the terms of the Multi-Service Connection Cost Agreement made between the Developer and Hydro One as it may be amended by the Developer and Hydro One from time to time;
- provides that banking charges and commissions associated with the letter of credit are payable by the Developer;
- (j) is subject to the International Standby Practices "ISP 98" ICC Publication no. 590 ("ISP 98");
- (k) provides that notwithstanding ISP 98, in the event that the original of the letter of credit is lost, stolen, mutilated or destroyed, the Bank will

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- agree to replace same upon written notice from Hydro One setting out the circumstances;
- 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;
- (m) any dispute or claim shall be submitted to the exclusive courts within the jurisdiction of the Province of Ontario; and
- (n) permits Hydro One to lower the amount secured by the letter of credit from time to time on written notice to the Bank with no penalty, banking charges and commissions being payable by Hydro One.
- "Line Expansion" means a distribution line required to supply the Developer's property with energy from the development connection point to Hydro One's nearest practical point of connection.
- "Maintenance Costs" means the on-going maintenance costs of the Contestable Work and the Non-Contestable Work.
- "Non-Contestable Work" means the work to be performed by Hydro One described in Schedule "A" under the heading "Description of Non-Contestable Work". Non-Contestable Work is described in the Code as being "work that is not eligible for alternative bid".
- "Ontario Energy Board Act" means the *Ontario Energy Board Act*, 1998, S.O. 1998, C.15, Schedule B, as amended.
- "Option A Chart" means the chart attached to the Agreement as Schedule "G" if Option A is chosen by the Developer.
- "Option B Chart" means the chart attached to the Agreement as Schedule "G" if Option B has been chosen by the Developer.
- "Primary Distribution System" means the distribution lines which includes underground, overhead or submarine cables and all associated equipment located up to and including the transformers within the property limits of the Project.
- "Qualified" means qualified to deal with electrical hazards in accordance with the requirements of the Occupational Health & Safety Act (Ontario) and all applicable regulations thereto including, but not limited to Construction Projects O. Reg. 213/91, all as may be amended or replaced from time to time.
- "Residential Service(s)" means the electrical system located from the lot line to the dwelling.

- "Revenue Horizon" is as set out in Part IV of the Agreement.
- "Secondary Distribution System" means the overhead or underground cables and all associated equipment located from the transformer to the lot line of each serviced lot excluding three-phase secondary cable.
- "Specifications" means the specifications and drawings described in Schedule "C" that form part of the Agreement.
- "Surety Bond Requirements" means a surety bond that meets all of the following minimum 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 Developer;
- (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 Developer to make such demand, and without recognizing any claim of the said Developer;
- (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 Developer pursuant to the terms of the Multi-Service Connection Cost Agreement made between the Developer and Hydro One, as it may be amended by the Developer and Hydro One from time to time:

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- (k) will be governed by the laws of the Province of Ontario and the laws of Canada applicable therein;
- any dispute or claim shall be submitted to the exclusive courts within the jurisdiction of the Province of Ontario; and
- (m) permits Hydro One to lower the amount secured by the surety bond from time to time on written notice to the surety with no penalty, banking charges and commissions being payable by Hydro One.
- "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).
- "Transfer Price" is the price paid to the Developer to transfer the legal and beneficial ownership of the Contestable Work to Hydro One and is the lower of the cost to the Developer to construct the Contestable Work and the amount set out in Hydro One's initial offer as its cost to perform the Contestable Work. For greater certainty, the Transfer Price shall include any amounts paid by the Developer pursuant to Section 5.4(c) of the Agreement as part of the Developer's costs.

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SCHEDULE "B"

INTEREST / ESTATE TRANSFERRED – EASEMENT IN GROSS

- 1. (the "**Transferor**"), being the owner of , in the , being PIN No(s). (LT) (the "**Lands**") hereby grants to Hydro One Networks Inc. (herein called the "**Transferee**"), its successors and assigns, the exclusive, perpetual rights, easements, rights of way, covenants, agreements and privileges as herein set out in, through, under, over, across, along and upon that portion of the Lands more particularly described as Part(s) on Plan (the "**Strip**"):
 - (a) To erect, maintain, operate, repair, replace, relocate, upgrade, reconstruct and remove at any time and from time to time, an electrical transmission line or lines and communication line or lines consisting of all necessary poles and all necessary anchors with all necessary guys, braces, wires, cables, padmount equipment, if applicable, underground cable and associated material and equipment (all or any of which works are herein called the "Line");
 - (b) To enter on and erect, maintain and use such gates as the Transferee may from time to time consider necessary in any fences which are now or may hereafter be installed on the Strip by the Transferor;
 - (c) To enter on and mark the location of the Line under the Strip by suitable markers, but said markers when set in the ground shall be placed in fences or other locations which will not interfere with any reasonable use the Transferor shall make of the Strip;
 - (d) (i) To enter on and selectively cut trees and shrubs on the Strip and to keep it clear of all trees, shrubs and brush which may interfere with the safe operation and maintenance of the Line;
 - (ii) To cut, prune and remove, if necessary, trees located outside the Strip whose condition renders them liable to interfere with the safe operation and maintenance of the Line:
 - (e) To conduct engineering and legal surveys in, on and over the Strip;
 - (f) To clear the Strip and keep it clear of all buildings, structures or other obstructions of any nature whatsoever (including septic systems, swimming pools and wading pools) including removal of any materials which in the opinion of the Transferee are hazardous to the Line. Notwithstanding the foregoing, in all cases where in the sole discretion of the Transferee the safe operation and maintenance of the Line is not endangered or interfered with, the Transferor from time to time or the person or persons entitled thereto, may with prior written approval of the Transferee, at the Transferor's own expense construct and maintain roads, lanes, walks, drains, sewers, water pipes, oil and gas pipelines and fences (not to exceed 2 metres in height) on or under the Strip or any portion thereof, provided that prior to commencing any such installation, the Transferor shall give to the Transferee 30 days' notice in writing so as to enable the Transferee to have a representative inspect the site and be present during the performance of the work and that the Transferor complies with any instructions that may be given by such representative in order that such work may be carried

out in such a manner as not to endanger, damage or interfere with the Line. For clarity, the Transferor agrees it shall not, without the Transferee's consent in writing, change or permit the change of the existing configuration, grade or elevation of the Strip 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;

- (g) To enter on, to exit from and to pass and repass at any and all times in, over, along, upon, across, through and under the Strip and so much of the Lands as may be reasonably necessary, at all reasonable times, for the Transferee and its respective officers, employees, workers, permitees, servants, agents, contractors, subcontractors, with or without vehicles, supplies, machinery, plant, material and equipment of all purposes necessary or convenient to the exercise and enjoyment of the said Rights and easement subject to payment by the Transferee of compensation for any crop or other physical damage only to the Land caused by the exercise of this right of entry and passageway; and
- (h) To remove, relocate and reconstruct the Line on or under the Strip, subject to payment by the Transferee of additional compensation for any damage caused thereby.
- 2. This Transfer of Easement shall be subject to the *Planning Act*, R.S.O. 1990, c. P. 13, as amended.
- 3. This Transfer of Easement is given for the purpose of an electricity distribution or electricity transmission line within the meaning of Part VI of the *Ontario Energy Board Act*, 1998, S.O. 1998, c. 15. Sched B, as amended.
- 4. The Transferor agrees that 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 any time and from time to time be removable in whole or in part by Transferee
- 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. All covenants herein contained shall be construed to be several as well as joint where the context or the identity of the Transferor/Transferee so requires.
- 7. The burden and benefit of this Transfer of Easement shall run with the Strip and the works and undertaking of the Transferee and shall be binding upon and enure to the benefit of the parties hereto, and their respective heirs, executors, administrators, successors and assigns.

To Whom it May Concern,

All easements agreements must be signed by Hydro One Networks Inc. ("Hydro One") and must be registered on title before Hydro One will energize your subdivision. Below you will find the steps required by Hydro One regarding the registration of easement(s) for your subdivision.

It is your responsibility to ensure these instructions are provided to your surveyor and solicitor.

Please take note of the stated timelines below. Hydro One's process for subdivision easements takes 20 business days. It is your responsibility to ensure sufficient time is provided to Hydro One to process your request, keeping in mind the timelines below. It is highly recommended that you initiate the easement process as early as possible so that any issues that may arise can be resolved. Hydro One will not process your request on an urgent or rush basis if Hydro One has been afforded insufficient process time.

We reiterate, Hydro One **will not** energize your subdivision until the appropriate easement(s) in favour of Hydro One are registered on title.

A. Step One: Prepare and Deposit Reference Plan

- 1. Surveyor prepares draft reference plan based on the enclosed Easement Schedule and Drawing.
 - a. Hydro One's guidelines for drafting require a minimum template size of 80 Leroy (2mm at plan scale).
 - b. The draft reference plan shall contain a Form 2 schedule that includes the area and the most recent transferee of the lands.
- 2. The Developer sends draft reference plan to Hydro One's Subdivision Group (the "Subdivision Group") for approval at subdivision@hydroone.com.
- 3. A reference plan is not required if the easement is over the whole of a block or lot on a plan of subdivision ("M-Plan"). If this is the case for your development, you still need to contact Hydro One's Survey Department at the address above to obtain a Hydro One plan number and forward send the draft M-Plan to the Subdivision Group for approval at subdivision@hydroone.com.
- **4.** Hydro One Subdivision Team reviews the draft reference plan or M-Plan and provides approval to the Developer within 5 business days from receipt of the draft reference plan or M-Plan.

B. Step Two: Depositing the Plan

Note: Any reference hereinafter to "plan" refers to the reference plan or the M-Plan, as applicable.

- 1. The developer arranges for the approved plan to be deposited at the appropriate Land Registry Office and forwards the deposited plan to the Subdivision Group at subdivision@hydroone.com.
- 2. The plan is not required to be deposited and can be in draft form, only if the development is within The City of Ottawa and an inhibiting order is in place.
- 3. The Subdivision Group forwards plan to Hydro One's Real Estate Group (the "Real Estate Group") at RealEstate-subdivision@HydroOne.com confirming required easement particulars.

4. The developer forwards the plan and Hydro One's standard easement schedule to their solicitor.

C. Step Three: Easement Document Preparation

- 1. The developer's solicitor is to prepare the easement documents.
 - a. The easement agreement shall be endorsed in favor of Hydro One Networks Inc., PO Box 4300, Markham ON L3R 5Z5.
 - b. The Land Transfer Tax Affidavit will be taken by Lisa Brooks, LVR & Specialized Services Team Lead, Real Estate, Hydro One Networks Inc.
 - An Acknowledgement and Direction Form for electronic registration of the easement is to be included.
- 2. The developer's solicitor forwards a copy of the plan and the draft easement documents to the Real Estate Group by email at RealEstate-subdivision@HydroOne.com and copies the Subdivision Group at subdivision@hydroone.com
- 3. The review of draft easement documents by the Real Estate Group will take up to 20 business days from the date of the confirmation of receipt. If any changes are made or requested to Hydro One's standard form easement schedule by either the developer or their solicitor, then the Real Estate Group will not be able to complete a review within the stated 20 business days.
- 4. The Real Estate Group reviews draft easement documents. Note that if any changes are detected or requested or errors are detected:
 - a. The assigned Real Estate Clerk emails the developer's solicitor and copies the Subdivision Group at subdivision@hydroone.com
 - b. The developer's solicitor revises document(s) and emails to back to the Real Estate Group at RealEstate-subdivision@HydroOne.com and copies the Subdivision Group at subdivision@hydroone.com
 - c. The Real Estate Group shall provide confirmation of receipt of amended easement documents within 2 business days.
- 5. Once Hydro One is satisfied with the easement documents, the Real Estate Group signs the Acknowledgement and Direction Form and returns documents to the developer's solicitor and copies the Subdivision Group at subdivision@hydroone.com

D. Step Four: Easement Registration

- 1. The developer's solicitor registers the easement and advises the Real Estate Group of the registration particulars together with a copy of the registered easement via email at RealEstate-subdivision@HydroOne.com.
- 2. The Real Estate confirms receipt of documents to solicitor and after final review, notifies Subdivision Group subdivision@hydroone.com
- 3. The Subdivision Group informs Hydro One's Scheduling Department that energization is authorized, provided there are no other outstanding project requirements.

4. If the development is within The City of Ottawa and an inhibiting order is in place, the developer's solicitor emails RealEstate-subdivision@HydroOne.com for an Easement Confirmation Letter (stating that Hydro Ones easement requirements have been met), if the City requires it. City Planner name, address, and email should be provided. An Easement Confirmation Letter will not be provided until the easement is registered on title and Hydro One is satisfied with the easement.

Please take note of the timelines required for Hydro One to review your draft plan and easement documents. It is the developer's responsibility to be aware of the timelines required by Hydro One for its review of documents.

If you have any questions please contact the Subdivision Group at <u>subdivision@hydroone.com</u>.



UCCP REBATE WAIVER

TO: Hydro One Networks Inc. ("**Hydro One**")

FROM: Undersigned Customer

RE: Waiver to Entitlement to Distribution System Code Rebates for Unforcasted Customer

Connections

In consideration of \$2.00 and other good and valuable consideration, the receipt and sufficiency of which is hereby irrevocably acknowledged, the Undersigned agrees as follows:

- 1. **Defined Terms.** All capitalized terms which are defined in the version of Hydro One's Conditions of Service document applicable on the date of execution of this UCCP Rebate Waiver (available on Hydro One's website) which appear in this UCCP Rebate Waiver without definition, shall have the meanings respectively ascribed thereto in Conditions of Service document.
- 2. **Acknowledgement.** The Undersigned Customer hereby acknowledges that the Undersigned Customer is an initial contributor towards the following Expansion: [insert detailed description of Expansion] (the "Expansion").
- 3. **Waiver.** The Undersigned Customer irrevocably waives any entitlement it may have under Section 3.2.27 of the Distribution System Code to any rebates associated with the connection of the following unforecasted customers and/or types of unforecasted customers who connect to Hydro One's distribution system during the customer connection horizon who benefit from the Expansion: (check the applicable boxes and initial):

All Electricity (Commercial and Residential) & Generation Customers (Renewable and Non-renewable)			
	Initials	<u>All</u> unforecasted electricity (Commercial and Residential) and generation customers (Renewable and Non-renewable) (i.e., including either individual properties or subdivisions / other	
		developments - residential and commercial)	
		Electricity Customers	
		All unforecasted electricity customers (i.e., including either individual properties or subdivisions / other developments - residential and commercial)	
	Initials	All unforecasted residential electricity customers (i.e., including either individual residential properties or residential subdivisions / other residential developments)	
	Initials	All unforecasted commercial electricity customers (i.e., including either individual properties or commercial subdivisions / other developments such as plazas and trailer parks)	
	Initials	The following unforecasted electricity residential and/or commercial customers (insert name and/or property description of premises):	
Electricity Generation Customers			
	Initials	All unforecasted energy generation customers (renewable and non-renewable energy)	
	Initials	All unforecasted renewable energy generation customers	
	Initials	All unforecasted non-renewable energy generation customers	

	ration customers (insert full legal name of generator and/or where generation facility will be located):
	y of an executed signature page of this UCCP Rebate Waiver the Undersigned to the addressee hereto, shall be as effective part hereof.
5. Governing Law. This UCCP Rebate Waive laws of the Province of Ontario and the laws of Cana	er shall be governed by and construed in accordance with the da applicable therein.
This UCCP Rebate Waiver is dated this day of	, 20
SIGNED, SEALED AND DELIVERED in the presence of:	
(signature) Witness	(signature) [INSERT FULL NAME OF CUSTOMER]
Name [print]: Date:	Name [print]:
[INSERT FULL LEGAL NAME OF UNDERSIG	NED CUSTOMER CORPORATION]
Name: Title:	
Name: Title:	
I have the authority to bind the Corporation.	
OR	
[INSERT FULL LEGAL NAME OF A UNDERSIGNATE NAME]	GNED CUSTOMER LP], by its general partner, [INSERT
Name: Title:	
Name: Title: Date:	
I/We have the authority to bind the Corporation.	

The Corporation has the authority to bind the Limited Partnership.



Transfer of Ownership

(Constructed by Hydro One Networks or Developer/Customer

In consideration of the payment of five dollars (\$5.00), the receipt and sufficiency of which is hereby irrevocably acknowledged, the undersigned developer/customer hereby irrevocably conveys all right, title and interest, free and clear of all present and future mortgages, liens, demands, charges, pledges, adverse claims, rights, title, retention agreements, security interests, or other encumbrances of any nature and kind whatsoever, in the line expansion and/or ground grid, as applicable and as described below, to Hydro One Networks Inc. ("Hydro One Networks") in accordance with the Agreement/Contract between Hydro One Networks and the Developer/Customer dated December 2, 2023. The line expansion and/or ground grid transfer contemplated herein shall take effect as of the date that Hydro One Networks Inc. agrees, in writing, at the bottom of this document, to assume ownership and responsibility for operation and maintenance of the Line Expansion and/or Ground Grid.

Location					
Twp. Lot	Conc.	Township	Registered Plan #	Registered Plan Lot #	County /District
		Huron			
Description of L	ine Expansion				
Voltage	Length	Number of Spans	Number of Poles	Numb	per of Anchors
	203.000				
Description of Ground Grid					

TOWNSHIP OF HURON-KINLOSS

Signature:		
Print Name:		
Title:		
Signature:		
Print Name:		
Title:	In Proc	
I/We have the a	uthority to bind the corporation.	
-	vorks Inc. hereby agrees to assume ownership and res the Line Expansion and/or Ground Grid referenced ab	
HYDRO O	NE NETWORKS INC.	
Signature:		
Print Name:		
Title:		
I have the author	ority to bind the corporation.	