
COMBINED HEAT AND POWER

(CHP IV Contract)

Between

[●]

- and -

ONTARIO POWER AUTHORITY

DATED as of [●], 201[●]

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CHP IV CONTRACT

This CHP IV Contract is dated as of the [●] day of [●], 201[●] between [●] (the "Supplier"), and the Ontario Power Authority (the "OPA").

WHEREAS the OPA, pursuant to and in accordance with the directive issued by the Ontario Minister of Energy to the OPA dated November 23, 2010, issued a request for proposals dated _____, 2011, to solicit the supply of approximately 300 MW of high efficiency combined heat and power generation projects in Eligible Areas in Ontario (the "**CHP IV RFP**"), comprising cogeneration facilities that only utilize Eligible Energy Sources;

AND WHEREAS the Supplier submitted the Proposal in response to the CHP IV RFP and the Proposal was selected by the OPA;

AND WHEREAS the Supplier and the OPA wish to execute this Agreement in order to formalize the long-term contractual arrangements for the Supplier to develop and operate the Facility, and to supply (i) Electricity and Related Products from the Facility, directly or indirectly, to the IESO-Administered Markets or to an Electrical Host Facility and Useful Heat Output from the Facility to a Host Facility, all on the terms and conditions set out herein;

NOW THEREFORE, in consideration of the mutual agreements set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the Parties agree as follows:

ARTICLE 1 DEFINITIONS

1.1 Definitions

In addition to the terms defined elsewhere herein, the following capitalized terms shall have the meanings stated below when used in this Agreement:

"**Actual Useful Heat Output Percentage**" has the meaning ascribed to it in Section 15.7(b).

"**Adjusted AACC**" has the meaning ascribed to it in Section 4.6(a).

"**Adjusted Monthly Contract Capacity**" or "**ACC**" has the meaning ascribed to it in Exhibit J.

"**Affiliate**" means any Person that: (i) Controls a Party; (ii) is Controlled by a Party; or (iii) is Controlled by the same Person that Controls a Party.

"**Agreement**" means this CHP IV Contract as amended, restated or replaced from time to time.

"**A.M. Best**" means A.M. Best Company or its successors.

"**A.M. Best's Ratings**" means the ratings provided by A.M. Best including the rating of an insurer's financial strength and ability to meet ongoing obligations to policy holders.

"**Ancillary Services**" has the meaning ascribed to it in the IESO Market Rules.

"**Annual Average Contract Capacity**" means the aggregate of the Annual Average Tranche 1 Contract Capacity and the Annual Average Tranche 2 Contract Capacity.

"**Annual Average Tranche 1 Contract Capacity**" means the simple average of the Tranche 1 Monthly Contract Capacity for January, February, March, April, May, June, July, August, September, October, November and December as set out in Exhibit B.

"**Annual Average Tranche 2 Contract Capacity**" means the simple average of the Tranche 2 Monthly Contract Capacity for January, February, March, April, May, June, July, August, September, October, November and December as set out in Exhibit B.

"**Annual Operating Plan**" has the meaning ascribed to it in Section 15.3(c)(ii).

"**Applicable Monthly Heat Rate**" or "**AMHR**" has the meaning given to it in Exhibit J of this CHP IV Contract.

"**Arbitration Panel**" has the meaning ascribed to it in Exhibit F.

"**Arm's Length**" means, with respect to two or more Persons, that such Persons are not related to each other within the meaning of the *Income Tax Act* (Canada).

"**Assignee**" has the meaning ascribed to it in Section 16.5(c).

"**Assignment Period**" has the meaning ascribed to it in Section 16.5(e).

"**Associated Relationship**" means the relationship between a meter at a Delivery Point and a Market Participant (where such Market Participant is not the Metered Market Participant), as established by following certain processes in the MV-Web.

"**Assumed Deemed Dispatch Payment**" means an amount equivalent to the Monthly Payment that would have been payable by the OPA to the Supplier or payable by the Supplier to the OPA in a given Settlement Month, as the case may be, if the Adjusted Monthly Contract Capacity of the Facility had been subject to Deemed Dispatch for all hours in the entire Settlement Month.

"**Availability**" or "**AV**" has the meaning ascribed to it in Exhibit E.

"**Average Test Capacity**" has the meaning ascribed to it in Section 15.6(g).

"**Bank Act**" means the *Bank Act* (Canada), as amended from time to time.

"**Biogas**" has the meaning given to it in Ontario Regulation 328/09, made under the Electricity Act, as published in The Ontario Gazette on September 26, 2009.

"**BTU**" means British thermal unit (HHV).

"**Business Day**" means a day, other than a Saturday or Sunday or statutory holiday in the Province of Ontario or any other day on which banking institutions in Toronto, Ontario are not open for the transaction of business.

"**By-Product Fuel**" means a fuel that is derived directly or indirectly from an industrial, commercial or manufacturing activity (excluding mining).

"**Capacity Check Test**" has the meaning ascribed to it in Section 15.6(a).

"**Capacity Confirmation**" has the meaning ascribed to it in Section 15.6(f).

"**Capacity Products**" means any products related to the rated, continuous load-carrying capability of a generating facility to generate and deliver Electricity at a given time.

"**Capacity Reduction Factor**" or "**CRF_{CCT}**" has the meaning ascribed to it in Section 1.1 of Exhibit "J".

"**CHP IV Contract**" means a contract entered into by the OPA pursuant to the CHP IV RFP.

"**CHP IV RFP**" has the meaning ascribed to it in the recitals to this Agreement, and shall include all addenda in respect of the CHP IV RFP provided in writing by or on behalf of the OPA from time to time prior to the date of this Agreement.

"**Claim**" means a claim or cause of action in contract, in tort, under any Laws and Regulations or otherwise.

"**Cogeneration Facility**" means a cogeneration facility that generates electricity while simultaneously providing Useful Heat Output.

"**Commercial Operation**" has the meaning ascribed to it in Section 2.5.

"**Commercial Operation Date**" or "**COD**" means the date on which Commercial Operation is first attained.

"**Commercially Reasonable Efforts**" means efforts which are designed to enable a Party (or in the case of a Host Facility Force Majeure, the Host), directly or indirectly, to satisfy a condition to, or otherwise assist in the consummation of, the transactions contemplated by this Agreement (or in the case of a Host Facility Force Majeure, the Off-Take Agreement) and which do not require the performing Party to expend any funds or assume liabilities, other than expenditures and liabilities which are reasonable in nature and amount in the context of the transactions contemplated by this Agreement (or in the case of a Host Facility Force Majeure, the Off-Take Agreement).

"**Company Representative**" has the meaning ascribed to it in Section 15.1.

"**Completion and Performance Security**" has the meaning ascribed to it in Section 6.1(a).

"**Confidential Information**" means

- (a) all information that has been identified as confidential and which is furnished or disclosed by the Disclosing Party and its Representatives to the Receiving Party and its Representatives in connection with this Agreement, whether before or after

its execution, including all new information derived at any time from any such confidential information, but excluding: (i) publicly-available information, unless made public by the Receiving Party or its Representatives in a manner not permitted by this Agreement; (ii) information already known to the Receiving Party prior to being furnished by the Disclosing Party; and (iii) information disclosed to the Receiving Party from a source other than the Disclosing Party or its Representative, if such source is not subject to any agreement with the Disclosing Party prohibiting such disclosure to the Receiving Party; and (iv) information that is independently developed by the Receiving Party; and

(b) Mutually Confidential Information.

"Confidential Undertaking" has the meaning ascribed to it in Section 8.1(c).

"Connection Agreement" means the agreement entered into by a Transmitter, an LDC or an Electrical Host Facility, as the case may be, with the Supplier with respect to the connection of the Facility to a Transmission System, a Local Distribution System or an Electrical Host Facility Load, respectively, in accordance with the Transmission System Code, the Distribution System Code or the specifications of the Electrical Host Facility, as applicable, and governing the terms and conditions of such connection.

"Connection Costs" means those costs, which may include design, engineering, procurement, construction, installation and commissioning costs, related to the reliable connection of the Facility to the Transmission System, Distribution System, or through an Electrical Host Facility, as applicable, as more particularly specified pursuant to the applicable Connection Impact Assessment or Customer Impact Assessment and required for the Delivery of Electricity.

"Connection Impact Assessment" means an assessment conducted by an LDC pursuant to the Distribution System Code to determine the impact on the Local Distribution System of connecting the Facility to its Local Distribution System or an Electrical Host Facility Load, as applicable.

"Connection Point" means: (i) the electrical point or points of connection, as defined in the IESO Market Rules, between the Facility and the IESO-Controlled Grid; (ii) where the Facility is connected to a Local Distribution System, the embedded electrical connection point or points, as defined in the IESO Market Rules, between the Facility and the Local Distribution System; and (iii) where the Facility is connected to an Electrical Host Facility, the electrical point or points where the Electrical Host Facility is connected to either a Transmission System or a Local Distribution System.

"Consumed REAs" has the meaning ascribed to it in Section 2.11(c).

"Contingent Support Payment" or **"CSP"** means the positive amount, if any, by which the Total Monthly Fixed Capacity Payment exceeds the Imputed Net Revenue for a Settlement Month, expressed in Dollars and calculated in accordance with Exhibit J, as applicable.

"Contract Facility" means those elements of the Facility that are essential to or required in accordance with Good Engineering and Operating Practices for the generation of Electricity up

to the Monthly Contract Capacity, the production of Related Products and the production and delivery of the associated Useful Heat Output. The Contract Facility may include any heat recovery steam generators (including supplementary duct firing), but does not include any auxiliary back-up boilers or other equipment not essential to or required in accordance with Good Engineering and Operating Practices for generating Electricity up to the Monthly Contract Capacity and producing the associated Useful Heat Output from the generation of Electricity up to the Monthly Contract Capacity.

"Contract Facility Operation" means:

- (a) in the case of the operation of the Contract Facility pursuant to the Deemed Dispatch Option, the operation of the Contract Facility as contemplated under Deemed Dispatch, and
- (b) in the case of the operation of the Contract Facility pursuant to the Directed Dispatch Option, the operation of the Facility as contemplated under the Directed Dispatch Option.

"Contract Year" means a twelve (12) month period during the Term which begins on the Commercial Operation Date or an anniversary date thereof.

"Control" means, with respect to any Person at any time, (i) holding, whether directly or indirectly, as owner or other beneficiary, other than solely as the beneficiary of an unrealized security interest, securities or ownership interests of that Person carrying votes or ownership interests sufficient to elect or appoint fifty percent (50%) or more of the individuals who are responsible for the supervision or management of that Person, or (ii) the exercise of de facto control of that Person, whether direct or indirect and whether through the ownership of securities or ownership interests, by contract or trust or otherwise.

"CPI" or **"Consumer Price Index"** means the consumer price index for "All Items" published or established by Statistics Canada (or its successors) for any relevant calendar month in relation to the Province of Ontario.

"Credit Rating" means, (i) with respect to the Supplier (or the Guarantor, if a Guarantee is in place), its long-term senior unsecured debt rating (not supported by third party credit enhancement) or its corporate credit rating (as applicable) as provided by S&P, Moody's or DBRS or any other established and reputable debt rating agency agreed to by the Parties from time to time, each acting reasonably, and (ii) with respect to any other Person, its long-term senior unsecured debt rating or its deposit rating as provided by Moody's, S&P, Fitch IBCA or DBRS or any other established and reputable rating agency, as agreed to by the Parties, acting reasonably, from time to time, acting reasonably.

"Creditworthiness Value" has the meaning ascribed to it in Section 6.4(b).

"Customer Impact Assessment" means a study conducted by a Transmitter pursuant to the Transmission System Code to assess the impact of the connection of the Facility on the existing transmission connected customers in the area.

"Day-Ahead Energy Forward Market" means an energy forward market, established under the IESO Market Rules or otherwise, for Electricity or for Electricity and Related Products for each hour of a given day, that clears the day before based upon submitted bids to buy and offers to sell, and shall include, for purposes of this Agreement, such other mechanisms or amendments to the IESO Market Rules to enhance pre-dispatch scheduling and unit commitment of generators on a day-ahead basis.

"DBRS" means DBRS Limited or its successors.

"Deemed Dispatch Option" is the deemed dispatch option described in Exhibit G.

"Delivered" means, in relation to Electricity and certain Related Products, delivered to the Delivery Point and

- (a) successfully injected into a Transmission System or Distribution System, directly or through the Electrical Host Facility's electrical system (which, for greater certainty, is net of Site-Specific Losses); and/or
- (b) successfully injected into the Electrical Host Facility's electrical system and used by the Electrical Host Facility;

and **Deliver**, **Delivery** and **Delivering** have the corresponding meanings.

"Delivery Point" means (i) if the Supplier is a Market Participant, a uniquely identified reference point determined in accordance with the IESO Market Rules and used for settlement purposes in the real-time markets and (ii) if the Supplier is not a Market Participant, the point at which the Facility's revenue-quality meter records the net Electricity delivered by the Facility to the Electrical Host Facility. **"Delivery Points"** has a corresponding meaning, where the Supplier has more than one Delivery Point.

"Directed Dispatch Option" is the directed dispatch option described in Exhibit G.

"Directed Dispatch Order" means a Directed Dispatch Order (DA) or Directed Dispatch Order (LT), as applicable.

"Directed Dispatch Order (DA)" means a daily directed dispatch order issued by the OPA in the form attached as Exhibit H.

"Directed Dispatch Order (LT)" means a long term directed dispatch order issued by the OPA in the form attached as Exhibit H.

"Disclosing Party" means, with respect to Confidential Information, is the Party providing or disclosing such Confidential Information and may be the OPA or the Supplier, as applicable; provided, however, that where such Confidential Information is Mutually Confidential Information, both the OPA and the Supplier shall be deemed to be the Disclosing Party.

"**Discriminatory Action**" has the meaning ascribed to it in Section 13.1.

"**Discriminatory Action Compensation**" has the meaning ascribed to it in Section 13.2.

"**Discriminatory Action Compensation Amount**" has the meaning ascribed to it in Section 13.3(e)(i).

"**Discriminatory Action Compensation Notice**" has the meaning ascribed to it in Section 13.3(e)(i).

"**Dispatch Rights**" has the meaning ascribed to it in Section 3.1.

"**Dispatcher**" has the meaning ascribed to it in Section 3.3(a).

"**Distribution System**" means a system connected to the IESO-Controlled Grid for distributing Electricity at voltages of 50 kilovolts or less and includes any structures, equipment or other things used for that purpose, provided that a Distribution System shall be deemed not to include any equipment controlled by the IESO pursuant to the Distribution System Code.

"**Distribution System Code**" means the code approved by the OEB and in effect from time to time, which, among other things, establishes the obligations of an LDC with respect to the services and terms of service to be offered to customers and retailers and provides minimum technical operating standards of Local Distribution Systems.

"**District Energy Facility**" means a cogeneration project that, regardless of fuel source, generates Electricity while simultaneously producing Useful Heat Output, either directly or indirectly for industrial, commercial and/or residential facilities for which more than 70% of the thermal energy provided by the cogeneration project would be used for space conditioning purposes (either space heating or cooling, or a combination of both).

"**Dollars**" or "\$" means Canadian dollars and cents.

"**Earliest Restatement Date**" has the meaning ascribed to it in Section 2.12(a)(i).

"**Electricity**" means electric energy.

"**Electricity Act**" means the *Electricity Act, 1998* (Ontario), as amended or replaced from time to time.

"**Electrical Host Facility**" means a facility to which the Facility is connected and which in turn is directly connected to a Transmission System or a Distribution System.

"**Eligible Areas**" means those areas referred to in Appendix K to the CHP IV RFP.

"**Eligible Energy Source**" means Gas, By-Product Fuel, Renewable Biomass, Biogas and Under-Utilized Energy.

"**Emission Reduction Credits**" means the credits associated with the amount of emissions to the air avoided by reducing the emissions below the lower of actual historical emissions or

regulatory limits, including "emission reduction credits" as defined in O. Reg. 397/01 made under the *Environmental Protection Act* (Ontario), as amended from time to time, or such other regulation as may be promulgated under the *Environmental Protection Act* (Ontario).

"Environmental Attributes" means the interests or rights arising out of attributes or characteristics relating to the environmental impacts associated with a Cogeneration Facility or the output of a Cogeneration Facility, now or in the future, and the right to quantify and register these with competent authorities, including:

- (a) all right, title, interest and benefit in and to any renewable energy certificate, credit, reduction right, offset, allocated pollution right, emission reduction allowance or other proprietary or contractual right, whether or not tradable, resulting from the actual or assumed displacement of emissions by the production of Electricity from the Facility as a result of the utilization of renewable energy technology;
- (b) rights to any fungible or non-fungible attributes or entitlements relating to environmental impacts, whether arising from the Facility itself, from the interaction of the Facility with the IESO-Controlled Grid, a Distribution System, the Host Facility or the Electrical Host Facility, or because of Laws and Regulations or voluntary programs established by Governmental Authorities;
- (c) any and all rights, title and interest relating to the nature of an Eligible Energy Source as may be defined and awarded through Laws and Regulations or voluntary programs, including all Emission Reduction Credits; and
- (d) all revenues, entitlements, benefits, and other proceeds arising from or related to the foregoing which may be available in connection with the Facility,

For greater certainty, in the event that any governmental or non-governmental agency, whether provincial, federal, national or international in scope or authority, creates or sanctions a registry, trading system, credit, offset or other program relating to Environmental Attributes or their equivalent, the term "Environmental Attributes" as used in the CHP IV Contract shall include the rights or benefits created or sanctioned under any such program or programs to the extent available as a result of, or arising from, the production of Electricity or Related Products from the Facility.

"EPC Contract" means the engineering, procurement and construction contract for the Facility entered into by the Supplier and the EPC Contractor.

"EPC Contractor" means, if applicable, the contractor engaged by the Supplier to perform the engineering, procurement and construction of the Facility.

"Equipment" has the meaning ascribed to it in Section 2.9(b)(ii).

"EPT" means Eastern Prevailing Time.

"**EST**" means the Eastern Standard Time applicable in the IESO-Administered Markets, as set forth in the IESO Market Rules.

"**Event of Default**" means a Supplier Event of Default or a OPA Event of Default.

"**Facility**" means all equipment, property and facilities comprising the Cogeneration Facility as described in Exhibit A (with any modifications thereto approved by the OPA) including, for greater certainty, all equipment, property and facilities necessary to operate the cogeneration plant under Contract Facility Operation to produce and Deliver Electricity and produce and deliver Useful Heat Output to the Host.

"**Facility Amendment**" has the meaning ascribed to it in Section 2.1(c).

"**Facility GHG Credits**" has the meaning ascribed to it in Section 2.11(f)(ii).

"**Final Capacity Check Test**" has the meaning ascribed to it in Section 15.6(i)(iii).

"**Financial Closing**" means the first date on which drawdown is permissible under the credit facility for the financing of the Facility or that funding is otherwise available and dedicated for the financing of the Facility.

"**Financial Indicators**" means the Tangible Net Worth and the Credit Rating.

"**FIPPA**" means the *Freedom of Information and Protection of Privacy Act* (Ontario), as amended or supplemented from time to time.

"**FIPPA Records**" has the meaning ascribed to it in Section 8.5.

"**First Call Proposal Submission Deadline**" means September 1, 2011.

"**Fitch IBCA**" means Fitch IBCA, Duff & Phelps, a division of Fitch Inc., or its successors.

"**Final Capacity Check Test**" has the meaning ascribed to it in Section 15.6(h).

"**Final Capacity Check Test Month**" has the meaning ascribed to it in Section 15.6(h).

"**Force Majeure**" has the meaning ascribed to it in Section 11.3.

"**Further Capacity Check Test**" has the meaning ascribed to it in Section 15.6(h).

"**Further Capacity Check Test Month**" has the meaning ascribed to it in Section 15.6(h).

"**Future Contract Related Products**" means all Related Products that relate to the Monthly Contract Capacity and that were not capable of being traded by the Supplier in the IESO-Administered Markets or other markets on or before the date of this Agreement, but shall not include Useful Heat Output produced by the Facility.

"**GAAP**" means Canadian or U.S. generally accepted accounting principles approved or recommended from time to time by the Canadian Institute of Chartered Accountants or the

Financial Accounting Standards Board, as applicable, or any successor institutes, or if a Person is required to use the International Financial Reporting Standards adopted by the International Accounting Standards Board, then such standards or any replacement standards that may be similarly mandated for a Person's use, all applied on a consistent basis.

"**Gas**" means natural gas as supplied by pipeline.

"**Gas Cancellation Volume**" or "**GCV**" has the meaning ascribed to it in Exhibit J.

"**Gas Price**" or "**GPd**" means either Gas Price (DA) or Gas Price (LT), as applicable.

"**Gas Price (DA)**" or "**GP(DA)d**" means the "day-ahead" price of natural gas applicable for day "d", determined in accordance with the Gas Price Index, and converted from US dollars per MMBTU into Dollars per MMBTU as follows: the Gas Price (DA) applicable during each day "d", which is posted on the Gas Price Index on day "d-1" (which for purposes of the Gas Price Index shall be the last Business Day prior to day "d") will be converted from US dollars to Dollars utilizing the Bank of Canada noon spot exchange rate between US dollars and Dollars on day "d-1".

"**Gas Price (LT)**" or "**GP(LT)_d**" means the price of natural gas determined in accordance with Section 3 of Exhibit G in connection with a Directed Dispatch Order (LT).

"**Gas Price Index (DA)**" means the Union Dawn Daily Spot Gas Price Index (day ahead) administered by NGx.

"**Gas Price Redetermination Date**" has the meaning ascribed to it in Section 1.10(c).

"**GHG Amendment Principles**" has the meaning ascribed to it in Section 2.11(e).

"**GHG Emission Credits**" has the meaning ascribed to it in Section 2.11(e).

"**Good Engineering and Operating Practices**" means any of the practices, methods and activities adopted by a significant portion of the North American electric utility industry as good practices applicable to the design, building and operation of generation facilities of similar type, size and capacity or any of the practices, methods or activities which, in the exercise of skill, diligence, prudence, foresight and reasonable judgment by a prudent generator in light of the facts known at the time the decision was made, could reasonably have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety, expedition and Laws and Regulations. Good Engineering and Operating Practices are not intended to be limited to the optimum practices, methods or acts to the exclusion of all others, but rather are intended to delineate acceptable practices, methods or acts generally accepted in the North American electric utility industry. Without limiting the generality of the foregoing and in respect of the operation of the Facility, Good Engineering and Operating Practices include taking reasonable steps to ensure that:

- (a) adequate materials, resources and supplies, including fuel, are available to meet the Facility's needs under reasonable conditions and reasonably anticipated abnormal conditions;

- (b) sufficient operating personnel are available and are adequately experienced and trained to operate the Facility properly, efficiently and taking into account manufacturers' guidelines and specifications and are capable of responding to reasonably anticipated abnormal conditions;
- (c) preventative, routine and non-routine maintenance and repairs are performed on a basis that ensures reliable long-term and safe operation and taking into account manufacturers' recommendations and are performed by knowledgeable, trained and experienced personnel utilizing proper equipment, tools and procedures; and
- (d) appropriate monitoring and testing is done to ensure equipment is functioning as designed and to provide assurance that equipment will function properly under both normal and reasonably anticipated abnormal conditions.

"**Government of Canada**" means Her Majesty the Queen in right of Canada.

"**Government of Ontario**" means Her Majesty the Queen in right of Ontario.

"**Governmental Authority**" means any federal, provincial or municipal government, parliament or legislature, or any regulatory authority, agency, tribunal, commission, board or department of any such government, parliament or legislature, or any court or other law, regulation or rule-making entity, having jurisdiction in the relevant circumstances, including the IESO, the OEB, the Electrical Safety Authority and any Person acting under the authority of any Governmental Authority, but excluding the OPA.

"**Greenhouse Gas**" means carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride.

"**Guarantee**" means a guarantee in the form attached as Exhibit D.

"**Guarantor**" means a person who provides a Guarantee.

"**HHV**" means higher heating value.

"**herein**" means in this Agreement.

"**HOEP**" or the "**Hourly Ontario Energy Price**" has the meaning ascribed to it in the IESO Market Rules, and expressed in Dollars per MWh.

"**Host**" means [●] or, pursuant to Section 2.13(a), such other Persons from time to time that have entered into an Off-Take Agreement with the Supplier.

"**Host Developed Contract Facility**" means a Facility for which the legal entity that is the Host is an Affiliate of the legal entity that is the Supplier.

"**Host Facility**" means the facility or facilities owned or operated by the Host which receives Useful Heat Output generated by the Facility.

"Host Facility Force Majeure" means any act, event, cause or condition that (i) is beyond the Host's reasonable control, (ii) causes an unplanned outage of the Host Facility that completely prevents the Host Facility from receiving any Useful Heat Output generated by the Facility, (iii) results from an equipment failure or other Host Facility shutdown that could not reasonably have been anticipated by the Host and (iv) was not caused by the Host and could not have been prevented by the Host exercising Commercially Reasonable Efforts to prevent.

"Host Facility Force Majeure Period" has the meaning ascribed to it in Section 11.1(j).

"Host Facility Outage" an outage of the Host Facility, whether planned or unplanned, that is not a Host Facility Force Majeure.

"HST" means the goods and services tax exigible pursuant to the *Excise Tax Act* (Canada), as amended from time to time.

"IESO" means the Independent Electricity System Operator established under Part II of the Electricity Act, or its successor.

"IESO-Administered Markets" has the meaning ascribed to it by the IESO Market Rules.

"IESO-Controlled Grid" has the meaning ascribed to it by the IESO Market Rules.

"IESO Market Rules" means the rules governing the IESO-Controlled Grid and establishing and governing the IESO-Administered Markets, together with all market manuals, policies and guidelines issued by the IESO, all as amended or replaced from time to time.

"Impact Assessment" means a Connection Impact Assessment or a Customer Impact Assessment, as applicable.

"Impact Assessment Priority Start Time" means the date and time provided by the OPA before which a Supplier shall not apply for any Impact Assessment.

"Impact Assessment Priority Stop Time" means the date and time provided by the OPA after which a Supplier shall not apply for any Impact Assessment

"Imputed Gross Energy Market Revenue" or "IGEMR" is the total gross revenue deemed to be earned by the Supplier for the Facility for a Settlement Month, as calculated in accordance with Exhibit J.

"Imputed Net Revenue" or "INR" means, for a Settlement Month, the Imputed Gross Energy Market Revenue less the Imputed Variable Energy Cost, as calculated in accordance with Exhibit J.

"Imputed Production" or "IP" means, for a specified period within the Term, the aggregate amount of Electricity, expressed in MWh, deemed to be produced by the Facility in accordance with Exhibit J.

"Imputed Shut-Down Hour" has the meaning ascribed to it in Exhibit J.

"**Imputed Start-Up**" or "**ISU**" has the meaning ascribed to it in Exhibit J.

"**Imputed Start-Up Hour**" has the meaning ascribed to it in Exhibit J.

"**Imputed Variable Energy Cost**" or "**IVEC**" means the total Variable Energy Cost in relation to the Imputed Production as calculated in accordance with Exhibit J.

"**including**" means "including, without limitation".

"**Indefinite Restatement**" means a Restatement pursuant to Section 2.12(c).

"**Indemnifiable Loss**" has the meaning ascribed to it in Section 14.3.

"**Indemnitees**" has the meaning ascribed to it in Section 14.3.

"**Independent Engineer**" is an engineer that: (i) is a Professional Engineer duly qualified and licensed to practice engineering in the Province of Ontario; (ii) is employed by an independent engineering firm which holds a certificate of authorization issued by the Professional Engineers Ontario that is not affiliated with or directly or indirectly Controlled by the Supplier; (iii) does not have a vested interest in the design, engineering, procurement, construction, metering and/or testing of the Facility; and (iv) has not been engaged by any lender or prospective lender for the Facility.

"**Independent Engineer's Certificate**" means a certificate in the form set out in Exhibit BB addressed to the OPA from an Independent Engineer, procured at the expense of the Supplier.

"**Insolvency Legislation**" means the *Bankruptcy and Insolvency Act* (Canada), the *Winding Up and Restructuring Act* (Canada) and the *Companies' Creditors Arrangement Act* (Canada) and the bankruptcy, insolvency, creditor protection or similar laws of any other jurisdiction (regardless of the jurisdiction of such application or competence of such law), as they may be amended from time to time.

"**Insurance Costs**" has the meaning ascribed to such term in Section 2.9(f)(i).

"**Interest Rate**" means the annual rate of interest established by the Royal Bank of Canada or its successor, from time to time, as the interest rate it will charge for demand loans in Dollars to its commercial customers in Canada and which it designates as its "**prime rate**" based on a year of 365 or 366 days, as applicable. Any change in such prime rate shall be effective automatically on the date such change is announced by the Royal Bank of Canada.

"**ITA**" means the *Income Tax Act* (Canada), as amended from time to time.

"**Key Equipment Suppliers**" means the third party equipment suppliers supplying key engineered equipment to the EPC Contractor, or to the Supplier, as specified pursuant to Exhibit DD.

"Laws and Regulations" means:

- (a) applicable Canadian federal, provincial or municipal laws, orders-in-council, by-laws, codes, rules, policies, regulations and statutes;
- (b) applicable orders, decisions, codes, judgments, injunctions, decrees, awards and writs of any court, tribunal, arbitrator, Governmental Authority or other Person having jurisdiction;
- (c) applicable rulings and conditions of any licence, permit, certificate, registration, authorization, consent and approval issued by a Governmental Authority;
- (d) any requirements under or prescribed by applicable common law; and
- (e) the IESO Market Rules, as well as any manuals or interpretation bulletins issued by the IESO from time to time that are binding on the Supplier.

"LDC" means a Person licensed by the OEB as a "Distributor" in connection with a Local Distribution System.

"LDC Portal" means a secure web site maintained by an LDC, either directly or indirectly, that provides a point-of-access for specific authorized users to a facility's or site's specific data, such as meter data, or such similar processes and/or application that may be implemented in conjunction with the **"Smart Meter Initiative"** for the presentment of meter data; and includes any systems or applications that may replace, supplement or succeed any such existing systems or applications.

"Letter of Credit" means one or more irrevocable and unconditional standby letters of credit issued by a financial institution listed in either Schedule I or II of the *Bank Act* (Canada) or such other financial institution having a minimum Credit Rating of (i) A- with S&P, (ii) A3 with Moody's, (iii) A low with DBRS, or (iv) A with Fitch IBCA, in substantially the form attached as Exhibit C or in a form acceptable to the OPA, acting reasonably, and otherwise conforming to the provisions of Article 6.

"Long Term Operating Plan" has the meaning ascribed to it in Section 15.3(c)(i).

"Market Participant" has the meaning ascribed to it by the IESO Market Rules.

"Market Price" means the market price for Electricity determined in the real-time market in accordance with the provisions of Chapter 7 of the IESO Market Rules.

"Market Settlement Charges" means all market settlement amounts and charges described in Chapter 9 of the IESO Market Rules.

"Material Adverse Effect" means any change (or changes taken together) in, or effect on, the affected Party that materially and adversely affects the ability of such Party to perform its obligations hereunder.

"Measured Electricity" means, with respect to a given hour, the generator output of the Contract Facility in MWh-electrical at the Delivery Point for such hour:

- (a) as measured in accordance with the Metering Plan and Test Protocol, as applicable, net of any Station Service Loads and transformer losses; and
- (b) as adjusted in accordance with the Metering Plan and the Test Protocol if during a Capacity Check Test the measured Useful Heat Output is less than the Minimum UHO Requirement.

"Metered Market Participant" has the meaning ascribed to that term by the IESO Market Rules.

"Metering Plan" has the meaning ascribed to it in Section 2.8(k).

"Milestone Date" means each of those dates set forth in the second column of the table contained in Exhibit K, with respect to the attainment of the corresponding Milestone Events set out in the first column of the table contained in Exhibit K.

"Milestone Event" means each of those events set forth in the first column of the table contained in Exhibit K which are considered critical by the Parties for the timely construction, financing, completion and operation of the Facility, and which are to be completed by the corresponding Milestone Date.

"Minimum UHO Requirement" or **"MUHOR"** means the minimum amount of Useful Heat Output that the Contract Facility (excluding thermal energy from auxiliary boilers or thermal energy utilized to preserve readiness of auxiliary boilers) is required to provide while the Monthly Contract Capacity is being generated. The Minimum UHO Requirement for a given Month shall be equal to the applicable Monthly Contract Capacity multiplied by the Monthly Useful Heat Output Percentage divided by (1 - Monthly Useful Heat Output Percentage) for the Month.

"MMBTU" means one million BTUs (HHV).

"Month" means each calendar month in a year beginning at the beginning of the hour ending 01:00 (EST) on the first day thereof and ending at 24:00 (EST) on the last day thereof.

"Monthly Contract Capacity" means, for any month, the aggregate of the Tranche 1 Monthly Contract Capacity and the Tranche 2 Monthly Contract Capacity, calculated in accordance with Appendix "H" to the CHP IV RFP.

"Monthly Useful Heat Output Percentage" means the amount, expressed as a percentage, for any given Month, as set out in Exhibit B as being applicable for such month.

"Monthly Payment" has the meaning ascribed to it in Section 4.2.

"Moody's" means Moody's Investors Service, Inc. or its successor.

"Mutually Confidential Information" means information contained in Exhibit B of this Agreement, which information shall be deemed to be Confidential Information of both the OPA and the Supplier.

"MVPortlet" or **"MV-Web"** means the internet-based communications interface application for Market Participants supplied by the IESO that allows Market Participants to access physical and financial data for the IESO-Administered Markets.

"MW" means megawatt.

"MWh" means megawatt hour.

"Nameplate Capacity" means the rated, continuous load-carrying capability, expressed in MW, of the Facility to generate and deliver Electricity at a given time, and which includes the Monthly Contract Capacity.

"Negative Outlook" means, with respect to any credit rating agency providing a Credit Rating for purposes of this Agreement, a potential or threatened downgrade to the Credit Rating of any Person.

"Net Revenue Requirement" or "NRR" means the amount, expressed in Dollars per MW-month for any given Settlement Month, as set out in Exhibit B as being applicable for such Month, and subject to indexation as set out in Exhibit J. On and after the Restatement Date, if any, the Net Revenue Requirement shall be deemed to be replaced by the Restated Net Revenue Requirement.

"Net Revenue Requirement Indexing Factor" or "NRRIF" means the factor set forth in Exhibit B.

"Network Upgrade Costs" means those Connection Costs, which may include design, engineering, procurement, construction, installation and commissioning costs, related to Network Upgrades.

"Network Upgrades" means all additions, improvements and upgrades to the network facilities, as defined by the Distribution System Code and Transmission System Code, required for the connection of the Facility to a Distribution System or Transmission System, as more particularly specified pursuant to the Connection Impact Assessment, Customer Impact Assessment, Distribution System Code and Transmission System Code, respectively.

"New Agreement" means a new agreement substantially in the form of this Agreement, which is to be entered into with a Secured Lender who is at Arm's Length with the Supplier or a Person identified by such Secured Lender following termination of this Agreement, as set out in Section 12.2(g).

"NGx" means the Natural Gas Exchange of the Toronto Stock Exchange, or its successor.

"Notice of Discriminatory Action" has the meaning ascribed to it in Section 13.3(a).

"**Notice of Dispute**" has the meaning ascribed to it in Section 13.3(b).

"**Off-Take Agreement**" means an agreement or other written form of commitment to purchase or take Useful Heat Output generated by the Facility.

"**O&M Cost**" or "**O&M**" means the costs required to operate and maintain the Facility, as set out in Exhibit B as adjusted from time to time in accordance with Exhibit J.

"**O&M_y**" and "**O&M_{y-1}**" mean the O&M Costs for Contract Year "y" and "y-1", respectively.

"**OEB**" means the Ontario Energy Board, or its successor.

"**Ontario Emissions Trading Program**" or "**OETP**" means the Ontario Emissions Trading Program operating under Regulation 397/01 of the *Environmental Protection Act* (Ontario) or any successor program or mechanism implemented in Ontario pursuant to Laws and Regulations to the extent that such program or mechanism covers the same types of air emissions that were the subject of the OETP as of the date of the execution of this Agreement.

"**OETP Attributes**" has the meaning ascribed to it in Section 2.11(b).

"**OPA**" has the meaning ascribed to it in the opening paragraph of this Agreement.

"**OPA Event of Default**" has the meaning ascribed to it in Section 10.3.

"**OPA Statement**" has the meaning ascribed to it in Section 12.2(g).

"**Other Contractor(s)**" means a person or persons, as the case may be, in a situation where there is no EPC Contractor that has entered into a contract directly with the Supplier pursuant to which it provides goods or services that would form a substantial component of an EPC Contract (including a substantial component of the engineering, procurement or construction services). Where the Supplier itself is providing the goods or services that would form a substantial component of an EPC Contract (including a substantial component of the engineering, procurement or construction services), it shall also be considered an Other Contractor for purposes of Exhibit DD.

"**Other Supplier**" means any other supplier that has a CHP IV Contract or other bilateral arrangements with the OPA similar in nature to this Agreement.

"**Outage**" means the removal of equipment from service, unavailability for connection of equipment or temporary de-rating, restriction of use or reduction in performance of equipment for any reason, including to permit the performance of inspections, tests, repairs or maintenance on equipment, which results in a partial or total interruption in the ability of the Facility to make the Monthly Contract Capacity available and deliver the Electricity from the Facility. For greater certainty, in the event that the capacity of the Facility is de-rated, the amount by which such capacity is reduced shall be deemed to first reduce the Supplier's Capacity, with any excess of the reduction of the capacity over the Supplier's Capacity then being deemed to reduce the Monthly Contract Capacity, each of the Tranche 1 Monthly Contract Capacity and the Tranche 2

Monthly Contract Capacity being reduced by a portion of such amount in proportion to its contribution to the Monthly Contract Capacity.

"Outage Notice" means the notice issued by the Supplier to the OPA as specified in the form set out as Exhibit P.

"Outage Hours" means the duration, expressed in hours, of any Outages.

"Party" means each of the Supplier and the OPA, and the Supplier and the OPA are collectively referred to as the **"Parties"**.

"Payment Date" has the meaning ascribed to it in Section 5.3.

"Permanent Restatement" means a Restatement pursuant to Section 2.12(b).

"Person" means a natural person, firm, trust, partnership, limited partnership, company or corporation (with or without share capital), joint venture, sole proprietorship, Governmental Authority or other entity of any kind.

"Planned Outage" means an Outage which is planned and intentional and has been disclosed to the OPA pursuant to Section 15.3(a)(i) or Section 15.3(b).

"Planned Outage Hours" means those hours in which the Facility is in a Planned Outage.

"Pre-Dispatch Price" means the pre-dispatch price for Electricity, being the hourly price determined from the Pre-Dispatch Schedule for a specified number of hours in advance of clearing of the Real-Time Market, as determined by the IESO-Administered Markets.

"Pre-Dispatch Schedule" has the meaning ascribed to it in the IESO Market Rules.

"Preliminary Notice" has the meaning ascribed to it in Section 13.3(a).

"Prevailing Party" has the meaning ascribed to it in Section 13.3(e)(ii).

"Price Evolution Event" has the meaning ascribed to it in Section 1.8(b).

"Price Unavailability Event" has the meaning ascribed to it in Section 1.9(b).

"Proposal" means the proposal submission made by the Supplier in response to the CHP IV RFP in respect of constructing and developing the Facility and which was selected by the OPA, and all clarifications in respect of such Proposal provided by the Supplier in writing as requested by or on behalf of the OPA from time to time in accordance with the CHP IV RFP prior to the date of this Agreement.

"Real-Time Market" has the meaning ascribed to it in the IESO Market Rules.

"Receiving Party" means, with respect to Confidential Information, the Party receiving Confidential Information and may be the OPA or the Supplier, as applicable; provided, however,

that where such Confidential Information is Mutually Confidential Information, both the OPA and the Supplier shall be deemed to be the Receiving Party.

"Records" means any recorded information in any form: (a) provided by the OPA to the Supplier, or provided by the Supplier to the OPA, for purposes of this Agreement, or (b) created by the Supplier in the performance of this Agreement.

"Regulatory Environmental Attributes" has the meaning ascribed to it in Section 2.11(a).

"Related Products" means all Capacity Products, Ancillary Services, transmission rights and any other products or services that may be provided by the Facility from time to time (but excluding Regulatory Environmental Attributes attributable to and Useful Heat Output produced by the Facility) that may be traded in the IESO-Administered Markets or other markets, or otherwise sold, and which shall be deemed to include products and services for which no market may exist, such as capacity reserves.

"Renewable Biomass" has the meaning given to "biomass" in Ontario Regulation 328/09, made under the Electricity Act, as published in The Ontario Gazette on September 26, 2009.

"Replacement Guarantee" has the meaning ascribed to it in Section 6.4(c).

"Replacement Price" has the meaning ascribed to it in Sections 1.7(b)(i) and 1.8(b)(i), as applicable.

"Replacement Provision(s)" has the meaning ascribed to it in Sections 1.7(b)(ii), 1.9(b), 1.10(c) and 2.11(e), as applicable.

"Reportable Events" means the following:

- (a) obtaining environmental and project and site approvals and permitting for the Facility;
- (b) completion of Connection Impact Assessment, Customer Impact Assessment and or System Impact Assessment, as applicable;
- (c) execution of engineering, equipment procurement and construction contract(s) in respect of the Facility;
- (d) Financial Closing in respect of the Facility;
- (e) ordering of major equipment for the Facility;
- (f) delivery of major equipment for the Facility;
- (g) status of construction of the Facility;
- (h) completion of construction of the Facility;

- (i) status of construction of connection of the Facility to the Transmission System, Distribution System or Electrical Host Facility, as applicable;
- (j) connection of the Facility to the Transmission System, Distribution System or Electrical Host Facility, as applicable; and
- (k) Commercial Operation.

"Representatives" means a Party's directors, officers, employees, auditors, consultants (including technical, economic and legal advisors), contractors and agents and those of its Affiliates and, in the case of the OPA, shall include without limitation any Person from time to time appointed as the Dispatcher, and the agents and advisors of such Persons. While the OPA is the OPA, this definition shall also include the Government of Ontario, the IESO and their respective directors, officers, employees, auditors, consultants (including technical, economic and legal advisors), contractors and agents.

"Restated Annual Average Tranche 1 Contract Capacity" means the simple average of the Restated Tranche 1 Monthly Contract Capacity for January, February, March, April, May, June, July, August, September, October, November and December as set out in Exhibit B.

"Restated Annual Average Tranche 2 Contract Capacity" means the simple average of the Tranche 2 Monthly Contract Capacity for January, February, March, April, May, June, July, August, September, October, November and December as set out in Exhibit B.

"Restated Net Revenue Requirement" means the restated Net Revenue Requirement applicable during each Month if set out under the column entitled "On and after the Restatement Date, if applicable" in Exhibit B.

"Restated Tranche 1 Monthly Contract Capacity" means the restated Tranche 1 Monthly Contract Capacity, expressed in MW, applicable during each Month as set out under the column entitled "On and After the Restatement Date, if Applicable" in Exhibit B.

"Restated Tranche 1 Monthly Contract Heat Rate" means the restated Tranche 1 Monthly Contract Heat Rate applicable during each Month as set out under the column entitled "On and After the Restatement Date, if Applicable" in Exhibit B.

"Restated Tranche 2 Monthly Contract Capacity" means the restated Tranche 2 Monthly Contract Capacity, expressed in MW, applicable during each Month if set out under the column entitled "On and After the Restatement Date, if Applicable" in Exhibit B.

"Restated Tranche 2 Monthly Contract Heat Rate" means the restated Tranche 2 Monthly Contract Heat Rate applicable during each Month if set out under the column entitled "On and After the Restatement Date, if Applicable" in Exhibit B.

"Restatement" means a restatement in accordance with Exhibit B and subject to Section 2.12, of the Tranche 1 Monthly Contract Heat Rate, Tranche 1 Monthly Contract Capacity, Tranche 2 Monthly Contract Heat Rate, Tranche 2 Monthly Contract Capacity and the Net Revenue

Requirement on or after the Restatement Date, and for certainty, consisting of either a Permanent Restatement or an Indefinite Restatement, and "**Restate**" has a corresponding meaning.

"**Restatement Date**" has the meaning ascribed to it in Section 2.12(a)(iii).

"**Retail Settlement Code**" means the code established and approved by the OEB, governing the determination of financial settlement costs for electricity retailers, consumers, distributors and generators.

"**Revenue Sharing Payment**" or "**RSP**" means the positive amount, if any, by which the Imputed Net Revenue exceeds the Total Monthly Fixed Capacity Payment, expressed in Dollars, and calculated in accordance with Exhibit J.

"**S&P**" means the Standard and Poors Rating Group (a division of McGraw-Hill Inc.) or its successors.

"**Secured Lender**" means a lender under a Secured Lender's Security Agreement.

"**Secured Lender's Security Agreement**" means an agreement or instrument, including a deed of trust or similar instrument securing bonds or debentures, containing a charge, mortgage, pledge, security interest, assignment, sublease, deed of trust or similar instrument with respect to all or any part of the Supplier's Interest granted by the Supplier that is security for any indebtedness, liability or obligation of the Supplier, together with any amendment, change, supplement, restatement, extension, renewal or modification thereof.

"**Senior Conference**" has the meaning ascribed to it in Section 16.1.

"**Settlement Month**" has the meaning ascribed to it in Section 5.2, provided that if the first or last Settlement Month in the Term is less than a full calendar month, for the purposes of Exhibit J, such month shall be equal to the number of days of the Term in such month.

"**Site-Specific Losses**" means Electricity losses due to line resistance, the operation of transformers and switches, and other associated losses of Electricity generated by the Facility which may occur as a result of the difference between the location of the Delivery Point and the Connection Point, as determined pursuant to loss factors applied in accordance with the Retail Settlement Code and other applicable regulatory instruments.

"**Start-Up Costs**" or "**SUCd**" is as set out in Exhibit B.

"**Statement**" has the meaning ascribed to it in Section 5.2.

"**Station Service Loads**" means energy consumed to power the on-site maintenance and operation of generation facilities, but excludes energy consumed in association with activities which could be ceased or moved to other locations without impeding the normal and safe operation of the Facility.

"**Supplier**" has the meaning ascribed to in the opening paragraph of this Agreement.

"Supplier Event of Default" has the meaning ascribed to it in Section 10.1.

"Supplier Non-acceptance Notice" has the meaning ascribed to it in Section 13.3(e).

"Supplier's Capacity" means the Nameplate Capacity less the aggregate of the Tranche 1 Monthly Contract Capacity and the Tranche 2 Monthly Contract Capacity or after Restatement, less the aggregate of the Restated Tranche 1 Monthly Contract Capacity and the Restated Tranche 2 Monthly Contract Capacity.

"Supplier's Certificate", with respect to attaining Commercial Operation, means a certificate from the Supplier in the form set out in Exhibit AA, procured at the expense of the Supplier.

"Supplier's IR Notice" has the meaning ascribed to it in Section 2.12(c)(ii).

"Supplier's Interest" means the right, title and interest of the Supplier in or to the Facility and this Agreement, or any benefit or advantage of any of the foregoing.

"System Impact Assessment" means a study conducted by the IESO pursuant to section 6.1.5 of Chapter 4 of the IESO Market Rules to assess the impact of a new connection of the Facility to the IESO-Controlled Grid, or of the modification of an existing connection of the Facility to the IESO-Controlled Grid, on the reliability of the integrated power system.

"Tangible Net Worth" means, in respect of the Supplier or a Guarantor, at any time and without duplication, an amount determined in accordance with GAAP, and calculated as (a) the sum of capital stock, preferred stock, paid-in capital, contributed surplus, retained earnings, capital reserves and cumulative translation adjustment (whether positive or negative), minus (b) the sum of any amounts shown on account of any common stock reacquired by the Supplier or the Guarantor, as applicable, patents, patent applications, service marks, industrial designs, copyrights, trade marks and trade names and licenses, prepaid assets, goodwill and all other intangibles.

"Taxes" means all taxes or other government charges or levies based on gross production, gross receipts or gross revenues and all ad valorem, property, occupation, severance, production, transmission, utility, sales, use, excise and other taxes, governmental charges, licenses, permits and assessments together with all penalties and interest payable in connection therewith, other than (i) HST and (ii) taxes based on profits, net income or net worth.

"Term" has the meaning ascribed to it in Section 9.1(b).

"Term Commencement Date" has the meaning ascribed to it in Section 9.1(b).

"Termination Date" means the date on which this Agreement terminates as a result of an early termination of this Agreement in accordance with this Agreement.

"Test Protocol" has the meaning ascribed to it in Section 15.6(c).

"Total Monthly Fixed Capacity Payment" or **"TMFCPm"** means the total fixed capacity payment applicable to the Facility for a Settlement Month, expressed in Dollars, and calculated in accordance with Exhibit J.

"Tranche 1" means that part of the Monthly Contract Capacity with the lower heat rate.

"Tranche 1 Adjusted Contract Capacity" or **"TIMACCm"** has the meaning ascribed to it in Exhibit "J".

"Tranche 1 Monthly Contract Capacity" or **"TIMCC"** means that portion of the Nameplate Capacity, expressed in MW, designated as Tranche 1, applicable in each Month, as set out in Exhibit B, as reduced pursuant to Section 4.6(a) or amended pursuant to Section 2.1(c), if applicable. On and after the Restatement Date, if any, the Tranche 1 Monthly Contract Capacity shall be deemed to be replaced by the Restated Tranche 1 Monthly Contract Capacity.

"Tranche 1 Monthly Contract Heat Rate" or **"TIMCHR"** means the heat rate, expressed in MMBTU/MWh, using HHV, applicable to each Month, as further set out in Exhibit B. On and after the Restatement Date, if any, the Tranche 1 Monthly Contract Heat Rate shall be deemed to be replaced by the Restated Tranche 1 Monthly Contract Heat Rate.

"Tranche 2" means that part of the Monthly Contract Capacity that is not Tranche 1.

"Tranche 2 Adjusted Contract Capacity" or **"T2MACCm"** has the meaning ascribed to it in Exhibit "J".

"Tranche 2 Monthly Contract Capacity" or **"T2MCC"** means that portion of the Nameplate Capacity, expressed in MW, contributed to Monthly Contract Capacity utilizing a steam turbine and designated as Tranche 2, applicable in each Month, as set out in Exhibit B, as reduced pursuant to Section 4.6(a) or amended pursuant to Section 2.1(c), if applicable. On and after the Restatement Date, if any, the Tranche 2 Monthly Contract Capacity shall be deemed to be replaced by the Restated Tranche 2 Monthly Contract Capacity.

"Tranche 2 Monthly Contract Heat Rate" or **"T2MCHR"** means the heat rate, expressed in MMBTU/MWh, using HHV, applicable to each Month, as further set out in Exhibit B. On and after the Restatement Date, if any, the Tranche 2 Monthly Contract Heat Rate shall be deemed to be replaced by the Restated Tranche 2 Monthly Contract Heat Rate

"Transmission System" means a system for conveying Electricity at voltages of more than 50 kilovolts and includes any structures, equipment or other things used for that purpose.

"Transmission System Code" means the code approved by the OEB and in effect from time to time, which, among other things, regulates the financial and information obligations of the Transmitter with respect to its relationship with customers, as well as establishing the standards for connection of customers to, and expansion of a transmission system for the purposes set out in Section 1.0.1 of the Transmission System Code.

"Transmitter" means a Person licensed as a "transmitter" by the OEB in connection with a Transmission System.

"**UHO Capacity Reduction Factor**" or "**CRF_{UHO}**" has the meaning ascribed to it in Section 15.7(d).

"**UHO Remediation Plan**" has the meaning ascribed to it in Section 15.7(c)(i).

"**UHO Report**" means a written report in the prescribed form to be provided by the Supplier to the OPA within 30 days of the end of each Contract Year, setting out the Actual UHO Percentage applicable to such Contract Year.

"**UHO Requirement**" means the simple average of the Monthly Useful Heat Output Percentage for January, February, March, April, May, June, July, August, September, October, November and December as set out in Exhibit B.

"**Useful Heat Output**" means thermal energy (expressed in MW thermal) produced by the Facility and used for a gainful commercial or industrial purpose such as district energy, manufacturing, mining, chemical or other industrial process, where such use: (a) avoids or reduces the use of fuel to produce thermal energy in an alternate process; and (b) is not a use within the Facility's combined heat and power cycle for gas turbine injection, inlet conditioning, fuel heating, natural gas compression or other similar purpose; and (c) is not a use outside the Facility's combined heat and power cycle for applications such as heating rivers, lakes or the atmosphere. For greater certainty, gainful commercial or industrial purpose also does not include the use of the thermal energy primarily for generating Electricity.

"**Useful Heat Output Plan**" means the "Useful Heat Output Plan" attached as Exhibit I to this Agreement.

"**Under-Utilized Energy**" means a source of mechanical or thermal energy that is the by-product of some industrial, commercial or institutional activity or process, which source of mechanical or thermal energy would not, but for its use in the Contract Facility, be utilized to generate electricity.

"**Variable Energy Cost**" means the amount calculated on a daily basis in accordance with Exhibit J, and which is abbreviated as "VECd".

1.2 Exhibits

The following Exhibits are attached to and form part of this Agreement:

Exhibit A	Description of Facility
Exhibit B	Contract Facility Parameters
Exhibit C	Form of Irrevocable Standby Letter of Credit
Exhibit D	Form of Guarantee
Exhibit E	Determination of Availability
Exhibit F	Arbitration Provisions Applicable to Sections 1.6, 1.7, 1.8, 1.9, 1.10 and 2.11

Exhibit G	Dispatch Options
Exhibit H	Form of Directed Dispatch Order
Exhibit I	Useful Heat Output Plan
Exhibit J	Calculation of CSP and RSP
Exhibit K	Milestone Events and Milestone Dates for the Facility
Exhibit L	Intentionally Deleted
Exhibit M	Intentionally Deleted
Exhibit N	Form of Statutory Declaration
Exhibit O	Form of Force Majeure Notice
Exhibit P	Form of Outage Notice
Exhibit Q	Form of Quarterly Report
Exhibit R	Form of Annual Report
Exhibit S	Form of Restatement Report
Exhibit T	Form of OPA Guarantee to Support Directed Dispatch (LT)
Exhibit U	Intentionally Deleted
Exhibit V	Form of Company Representative Notice
Exhibit W	Form of Confidentiality Undertaking
Exhibit X	Matters Required to be Addressed in Test Protocol
Exhibit Y	Metering Plan
Exhibit Z	Form of Supplier's Certificate Re: Commercial Operation
Exhibit AA	Form of Independent Engineer's Certificate
Exhibit BB	Approved Test Protocol
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found.	
Exhibit DD	Key Equipment Suppliers

The OPA may, at any time and from time to time after the date hereof, upon written notice to the Supplier, amend or replace the forms of certificates, notices and reports set out in Exhibits H, N, O, P, Q, R, S, T, U, V, W, Z and AA.

1.3 Headings and Table of Contents

The inclusion of headings and a table of contents in this Agreement are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

1.4 Gender and Number

In this Agreement, unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.

1.5 Currency

Except where otherwise expressly provided, all amounts in this Agreement are stated, and shall be paid, in Dollars.

1.6 IESO Market Rules and Statutes

- (a) Unless otherwise expressly stipulated, any reference in this Agreement to the IESO Market Rules or to a statute or to a regulation or rule promulgated under a statute or to any provision of a statute, regulation or rule shall be a reference to the IESO Market Rules, statute, regulation, rule or provision as then amended, re-enacted or replaced from time to time. In the event of any conflict or inconsistency with the IESO Market Rules and the terms of this Agreement, the IESO Market Rules shall govern to the extent of such conflict or inconsistency.
- (b) To the extent that there is an amendment to the IESO Market Rules following the date of this Agreement unless such amendment is stayed by the OEB, such that the Supplier's economics as contemplated hereunder after the introduction of such change do not substantially reflect the Supplier's economics as contemplated hereunder prior to the introduction of such change, then:
 - (i) either Party shall notify the other Party promptly and, in any event, within ten (10) Business Days upon becoming aware of the consequences of such change and in any event not later than ten (10) Business Days after the change in the IESO Market Rules became effective, failing which this Section 1.6 shall not apply to such change in the IESO Market Rules;
 - (ii) the Parties and, at the OPA's discretion, those Other Suppliers who are required by the OPA to participate, shall engage in good faith negotiations to amend this Agreement and the respective agreements of those Other Suppliers on the basis that such amendments together with the change in the IESO Market Rules will substantially reflect the economics of the Supplier as contemplated hereunder and, at the OPA's discretion, those Other Suppliers, prior to the introduction of such change in the IESO Market Rules; and
 - (iii) if the Parties fail to reach agreement on the amendments described in Section 1.6(b)(ii) within sixty (60) days after the change in the IESO Market Rules became effective, the matter shall be determined by mandatory and binding arbitration, from which there shall be no appeal with such arbitration(s) to be conducted in accordance with the procedures set out in Exhibit F. However, if the Supplier fails to participate in such arbitration, the Supplier acknowledges that it waives its right to participate

in such arbitration, which shall nevertheless proceed, and the Supplier shall be bound by the award of the Arbitration Panel and the subsequent amendments to this Agreement made by the OPA to implement such award of the Arbitration Panel set out in Section 1.6(c)(iii).

For greater certainty, the references in this Section to the "Supplier's economics as contemplated hereunder" refer only to the calculation of Imputed Net Revenue in accordance with Exhibit J of this Agreement.

- (c) The terms of this Agreement shall be amended either:
 - (i) by the agreement of the Parties, where no award of an Arbitration Panel has been made, pursuant to Section 1.6(b)(iii);
 - (ii) by the agreement of the Parties made pursuant to and to implement an award of the Arbitration Panel made pursuant to Section 1.6(b)(iii); or
 - (iii) by an amendment prepared by the OPA made pursuant to and to implement an award of the Arbitration Panel made pursuant to Section 1.6(b)(iii), where the Supplier failed to participate in such arbitration,

with such agreement or amendment, as the case may be, having effect from and after the date that the change in the IESO Market Rules became effective; and

- (d) this Section 1.6 shall not apply to the circumstances addressed in Sections 1.7, 1.8, 1.9, 1.10 and 2.11.

1.7 Introduction of the Day-Ahead Energy Forward Market

- (a) If (i) the IESO has made an announcement that the Day-Ahead Energy Forward Market is likely to be opened within the succeeding twelve (12) calendar months, and (ii) the amendments to the IESO Market Rules for the Day-Ahead Energy Forward Market have been substantially developed by the IESO, the OPA shall propose a Replacement Price and Replacement Provision(s), as applicable based on Sections 1.7(b) and 1.7(c), to the Supplier and, at the OPA's discretion, all Other Suppliers. The Supplier may also propose a Replacement Price and Replacement Provision(s) to the OPA and to those Other Suppliers who are required by the OPA to participate. If the Parties are unable to agree on the OPA's proposal or that of the Supplier or any of those Other Suppliers, as the case may be, within sixty (60) days after the date the Day-Ahead Energy Forward Market is opened for operation in Ontario, then the Replacement Price and the Replacement Provision(s), as applicable, shall be determined by mandatory and binding arbitration, from which there shall be no appeal, with such arbitration(s) to be conducted in accordance with the procedures set out in Exhibit F. However, if the Supplier fails to participate in such arbitration, the Supplier acknowledges that it waives its right to participate in such arbitration, which shall nevertheless proceed, and the Supplier shall be bound by the award of the Arbitration Panel

and the subsequent amendments to this Agreement made by the OPA to implement such award of the Arbitration Panel set out in Section 1.7(d)(iii).

- (b) For purposes of Section 1.7(a), the Replacement Price and the Replacement Provision(s) will be based on the following principles, with such modifications to take effect from and after the date set out in Section 1.7(d):
 - (i) in Exhibit J, all references to HOEP will be replaced with an hourly Electricity price established under the Day-Ahead Energy Forward Market (the "**Replacement Price**"); and
 - (ii) in Exhibit J, all references to Imputed Start-Up Hour and Imputed Shut-Down Hour shall continue, but shall be modified (the "**Replacement Provision(s)**") by using information or prices made available under the Day-Ahead Energy Forward Market to deem an operating pattern for a facility with the attributes as set out in this Agreement, including, for greater certainty, the requirement to deliver the Monthly Contract Capacity for all hours in a Settlement Month that emulates a facility's commitment to maximize deemed operation during hours of positive Imputed Net Revenue and minimize deemed operation during hours of negative Imputed Net Revenue, with due consideration for compensatory market-based payments that may be made available to such generators to offset incurred but non-recovered costs, and considerations for any other attributes which may be recognized within the Day-Ahead Energy Forward Market.

- (c) For purposes of Section 1.7(a), the following additional principles shall apply if the Day-Ahead Energy Forward Market is opened for operation:
 - (i) Start-Up Costs shall continue to be imputed in accordance with Exhibit J;
 - (ii) the Contract Facility shall continue to be deemed to commence and cease operation based on an Imputed Start-Up Hour and Imputed Shut-Down Hour as determined in accordance with the provisions of Section 1.7(b)(ii); and
 - (iii) any amendments to this Agreement to accommodate the opening of the Day-Ahead Energy Forward Market as contemplated by this Section 1.7 shall be made on the basis that the economic effect of such amendments substantially reflect the Supplier's economics as contemplated hereunder prior to the introduction of the Day-Ahead Energy Forward Market.

For greater certainty, the reference in this Section to the "Supplier's economics as contemplated hereunder" refers only to the calculation of Imputed Net Revenue in accordance with Exhibit J of this Agreement.

- (d) The terms of this Agreement shall be amended either:
- (i) by the agreement of the Parties, where no award of an Arbitration Panel has been made pursuant to Section 1.7(a);
 - (ii) by the agreement of the Parties made pursuant to and to implement an award of the Arbitration Panel, made pursuant to Section 1.7(a); or
 - (iii) by an amendment prepared by the OPA made pursuant to and to implement an award of the Arbitration Panel made pursuant to Section 1.7(a), where the Supplier failed to participate in such arbitration,
- with such agreement or amendment, as the case may be, having effect from and after the date the Day-Ahead Energy Forward Market was opened for operation in Ontario.
- (e) Until such time as this Agreement is amended in accordance with Section 1.7(d), Exhibit J will continue to apply to calculate CSP and RSP, as applicable, and all references to HOEP shall continue, and payments of CSP and RSP shall continue to be made until such time, provided that all such payments shall be subject to recalculation and readjustment as a result of the agreement or award set out in Section 1.7(d), and any Party owing monies to the other pursuant to such recalculation shall pay, within ten (10) Business Days after receipt of an invoice from the other Party, such monies owing together with interest at the Interest Rate, calculated daily, from and including the time such payments were due to the date of the payment thereof. If Pre-Dispatch Prices are not applicable in the context of the Day-Ahead Energy Forward Market, then all references in Stage IV of Exhibit J to Pre-Dispatch Prices and their use in determining Imputed Start-Up Hours and Imputed Shut-Down Hours shall be deleted.

1.8 Evolution of the IESO-Administered Markets

- (a) If (i) the IESO or the Government of Ontario have made an announcement with the effect that a Price Evolution Event is likely to occur within the succeeding twelve (12) calendar months, and (ii) the replacement rules and regulations pertaining to the Price Evolution Event have been approved by the applicable authority, the OPA shall propose a Replacement Price, based on Section 1.8(b) to the Supplier and, at the OPA's discretion, all of those Other Suppliers to implement the provisions of Section 1.8(b). The Supplier may also propose Replacement Prices based on Section 1.8(b) to the OPA and to those Other Suppliers who are required by the OPA to participate. If the Parties are unable to agree on the OPA's proposal or that of the Supplier or any of the Other Suppliers, as the case may be, within sixty (60) days after the date the Price Evolution Event occurs, then the Replacement Prices shall be determined by mandatory and binding arbitration, from which there shall be no appeal, with such arbitration(s) to be conducted in accordance with the procedures set out in Exhibit F. However, if the Supplier fails to participate in such arbitration, the Supplier acknowledges

that it waives its right to participate in such arbitration, which shall nevertheless proceed, and the Supplier shall be bound by the award of the Arbitration Panel and the subsequent amendments to this Agreement made by the OPA to implement such award of the Arbitration Panel set out in Section 1.8(d)(iii).

- (b) For purposes of Section 1.8(a), a "**Price Evolution Event**" means that the IESO Market Rules have changed (including the implementation of locational marginal pricing by the IESO) such that HOEP or the replacement value for HOEP under a Day-Ahead Energy Forward Market, as determined through the application of Section 1.7 is no longer provided for, and is replaced by another market-based price signal(s). In such a case, this Agreement will be modified based on the following principles, with such modification to take effect from and after the date set out in Section 1.8(d):
- (i) in Exhibit J, HOEP, or its replacement value under a Day-Ahead Energy Forward Market, if applicable, will be replaced with the Ontario Electricity Market Price that most closely emulates the price actually paid to the Supplier by the Ontario Electricity market for Electricity output from the Facility (the "**Replacement Price**"); and
 - (ii) it is expected that all other features of Exhibit J will be applicable.
- (c) If the IESO Market Rules are amended to provide for an installed capacity market, then either Party may propose, by notice in writing to the other Party, amendments to this Agreement and the OPA and the Supplier and, at the OPA's discretion, all of those Other Suppliers who are required by the OPA to participate, shall then engage in good faith negotiations to amend this Agreement and the respective agreements of those Other Suppliers so as to facilitate the Supplier's participation in such installed capacity market, on the basis that the economic effect of such amendments substantially reflect the Supplier's economics as contemplated hereunder prior to the introduction of the installed capacity market. If the Parties fail to reach agreement on the amendments described in this Section 1.8(c), the matter shall be determined by mandatory and binding arbitration, from which there shall be no appeal, with such arbitration(s) to be conducted in accordance with the procedures set out in Exhibit F. However, if the Supplier fails to participate in such arbitration, the Supplier acknowledges that it waives its right to participate in such arbitration, which shall nevertheless proceed, and the Supplier shall be bound by the award of the Arbitration Panel and the subsequent amendments to this Agreement made by the OPA to implement such award of the Arbitration Panel set out in Section 1.8(d)(iii).

For greater certainty, the reference in this Section to the "Supplier's economics as contemplated hereunder" refers only to the calculation of Imputed Net Revenue in accordance with Exhibit J of this Agreement.

- (d) The terms of this Agreement shall be amended either:
- (i) by the agreement of the Parties, where no award of an Arbitration Panel has been made pursuant to Sections 1.8(a) or 1.8(c), as the case may be;
 - (ii) by the agreement of the Parties made pursuant to and in implementation of an award of the Arbitration Panel made pursuant to Sections 1.8(a) or 1.8(c), as the case may be; or
 - (iii) by an amendment prepared by the OPA made pursuant to and to implement an award of the Arbitration Panel made pursuant to Sections 1.8(a) or 1.8(c), as the case may be, where the Supplier failed to participate in such arbitration,

with such agreement or amendment, as applicable, having effect from and after the date that the Price Evolution Event occurred or the installed capacity market was introduced, respectively.

- (e) Until such time as this Agreement is amended in accordance with Section 1.8(d), Exhibit J will continue to apply to calculate CSP and RSP, as applicable using the OPA's proposal submitted under Section 1.8(a) or 1.8(c), as the case may be, provided that all such payments shall be subject to recalculation and readjustment as a result of the agreement or award set out in Section 1.8(c), and any Party owing monies to the other pursuant to such recalculation shall, within ten (10) Business Days after receipt of an invoice from the other Party, pay such monies owing together with interest at the Interest Rate, calculated daily, from and including the time such payments were due to the date of payment thereof.
- (f) This Section 1.8 shall not apply in the circumstances addressed in Section 1.7 or 2.11.

1.9 Price Unavailability Events

- (a) If (i) the IESO or the Government of Ontario has made an announcement with the effect that a Price Unavailability Event is likely to occur within the succeeding twelve (12) calendar months, and (ii) the replacement rules and regulations pertaining to the Replacement Provision(s) have been approved by the applicable authority, the OPA shall propose Replacement Provision(s), based on Section 1.9(b), to the Supplier and, at the OPA's discretion, those Other Suppliers who are required by the OPA to participate. The Supplier may also propose Replacement Provision(s) based on Section 1.9(b) to the OPA and those Other Suppliers who are required by the OPA to Participate. If the Parties are unable to agree on the OPA's proposal or that of the Supplier or any of those Other Suppliers, as the case may be, within sixty (60) days after the date the Price Unavailability Event occurs, then the Replacement Provision(s) shall be determined by mandatory and binding arbitration, from which there shall be no appeal, with such arbitration(s) to be conducted in accordance with the procedures set out in Exhibit F. However, if the Supplier fails to participate in such

arbitration, the Supplier acknowledges that it waives its right to participate in such arbitration, which shall nevertheless proceed, and the Supplier shall be bound by the award of the Arbitration Panel and the subsequent amendments to this Agreement made by the OPA to implement such award of the Arbitration Panel set out in Section 1.9(c)(iii).

- (b) For purposes of Section 1.9(a), a "Price Unavailability Event" means that HOEP, or the replacement value for HOEP under a Day-Ahead Energy Forward Market as determined through the application of Section 1.7 or the replacement market-based price signals referred to in Section 1.8, is no longer available. In such a case, this Agreement will be modified based on the following principles, with such modifications to take effect from and after the date set out in Section 1.9(c):
- (i) this Agreement will be amended as necessary to ensure the Supplier will participate in any revised processes determined by the IESO to facilitate unit commitment, unit dispatch, and/or outage scheduling;
 - (ii) Exhibit J will be modified to define the Imputed Net Revenue to be based on Imputed Variable Energy Costs for the actual Electricity produced in a month and any actual Electricity payments made to the Supplier for Electricity produced by the Contract Facility. In calculating the Imputed Variable Energy Cost, the stated variables contained in Exhibit B of this Agreement will be used; and
 - (iii) in Exhibit J, HOEP, or the replacement value for HOEP under a Day-Ahead Energy Forward Market as determined through the application of Section 1.7, or the replacement market-based price signals referred to in Section 1.8, will be replaced with the actual price received by the Supplier for Electricity produced by the Contract Facility,

and the modifications and amendments described in Sections 1.9(b)(i), 1.9(b)(ii) and 1.9(b)(iii) are collectively referred to as the "**Replacement Provision(s)**".

- (c) The terms of this Agreement shall be amended either:
- (i) by the agreement of the Parties, where no award of an Arbitration Panel has been made pursuant to Section 1.9(a);
 - (ii) by the agreement of the Parties made pursuant to and to implement an award of the Arbitration Panel, made pursuant to Section 1.9(a); or
 - (iii) by an amendment prepared by the OPA made pursuant to and to implement an award of the Arbitration Panel made pursuant to Section 1.9(a), where the Supplier failed to participate in such arbitration,

with such agreement or amendment, as the case may be, having effect from and after the date the Price Unavailability Event occurred.

- (d) Until such time as this Agreement is amended in accordance with Section 1.9(c), Exhibit J will continue to apply to calculate CSP and RSP, as applicable, using the OPA's proposal submitted under Section 1.9(c), provided that all such payments shall be subject to recalculation and readjustment as a result of the agreement or award set out in Section 1.9(c), and any Party owing monies to the other pursuant to such recalculation shall pay, within ten (10) Business Days after receipt of an invoice from the other Party, such monies owing together with interest at the Interest Rate, calculated daily, from and including the time such payments were due to the date of the payment thereof.
- (e) This Section 1.9 shall not apply to the circumstances addressed in Sections 1.7 and 1.8 or 2.11

1.10 Invalidity, Unenforceability, or Inapplicability of Indices and Other Provisions

In the event that either the OPA or the Supplier, acting reasonably, considers that any provision of this Agreement is invalid, inapplicable or unenforceable, or in the event that any index or price quotation referred to in this Agreement, including the Gas Price Index (DA), ceases to be published, or if the basis therefor is changed materially, then:

- (a) if a provision is considered to be invalid, inapplicable or unenforceable, then the Party considering such provision to be invalid, inapplicable or unenforceable may propose, by notice in writing to the other Party, a replacement provision and the OPA and the Supplier and, at the OPA's discretion, those Other Suppliers that are required by the OPA to participate, shall engage in good faith negotiations to replace such provision with a valid, enforceable and applicable provision, the economic effect of which substantially reflects that of the invalid, unenforceable or inapplicable provision which it replaces;
- (b) if any index or price quotation referred to in this Agreement, other than the Gas Price Index (DA), ceases to be published, or if the basis therefor is changed materially, then the OPA and the Supplier and, at the OPA's discretion, those Other Suppliers who are required by the OPA to participate, shall engage in good faith negotiations to substitute an available replacement index or price quotation that most nearly, of those then publicly available, approximates the intent and purpose of the index or price quotation that has so ceased or changed and this Agreement shall be amended as necessary to accommodate such replacement index or price quotation;
- (c) if the Gas Price Index (DA) ceases to be published or announced, or if the basis therefor is changed materially (the date that the first of such events occurs being herein called the "**Gas Price Redetermination Date**"), then the OPA and the Supplier and, at the OPA's discretion, those Other Suppliers who are required by the OPA to participate, shall engage in good faith negotiations to substitute an available replacement index or price source that most nearly, of those then publicly available, approximates the intent and purpose of the Gas Price Index (DA). During the negotiations (and any subsequent arbitration conducted in

accordance with Section 1.10(d)) for determining an alternate Gas Price Index (DA), the last Gas Price (DA) in effect before the Gas Price Redetermination Date shall continue to be used for purposes of this Agreement as the Gas Price (DA), but if a replacement index or price source is determined and this Agreement is amended pursuant to Section 1.10(e), an adjustment will be made and such replacement index or price source shall be used as the new Gas Price Index (DA) for purposes of this Agreement, retroactive from the Gas Price Redetermination Date to the date that the Agreement is amended pursuant to Section 1.10(e), on which basis the Monthly Payment in respect of such retroactive period shall be recalculated and readjusted by the Parties;

- (d) if a Party does not believe that a provision is invalid, inapplicable or unenforceable, or that the basis for any index or price quotation is changed materially, or the negotiations set out in Sections 1.10(a), 1.10(b) or 1.10(c) are not successful, then if the Parties are unable to agree on all such issues and any amendments required to this Agreement (the "**Replacement Provision(s)**") within thirty (30) days after either the giving of the notice under Section 1.10(a) or the occurrence of the event in Section 1.10(b) or 1.10(c), then the Replacement Provision(s) shall be determined by mandatory and binding arbitration from which there shall be no appeal, with such arbitration(s) to be conducted in accordance with the procedures set out in Exhibit F. However, if the Supplier fails to participate in such arbitration, the Supplier acknowledges that it waives its right to participate in such arbitration, which shall nevertheless proceed, and the Supplier shall be bound by the award of the Arbitration Panel and the subsequent amendments to this Agreement made by the OPA to implement such award of the Arbitration Panel set out in Section 1.10(e)(iii);
- (e) the terms of this Agreement shall be amended either:
 - (i) by the agreement of the Parties, where no award of an Arbitration Panel has been made pursuant to Section 1.10(d);
 - (ii) by the agreement of the Parties made pursuant to and in implementation of an award of the Arbitration Panel made pursuant to Section 1.10(d); or
 - (iii) by an amendment prepared by the OPA made pursuant to and to implement an award of the Arbitration Panel made pursuant to Section 1.10(d), where the Supplier failed to participate in such arbitration,

with such agreement or amendment, as applicable, having effect as of the date of the invalidity, inapplicability or unenforceability or from and after the date that the relevant index or quotation ceased to be published or the basis therefor is changed materially, as the case may be.

This Section 1.10 shall not apply to the circumstances addressed in Sections 1.7, 1.8 and 1.9 or 2.11.

1.11 Entire Agreement

This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter of this Agreement. There are no warranties, conditions, or representations (including any that may be implied by statute) and there are no agreements in connection with the subject matter of this Agreement except as specifically set forth or referred to in this Agreement. No reliance is placed on any warranty, representation, opinion, advice or assertion of fact made by a Party to this Agreement, or its directors, officers, employees or agents, to the other Party to this Agreement or its directors, officers, employees or agents, except to the extent that the same has been reduced to writing and included as a term of this Agreement.

1.12 Waiver, Amendment

Except as expressly provided in this Agreement, no amendment or waiver of any provision of this Agreement shall be binding unless executed in writing by the Party to be bound thereby. No waiver of any provision of this Agreement shall constitute a waiver of any other provision nor shall any waiver of any provision of this Agreement constitute a continuing waiver or operate as a waiver of, or estoppel with respect to, any subsequent failure to comply, unless otherwise expressly provided.

1.13 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

1.14 Preparation of Agreement

Notwithstanding the fact that this Agreement was drafted by the OPA's legal and other professional advisors, the Parties acknowledge and agree that any doubt or ambiguity in the meaning, application or enforceability of any term or provision of this Agreement shall not be construed or interpreted against the OPA or in favour of the Supplier when interpreting such term or provision, by virtue of such fact.

ARTICLE 2 DEVELOPMENT AND OPERATION OF THE FACILITY

2.1 Design and Construction of the Facility

- (a) The Supplier agrees to design and build the Facility using Good Engineering and Operating Practices and meeting all relevant requirements of the IESO Market Rules, Transmission System Code, Distribution System Code and the Connection Agreement, in each case, as applicable, and all other Laws and Regulations. The Supplier shall ensure that the Facility is designed, engineered and constructed to operate in accordance with the requirements of this Agreement.
- (b) The Supplier agrees to provide a single line electrical drawing which identifies the as-built Connection Point(s), clearly showing area transmission and distribution

facilities, including the transmission station(s) that is electrically closest to the Facility.

- (c) The Supplier shall at no time after the date of this Agreement modify, vary, or amend in any material respect any of the features or specifications of the Facility outlined in Exhibit A (the "**Facility Amendment**") without first notifying the OPA in writing and obtaining the OPA's consent in writing, which consent shall not be unreasonably withheld, provided that it shall not be unreasonable for the OPA to withhold its consent to any modification, variation or amendment which would, or would be likely to, materially adversely affect the ability of the Supplier to comply with its obligations under this Agreement. Any Facility Amendment that has not been consented to by the OPA (other than in instances where such consent has been unreasonably withheld) shall, if not removed within ten (10) Business Days after such Facility Amendment occurred, constitute a Supplier Event of Default. Without limiting the generality of the foregoing, and for purposes of this paragraph, the failure of the Facility to have a Connection Point as described in Exhibit A shall be deemed to be a Facility Amendment.
- (d) If the OPA's consent in writing has been given in relation to a reduction in the Monthly Contract Capacity pursuant to Section 2.1(c), the Monthly Contract Capacity shall be deemed to be reduced to the lower amount, each of the Tranche 1 Monthly Contract Capacity and the Tranche 2 Monthly Contract Capacity being reduced by a portion of such amount in proportion to its contribution to the Monthly Contract Capacity, effective at the time stated in such notice. If the OPA's consent has been given in relation to an increase in the Monthly Contract Capacity pursuant to Section 2.1(c), each of the Tranche 1 Monthly Contract Capacity and the Tranche 2 Monthly Contract Capacity shall be increased by a higher amount in proportion to its contribution to the Monthly Contract Capacity (not to exceed the original values as of the Term Commencement Date), effective as of the time stated in such notice, provided that such increase shall not be effective until:
 - (i) the Supplier performs a Capacity Check Test confirming the increased amount of the Monthly Contract Capacity, and
 - (ii) the Supplier has delivered to the OPA the amount of Completion and Performance Security corresponding to the increased amount of the Monthly Contract Capacity, as calculated in accordance with Section 6.1.
- (e) For purposes of Section 2.1(c), in the event that the Nameplate Capacity of the Facility will be reduced as a result of a term, condition or restriction imposed by, or contained in a permit, certificate, licence or other approval issued by, a Governmental Authority in respect of the Facility, then the amount by which such Nameplate Capacity is reduced shall be deemed to first reduce the Supplier's Capacity, with any excess of the reduction of the Nameplate Capacity over the Supplier's Capacity then being deemed to reduce the Tranche 1 Monthly Contract

Capacity and Tranche 2 Monthly Contract Capacity, each being reduced in proportion to its relative contribution to Monthly Contract Capacity.

- (f) Subject to Section 2.2(c), if, after the First Call Proposal Submission Deadline, the Supplier in respect of the Facility receives from a Transmitter or LDC written estimates of applicable Network Upgrade Costs that are substantially more than the cost that would have been reasonably foreseeable by a prudent supplier taking Commercially Reasonable Efforts to inform itself of or estimate such Network Upgrade Costs prior to the First Call Proposal Submission Deadline, then the Supplier may, within 20 Business Days of receiving such written estimates of applicable Network Upgrade Costs, request in writing to the OPA that the OPA agree to terminate this Agreement and return to the Supplier the Completion and Performance Security. In considering such request, the OPA shall be entitled to review and the Supplier shall provide to the OPA within five Business Days of a request therefor, any additional information or documents related thereto in the opinion of the OPA, acting reasonably. The OPA shall deliver written notice to the Supplier confirming whether or not it agrees to such termination and if such termination is agreed to it shall be effective on the first Business Day of the immediately following month after the date of the OPA's written notice.

2.2 Additional Development and Construction Covenants

- (a) The Supplier agrees that the Facility shall be located in an Eligible Area within the Province of Ontario. The Supplier agrees that the Facility shall have a Connection Point as set out in Exhibit A and shall affect supply in the IESO-Administered Market.
- (b) The Supplier agrees to arrange, at its expense, for all Facility connection requirements in accordance with the Connection Agreement to permit the Delivery of Electricity. The Supplier shall be solely responsible for all Connection Costs.
- (c) The Supplier agrees to provide, at its expense, all power system components on the Supplier's side of the Connection Point, including all transformation, switching, metering and auxiliary equipment, such as synchronizing and protection and control equipment, pursuant to requirements deemed necessary by the IESO, the Transmitter, the LDC (and as specified in the System Impact Assessment, the Customer Impact Assessment and the Connection Impact Assessment, as applicable) and the Electrical Host Facility, as applicable, to protect the safety and security of the IESO-Controlled Grid, the Local Distribution System, each of their customers and the Electrical Host Facility Load, as the case may be. The equipment to be so provided by the Supplier shall include such electrical equipment as the IESO, the Transmitter, the LDC and the Electrical Host Facility, as applicable, deem necessary, from time to time, for the safe and secure operation of the IESO-Controlled Grid, the Local Distribution System and the Electrical Host Facility Load, as required by the IESO Market

Rules, the Transmission System Code, the Distribution System Code and the Electrical Host Facility, as applicable.

2.3 Allocation and Treatment of Connection Costs and Network Upgrade Costs

- (a) The Supplier shall arrange, at its sole expense, for all Facility connection requirements in accordance with Laws and Regulations to permit the delivery of Delivered Electricity and to permit the delivery of Useful Heat Output in accordance with its Useful Heat Output Plan.
- (b) All Connection Costs shall be for the account of the Supplier and, as applicable, the Transmitter and/or LDC with which the Supplier has arranged connection of the Facility pursuant to the Connection Agreement, the Distribution System Code and the Transmission System Code, as applicable. The Supplier acknowledges that the responsibility for any Network Upgrade Costs associated with the connection of the Facility shall be allocated as set forth in the Distribution System Code or Transmission System Code, as applicable.
- (c) The Supplier shall apply for any Impact Assessments or System Impact Assessment in respect of the Contract Facility required by applicable Laws and Regulations, provided that the Supplier shall not apply for any such Impact Assessments until after the Impact Assessment Priority Start Time. Notwithstanding the foregoing, if the Supplier has paid for and received a complete Impact Assessment prior to November 23, 2010, the Supplier may proceed on the basis of that Impact Assessment and is not required to defer applying for a new Impact Assessment until after the Impact Assessment Priority Start Time. The OPA shall use its best efforts to not issue an Impact Assessment Priority Start Time that is earlier than the Impact Assessment Priority Start Time issued under this Agreement to any Other Supplier that is offered a CHP IV Contract following the time that this Agreement was offered.
- (d) The Supplier acknowledges that if it applies for any required Impact Assessment after the Impact Assessment Priority Stop Time, Other Suppliers that were offered a CHP IV Contract after the Supplier may have already applied for an Impact Assessment for their project, which may have connection cost and resource availability implications for the Supplier.
- (e) The Supplier shall provide documents to the OPA, within 10 Business Days of receiving a written request for such documents from the OPA, confirming the date that any application for an Impact Assessment in respect of the Contract Facility was submitted.
- (f) If the OEB issues an order or directive resulting in a Transmitter or an LDC, instead of the Supplier as a generator, being responsible for the payment of any Connection Costs, then the Supplier shall provide written notice to the OPA of the issuance of such order or directive within ten (10) Business Days of its issuance, and the Supplier shall cooperate in good faith with the OPA and/or the

Transmitter and/or the LDC as required by the OPA to assess the amount of Connection Costs for which the Supplier is no longer responsible. Notwithstanding anything in this Agreement to the contrary, the Monthly Net Revenue Requirement (or Restated Monthly Net Revenue Requirement, as applicable) applicable from and after the effective date of such order or directive shall be reduced, by mutual agreement, by an amount commensurate with such reduction in Connection Costs as a result of such OEB order or directive, amortized on a straight-line basis over the balance of the Term.

2.4 Milestone Dates

(a) The Parties agree:

(i) that each of the Milestone Events corresponding to:

(A) Financial Closing; and

(B) attaining Commercial Operation of the Facility,

shall be achieved in a timely manner and by its corresponding Milestone Date, failing which the Supplier shall pay to the OPA within five (5) Business Days after receipt of an invoice from the OPA, as liquidated damages and not as a penalty, a sum of money equal to:

(C) \$50 per MW multiplied by the Annual Average Contract Capacity (as would be determined from and after the COD) for each calendar day after the Milestone Date that occurs until Financial Closing;

(D) the amount of (1) \$150 per MW multiplied by (2) the Annual Average Contract Capacity (as would be determined from and after the COD) for each calendar day after the Milestone Date, in respect of Commercial Operation of the Facility until the Commercial Operation has been achieved.

However, if Commercial Operation of the Facility is achieved on or before its corresponding Milestone Date, then all liquidated damages for delay in achieving Financial Closing paid by the Supplier under this Section 2.4(a) shall be refunded to the Supplier, without interest, two weeks following COD;

(b) The maximum time period that liquidated damages shall be calculated and payable under Section 2.4(a) by the Supplier:

(i) for failure to meet the Milestone Date in respect of Financial Closing, shall be ninety (90) days; and

(ii) for failure to meet the Milestone Date in respect of Commercial Operation of the Facility, shall be five hundred and forty-five (545) days.

- (c) if there occurs or arises any incident, event or circumstance which results, or is likely to result, in a delay in the aggregate of thirty (30) days or more in the achievement of Commercial Operation following the Milestone Date therefor, including delays arising from events of Force Majeure, the Party first becoming aware of such delay or likely delay shall promptly (and, in any event, within ten (10) Business Days) notify the other Party and the Parties shall meet to discuss strategies for eliminating or reducing, to the extent possible and practicable to do so, the impact of such delay on the development, construction and/or commissioning of the Facility in order to achieve Commercial Operation by the Milestone Date therefor.

2.5 Requirements for Commercial Operation

The Contract Facility will be deemed to have achieved "**Commercial Operation**" at the point in time when:

- (a) the OPA has received and approved the Metering Plan as set out in Section 2.8;
- (b) the Supplier has submitted a performance test plan to the OPA for approval ninety (90) days prior to the performance test to facilitate the provision of an Independent Engineer' Certificate in the form of Exhibit AA;
- (c) the OPA has received an Independent Engineer's Certificate, in the form set out in Exhibit AA, procured at the expense of the Supplier. The OPA or its Representative shall be entitled, at the OPA's option, to attend the performance and generation tests for purposes of this Section 2.5(c), and the Supplier shall provide to the OPA confirmation in writing of the timing of such tests at least twenty (20) Business Days in advance.
- (d) the OPA has received a Supplier's Certificate, in the form set out in Exhibit Z, together with such documentation required to be provided under such form to the OPA; and
- (e) the OPA shall notify the Supplier in writing within twenty (20) Business Days following receipt of the Independent Engineer's Certificate and the Supplier's Certificate concerning Commercial Operation as to whether the Independent Engineer's Certificate, Supplier's Certificate, and the documentation provided by the Supplier under the Supplier's Certificate are acceptable to the OPA, acting reasonably. If the OPA determines that the Independent Engineer's Certificate, Supplier's Certificate, or such documentation provided by the Supplier under the Supplier's Certificate are not acceptable to the OPA, the OPA shall at the time of such notification provide to the Supplier reasonable particulars in respect of the deficiencies in the Independent Engineer's Certificate, Supplier's Certificate, or such documentation.

2.6 OPA Information During Design and Construction

Prior to the Commercial Operation Date:

- (a) the Supplier shall provide the OPA with progress reports as follows:
 - (i) By the fifteenth (15th) day of each calendar quarter following the date of this Agreement and continuing until the Commercial Operation Date, the Supplier shall provide the OPA with quarterly progress reports substantially in the form of Exhibit Q, describing the status of efforts made by the Supplier to meet each Milestone Date and the progress of the design and construction work and the status of permitting and approvals relating to the Facility. Such quarterly progress reports shall report on the progress of all applicable Reportable Events. At the OPA's request, the Supplier shall provide an opportunity for the OPA to meet with appropriate personnel of the Supplier to discuss and assess the contents of any such quarterly progress report. The Supplier acknowledges that the quarterly progress reports and photographs of the Facility may be posted or printed by the OPA on its website or in publications.
 - (ii) In addition to the quarterly progress reports it is required to provide pursuant to Section 2.6(a)(i), the Supplier shall also provide the OPA with notice of any material incident, event or concern which may occur or arise during the course of the development, construction or commissioning of the Facility, promptly and, in any event, within ten (10) Business Days following the later of: (i) the Supplier becoming aware of any such incident, event or concern occurring or arising; and (ii) the Supplier becoming aware of the materiality of same, with such timing in each case based upon the Supplier having acted in accordance with Good Engineering and Operating Practices.
- (b) The Supplier shall give the OPA at least five (5) Business Days' prior notice of scheduled meetings between the Supplier and its engineering, procurement and construction, or main, project contractor and the OPA may, upon two (2) Business Days' notice, designate a representative to attend such meeting. The Supplier shall provide the OPA with minutes of such meeting not less than five (5) Business Days following the date on which such meeting occurred.

2.7 Operation Covenants

- (a) The Supplier agrees to own or lease the Facility during the Term and to operate and maintain the Facility during the Term using Good Engineering and Operating Practices, and meeting all applicable requirements of the IESO Market Rules, the Transmission System Code, the Distribution System Code, the Connection Agreement and all other Laws and Regulations. For certainty, the Parties acknowledge that the OPA is not purchasing from the Supplier, nor is the Supplier selling to the OPA, any Electricity or Related Products.

- (b) The Supplier agrees to assume all risk, liability and obligation and to indemnify, defend and hold harmless the Indemnitees in respect of all actions, causes of action, suits, proceedings, claims, demands, losses, damages, penalties, fines, costs, obligations and liabilities arising out of a discharge of any contaminant into the natural environment, at or related to, the Facility and any fines or orders of any kind that may be levied or made in connection therewith pursuant to the *Environmental Protection Act* (Ontario), the *Ontario Water Resources Act*, the *Dangerous Goods Transportation Act* (Ontario) or other similar legislation, whether federal or provincial, except to the degree that such discharge shall have been due to the negligence or wilful misconduct of the Indemnitees.
- (c) The Supplier agrees to use Commercially Reasonable Efforts to maintain or enter into any fuel supply contracts that are necessary for the proper operation of the Facility during the Term. Without limiting the generality of the foregoing, a Supplier who is also a load facility under the IESO Market Rules shall be solely responsible for all charges (net of any applicable credits) in relation to Electricity consumed by it in order to operate the Facility in accordance with this Agreement.
- (d) The Supplier shall at all times during the Term operate the Facility using only fuel that is an Eligible Energy Source.
- (e) The Useful Heat Output of the Contract Facility relied upon by the Supplier to satisfy the Minimum UHO Requirement shall at all times satisfy the criteria in the definition of Useful Heat Output.

2.8 Metering and Dispatch Capabilities

- (a) If the Supplier becomes the Metered Market Participant with respect to the Facility, the Supplier covenants and agrees to provide, at its expense, separate meters and ancillary metering and monitoring equipment as required by the IESO Market Rules. The Supplier agrees to allow the OPA to have viewing access rights only to the revenue-quality interval meter data of the Facility to calculate the output of Electricity from the Facility net of any Station Service Loads and inclusive for any loss adjustment factors by establishing an Associated Relationship between the OPA and the Delivery Point of the Facility within the MVPortlet application tool or equivalent, at no cost to the OPA. For greater certainty, the OPA shall maintain in confidence and shall not access or use for any purpose (other than as set out in this Section 2.8) any information related to the electricity consumption of the Host at the Host Facility.
- (b) In the event that the Supplier ceases to be a Market Participant with respect to the Facility, then the OPA and the Supplier agree to discuss, develop and implement alternative arrangements and procedures as soon as possible to ensure that the OPA receives or is given access to the revenue-quality interval meter data referred to in Section 2.8(a) with respect to the Facility on a timely and verifiable basis.

- (c) If the Supplier does not become a Market Participant or ceases to be a Metered Market Participant with respect to the Facility, the Supplier agrees to provide access to the LDC Portal or the IESO's MVPortlet, or equivalent. In the event that the LDC Portal, the IESO's MVPortlet or equivalent is not available, the supplier must supply validated metering data in one of the following formats: .XML or .CSV at an interval of no more than every thirty (30) days, in accordance with Section 2.8(d) hereof.
- (d) If the Supplier does not become a Market Participant or ceases to be a Metered Market Participant with respect to the Facility, the Supplier agrees to ensure that revenue-quality interval meters will be operated and maintained, at its expense, to calculate the output of Electricity from the Facility at the Delivery Point net of any Station Service Loads and inclusive for any loss adjustment factors. Revenue quality meters registered with the IESO or provided by an LDC can be used to fulfill this obligation, in whole or in part, so long as the Metering Plan specifies: (i) how the metered quantities from those meters will be adjusted, if necessary, to account for any electrical losses that may occur due to differences between the physical locations of the Delivery Point and the Connection Point, and (ii) how the metered quantities from those meters will be totaled, if necessary, with other revenue-quality metered data to accurately calculate the output of the Facility at the Delivery Point net of any Station Service Loads and inclusive for any loss adjustment factors. Furthermore, the Supplier agrees that the OPA may retain a metering service provider for such revenue-quality interval meters and the Supplier shall reimburse the OPA for the costs of such metering service provider. Such costs may be netted from any amounts that the OPA owes to the Supplier.
- (e) The Supplier also covenants and agrees to provide, at its expense, separate meters and ancillary metering and monitoring equipment in order to calculate energy attributable to Useful Heat Output generated by the Facility, net of any thermal energy returned to or imported by the Facility, providing a level of accuracy acceptable to the OPA, acting reasonably. The Supplier will provide such data at an interval of no more than every thirty (30) days. The data provided shall represent the hourly flows of Useful Heat Output at a minimum frequency of every hour.
- (f) The Supplier also covenants and agrees to provide at its expense, either:
 - (i) read-only access to its Gas utility's web-based, online transaction service (such as, "Unionline" or "EnTRAC"), or
 - (ii) data from the Facility's Gas metering in order to calculate the volume of Gas consumed by the Facility providing a level of accuracy acceptable to the OPA, acting reasonably, such data must be provided at an interval of no more than every thirty (30) days and must represent the hourly flows of Gas at a minimum frequency of every hour.

- (g) The OPA retains the right to audit, at any time during the Term, on reasonable notice to the Supplier and during normal business hours, the metering equipment to confirm the accuracy of the Metering Plan, and the meter data of the Facility to confirm the accuracy of such data.
- (h) The Supplier shall have the Metering Plan approved by the OPA and shall deliver a copy to the OPA for its approval no later than one hundred and twenty (120) days prior to Commercial Operation. The OPA agrees to review the Metering Plan submitted by the Supplier and to either approve the Metering Plan or provide the Supplier with its comments within forty-five (45) days after receipt. The OPA shall, when considering whether to approve the Metering Plan, have regard to those electricity matters in the Metering Plan, that have received IESO approval. If, within ten (10) days after the OPA has delivered its comments on the Metering Plan to the Supplier, the Parties are not able to agree on the final terms of the Metering Plan, the Parties shall submit the matter for determination by the Independent Engineer, whose determination on the terms of the Metering Plan shall be final and binding on the Parties (and from whose determination there shall be no recourse to the dispute resolution provisions of this Agreement). The Supplier will provide the OPA with a commissioning report for all revenue meters referenced in the Metering Plan prior to any use of metered data for the purposes expressed in Section 15.6.
- (i) The Supplier shall not make any material changes to the Metering Plan following approval by the OPA or determination by the Independent Engineer as set out in Section 2.8(h) without the prior written approval of the OPA, acting reasonably.
- (j) The Supplier shall maintain (or be responsible for arranging on its behalf) a system satisfactory to the OPA commencing the day prior to the Commercial Operation Date and continuing every day throughout the Term, to receive Directed Dispatch Orders from either the OPA or the Dispatcher, as the case may be, prior to the applicable daily deadlines set out in Exhibit G.
- (k) "Metering Plan" means a report that is provided by the Supplier to the OPA, addressing at a minimum the matters set out in and substantially in the form of Exhibit Y and that (a) verifies that the revenue-quality interval meters conform with applicable regulations of Measurement Canada, and (b) provides all required information and equipment specifications needed to permit the OPA to remotely access, verify, estimate and edit for calculation purposes and/or total revenue meter readings in order to accurately determine the generator output at the Delivery Point net of any Station Service Loads and to calculate energy attributable to Useful Heat Output generated by the Facility, and which is updated promptly, and, in any event, within ten (10) Business Days after any change to the metering installation occurs.

2.9 Insurance Covenants

- (a) The Supplier hereby agrees to put in effect and maintain, or cause its contractors, where appropriate, to maintain, from the commencement of the construction of the Facility to the expiry of the Term, at its own cost and expense, all the necessary and appropriate insurance that a prudent Person in the business of developing and operating the Facility would maintain including the policies set out in this Section 2.9. All insurance policies required to be effected and maintained hereunder shall:
- (i) be placed with insurers licensed to underwrite insurance in the Province of Ontario and having an overall A.M. Best's Rating of at least A- (except in the case of automobile liability insurance where the minimum rating of the insurer shall be B+);
 - (ii) provide that they shall continue in effect and remain unaltered for the benefit of the Supplier for a period of not less than sixty (60) days after written notice of any cancellation or any change or amendment restricting coverage;
 - (iii) be capable of being reviewed and altered during the term of the policy to account for any changes in Laws and Regulations which affect coverage of the risk insured;
 - (iv) not be subject to any self insured retention for property or equipment break-down insurance, unless this is declared to the OPA and is an amount not greater than the deductibles(s) permitted for the aforesaid coverage. Self insured retention is not permitted for liability insurance or for environmental insurance; and
 - (v) afford protection to the Indemnitees as described in this Agreement.
- (b) The Supplier shall put in effect and maintain, or cause its contractors, where appropriate, to maintain, at a minimum, the following insurance policies:
- (i) "all-risk" property insurance covering property of every description insuring not less than the full replacement value of the Facility; and
 - (A) for the period prior to the Commercial Operation Date:
 - (1) shall be in the joint names of at least the Supplier and its principal contractors, with no co-insurance restriction; the policy shall include as additional insureds all subcontractors and the coverage shall not be less than the insurance required by IBC Forms 4042 and 4047, extended to include testing and commissioning, or their equivalent replacement; and

- (2) shall provide delayed start-up coverage on a fixed expense basis with an indemnity period of not less than twelve (12) months and a deductible waiting period of not more than sixty (60) days; and

(B) for the period from and after the Commercial Operation Date:

- (1) shall be in the name of the Supplier; and
- (2) shall provide for business interruption coverage on an actual loss sustained basis with a waiting period of not more than ninety (90) days.

These policies shall contain a waiver of subrogation in favour of the Indemnitees. Deductibles for these policies shall not exceed \$250,000 for all losses (other than damage to Equipment (as defined below) which will be subject to the deductibles set forth in Section 2.9(b)(ii)), except for 3% of full replacement value of damage to property (with a minimum deductible of \$250,000) for damage to property arising from or relating to each of flood and earthquake.

- (ii) equipment breakdown insurance, in the joint names of the Supplier and, for the period prior to the Commercial Operation Date, its principal contractors, insuring not less than the full replacement value of the boilers, machinery, pressure vessels, electrical and mechanical machines, air conditioning and refrigeration systems, computers, communications and electronic systems, service supply objects, heat recovery steam generator units, steam turbine generator units, generator step-up transformer units and combustion gas turbine generator units and all other equipment forming part of the Facility (the "**Equipment**"). The coverage shall not be less than the insurance provided by the forms known and referred to in the insurance industry as "Comprehensive Boiler and Machinery Form" or "Equipment Breakdown Insurance". This policy shall contain a waiver of subrogation in favour of the Indemnitees. Deductibles in respect of this policy or the portion of the "all risk" property insurance relating to the Equipment (as described in Section 2.9(b)(i)) shall not exceed:

- (A) \$3,000,000 for property damage arising from and relating to testing and commissioning of Equipment prior to the Commercial Operation Date; and
- (B) \$3,000,000 for property damage arising from and after the Commercial Operation Date;

Equipment breakdown insurance coverage may be obtained as part of the "all risk" property insurance.

- (iii) commercial general liability (CGL) insurance on an occurrence basis to be issued annually for death, bodily injury and property damage and other types of damage that may be caused to third parties as a result of the Supplier's activities in connection with the Facility or performance of its obligations under this Agreement. Limits shall not less than \$5,000,000 per occurrence and \$10,000,000 in aggregate and with a deductible not exceeding \$100,000. The policy shall be endorsed to include the Indemnitees as additional insureds and shall be non-contributing and primary with respect to coverage in favour of the Indemnitees. The coverage provided shall not be less than the insurance required by IBC Form 2100-2, 4-1998 (but not its replacement) and IBC Form 2320 (version in effect as at the date hereof but not its replacement). The policy shall include the following coverage:
 - (A) broad form products, premises and completed operations liability for a period of not less than twenty-four (24) months after the Commercial Operation Date;
 - (B) cross-liability and severability of interests clause;
 - (C) contingent employer's liability;
 - (D) tenant's legal liability (if applicable and with applicable sublimits);
 - (E) blanket contractual liability of the Supplier under this Agreement;
 - (F) damage arising from shoring, blasting, excavating, underpinning, demolition pile driving and caisson work, work below ground surface, tunnelling, and grading (if applicable);
 - (G) non-owned automobile liability with blanket contractual coverage for hired automobiles; and
 - (H) liability on the part of the Supplier resulting from activities or work performed by its contractors and subcontractors.
- (iv) automobile liability insurance, providing coverage for owned, non-owned or hired automobiles with a combined single liability limit of not less than \$2,000,000 per occurrence;
- (v) environmental impairment liability insurance, providing coverage for first party property damage and site clean-up and any third party claims for bodily injury, property damage and clean-up for any environmental incidents arising out of the construction, operation or maintenance of the Facility, with an annual limit of not less than \$5,000,000 per occurrence and in aggregate and with a deductible not exceeding \$100,000. This policy shall be endorsed to include the Indemnitees as additional insureds and shall be non-contributing and primary with respect to coverage in

favour of the Indemnitees. The policy shall contain a cross-liability and severability of interests clause; and

- (vi) any additional insurance required to be provided under all Laws and Regulations.
- (c) For purposes of the insurance coverage under Sections 2.9(b)(i) and (ii), the Supplier may procure and maintain separate insurance policies to cover the period prior to the Commercial Operation Date and the period from and after the Commercial Operation Date.
- (d) The Supplier shall provide the OPA with proof of the insurance referred to in this Agreement in the form of insurance certificate acceptable to the OPA and that references this Agreement and confirms the relevant coverage, including endorsements, on or before the commencement of the construction of the Facility, and renewals or replacements on or before the expiry of any such insurance. The policies for the insurance coverage under Sections 2.9(b)(iii) and (v) shall be endorsed to provide the OPA with:
 - (i) not less than sixty (60) days notice in writing in advance of any termination, cancellation or non-renewal thereof, and the Supplier shall ensure that the OPA receives such notice prior to the commencement of such sixty (60) day period; and
 - (ii) notice in writing at the time of any material change or amendment thereto (including any reduction in limits, increase in deductibles, exhaustion of aggregate limits, and change in named insured), and the Supplier shall ensure that the OPA receives such notice at such time.

Upon the request of the OPA, the Supplier will provide the OPA with a copy of each insurance policy to be furnished within ten (10) Business Days of the request being made by the OPA. The provision to the OPA of any certificate of insurance, insurance policy or other evidence of compliance with this Section 2.9 shall not imply acceptance by the OPA that the extent of insurance coverage is sufficient and otherwise complies with this Section 2.9.

- (e) If the Supplier is subject to the *Workplace Safety and Insurance Act* (Ontario), it shall submit a valid clearance certificate of *Workplace Safety and Insurance Act* coverage to the OPA prior to the commencement of construction of the Contract Facility. In addition, the Supplier shall, from time to time at the request of the OPA, provide additional *Workplace Safety and Insurance Act* clearance certificates. The Supplier agrees to pay when due, and to ensure that each of its contractors and subcontractors pays when due, all amounts required to be paid by it and its contractors and subcontractors, from time to time from the commencement of construction of the Contract Facility, under the *Workplace Safety and Insurance Act*, failing which the OPA shall have the right, in addition to and not in substitution for any other right it may have pursuant to this

Agreement or otherwise at law or in equity, to pay to the Workplace Safety and Insurance Board any amount due pursuant to the *Workplace Safety and Insurance Act* and unpaid by the Supplier or its contractors and subcontractors and to deduct such amount from any amount due and owing from time to time to the Supplier pursuant to this Agreement together with all costs incurred by the OPA in connection therewith.

- (f) In addition to all other rights and remedies available to the OPA in this Agreement, if the Supplier fails to comply with this Section 2.9, the OPA shall have the right (but not the obligation) to:
 - (i) obtain any and all insurance policies that the Supplier has failed to obtain and maintain or in respect of which the Supplier has failed to notify the OPA in the manner contemplated herein. The OPA shall have the right to deliver an invoice to the Supplier containing a statement of the reasonable costs of obtaining such insurance policies, together with any associated administrative and legal and other reasonable costs (collectively, the "**Insurance Costs**") and the Supplier shall within ten (10) days of the date of receiving such invoice pay to the OPA an amount equal to the Insurance Costs, irrespective of whether or not the OPA proceeds to obtain or has in fact obtained any such insurance policy or policies. The parties agree that the Insurance Costs are a reasonable pre-estimate of damages and not a penalty. If the Supplier fails to pay to the OPA the amount of the Insurance Costs, the OPA shall be entitled to draw and retain from the Completion and Performance Security the amount of the Insurance Costs; or
 - (ii) withhold any Contingent Support Payment until such time as the Supplier provides the certificates of insurance or copies of insurance policies as required under this Section 2.9.
- (g) Where the Supplier is made up of more than one legal entity (whether in the form of partnership, joint venture or otherwise), the Supplier shall provide to the OPA an irrevocable direction designating one such legal entity as responsible for all insurance matters under this Section 2.9, and for the provision of information in relation thereto to the OPA as contemplated in this Agreement, and such entity shall be so responsible. The Supplier agrees that such designate shall be authorized to bind the Supplier and all legal entities constituting the Supplier in respect of all matters relating to this Section 2.9.

2.10 Compliance with Laws and Regulations and Registration with the IESO

- (a) The OPA and the Supplier shall each comply, in all material respects, with all Laws and Regulations required to perform or comply with their respective obligations under this Agreement.

- (b) The OPA and the Supplier shall each furnish, in a timely manner, information to Governmental Authorities and shall each obtain and maintain in good standing any licence, permit, certificate, registration, authorization, consent or approval of any Governmental Authority required to perform or comply with their respective obligations under this Agreement, including such licencing as is required by the OEB.
- (c) Unless required by the IESO, registration by the Supplier with the IESO as a "Metered Market Participant" and as a "Generator" pursuant to the IESO Market Rules will be optional. If the IESO requires or the Supplier chooses such registration:
 - (i) the settlement of Market Settlement Charges shall take place directly between the Supplier as the "Metered Market Participant" and the IESO, and any costs incurred by the Supplier acting as the "Metered Market Participant" pursuant to the IESO Market Rules in respect of this Agreement shall be charged to and be the sole responsibility of the Supplier; and
 - (ii) the Supplier agrees to meet all applicable Facility registration requirements as specified in the IESO Market Rules.

2.11 Environmental Attributes

- (a) The Supplier shall from time to time during the Term of this Agreement obtain, qualify, and register with the relevant authorities or agencies all Environmental Attributes that are created by, or allocated or credited to, the Contract Facility pursuant to Laws and Regulations (including the Ontario Emissions Trading Program, if applicable to the Contract Facility) (collectively, the "**Regulatory Environmental Attributes**").
- (b) The Supplier shall be entitled to any and all right, title and interest in any Regulatory Environmental Attributes that were available under the Ontario Emissions Trading Program as of the date of the execution of this Agreement ("**OETP Attributes**"). However, the amount of the Supplier's entitlement to any such OETP Attributes shall be determined with reference to the levels in effect under the Ontario Emissions Trading Program as of the date of the Supplier's claim from time to time to any such entitlement. For certainty, revenue arising from such OETP Attributes will not be included in Imputed Net Revenue for purposes of Exhibit J.
- (c) With respect to Regulatory Environmental Attributes, other than OETP Attributes, for whatever compliance period may be prescribed by future Laws and Regulations involving Regulatory Environmental Attributes, the OPA shall, acting reasonably, impute the amount of the Regulatory Environmental Attributes that are deemed to be consumed as a result of the Contract Facility Operation during the applicable compliance period using assumptions (in the case of

emissions, being a rate of emissions) that are consistent with the relevant Monthly Contract Capacities and the attributes of the Contract Facility, including the Applicable Monthly Heat Rates (the "**Consumed REAs**"). The OPA shall be entitled to and the Supplier shall, from time to time during the Term of this Agreement, transfer or assign to the OPA any Regulatory Environmental Attributes that are in excess of the Consumed REAs within ten (10) Business Days of receiving a written statement from the OPA setting out the calculation thereof; provided however, that if future Laws and Regulations allocate or create Regulatory Environmental Attributes based on the Contract Facility's actual Electricity production or consumption of Eligible Energy Source, then the OPA's entitlement to any Regulatory Environmental Attributes that are in excess of the Consumed REAs shall not apply to the portion of such excess Regulatory Environmental Attributes that relate to the portion of the Contract Facility's actual Electricity production that is greater than Contract Facility Operation for the applicable period.

Further to Section 16.13, each of the Supplier and the OPA shall do all such further acts and execute and deliver or cause to be done, executed or delivered all such further acts, deeds, documents, assurances and things as may be required, acting reasonably, in order to give effect to the provisions of this Section 2.11(c), including assigning, transferring or, if necessary, holding in trust for the other Party, such Regulatory Environmental Attributes.

- (d) The Supplier shall not participate in any voluntary programs with respect to any Environmental Attributes associated with the Contract Facility without the prior written consent of the OPA, which consent may be unreasonably withheld.
- (e) The Parties acknowledge that the Government of Canada and the Government of Ontario may, from time to time during the Term of this Agreement, implement Laws and Regulations covering Greenhouse Gas emissions that may be applicable to the Contract Facility and that may contain provisions requiring the Contract Facility to have, obtain and/or retire permits, credits, allowances, offsets, or similar instruments or other compliance mechanisms ("**GHG Emissions Credits**") in connection with the emission of Greenhouse Gases due to the operation of the Contract Facility or prescribe other compliance mechanisms (the "**GHG Laws and Regulations**"). If the GHG Laws and Regulations are promulgated, and once the applicable details of the GHG Laws and Regulations and the details of their application to the Contract Facility Operation are known, the OPA shall, acting reasonably, amend this Agreement (the "**Replacement Provision(s)**") based on the principles set out in Section 2.11(f) (the "**GHG Amendment Principles**"), such amendments to be effective as of the first day of the first Settlement Month following the date upon which the GHG Laws and Regulations begin to apply to the operation of the Contract Facility.
- (f) For the purposes of Section 2.11(e), the GHG Amendment Principles upon which the Replacement Provision(s) will be based are as follows:

- (i) The objective of the amendments will be to substantially reflect the Supplier's reasonable costs of compliance with GHG Laws and Regulations, assuming (i) that the Contract Facility's actual operation corresponds to Contract Facility Operation for the applicable period and (ii) a rate of emissions that is consistent with the Monthly Contract Capacity and the attributes of the Contract Facility, including the Applicable Monthly Heat Rates.
- (ii) If GHG Emissions Credits are required by GHG Laws and Regulations for Contract Facility Operation and the amount of the Regulatory Environmental Attributes that are GHG Emission Credits (the "**Facility GHG Credits**"), if any, is less than the amount required by GHG Laws and Regulations for Contract Facility Operation (which shall be determined (i) based on the assumption that the Contract Facility's actual operation corresponds to Contract Facility Operation for the applicable period and (ii) by using assumptions as to the rate of emissions that are consistent with the applicable Monthly Contract Capacities and the attributes of the Contract Facility, including the Applicable Monthly Heat Rates) the amendments may include amendments to Exhibit J or other provisions of this Agreement for future periods, including amendments to the calculation of Imputed Variable Energy Cost to take into account the costs of compliance with GHG Laws and Regulations on a per MWh basis.
- (iii) Where the Supplier provides reasonable advanced written notice to the OPA of a shortfall (or anticipated shortfall) in Facility GHG Credits based on the assumptions set out in Section 2.11(f)(ii), at the option of the OPA, the amendments may include:
 - (A) the addition of provisions which allow or require the OPA to pay to the Supplier the reasonable cost of any required GHG Emissions Credits beyond the amount that are available to the Supplier (acting prudently and excluding transaction costs); or
 - (B) the addition of provisions which allow or require the OPA to obtain the GHG Emissions Credits and transfer them to the Supplier at no cost to the Supplier; or
 - (C) the addition of provisions which allow or require the OPA to pay any compliance penalties associated with any deficit in required GHG Emissions Credits; or
 - (D) the addition of provisions whereby the Imputed Net Revenue is reduced by an amount equal to the reasonable cost of the required supplemental GHG Emission Credits or other adjustments that facilitate the reduction of Contract Facility Operation, such that the

emissions corresponding to such reduced Contract Facility Operation will not require additional GHG Emission Credits.

- (iv) For greater certainty, if GHG Emissions Credits are required by GHG Laws and Regulations for Contract Facility Operation and the amount of the Facility GHG Credits is greater than the amount required by GHG Laws and Regulations for Contract Facility Operation, the OPA shall be entitled to any and all right, title and interest in any such excess GHG Emissions Credits pursuant to Section 2.11(c).
- (v) If GHG Emissions Credits are required by GHG Laws and Regulations for the operation of the Contract Facility that is not Contract Facility Operation, the Supplier is solely responsible for ensuring that it has a sufficient amount of GHG Emissions Credits for such operation.

2.12 Restatements

- (a) If included on Exhibit B, the Supplier may restate the Tranche 1 Monthly Contract Heat Rates, Tranche 2 Monthly Contract Heat Rates, Tranche 1 Monthly Contract Capacities, Tranche 2 Monthly Contract Capacities and/or Net Revenue Requirement pursuant to either Section 2.12(b) ("**Permanent Restatement**") or 2.12(c) ("**Indefinite Restatement**") below. A Permanent Restatement and an Indefinite Restatement shall, in addition to the provisions in Sections 2.12(b) and 2.12(c) respectively, be subject to the following:
 - (i) a Restatement shall not be permitted if Exhibit B does not specify a Restated Tranche 1 Monthly Contract Heat Rate or a Restated Tranche 2 Monthly Contract Heat Rate expressed in the same format (units and seasonality) as the Tranche 1 Monthly Contract Heat Rate or Tranche 2 Monthly Contract Heat Rate, respectively, a Restated Tranche 1 Monthly Contract Capacity or a Restated Tranche 2 Monthly Contract Capacity expressed in the same format (units and applicable Month) as the Tranche 1 Monthly Contract Capacity or the Tranche 2 Monthly Contract Capacity, respectively, and the earliest Restatement Date (the "**Earliest Restatement Date**") as set out in Exhibit B and subject to Section 2.12(a)(iii);
 - (ii) Restatement of the Net Revenue Requirement shall not be permitted if the Exhibit B does not specify a Restated Net Revenue Requirement;
 - (iii) the "Restatement Date" shall be the date determined in accordance with Section 2.12(b)(iv) or 2.12(c)(iv), which in any event shall be a date which is not earlier than the later of:
 - (A) the fifth anniversary of the Commercial Operation Date; and
 - (B) the Earliest Restatement Date;

- (iv) following implementation of a Restatement (other than pursuant to Section 2.12(c)(vi)), the Useful Heat Output that was previously supplied to the Host Facility pursuant to one or more Off-Take Agreements may not, without the consent of the OPA, which consent may not be unreasonably withheld, be used for any purpose other than to generate additional Electricity at the Facility for the purpose of meeting the Supplier's obligations arising from a Restatement of the Tranche 1 Monthly Contract Capacity or the Tranche 2 Monthly Contract Capacity; and;
 - (v) where the Host comprises one or more Persons or the Host Facility comprises one or more facilities owned or operated by a Host, then in either case all such Persons or facilities must at the same time be the subject of a Permanent Restatement or an Indefinite Restatement. For clarity, if one or more Persons comprising a Host or one or more facilities comprising a Host Facility, but not all such Persons or facilities, ceases to purchase any of the Facility's Useful Heat Output, such circumstances are not capable of qualifying as a Permanent Restatement or Indefinite Restatement.
- (b) Where a Supplier seeks a Permanent Restatement under this Section 2.12(b), the following shall apply:
- (i) the following circumstances, as demonstrated to the OPA's reasonable satisfaction, have occurred:
 - (A) the Host Facility has permanently ceased to purchase any of the Facility's Useful Heat Output;
 - (B) to the knowledge of the Supplier, the Host Facility has not acquired, nor does it intend to acquire during the remainder of the Term, any thermal energy from any source other than the Facility, where such acquired thermal energy could reasonably be considered a replacement, in whole or in part, of the Useful Heat Output provided by the Facility; and
 - (C) the Supplier has:
 - (1) exhausted all commercially reasonable avenues of legal recourse to enforce continuation or reinstatement of the purchase of Useful Heat Output by the Host Facility; and
 - (2) failing such continuation or reinstatement, exhausted all commercially reasonable avenues of legal recourse to obtain financial compensation from the Host Facility and used the net proceeds of any compensation so received to defer the Restatement Date by the same amount of time that the Restatement Date would otherwise have been deferred

if the compensation so received had instead been revenue received from continued Useful Heat Output sales to the Host Facility;

- (ii) the Supplier shall be considered to have satisfied the requirements of Section 2.12(b)(i) if it delivers an officer's certificate or statutory declaration, in the form attached as Exhibit N;
 - (iii) the Supplier shall deliver a written notice to the OPA requesting a Permanent Restatement;
 - (iv) subject to Section 2.12(a)(iii), the Permanent Restatement shall take effect on the date specified in the written notice requesting a Permanent Restatement, which date shall be the first day of a Settlement Month and a minimum of ninety (90) days after the Supplier delivers such written notice to the OPA; and
 - (v) upon a Permanent Restatement in accordance with this Section 2.12(b), on and after the Restatement Date, the Tranche 1 Monthly Contract Heat Rate shall be replaced by the Restated Tranche 1 Monthly Contract Heat Rate; the Tranche 2 Monthly Contract Heat Rate shall be replaced by the Restated Tranche 2 Monthly Contract Heat Rate; the Tranche 1 Monthly Contract Capacity shall be replaced by the Restated Tranche 1 Monthly Contract Capacity; the Tranche 2 Monthly Contract Capacity shall be replaced by the Restated Tranche 2 Monthly Contract Capacity; and the Net Revenue Requirement shall, unless Section 2.12(a)(ii) operates to prevent such, be replaced by the Restated Net Revenue Requirement.
- (c) Where a Supplier seeks an Indefinite Restatement under this Section 2.12(c), the following shall apply:
- (i) the following circumstances, as demonstrated to the OPA's reasonable satisfaction, have occurred:
 - (A) the Host Facility has ceased to purchase the Facility's Useful Heat Output (other than minimal amounts which may be required for heating, lighting or other maintenance purposes); and has ceased to use thermal energy for production of any products, services or processes at the Host Facility; and
 - (1) the Host Facility has announced publicly or advised its employees, customers or suppliers, or has confirmed in writing to the Supplier that the Host Facility is discontinuing production of the products, services or the processes for which the Useful Heat Output was utilized; or
 - (2) the Host Facility has (i) implemented a significant reduction in its workforce, or has announced such reduction

publicly or to its employees, or generally to its customers or suppliers, or (ii) has confirmed such reduction in writing to the Supplier.

- (B) to the knowledge of the Supplier, the Host Facility has not acquired, nor does it intend to acquire during the remainder of the Term, any thermal energy from any source other than the Facility, where such acquired thermal energy could reasonably be considered a replacement, in whole or in part, of the Useful Heat Output provided by the Facility; and
- (C) the Supplier has:
 - (1) exhausted all commercially reasonable avenues of legal recourse to enforce continuation or reinstatement of the purchase of Useful Heat Output by the Host Facility; and
 - (2) failing such continuation or reinstatement, exhausted all commercially reasonable avenues of legal recourse to obtain financial compensation from the Host Facility and used the net proceeds of any compensation so received to defer the Restatement Date by the same amount of time that the Restatement Date would otherwise have been deferred if the compensation so received had instead been revenue received from continued Useful Heat Output sales to the Host Facility;
- (ii) the Supplier shall deliver a written notice to the OPA requesting an Indefinite Restatement and the reasons therefor (the "**Supplier's IR Notice**") within 90 days after the Supplier knew or ought to have known that the circumstances in Section 2.12(c)(i) occurred, otherwise the Supplier will no longer be eligible for an Indefinite Restatement;
- (iii) the OPA shall notify the Supplier within 30 days after receipt of the Supplier's IR Notice whether or not the conditions for Indefinite Restatement as set out in Section 2.12(c)(i) have been satisfied and providing reasons for the OPA's determination. If the OPA does not agree that such conditions have been satisfied, then the OPA's determination shall prevail, subject to an arbitrator deciding pursuant to Section 16.2 that the OPA did not act reasonably in determining that such conditions had not been satisfied. In considering whether the OPA acted reasonably, the arbitrator shall consider all information known to the OPA;
- (iv) subject to Section 2.12(a)(iii), the Indefinite Restatement shall take place on the first day of the first Settlement Month following the Business Day on which the Supplier delivers the Supplier's IR Notice. For certainty, where the OPA has considered the request for an Indefinite Restatement

for up to 30 days pursuant to Section 2.12(c)(iii), the Indefinite Restatement shall take place retroactively to the first day of the first Settlement Month following the Business Day on which the Supplier delivers the Supplier's IR Notice;

- (v) upon an Indefinite Restatement in accordance with this Section 2.12(c), on and after the Restatement Date, the Tranche 1 Monthly Contract Heat Rate shall be replaced by the Restated Tranche 1 Monthly Contract Heat Rate; the Tranche 2 Monthly Contract Heat Rate shall be replaced by the Restated Tranche 2 Monthly Contract Heat Rate, the Tranche 1 Monthly Contract Capacity shall be replaced by the Restated Tranche 1 Monthly Contract Capacity, the Tranche 2 Monthly Contract Capacity shall be replaced by the Restated Tranche 2 Monthly Contract Capacity; the Net Revenue Requirement shall, unless Section 2.12(a)(ii) operates to prevent such, be replaced by the Restated Net Revenue Requirement;
- (vi) at any time after the date that is six months following an Indefinite Restatement, the Supplier may apply to the OPA to restate the Restated Tranche 1 Monthly Contract Heat Rate to the Tranche 1 Monthly Contract Heat Rate, the Restated Tranche 1 Monthly Contract Capacity to the Tranche 1 Monthly Contract Capacity, the Restated Tranche 2 Monthly Contract Heat Rate to the Tranche 2 Monthly Heat Rate, the Restated Tranche 2 Monthly Contract Capacity to the Tranche 2 Monthly Contract Capacity, and the Restated Net Revenue Requirement to the Net Revenue Requirement, provided that the Supplier can demonstrate to the OPA's satisfaction, acting reasonably, that the circumstances set out in Section 2.12(c)(i) no longer exist, and provided that the OPA agrees, acting reasonably, that it is not likely that those circumstances would recommence within 12 months from the date of the Indefinite Restatement; and
- (vii) a Supplier will not be eligible for a second or subsequent Restatement prior to the third anniversary of the date on which the Supplier has reinstated the Tranche 1 Monthly Contract Heat Rate, the Tranche 2 Monthly Contract Heat Rate, the Tranche 1 Monthly Contract Capacity, the Tranche 2 Monthly Contract Capacity and the Net Revenue Requirement pursuant to Section 2.12(c)(vi), which additional Restatement will be subject to the provisions of this Section 2.12.

2.13 Covenants in respect of Host Facility

- (a) Except with the prior written consent of the OPA, which consent may not be unreasonably withheld, the Supplier shall not change, replace or substitute the Host or Host Facility during the Term. Notwithstanding the foregoing, the prior written consent of the OPA shall not be required (i) for the sale of the Host Facility, provided that the Supplier has provided prompt written notice of such sale to the OPA and the new owner of the Host Facility has agreed in writing to

assume the Off-Take Agreement and the Host related obligations under this Agreement or (ii) with respect to a take-over bid made for the voting securities of the Host or an amalgamation, merger, arrangement or similar statutory procedure by which the Host combines with another entity, provided that the Supplier has provided prompt written notice of such take-over bid, amalgamation, merger, arrangement or other statutory procedure to the OPA.

- (b) The Supplier shall not, during the Term, be a party to an Off-Take Agreement with a Host whose business is the generation of Electricity.

ARTICLE 3 DISPATCH OPTIONS

3.1 Rights to Dispatch the Facility

The OPA shall have the right, from time to time throughout the Term, to select the dispatch mechanism governing the Facility (the "**Dispatch Rights**") in any given calendar day of the Term in accordance with, and subject to, the provisions of this Article 3.

3.2 Available Dispatch Options

The OPA's Dispatch Rights shall be restricted to Deemed Dispatch Option and the Directed Dispatch Option, in each case as described in Exhibit G.

3.3 Appointment of the Dispatcher under the Directed Dispatch Option

- (a) The OPA shall be entitled, without the consent of the Supplier, to appoint any Person from time to time throughout the Term and for any stated length of time up to the balance of the Term (the "**Dispatcher**") to exercise the Dispatch Rights under the Directed Dispatch Option in the place of the OPA.
- (b) The appointment of the Dispatcher will be made on the following basis:
 - (i) the OPA will provide written notice to the Supplier at least five (5) Business Days prior to the first exercise of Dispatch Rights by the Dispatcher;
 - (ii) the Dispatcher shall be entitled, during the term of its appointment, to exercise the Dispatch Rights under the Directed Dispatch Option in the place of the OPA and communicate all Directed Dispatch Orders directly with the Supplier. However, the Dispatcher shall not have the authority to act for, or in the place of, the OPA in any other respect under this Agreement and shall not be directly liable to the Supplier;
 - (iii) the appointment of the Dispatcher will not relieve the OPA of its obligations to the Supplier under this Agreement and all Monthly Payments shall continue to be made and settled directly between the OPA and the Supplier; and

- (iv) the appointment of the Dispatcher may be revoked by the OPA at any time prior to the expiry of the term of the Dispatcher's appointment by providing written notice to the Supplier at least one (1) Business Day prior to the revocation of the appointment of the Dispatcher. For greater certainty, the revocation of the appointment of the Dispatcher shall not affect the validity of any outstanding Directed Dispatch Order, which shall continue to be governed by the terms of Exhibit G.

ARTICLE 4 OPERATION OF FACILITY AND PAYMENT OBLIGATIONS

4.1 Operation of Facility During the Term

- (a) From and after the beginning of the hour ending 01:00 (EST) of the Commercial Operation Date, the Supplier agrees to operate the Facility in accordance with the terms of this Agreement and the Monthly Payments shall begin to accrue and be payable in accordance with Section 4.2 and Article 5. For certainty, the Parties acknowledge that the OPA is not purchasing from the Supplier, nor is the Supplier selling to the OPA, any Electricity or Related Products.
- (b) The Supplier will provide the OPA with prior written notice of the development by the Supplier of any Future Contract Related Products from time to time.

4.2 Amount of Monthly Payment

- (a) The "**Monthly Payment**" shall be an amount equal to one of the following:
 - (i) the Contingent Support Payment, if any, which shall be owed by the OPA to the Supplier; or
 - (ii) the Revenue Sharing Payment, if any, which shall be owed by the Supplier to the OPA.

4.3 Supplier's Responsibility for Taxes

- (a) The Supplier is liable for and shall pay, or cause to be paid, or reimburse the OPA if the OPA has paid, all Taxes applicable to any Revenue Sharing Payment due to the OPA. In the event that the OPA is required to remit such Taxes, the amount thereof shall be deducted from any sums becoming due to the Supplier hereunder, or shall be added to any sums becoming due to the OPA hereunder.
- (b) If any HST is payable in connection with the Revenue Sharing Payment, such HST shall be paid by the Supplier.

4.4 OPA's Responsibility for Taxes

- (a) The OPA is liable for and shall pay, or cause to be paid, or reimburse the Supplier if the Supplier has paid, all Taxes applicable to any Contingent Support Payment

due to the Supplier. In the event that the Supplier is required to remit such Taxes, the amount thereof shall be deducted from any sums becoming due to the OPA hereunder, or shall be added to any sums becoming due to the Supplier hereunder.

- (b) If any HST is payable in connection with the Contingent Support Payment, such HST shall be paid by the OPA.

4.5 Non-residency

If the Supplier is or becomes a non-resident of Canada (of if the Supplier is a partnership, is or becomes a partnership other than a "Canadian Partnership"), in each case for purposes of the ITA, the Supplier shall notify the OPA forthwith of such status and shall provide the OPA with information sufficient to permit the OPA to comply with any withholding Tax, or other Tax obligations, to which the OPA may be subject as a result thereof, including proof acceptable to the OPA, acting reasonably, of any entitlement of the Supplier to a reduced rate of Tax based on an applicable income tax treaty to which Canada is a party, failing which the maximum rate of withholding Tax under the ITA shall apply. If any payment or credit by the OPA to the Supplier is subject to withholding Tax, then such payment or credit shall be reduced by the amount of such withholding Taxes and the OPA shall remit such withholding Taxes to the applicable taxing authority. The OPA shall within sixty (60) days after remitting such Taxes, notify the Supplier in writing, providing reasonable detail of such payment so that the Supplier may claim any applicable rebates, refunds or credits from the applicable taxing authority. If, after the OPA has paid such amounts, the OPA receives a refund, rebate or credit on account of such Taxes, then the OPA shall promptly remit such refund, rebate or credit amount to the Supplier provided however that the OPA shall be under no obligation to seek any such refund, rebate or credit.

4.6 Supplier's Option to Reduce Monthly Contract Capacity

- (a) At any time within the six (6) month period immediately prior to the Commercial Operation Date, the Supplier shall, once during such period, have the right to proportionately reduce by the same factor the Tranche 1 Monthly Contract Capacity and the Tranche 2 Monthly Contract Capacity for all Months set out on Exhibit B and, if applicable, the Restated Tranche 1 Monthly Contract Capacity and the Restated Tranche 2 Monthly Contract Capacity for all Months set out on Exhibit B to a lower amount by providing written notice thereof to the OPA during such period, provided that the Annual Average Contract Capacity as adjusted after any such reduction (the "**Adjusted AACC**") shall not be less than 95% of the Annual Average Contract Capacity prior to such reduction. The proportionate reduction in the Tranche 1 Monthly Contract Capacities, Tranche 2 Monthly Contract Capacities and, if applicable, the Restated Tranche 1 Monthly Contract Capacities and the Restated Tranche 2 Monthly Contract Capacities set out in this Section 4.6 shall take effect on the Commercial Operation Date, provided that there is no Supplier Event of Default as of the Commercial Operation Date. Any reference herein to the Tranche 1 Monthly Contract Capacity, Tranche 2 Monthly Contract Capacity, Restated Tranche 1 Monthly Contract Capacity, Restated Tranche 2 Monthly Contract Capacity and the

Annual Average Contract Capacity shall be deemed to be amended and shall be construed in accordance with this Section 4.6.

- (b) Upon such reduction under 4.6(a), the Net Revenue Requirement and, if applicable, the Restated Net Revenue Requirement shall remain unchanged.
- (c) The Supplier acknowledges that any such reductions in the Tranche 1 Monthly Contract Capacity and the Tranche 2 Monthly Contract Capacity and, if applicable, the Restated Tranche 1 Monthly Contract Capacities and the Restated Tranche 2 Monthly Contract Capacities shall not reduce any obligations of the Supplier in existence prior to the effective date of such reduction and that such reductions shall apply during the balance of the Term and the Tranche 1 Monthly Contract Capacities and the Tranche 2 Monthly Contract Capacities and, if applicable, the Restated Tranche 1 Monthly Contract Capacities and the Restated Tranche 2 Monthly Contract Capacities, as reduced, cannot be increased at any point during the balance of the Term.

ARTICLE 5 STATEMENTS AND PAYMENTS

5.1 Meter and Other Data

- (a) The Supplier agrees to provide to the OPA access to the meters in the Metering Plan to accommodate remote interrogation of the metered data on a daily basis at all times. If the Supplier is not a Market Participant, the Supplier shall provide to the OPA access at all times to any data or information relating to the Facility (including information related to Outages), that would have been provided to the IESO if the Supplier were governed by the IESO Market Rules, forthwith upon request by the OPA. The OPA agrees to provide to the Supplier, upon the Supplier's request, any Market Price information and any other information that the OPA will be utilizing in preparing the Statement that is not available directly to the Supplier from the IESO. The Supplier shall notify the OPA of any errors and omissions in any such data or information on a timely basis so as to permit the OPA, within a reasonable time, to require the IESO, if applicable, to correct such errors and omissions pursuant to the IESO Market Rules. Upon a Party becoming aware of any errors or omissions in any data or information provided in accordance with this Section 5.1, such Party shall notify the other Party, and if applicable, the IESO in accordance with the IESO Market Rules, on a timely basis.
- (b) Notwithstanding the foregoing, the Parties acknowledge and agree that all Statements shall be prepared based on Market Price information and settlement data from the IESO and in the event of a discrepancy between Market Price information and settlement data from the IESO and information received directly from the Supplier pursuant to Section 5.1(a), then the Market Price information and settlement data from the IESO shall, subject to Section 5.7, be considered to be correct.

5.2 Statements

The OPA shall prepare and deliver a settlement statement (the "**Statement**") to the Supplier, within ten (10) Business Days after the end of each calendar Month in the Term that is the subject of the Statement (the "**Settlement Month**"), setting out the basis for the Monthly Payment with respect to the Settlement Month, as well as the basis for any other payments owing under this Agreement by either Party to the other in the Settlement Month (including, if applicable, any costs of a metering service provider retained by the OPA to be reimbursed by the Supplier). A Statement may be delivered by the OPA to the Supplier by facsimile or electronic means and shall include the reference number assigned to this Agreement by the OPA and a description of the components of the Monthly Payment, consistent with Section 4.2 and other payments, owing to the Supplier for the Settlement Month.

5.3 Payment

The Party owing the Monthly Payment shall remit to the other Party full payment in respect of the Statement no later than twenty (20) Business Days after the end of the Settlement Month to which the Statement relates (the "**Payment Date**"). Any and all payments required to be made by either Party under any provision of this Agreement shall be made by wire transfer to the applicable account designated in Section 5.5, or as otherwise agreed by the Parties.

5.4 Interest

The Party owing the Monthly Payment shall pay interest on any late payment to the other Party, from the Payment Date to the date of payment, unless such late payment was through the fault of the other Party. The interest rate applicable to such late payment shall be the Interest Rate in effect on the date that the payment went into arrears, calculated daily, but shall not, under any circumstances, exceed the maximum interest rate permitted by Laws and Regulations.

5.5 Payment Account Information

Account for payments to Supplier:

Bank:

Bank address:

Account Name:

Account Number:

Transit Number:

HST Registration Number of Supplier:

The OPA acknowledges that the account information and HST registration number of the Supplier above constitutes Supplier's Confidential Information and is subject to the obligations of the OPA as set out in Article 8.

Account for payments to OPA:

Royal Bank of Canada
Main Branch
200 Bay Street, Main Floor
Toronto, ON M5J 2J5

Account Number: [●]
Transit Number: 00002

HST Registration Number of OPA: [●]

The Supplier acknowledges that the account information and HST registration number of the OPA above constitutes OPA's Confidential Information and is subject to the obligations of the Supplier as set out in Article 8.

Either Party may change its account information from time to time by written notice to the other in accordance with Section 15.8.

5.6 Adjustment to Statement

- (a) Each Statement shall be subject to adjustment for errors in arithmetic, computation or other errors raised by a party during the period of one (1) year following the end of the calendar year in which such Statement was issued. If there are no complaints raised, or if any complaints raised in the time period have been resolved, such Statement shall be final and subject to no further adjustment after the expiration of such period.
- (b) Notwithstanding the foregoing, if the Supplier is a "market participant" with the IESO, the determination by the IESO of any information shall be final and binding on the Parties in accordance with the IESO Market Rules, and without limiting the generality of the foregoing, if a Statement contains an error in the data or information issued by the IESO which the IESO has requested be corrected, then the one (1) year limit set forth in Section 5.6(a) shall not apply to the correction of such error or the OPA's ability to readjust the Statement.
- (c) Subject to Section 5.7, any adjustment to a Statement made pursuant to this Section 5.6 shall be made in the next subsequent Statement.

5.7 Disputed Statement

If the Supplier disputes a Statement or any portion thereof, the Party owing any amount set forth in the Statement shall, notwithstanding such dispute, pay the entire amount set forth in the Statement to the other Party. The Supplier shall provide written notice to the OPA setting out the portions of the Statement that are in dispute with a brief explanation of the dispute. If it is subsequently determined or agreed that an adjustment to the Statement is appropriate, the OPA will promptly prepare a revised Statement. Any overpayment or underpayment of any amount due under a Statement shall bear interest at the Interest Rate, calculated daily, from and including

the time of such overpayment or underpayment to the date of the refund or payment thereof. Payment pursuant to the revised Statement shall be made on the tenth (10th) Business Day following the date on which the revised Statement is delivered to the Supplier. If a Statement dispute has not been resolved between the Parties within five (5) Business Days after receipt of written notice of such dispute by the OPA, the dispute may be submitted by either Party to a Senior Conference pursuant to the terms of Section 16.1.

5.8 Statements and Payment Records

The Parties shall keep all books and records necessary to support the information contained in and with respect to each Statement and Monthly Payment made thereunder in accordance with Section 15.2.

ARTICLE 6 CREDIT AND SECURITY REQUIREMENTS

6.1 Completion and Performance Security Amount

- (a) The Supplier shall post on the date hereof and maintain security for the performance of the Supplier's obligations under this Agreement until the date specified in Section 6.1(b) (the "**Completion and Performance Security**") in an amount equal to \$30,000 per MW of Annual Average Contract Capacity.
- (b) From the date that is the fifth anniversary of the Commercial Operation Date to the date specified in Section 6.1(c), the Completion and Performance Security shall be in an amount of \$20,000 per MW of Annual Average Contract Capacity.
- (c) From the date that is the tenth anniversary of the Commercial Operation Date to the date specified in Section 6.1(d), the Completion and Performance Security shall be in an amount of \$15,000 per MW of Annual Average Contract Capacity.
- (d) From the date that is the fifteenth anniversary of the Commercial Operation Date to the end of the Term, the Completion and Performance Security shall be in an amount of \$10,000 per MW of Annual Average Monthly Contract Capacity.
- (e) Notwithstanding any other provision of this Agreement, no delay, including a delay resulting from an event of Force Majeure shall extend the date by which any component of the Completion and Performance Security is required to be provided by the Supplier.

6.2 Composition of Security Prior to Commercial Operation Date

- (a) Prior to the Commercial Operation Date, the obligation of the Supplier to post and maintain Completion and Performance Security as required by Sections 6.1(a), (b), (c) and (d) must be satisfied by the Supplier providing to the OPA a Letter of Credit for the full amount thereof.

- (b) From and after the date of receipt by the Supplier of the confirmation of the OPA described in Section 2.5(e) in respect of COD, the Completion and Performance Security shall be provided as set out in Section 6.2(b)(i) or (ii) below:
 - (i) a Letter of Credit for the full amount of the Completion and Performance Security; or
 - (ii) subject to Section 6.2(d), a Guarantee, up to a maximum amount determined pursuant to Section 6.4, but not to exceed ninety percent (90%) of the amount of the Completion and Performance Security, together with a Letter of Credit, for the balance of the amount of the Completion and Performance Security.

To the extent that the amount of the Guarantee requirement increases or decreases from time to time in accordance with this Article 6, the amount of the Letter of Credit shall correspondingly be required to be decreased or increased, respectively, so that the total amount of the Completion and Performance Security held by the OPA at all times from and after the COD remains in an aggregate amount as required pursuant to Section 6.1.

- (c) If the aggregate of the Supplier's Creditworthiness Value determined pursuant to Section 6.4(b) and the principal amount of the Letter of Credit described in Section 6.2(b)(ii) is equal to or greater than the amount of the Completion and Performance Security, then no Guarantee is required.
- (d) If a Guarantee forms part of the Completion and Performance Security and:
 - (i) the Creditworthiness Value of the Supplier determined pursuant to Section 6.4(b) is equal to or greater than the Creditworthiness Value of the Guarantor determined pursuant to Section 6.4(b), provided the Guarantor has a Credit Rating required of a Guarantor as set out in Section 6.4, or
 - (ii) the aggregate of the Supplier's Creditworthiness Value and the principal amount of the Letter of Credit described in Section 6.2(b)(ii) is equal to or greater than the amount of the Completion and Performance Security,

then, provided the Supplier is not then in default under this Agreement, the OPA shall, upon request by the Supplier, return the Guarantee to the Supplier.

6.3 Letter of Credit Provisions

Any Letter of Credit delivered hereunder shall be subject to the following provisions:

- (a) The Supplier shall (i) renew or cause the renewal of each outstanding Letter of Credit on a timely basis as provided in the relevant Letter of Credit, (ii) if the financial institution that issued an outstanding Letter of Credit has indicated its intent not to renew such Letter of Credit, provide a substitute Letter of Credit or other equivalent form of security satisfactory to the OPA at least ten (10)

Business Days prior to the expiration of the outstanding Letter of Credit, and (iii) if a financial institution issuing a Letter of Credit fails to honour the OPA's properly documented request to draw on an outstanding Letter of Credit (other than a failure to honour as a result of a request to draw that does not conform to the requirements of such Letter of Credit), provide for the benefit of the OPA (A) a substitute Letter of Credit that is issued by another financial institution, or (B) other security satisfactory to the OPA, in an amount equal to such outstanding Letter of Credit, in either case within five (5) Business Days after the Supplier receives notice of such refusal.

- (b) A Letter of Credit shall provide that the OPA may draw upon the Letter of Credit in an amount (up to the face amount or part thereof remaining available to be drawn thereunder for which the Letter of Credit has been issued) that is equal to all amounts that are due and owing from the Supplier but that have not been paid to the OPA within the time allowed for such payments under this Agreement (including any related notice or grace period or both). A Letter of Credit shall provide that a drawing may be made on the Letter of Credit upon submission to the financial institution issuing the Letter of Credit of one or more certificates specifying the amounts due and owing to the OPA in accordance with the specific requirements of the Letter of Credit. The location where the drawing may be made must be Toronto, Ontario.
- (c) If the Supplier shall fail to renew, substitute, or sufficiently increase the amount of an outstanding Letter of Credit (as the case may be), or establish one or more additional Letters of Credit or other equivalent form of security satisfactory to the OPA when required hereunder, then without limiting any other remedies the OPA may have under this Agreement, the OPA (i) may draw on the undrawn portion of any outstanding Letter of Credit and retain for its own account, as liquidated damages and not as a penalty, the amount equal to one (1%) percent of the face value of such outstanding Letter of Credit and/or (ii) prior to the expiry of such Letter of Credit, may draw on the entire, undrawn portion of any outstanding Letter of Credit, upon submission to the financial institution issuing such Letter of Credit of a certificate specifying the entire amount of the Letter of Credit is owing to the OPA in accordance with the specific requirements of the Letter of Credit. Any amount then due and owing to the OPA shall be received by the OPA as liquidated damages and not as a penalty. If the amounts then due and owing are less than the amount drawn under such Letter of Credit, then such excess amount shall be held as Completion and Performance Security. The Supplier shall remain liable for any amounts due and owing to the OPA and remaining unpaid after the application of the amounts so drawn by the OPA. If the Supplier subsequently delivers a Letter of Credit or other security or other collateral permitted pursuant hereto, in each case satisfactory to the OPA in its sole and absolute discretion as to form, substance and amount, then upon acceptance by the OPA thereof, the OPA shall remit to the Supplier all amounts held by the OPA as Completion and Performance Security pursuant to this Section 6.3(c).

- (d) The costs and expenses of establishing, renewing, substituting, cancelling, increasing and reducing the amount of (as the case may be) one or more Letters of Credit shall be borne by the Supplier.
- (e) The OPA shall return a Letter of Credit held by the OPA to the Supplier, if the Supplier is substituting a Letter of Credit of a greater or lesser amount pursuant to Section 6.3(a), within five (5) Business Days from the OPA's receipt of such substituted Letter of Credit.

6.4 Guarantee Provisions

- (a) The OPA shall accept a guarantee in the form attached hereto as Exhibit D (the "**Guarantee**") from a guarantor of the Supplier (with the applicable party providing the Guarantee being referred to as the "**Guarantor**"), provided however that the Guarantor shall have a Credit Rating as listed in any of the four rows contained in the table below. Notwithstanding the foregoing, in the event the Guarantor has a Negative Outlook, then its Credit Rating, for purposes of calculating the Creditworthiness Value of the Guarantor in Section 6.4(b)(i), will be automatically demoted by one (1) row in the table in Section 6.4(b)(i). For greater certainty, a Guarantor with a Credit Rating in the fourth (4th) row set forth below without a Negative Outlook will no longer be able to provide a Guarantee if it subsequently receives a Negative Outlook. Subject to Section 6.2, the amount of the Guarantee shall be equal to or less than the Creditworthiness Value of the Guarantor, failing which the Supplier shall be required to provide alternative security as provided in Section 6.2(b) so as to remain in compliance with the Completion and Performance Security requirements set out in Section 6.1.
- (b) (i) A Person's Creditworthiness Value (the "**Creditworthiness Value**") shall be determined by the following formula:

$$S \times T$$

where S represents the Tangible Net Worth of the Person, expressed in Dollars, and T is a figure, used for weighting purposes, taken from the column entitled "Value of T" in the table below of the appropriate row corresponding to the Person's Credit Rating as adjusted by any Negative Outlook in accordance with Section 6.4(a) or 6.4(b)(ii), as applicable, provided that where the Person has Credit Ratings from more than one rating agency set out in the table below, then the lowest of such Credit Ratings, as adjusted by any Negative Outlook in accordance with Section 6.4(a) or 6.4(b)(ii), as applicable, shall be used:

Credit Rating of Person				
	S & P	DBRS	Moody's	Value of T
1.	At least A-	At least A low	At least A3	0.10
2.	At least BBB+	At least BBB high	At least Baa1	0.08
3.	At least BBB	At least BBB	At least Baa2	0.06
4.	At least BBB-	At least BBB low	At least Baa3	0.05

- (ii) In the event that any Person has a Negative Outlook, then its Credit Rating will automatically be demoted by one (1) row in the table in Section 6.4(b)(i).
- (c) Upon the consent of the OPA, which consent shall not be unreasonably withheld, the Guarantor may substitute its Guarantee with a guarantee from an Affiliate or from any other Person who would qualify as a guarantor for an amount equivalent to the amount of the Guarantee (the "**Replacement Guarantee**"). The Replacement Guarantee shall be in the form of the Guarantee. Upon delivery of the Replacement Guarantee, (i) such Replacement Guarantee shall be deemed to be the "Guarantee" and such Affiliate or other Person providing such guarantee, as the case may be, shall be deemed to be the "Guarantor" for all purposes of this Agreement and (ii) the OPA shall return the original Guarantee to the original Guarantor within five (5) Business Days of such delivery.
- (d) For greater clarity, all provisions of this Agreement that refer to (i) the Guarantor or similar references, or (ii) the Creditworthiness Value of the Guarantor or similar references, shall:
 - (i) only apply in respect of the Guarantor if that Guarantor has, at the applicable time, issued a Guarantee in favour of the OPA and that Guarantee remains in effect at that time (otherwise, the reference to Guarantor shall be excluded when interpreting the provision until such time as a Guarantee is provided); and
 - (ii) only refer to the Creditworthiness Value of the Supplier (and not the Creditworthiness Value of its Guarantor) when and for so long as its Guarantor has not provided a Guarantee that remains in effect at the applicable time.

6.5 Financial Statements

- (a) If there is a Guarantor, the Supplier shall, on a quarterly basis, provide to the OPA (i) as soon as available and in no event later than sixty (60) days after the end of each fiscal quarter of the Guarantor, unaudited consolidated financial statements of the Guarantor, for such fiscal quarter prepared in accordance with GAAP, and

- (ii) as soon as possible and in no event later than one hundred and twenty (120) days after the end of each fiscal year, audited consolidated financial statements of the Guarantor for such fiscal year prepared in accordance with GAAP. Where the financial statements required to be provided are publicly available on the internet, the Supplier shall be deemed to have satisfied its obligation to provide such statements if the Supplier has notified the OPA of the location on the internet where such statements are available.
- (b) Notwithstanding the foregoing, if any such financial statements are not available in a timely manner due to a delay in preparation or auditing, such delay shall not be considered a breach of this Section 6.5 so long as the Guarantor is diligently pursuing the preparation, audit and delivery of such financial statements. Quarterly financial statements may be delivered electronically to the OPA in PDF form. Upon each delivery of the Guarantor's financial statements to the OPA, the Guarantor providing such financial statements shall be deemed to represent to the OPA that its financial statements were prepared in accordance with GAAP and present fairly the financial position of the Guarantor for the relevant period then ended. In the event that the Guarantor does not publish financial statements on a quarterly basis, then unaudited consolidated financial statements shall be provided by the Guarantor, at a minimum, on a semi-annual basis. To the extent that the Supplier's Creditworthiness Value is such that the Guarantee is not required or it is returned to the Guarantor and cancelled pursuant to Section 6.2(d), then the obligations to provide financial statements under this Section 6.5 shall apply in full to the Supplier instead of the Guarantor. To the extent that the Supplier's Creditworthiness Value is being relied upon such that no Guarantee is required, and the Supplier is a general partnership, then the obligations to provide financial statements under this Section 6.5 shall apply in full to the partner of the Supplier whose Creditworthiness Value is being relied upon for such purpose.

6.6 Notice of Deterioration in Financial Indicators

The Supplier shall provide notice to the OPA of any material deterioration of any of the Financial Indicators of the Supplier or the Guarantor immediately upon the Supplier becoming aware of such deterioration.

6.7 Interest on Completion and Performance Security

Any interest earned by the OPA on any Completion and Performance Security provided to the OPA shall be for the account of the OPA and the Supplier shall not have any right to such interest.

ARTICLE 7 REPRESENTATIONS

7.1 Representations of the Supplier

The Supplier represents to the OPA as follows, and acknowledges that the OPA is relying on such representations in entering into this Agreement:

- (a) The Supplier is a [●], incorporated under the laws of [●], is registered or otherwise qualified to carry on business in the Province of Ontario, and has the requisite power to enter into this Agreement and to perform its obligations hereunder.
- (b) This Agreement has been duly authorized, executed and delivered by the Supplier and is a valid and binding obligation of the Supplier enforceable in accordance with its terms, except as such enforcement may be limited by bankruptcy, insolvency and other laws affecting the rights of creditors' generally and except that equitable remedies may only be granted in the discretion of a court of competent jurisdiction.
- (c) The execution and delivery of this Agreement by the Supplier and the consummation of the transactions contemplated by this Agreement will not result in the breach or violation of any of the provisions of, or constitute a default under, or conflict with or cause the termination, cancellation or acceleration of any material obligation of the Supplier under:
 - (i) any contract or obligation to which the Supplier is a party or by which it or its assets may be bound, except for such defaults or conflicts as to which requisite waivers or consents have been obtained;
 - (ii) the articles, by-laws or other constating documents or resolutions of the directors or shareholders of the Supplier;
 - (iii) any judgment, decree, order or award of any Governmental Authority or arbitrator;
 - (iv) any licence, permit, approval, consent or authorization held by the Supplier; or
 - (v) any Laws and Regulations,that could have a Material Adverse Effect on the Supplier.
- (d) There are no bankruptcy, insolvency, reorganization, receivership, seizure, realization, arrangement or other similar proceedings pending against or being contemplated by the Supplier or, to the knowledge of the Supplier, threatened against the Supplier.
- (e) As at the date hereof, there are no actions, suits, proceedings, judgments, rulings or orders by or before any Governmental Authority or arbitrator, or, to the knowledge of the Supplier, threatened against the Supplier, that could have a Material Adverse Effect on the Supplier.
- (f) As at the date hereof, all requirements for the Supplier to make any filing, declaration or registration with, give any notice to or obtain any licence, permit,

certificate, registration, authorization, consent or approval of, any Governmental Authority as a condition to entering into this Agreement have been satisfied.

- (g) All statements, specifications, data, confirmations and information that have been set out in the Proposal are complete and accurate in all material respects and are hereby restated and reaffirmed by the Supplier as representations made to the OPA hereunder and there is no material information omitted from the Proposal which makes the information in the Proposal misleading or inaccurate.
- (h) The Supplier has no reason to believe, acting reasonably, that any one or more of the Milestone Events may not be achieved by the corresponding Milestone Dates.
- (i) The Supplier is in compliance with all Laws and Regulations, other than acts of non-compliance which, individually or in the aggregate, would not have a Material Adverse Effect on the Supplier.
- (j) Unless the Supplier has otherwise notified the OPA pursuant to Section 4.5, the Supplier is not a non-resident of Canada for the purposes of the ITA.

In addition, the Supplier shall, upon delivery of each of the quarterly progress reports required to be provided to the OPA pursuant to Section 2.6(a)(i), represent in writing that each of the foregoing statements set out in Section 7.1(a) to Section 7.1(j) inclusive continues to be true or, if any such statements are no longer true, then the Supplier shall provide to the OPA a qualified representation with respect to such statement. Such qualified representation provided by the Supplier to the OPA shall be subject, however, to the rights of the OPA in Section 10.1(d) to require the Supplier to cure or remove any such qualification with respect to such statement.

7.2 Representations of the OPA

The OPA represents to the Supplier as follows, and acknowledges that the Supplier is relying on such representations in entering into this Agreement:

- (a) The OPA is a corporation without share capital created under the laws of Ontario and has the requisite power to enter into this Agreement and to perform its obligations hereunder.
- (b) This Agreement has been duly authorized, executed and delivered by the OPA and is a valid and binding obligation of the OPA enforceable in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency and other laws affecting the rights of creditors' generally and except that equitable remedies may be granted solely in the discretion of a court of competent jurisdiction.
- (c) The execution and delivery of this Agreement by the OPA and the consummation of the transactions contemplated by this Agreement will not result in the breach or violation of any of the provisions of, or constitute a default under, or conflict with

or cause the termination, cancellation or acceleration of any material obligation of the OPA under:

- (i) any contract or obligation to which the OPA is a party or by which it or its assets may be bound, except for such defaults or conflicts as to which requisite waivers or consents have been obtained;
- (ii) the by-laws or resolutions of the directors (or any committee thereof) or shareholder of the OPA;
- (iii) any judgment, decree, order or award of any Governmental Authority or arbitrator;
- (iv) any licence, permit, approval, consent or authorization held by the OPA; or
- (v) any Laws and Regulations,

that could have a Material Adverse Effect on the OPA.

- (d) There are no bankruptcy, insolvency, reorganization, receivership, seizure, realization, arrangement or other similar proceedings pending against, or being contemplated by the OPA or, to the knowledge of the OPA, threatened against the OPA.
- (e) As at the date hereof, there are no actions, suits, proceedings, judgments, rulings or orders by or before any Governmental Authority or arbitrator, or, to the knowledge of the OPA, threatened against the OPA, that could have a Material Adverse Effect on the OPA.
- (f) As at the date hereof, all requirements for the OPA to make any declaration, filing or registration with, give any notice to or obtain any licence, permit, certificate, registration, authorization, consent or approval of, any Governmental Authority as a condition to entering into this Agreement have been satisfied.
- (g) The OPA is in compliance with all Laws and Regulations, other than acts of non-compliance which, individually or in the aggregate, would not have a Material Adverse Effect on the OPA.

ARTICLE 8 CONFIDENTIALITY AND FIPPA

8.1 Confidential Information

From the date of this Agreement to and following the expiry of the Term, the Receiving Party shall keep confidential and secure and not disclose Confidential Information, except as follows:

- (a) The Receiving Party may disclose Confidential Information to its Representatives who need to know Confidential Information for the purpose of assisting the Receiving Party in complying with its obligations under this Agreement. On each copy made by the Receiving Party, the Receiving Party must reproduce all notices which appear on the original. The Receiving Party shall inform its Representatives of the confidentiality of Confidential Information and shall be responsible for any breach of this Article 8 by any of its Representatives;
- (b) If the Receiving Party or any of its Representatives are requested or required (by oral question, interrogatories, requests for information or documents, court order, civil investigative demand or similar process) to disclose any Confidential Information in connection with litigation or any regulatory proceeding or investigation, or pursuant to any applicable law, order, regulation or ruling, the Receiving Party shall promptly notify the Disclosing Party. Unless the Disclosing Party obtains a protective order, the Receiving Party and its Representatives may disclose such portion of the Confidential Information to the Party seeking disclosure as is required by law or regulation in accordance with Section 8.2;
- (c) Where the Supplier is the Receiving Party, the Supplier may disclose Confidential Information to any Secured Lender or prospective lender or investor and its advisors, to the extent necessary, for securing financing for the Contract Facility, provided that any such Secured Lender or prospective lender or investor has been informed of the Supplier's confidentiality obligations hereunder and such Secured Lender or prospective lender or investor has completed and executed a confidentiality undertaking (the "**Confidentiality Undertaking**") in the form attached as Exhibit W, covenanting in favour of the OPA to hold such Confidential Information confidential on terms substantially similar to this Article 8; and
- (d) Notwithstanding the foregoing, the Supplier consents to the disclosure of (i) its name and contact particulars (including its address for service and the name of its Company Representative) by the OPA to all Other Suppliers who have entered into a CHP IV Contract, for the purposes of Sections 1.7, 1.8, 1.9 and 1.10, (ii) on a confidential basis, of any information received by the OPA in respect of this Agreement for such internal purposes as the OPA may reasonably determine from time to time to the OPA's Representatives, and (iii) of aggregated data relating to the CHP IV RFP.

8.2 Notice Preceding Compelled Disclosure

If the Receiving Party or any of its Representatives are requested or required to disclose any Confidential Information, the Receiving Party shall promptly notify the Disclosing Party of such request or requirement so that the Disclosing Party may seek an appropriate protective order or waive compliance with this Agreement. If, in the absence of a protective order or the receipt of a waiver hereunder, the Receiving Party or its Representatives are compelled to disclose the Confidential Information, the Receiving Party and its Representatives may disclose only such of the Confidential Information to the party compelling disclosure as is required by law only to

such Person or Persons to which the Receiving Party is legally compelled to disclose and, in connection with such compelled disclosure, the Receiving Party and its Representatives shall provide notice to each such recipient (in co-operation with legal counsel for the Disclosing Party) that such Confidential Information is confidential and subject to non-disclosure on terms and conditions equal to those contained in this Agreement and, if possible, shall obtain each recipient's written agreement to receive and use such Confidential Information subject to those terms and conditions.

8.3 Return of Information

Upon written request by the Disclosing Party, Confidential Information provided by the Disclosing Party in printed paper format or electronic format will be returned to the Disclosing Party and Confidential Information transmitted by the Disclosing Party in electronic format will be deleted from the emails and directories of the Receiving Party's and its Representatives' computers; provided, however, any Confidential Information (i) found in drafts, notes, studies and other documents prepared by or for the Receiving Party or its Representatives, (ii) found in electronic format as part of the Receiving Party's off-site or on-site data storage/archival process system or (iii) which is Mutually Confidential Information, will be held by the Receiving Party and kept subject to the terms of this Agreement or destroyed at the Receiving Party's option. Notwithstanding the foregoing, a Receiving Party shall be entitled to make at its own expense and retain one copy of any Confidential Information materials it receives for the limited purpose of discharging any obligation it may have under Laws and Regulations and shall keep such retained copy subject to the terms of this Article 8.

8.4 Injunctive and Other Relief

The Receiving Party acknowledges that breach of any provisions of this Article may cause irreparable harm to the Disclosing Party or to any third party to whom the Disclosing Party owes a duty of confidence and that the injury to the Disclosing Party or to any third party may be difficult to calculate and inadequately compensable in damages. The Receiving Party agrees that the Disclosing Party is entitled to obtain injunctive relief (without proving any damage sustained by it or by any third party) or any other remedy against any actual or potential breach of the provisions of this Article.

8.5 FIPPA Records and Compliance

The Parties acknowledge and agree that the OPA is subject to FIPPA and that FIPPA applies to and governs all Confidential Information in the custody or control of the OPA ("**FIPPA Records**") and may, subject to FIPPA, require the disclosure of such FIPPA Records to third parties. The Supplier agrees to provide a copy of any FIPPA Records that it previously provided to the OPA if the Supplier continues to possess such FIPPA Records in a deliverable form at the time of the OPA's request. If the Supplier does possess such FIPPA Records in a deliverable form, it shall provide the same within a reasonable time after being directed to do so by the OPA.

The provisions of this Section shall survive any termination or expiry of this Agreement and shall prevail over any inconsistent provisions in this Agreement.

ARTICLE 9 TERM

9.1 Term

- (a) This Agreement shall become effective upon the date hereof and shall continue until the expiration of the Term.
- (b) The "**Term**" means that period of time commencing at the beginning of the hour ending 01:00 hours (EST) of the Commercial Operation Date (the "**Term Commencement Date**") and ending at 24:00 hours (EST) on the day before the 20th anniversary date thereafter, subject to earlier termination in accordance with the provisions hereof. Neither Party shall have any right to extend or renew the Term except as agreed in writing by the Parties.

ARTICLE 10 TERMINATION AND DEFAULT

10.1 Events of Default by the Supplier

Each of the following will constitute an Event of Default by the Supplier (each, a "**Supplier Event of Default**"):

- (a) The Supplier or the Guarantor fails to make any payment when due, or deliver and/or maintain the Completion and Performance Security as required under this Agreement, if such failure is not remedied within five (5) Business Days after written notice of such failure from the OPA.
- (b) The Supplier fails to perform any material covenant or obligation set forth in this Agreement (except to the extent constituting a separate Supplier Event of Default) if such failure is not remedied within fifteen (15) Business Days after written notice of such failure from the OPA, provided that such cure period shall be extended by a further fifteen (15) Business Days if the Supplier is diligently remedying such failure and such failure is capable of being cured during such extended cure period.
- (c) The Supplier fails or ceases to hold a valid licence, permit, certificate, registration, authorization, consent or approval issued by a Governmental Authority where such failure or cessation results in, or could be reasonably expected to result in, a Material Adverse Effect on the Supplier or the Facility and is not remedied within thirty (30) Business Days after receipt by the Supplier of written notice of such failure or cessation from the OPA, provided that such cure period shall be extended by a further thirty (30) Business Days if the Supplier is diligently remedying such failure or cessation and such failure or cessation is capable of being corrected during such extended cure period.
- (d) Any representation made by the Supplier in this Agreement is not true or correct in any material respect when made and is not made true or correct in all material

respects within thirty (30) Business Days after receipt by the Supplier of written notice of such fact from the OPA, provided that such cure period shall be extended by a further thirty (30) Business Days if the Supplier, in the reasonable opinion of the OPA, is diligently correcting such breach and such breach is capable of being corrected during such extended cure period. For certainty, notwithstanding the receipt by the OPA of a qualified representation by the Supplier with respect to any statement referred to in Sections 7.1(a) to 7.1(j) inclusive, the OPA may, in its sole and absolute discretion, require the Supplier, within the time limits set out in this Section 10.1(d), to cure or remove any such qualification to such statement.

- (e) An effective resolution is passed or documents are filed in an office of public record in respect of, or a judgment or order is issued by a court of competent jurisdiction ordering, the dissolution, termination of existence, liquidation or winding up of the Supplier, unless such filed documents are immediately revoked or otherwise rendered inapplicable, or unless, in the case of the Supplier, there has been a permitted and valid assignment of this Agreement by the Supplier under this Agreement to a Person which is not dissolving, terminating its existence, liquidating or winding up and such Person has assumed all of the Supplier's obligations under this Agreement.
- (f) The Supplier amalgamates with, or merges with or into, or transfers the Facility or all or substantially all of its assets to, another Person unless, at the time of such amalgamation, merger or transfer, there has been a permitted and valid assignment hereof by the Supplier under this Agreement to the resulting, surviving or transferee Person and such Person has assumed all of the Supplier's obligations under this Agreement.
- (g) A receiver, manager, receiver-manager, liquidator, monitor or trustee in bankruptcy of the Supplier or of any of the Supplier's property is appointed by a Governmental Authority or pursuant to the terms of a debenture or a similar instrument, and such receiver, manager, receiver-manager, liquidator, monitor or trustee in bankruptcy is not discharged or such appointment is not revoked or withdrawn within thirty (30) days of the appointment. By decree, judgment or order of a Governmental Authority, the Supplier is adjudicated bankrupt or insolvent or any substantial part of the Supplier's property is sequestered, and such decree, judgment or order continues undischarged and unstayed for a period of thirty (30) days after the entry thereof. A petition, proceeding or filing is made against the Supplier seeking to have the Supplier declared bankrupt or insolvent, or seeking adjustment or composition of any of its debts pursuant to the provisions of any Insolvency Legislation, and such petition, proceeding or filing is not dismissed or withdrawn within thirty (30) days.
- (h) The Supplier makes an assignment for the benefit of its creditors generally under any Insolvency Legislation, or consents to the appointment of a receiver, manager, receiver-manager, monitor, trustee in bankruptcy, or liquidator for all or

part of its property or files a petition or proposal to declare bankruptcy or to reorganize pursuant to the provisions of any Insolvency Legislation.

- (i) The Supplier has defaulted under one or more obligations for indebtedness to other Persons, resulting in obligations for indebtedness in an aggregate amount of more than the greatest of: (1) five percent (5%) of its Tangible Net Worth, (2) \$50,000/MW times the Nameplate Capacity and (3) \$2,000,000 becoming immediately due and payable, unless: (A) such default is remedied within fifteen (15) Business Days after written notice of such failure from the OPA, provided that such cure period shall be extended by a further fifteen (15) Business Days if the Supplier is diligently remedying such default and such default is capable of being cured during such extended cure period; or (B) the Supplier has satisfied the OPA that such default does not have a Material Adverse Effect on the Supplier's ability to perform its obligations under this Agreement.
- (j) The Supplier has made a Facility Amendment that has not first been consented to by the OPA and that has not been removed within ten (10) Business Days after such Facility amendment occurred.
- (k) The Commercial Operation Date has not occurred on or before the date which is one (1) year after the Milestone Date for Commercial Operation, unless the Supplier has, on or prior to such one year date, paid all liquidated damages accruing to such one year date pursuant to Section 2.4 and the full amount of the required Completion and Performance Security is being held by the OPA in accordance with Section 6.1.
- (l) The Commercial Operation Date has not occurred on or before the date which is eighteen (18) months after the Milestone Date for Commercial Operation.
- (m) Either of the defaults described in Sections 15.6(g) or 15.6(i)(i) has occurred.
- (n) The Availability is less than: (i) seventy percent (70%) during the second Contract Year, (ii) seventy-five percent (75%) during the third Contract Year, or (iii) eighty percent (80%) during the fourth and each succeeding Contract Year.
- (o) The Supplier undergoes a change in Control without first obtaining the written approval of the OPA if required pursuant to Sections 16.6 or 16.7.
- (p) If the Facility is a Host Developed Contract Facility, the Host or person who Controls the Host (and/or, in the case of a District Energy Facility, the district energy business) fails to hold the minimum specified ownership in the Supplier as required by Section 16.6 without first obtaining the written approval of the OPA.
- (q) The Supplier assigns this Agreement without first obtaining the consent of the OPA, if required pursuant to this Agreement.
- (r) The Supplier has not disclosed each actual or potential Conflict of Interest (as that term is defined in the CHP IV RFP) in the Proposal and, if any such actual or

potential Conflict of Interest is capable of being remedied, it has not been remedied within fifteen (15) Business Days after written notice of such nondisclosure from the OPA.

- (s) The Supplier has failed to provide and maintain the Completion and Performance Security in the full amount required by Section 6.1.

10.2 Remedies of the OPA

- (a) If any Supplier Event of Default (other than a Supplier Event of Default relating to the Supplier referred to in Sections 10.1(e), 10.1(g) and 10.1(h)) occurs and is continuing, upon written notice to the Supplier, the OPA may, subject to Article 12, terminate this Agreement.
- (b) If a Supplier Event of Default referred to in Sections 10.1(b), 10.1(m) or 10.1(n) occurs and is continuing, in addition to the remedy set out in Section 10.2(a), at the discretion of the OPA, either:
 - (i) the Supplier will no longer be entitled to an amount equivalent to the Assumed Deemed Dispatch Payment that would be payable to the Supplier, if any, for the Settlement Month in which such Supplier Event of Default occurs, as liquidated damages and not as a penalty; or
 - (ii) the OPA may levy a performance assessment set-off, as liquidated damages and not as a penalty, equal to three (3) times the average Assumed Deemed Dispatch Payment that would be payable to the Supplier, if any, for the most recent twelve (12) Settlement Months (or the number of Settlement Months that have elapsed from the Commercial Operation Date if less than twelve (12) Settlement Months have elapsed), in the event that three (3) or more Supplier Events of Default referred to in Sections 10.1(b), 10.1(m) or 10.1(n) have occurred within a Contract Year, regardless of whether such Supplier Events of Default have been subsequently cured,

and which may be satisfied by the OPA setting off any payments due to the Supplier against any amounts payable by the Supplier to the OPA including, at the OPA's option, the amount of any Completion and Performance Security provided to the OPA pursuant to Article 6, and by drawing on the Completion and Performance Security, or any part thereof, and if the remedy in Section 10.2(a) has not been exercised, requiring the Supplier to replace such drawn security with new security.

- (c) If a Supplier Event of Default occurs and is continuing, the OPA may, in addition to the remedy set out in Section 10.2(a):
 - (i) set off any payments due to the Supplier against any amounts payable by the Supplier to the OPA including, at the OPA's option, the amount of any

Completion and Performance Security provided to the OPA pursuant to Article 6; and

- (ii) draw on the Completion and Performance Security, or any part thereof and, if the remedy in Section 10.2(a) has not been exercised, require the Supplier to replace such drawn security with new security.
- (d) Notwithstanding Sections 10.2(a), 10.2(b) and 10.2(c) upon the occurrence of a Supplier Event of Default relating to the Supplier referred to in Sections 10.1(e), 10.1(g) and 10.1(h) this Agreement shall automatically terminate without notice, act or formality, effective immediately before the occurrence of such Supplier Event of Default, in which case, for certainty, the Secured Lender shall have the rights available to it under Section 12.2(g).
- (e) If the OPA terminates this Agreement pursuant to Section 10.2(a) or the Agreement is terminated pursuant to Section 10.2(d), the OPA shall have the following option, exercisable in the sole and absolute discretion of the OPA:
 - (i) if the Termination Date precedes the Commercial Operation Date, the Supplier shall pay, as liquidated damages and not as a penalty, an amount equivalent to (1) the amount of all Completion and Performance Security provided by or on behalf of the Supplier, plus (2) the amount of any portion of the Completion and Performance Security that the Supplier was required under Section 6.1 to provide to the OPA as of the Termination Date (with the total amount of such liquidated damages being referred to as the "Sum"). The OPA shall be entitled to retain all Completion and Performance Security provided by or on behalf of the Supplier and apply it towards the Supplier's obligation to pay the Sum. With respect to any unpaid portion of the Sum, the OPA may exercise all remedies available to the OPA including pursuing a claim for damages, as contemplated in Section 10.5; or
 - (ii) if the Termination Date is on or after the Commercial Operation Date, the OPA shall be entitled to retain all Completion and Performance Security provided by or on behalf of the Supplier and exercise all such other remedies available to the OPA, including pursuing a claim for damages, as contemplated under Section 10.5.
- (f) Termination shall not relieve the Supplier or the OPA of their respective responsibilities relating to the availability of the Monthly Contract Capacity and Delivery of the Electricity, Related Products, and Environmental Attributes from the Facility that relate to the Monthly Contract Capacity, or amounts payable under this Agreement, up to and including the Termination Date. The OPA shall be responsible only for the payment of amounts accruing under this Agreement up to and including the Termination Date. In addition to its other rights of set off available to it pursuant to this Agreement and at law, the OPA may hold back

payment or set off its obligation to make such payment against any payments owed to it if the Supplier fails to comply with its obligations on termination.

10.3 Events of Default by the OPA

Each of the following will constitute an Event of Default by the OPA (each, a "**OPA Event of Default**"):

- (a) The OPA fails to make any payment under this Agreement when due, if such failure is not remedied within five (5) Business Days after written notice of such failure from the Supplier.
- (b) The OPA fails to perform any material covenant or obligation set forth in this Agreement (except to the extent constituting a separate OPA Event of Default), if such failure is not remedied within fifteen (15) Business Days after written notice of such failure from the Supplier, provided that such cure period shall be extended by a further fifteen (15) Business Days if the OPA is diligently remedying such failure and such failure is capable of being cured during such extended cure period.
- (c) The OPA fails or ceases to hold a valid licence, permit, certificate, registration, authorization, consent or approval issued by a Governmental Authority where such failure or cessation results in, or could be reasonably expected to result in, a Material Adverse Effect on the OPA and is not remedied within thirty (30) Business Days after receipt by the OPA of written notice of such failure or cessation from the Supplier, provided that such cure period shall be extended by a further thirty (30) Business Days if the OPA is diligently remedying such failure or cessation and such failure or cessation is capable of being corrected during such extended cure period.
- (d) Any representation made by the OPA in this Agreement is not materially true or correct in any material respect when made and is not made materially true or correct within thirty (30) Business Days after receipt by the OPA of written notice of such fact from the Supplier, provided that such cure period shall be extended by a further thirty (30) Business Days if the OPA is diligently correcting such breach and such breach is capable of being corrected during such extended cure period.
- (e) An effective resolution is passed or documents are filed in an office of public record in respect of, or a judgment or order is issued by a court of competent jurisdiction ordering the dissolution, termination of existence, liquidation or winding up of the OPA unless such filed documents are immediately revoked or otherwise rendered inapplicable, or unless there has been a permitted and valid assignment of this Agreement by the OPA under this Agreement to a Person which is not dissolving, terminating its existence, liquidating or winding up and such Person has assumed all of the OPA's obligations under this Agreement.

- (f) A receiver, manager, receiver-manager, liquidator, monitor or trustee in bankruptcy of the OPA or of any of the OPA's property is appointed by a Governmental Authority or pursuant to the terms of a debenture or a similar instrument, and such receiver, manager, receiver-manager, liquidator, monitor or trustee in bankruptcy is not discharged or such appointment is not revoked or withdrawn within thirty (30) days of the appointment. By decree, judgment or order of Governmental Authority, the OPA is adjudicated bankrupt or insolvent or any substantial part of the OPA's property is sequestered, and such decree, judgment or order continues undischarged and unstayed for a period of thirty (30) days after the entry thereof. A petition, proceeding or filing is made against the OPA seeking to have it declared bankrupt or insolvent, or seeking adjustment or composition of any of its debts pursuant to the provisions of any Insolvency Legislation, and such petition, proceeding or filing is not dismissed or withdrawn within thirty (30) days.
- (g) The OPA makes an assignment for the benefit of its creditors generally under any Insolvency Legislation, or consents to the appointment of a receiver, manager, receiver-manager, monitor, trustee in bankruptcy or liquidator, of it or of all or part of its property or files a petition or proposal to declare bankruptcy or to reorganize pursuant to the provision of any Insolvency Legislation.
- (h) The OPA assigns this Agreement (other than an assignment made pursuant to Sections 16.5(d) or 16.5(e)) without first obtaining the consent of the Supplier, if required pursuant to this Agreement.

10.4 Termination by the Supplier

- (a) If any OPA Event of Default occurs and is continuing, then upon written notice to the OPA, the Supplier may: (i) in accordance with Sections 16.5(d)(iii) and 16.5(e)(iii), terminate this Agreement and (ii) set off any payments due to the OPA against any amounts payable by the OPA to the Supplier.
- (b) Notwithstanding the foregoing, if applicable, the OPA shall be responsible for payment of amounts accruing under this Agreement only up to and including the Termination Date. The Supplier may hold back payment or set off against any payments owed by it if the OPA fails to comply with its obligations on termination.

10.5 Remedies for Termination Non-Exclusive

The termination of this Agreement by either Party and the payment of all amounts then due and owing to the other Party as expressly provided in this Agreement shall not limit, waive or extinguish in any way the recourse of either Party to any remedies available to it in relation to such termination at law, in equity or otherwise, nor shall such termination affect any rights that the Indemnitees may have pursuant to any indemnity given under this Agreement. Notwithstanding the foregoing, if the OPA has exercised the option set out in Section 10.2(e)(i),

then the OPA's remedies against the Supplier in respect of the termination of this Agreement shall be limited to any unpaid portion of the Sum set out in Section 10.2(e)(i).

ARTICLE 11 FORCE MAJEURE

11.1 Effect of Invoking Force Majeure

- (a) If, by reason of Force Majeure:
 - (i) the Supplier is unable to make available all or any part of the Tranche 1 Monthly Contract Capacity or Tranche 2 Monthly Contract Capacity or is unable to Deliver Electricity from the Facility; or
 - (ii) either Party is unable, wholly or partially, to perform or comply with its other obligations (other than payment obligations) hereunder, including the Supplier being unable to achieve a Milestone Event by the relevant Milestone Date, or the Supplier not achieving Commercial Operation on or before the date which is one (1) year or eighteen (18) months after the Milestone Date for Commercial Operation, as applicable,

then the Party so affected by Force Majeure shall be excused and relieved from performing or complying with such obligations (other than payment obligations) and shall not be liable for any liabilities, damages, losses, payments, costs, expenses (or Indemnifiable Losses, in the case of the Supplier affected by Force Majeure) to, or incurred by, the other Party in respect of or relating to such Force Majeure and such Party's failure to so perform or comply during the continuance and to the extent of the inability so caused from and after the invocation of Force Majeure. Notwithstanding the foregoing, except where the Supplier has elected not to operate as a result of a Host Facility Force Majeure, during such time as the Supplier is unable to perform or comply with its obligations as a result of a Force Majeure, to the extent the Supplier is able to Deliver a portion of the Tranche 1 Monthly Contract Capacity or Tranche 2 Monthly Contract Capacity despite the event of Force Majeure, then the calculation of payments will be made with respect to such portion of the Tranche 1 Monthly Contract Capacity or Tranche 2 Monthly Contract Capacity Delivered in accordance with Exhibit J.

- (b) A Party shall be deemed to have invoked Force Majeure with effect from the commencement of the event or circumstances constituting Force Majeure when that Party gives to the other Party prompt notice, written or oral (but if oral, promptly confirmed in writing) of the effect of the Force Majeure and reasonably full particulars of the cause thereof, in substantially the form as set forth in Exhibit O. Such notice shall be given as follows: (i) within ten (10) Business Days of the date that the Party invoking Force Majeure knew or ought to have known that the event of circumstances constituting Force Majeure could have a Material Adverse Effect on the critical path of the project schedule for the development and construction of the Facility where the event or circumstances

constituting Force Majeure occur prior to Contract Facility COD; or (ii) within ten (10) Business Days of the commencement of the event or circumstances constituting Force Majeure where the event or circumstances constituting Force Majeure occur on or after Contract Facility COD. If the effect of the Force Majeure and full particulars of the cause thereof cannot be reasonably determined within such ten (10) Business Day period, the Party invoking Force Majeure shall be allowed a further ten (10) Business Days (or such longer period as the Parties may agree in writing) to provide such full particulars, in substantially the form set forth as Exhibit O, to the other Party.

- (c) The Party invoking Force Majeure shall use Commercially Reasonable Efforts to remedy the situation and remove, so far as possible and with reasonable dispatch, the Force Majeure, but settlement of strikes, lockouts and other labour disturbances shall be wholly within the discretion of the Party involved.
- (d) The Party invoking Force Majeure shall give prompt written notice of the termination of the event of Force Majeure, provided that such notice shall be given within ten (10) Business Days of the termination of the event or circumstances constituting Force Majeure.
- (e) Nothing in this Section 11.1 shall relieve a Party of its obligations to make payments of any amounts that were due and owing before the occurrence of the Force Majeure or that otherwise may become due and payable during any period of Force Majeure.
- (f) If an event of Force Majeure causes the Supplier to not achieve Financial Closing by the relevant Milestone Date, or to not achieve Commercial Operation on or before the date which is one (1) year after the Milestone Date for Commercial Operation, as applicable, then such Milestone Date shall be extended for such reasonable period of delay directly resulting from such Force Majeure event. After the Commercial Operation Date, an event of Force Majeure shall not extend the Term.
- (g) If an event of Force Majeure described in Section 11.3(h) has delayed the Commercial Operation Date by more than 365 days after the original Milestone Date (prior to any extension pursuant to Section 11.1(f)) set out for attaining Commercial Operation of the Facility, then notwithstanding anything in this Agreement to the contrary, while the delay that is a result of the event of Force Majeure is continuing, the Supplier at its sole option may terminate this Agreement upon notice to the OPA and without any costs or payments of any kind to either Party, and all security shall be returned forthwith.
- (h) If, by reason of Force Majeure, the Commercial Operation Date is delayed by more than twenty-four (24) months after the original Milestone Date for Commercial Operation, prior to any extension pursuant to Section 11.1(f), then notwithstanding anything in this Agreement to the contrary, either Party may

terminate this Agreement upon notice to the other Party and without any costs or payments of any kind to either Party, and all security shall be returned forthwith.

- (i) If, by reason of Force Majeure, the Supplier is unable to perform or comply with its obligations (other than payment obligations) hereunder for more than an aggregate of thirty-six (36) months in any sixty (60) month period during the Term, then either Party may terminate this Agreement upon notice to the other Party without any costs or payments of any kind to either Party, except for any amounts that were due or payable by a Party hereunder up to the date of termination, and all security shall be returned forthwith.
- (j) If the Host Facility is subject to a Host Facility Force Majeure, the Supplier shall provide prompt notice to the OPA, written or oral (but if oral, promptly confirmed in writing) and, in any event, within ten (10) Business Days, of the effect of the Host Facility Force Majeure and reasonably full particulars of the cause thereof (including an explanation of why the event claimed as a Host Facility Force Majeure is not a Host Facility Outage), in substantially the form set forth as Exhibit O, together with an election by the Supplier of whether or not it shall operate the Facility to produce Electricity during the period of the Host Facility Force Majeure (the "**Host Facility Force Majeure Period**").
 - (i) If the Supplier has invoked Force Majeure by reason of a Host Facility Force Majeure and elects to operate the Facility during the Host Facility Force Majeure Period,
 - (ii) the calculation of the Contingent Support Payment and the Revenue Sharing Payment shall be as set forth under Exhibit J, with the provisions relating to Force Majeure set forth in Exhibit J, being applicable; and
 - (iii) the operational data for the Facility during the Host Facility Force Majeure Period shall not be included in the calculation of Availability or the determination, pursuant to Section 15.7, of the percentage of energy generated by the Facility attributable to Useful Heat Output sold by the Supplier to the Host Facility.
- (k) If the Supplier has invoked Force Majeure by reason of a Host Facility Force Majeure and elects not to operate the Facility during the Host Facility Force Majeure Period,
 - (i) no payments shall be calculated in accordance with Exhibit J, or payable by the either Party to the other Party pursuant to Section 4.2; and
 - (ii) the operational data for the Facility during the Host Facility Force Majeure Period shall not be included in the calculation of Availability or the determination, pursuant to Section 15.7, of the percentage of energy generated by the Facility attributable to Useful Heat Output sold by the Supplier to the Host Facility.

11.2 Exclusions

A Party shall not be entitled to invoke Force Majeure under this Article 11, nor shall it be relieved of its obligations hereunder in any of the following circumstances:

- (a) if and to the extent the Party seeking to invoke Force Majeure has caused the applicable event of Force Majeure by its fault or negligence;
- (b) if and to the extent the Party seeking to invoke Force Majeure has failed to use Commercially Reasonable Efforts to prevent or remedy the event of Force Majeure and remove, so far as possible and within a reasonable time period, the Force Majeure (except in the case of strikes, lockouts and other labour disturbances (other than those involving the employees of any Key Equipment Supplier, in which case Section 11.2(c) shall apply), the settlement of which shall be wholly within the discretion of the Party involved);
- (c) if and to the extent the Supplier is seeking to invoke Force Majeure under Section 11.3(d) in respect of strikes or labour disputes by employees of any Key Equipment Supplier and if (i) the due diligence procedures outlined in Section 2 of Exhibit DD in selecting the Key Equipment Supplier have not been complied with; and/or (ii) the mitigation measures outlined in Section 3 of Exhibit DD have not been complied with;
- (d) if and to the extent that the Party seeking to invoke Force Majeure because of arrest or restraint by a Governmental Authority, such arrest or restraint was the result of a breach or failure to comply by such Party of Laws and Regulations;
- (e) if the Force Majeure was caused by a lack of funds or other financial cause; or
- (f) if the Party invoking Force Majeure fails to comply with the notice provisions in Sections 11.1(b) or (d).

11.3 Definition of Force Majeure

For the purposes of this Agreement, the term "**Force Majeure**" means any act, event, cause or condition that prevents a Party from performing its obligations (other than payment obligations) hereunder, that is beyond the affected Party's reasonable control, and shall include:

- (a) acts of God, including extreme wind, ice, lightning or other storms, earthquakes, tornadoes, hurricanes, cyclones, landslides, drought, floods and washouts;
- (b) fires or explosions;
- (c) local, regional or national states of emergency;
- (d) strikes and other labour disputes (other than legal strikes or labour disputes by employees of (i) such Party, or (ii) a third party contractor of such Party (other than any Key Equipment Supplier) invoking Force Majeure, unless, in either such

case, such strikes or other labour disputes are the result or part of a general industry strike or labour dispute); for greater certainty, subject to 11.2(c) hereof, Force Majeure shall include strikes or other labour disputes by employees of any Key Equipment Supplier;

- (e) delays or disruptions in fuel supply resulting from a Force Majeure event (whether such event is in respect of a Party or a third party), and provided that it shall be considered an event of Force Majeure if delays or disruptions in fuel supply arise as a result of the Supplier being unable to secure transportation capacity for fuel supply to the Facility after having made Commercially Reasonable Efforts to do so, but it shall not be considered an event of Force Majeure if such transportation capacity was available and the Supplier failed to secure it or failed to maintain it after having secured it;
- (f) civil disobedience or disturbances, war (whether declared or not), acts of sabotage, blockades, insurrections, terrorism, revolution, riots or epidemics;
- (g) subject to Section 11.2(d), an order, judgment, legislation, ruling or direction by Governmental Authorities restraining a Party, provided that the affected Party has not applied for or assisted in the application for and has used Commercially Reasonable Efforts to oppose said order, judgment, legislation, ruling or direction;
- (h) any inability to obtain, or to secure the renewal or amendment of, any permit, certificate, impact assessment, licence or approval of any Governmental Authority, Transmitter or LDC required to perform or comply with any obligation under this Agreement, unless the revocation or modification of any such necessary permit, certificate, impact assessment, licence or approval was caused by the violation of the terms thereof or consented to by the Party invoking Force Majeure;
- (i) any unanticipated maintenance or outage affecting the Facility:
 - (i) which is not identified in the Supplier's then current schedule of planned outages submitted to the IESO, the LDC or the OPA, as the case may be, in advance of the occurrence of an event of Force Majeure referred to in this Section 11.3, and
 - (ii) which results directly from, or is scheduled or planned directly as a consequence of, an event of Force Majeure referred to in this Section 11.3, or which results from a failure of equipment that prevents the Facility from producing Electricity, provided that:
 - (A) notice of the unanticipated maintenance or outage is provided to the OPA by the Supplier as soon as reasonably possible (or, if applicable, concurrently with the notice in respect thereof provided to the IESO or as soon as reasonably possible thereafter) but, in any event, within ten (10) Business Days thereof;

- (B) the Supplier provides notice to the OPA immediately, or as soon as reasonably possible thereafter, upon receipt from the IESO of advance acceptance or other proposed scheduling or approval of such maintenance or outage, if such approval is required to be obtained from the IESO;
 - (C) the Supplier provides timely updates to the OPA of the commencement date of the maintenance or outage and, where possible, provides seven (7) days advance notice of such date;
 - (D) the unanticipated maintenance or outage is commenced within 120 days of the commencement of the occurrence of the relevant event of Force Majeure; and
 - (E) the Supplier schedules the unanticipated maintenance or outage in accordance with Good Engineering and Operating Practices; and
- (j) a Host Facility Force Majeure.

For greater certainty, nothing in Section 11.3(i) shall be construed as limiting the duration of an event of Force Majeure. Each Party shall resume its obligations as soon as the event of Force Majeure has been overcome.

ARTICLE 12 LENDER'S RIGHTS

12.1 Lender Security

Notwithstanding Section 16.5, the Supplier, from time to time on or after the date of this Agreement shall have the right, at its cost, to enter into a Secured Lender's Security Agreement. For the avoidance of doubt, in the case of a deed of trust or similar instrument securing bonds or debentures where the trustee holds security on behalf of, or for the benefit of, other lenders, only the trustee shall be entitled to exercise the rights and remedies under the Secured Lender's Security Agreement as the Secured Lender on behalf of the lenders. A Secured Lender's Security Agreement shall be upon and subject to the following conditions:

- (a) A Secured Lender's Security Agreement may be made for any amounts and upon any terms (including terms of the loans, interest rates, payment terms and prepayment privileges or restrictions) as desired by the Supplier, except as otherwise provided in this Agreement.
- (b) A Secured Lender's Security Agreement must secure indebtedness, liabilities or obligations of the Supplier that are in whole or in part related to the Facility. For greater certainty, a Secured Lender's Security Agreement may cover shares in the capital of the Supplier.
- (c) The OPA shall have no liability whatsoever for payment of the principal sum secured by any Secured Lender's Security Agreement, or any interest accrued

thereon or any other sum secured thereby or accruing thereunder; and the Secured Lender shall not be entitled to seek any damages against the OPA for any or all of the same.

- (d) No Secured Lender's Security Agreement shall be binding upon the OPA in the enforcement of the OPA's rights and remedies provided in this Agreement or by Laws and Regulations, unless and until a copy of the original thereof and the registration details, if applicable, together with written notice of the address of the Secured Lender to which notices may be sent have been delivered to the OPA by the Supplier or the Secured Lender; and in the event of an assignment of such Secured Lender's Security Agreement, such assignment shall not be binding upon the OPA unless and until a copy thereof and the registration details, if applicable, together with written notice of the address of the assignee thereof to which notices may be sent, have been delivered to the OPA by the Supplier or the Secured Lender.
- (e) If the Supplier is in default under or pursuant to the Secured Lender's Security Agreement and the Secured Lender intends to exercise any rights afforded to the Secured Lender under this Agreement, then the Secured Lender shall give notice of such default to the OPA at least five (5) Business Days prior to exercising any such rights.
- (f) Any Secured Lender's Security Agreement permitted hereunder may secure two (2) or more separate debts, liabilities or obligations in favour of two (2) or more separate Secured Lenders, provided that such Secured Lender's Security Agreement complies with the provisions of this Article 12.
- (g) Any number of permitted Secured Lender's Security Agreements may be outstanding at any one time, provided that each such Secured Lender's Security Agreement complies with the provisions of this Article 12.
- (h) All rights acquired by a Secured Lender under any Secured Lender's Security Agreement shall be subject to all of the provisions of this Agreement, including the restrictions on assignment contained herein. While any Secured Lender's Security Agreement is outstanding, the OPA and the Supplier shall not amend or supplement this Agreement or agree to a termination of this Agreement without the consent of the Secured Lender, which consent shall not be unreasonably withheld, conditioned or delayed. A Secured Lender must respond within a reasonable period of time to any request to amend, supplement or terminate this Agreement.
- (i) Despite any enforcement of any Secured Lender's Security Agreement, the Supplier shall remain liable to the OPA for the payment of all sums owing to the OPA under this Agreement and for the performance of all of the Supplier's obligations under this Agreement.

12.2 Rights and Obligations of Secured Lenders

While any Secured Lender's Security Agreement remains outstanding, and if the OPA has received the notice referred to in Section 12.1(d) or the contents thereof are embodied in the agreement entered into by the OPA in accordance with Section 12.3, the following provisions shall apply:

- (a) No Supplier Event of Default (other than those set out in Section 10.2(d)) shall be grounds for the termination by the OPA of this Agreement until:
 - (i) any notice required to be given under Section 10.1 and 10.2(d) has been given to the Supplier and to the Secured Lender; and
 - (ii) the cure period set out in Section 12.2(b) has expired without a cure having been completed and without the Secured Lender having taken the actions therein contemplated.
- (b) In the event the OPA has given any notice required to be given under Section 10.1, the Secured Lender shall, within the applicable cure period (including any extensions), if any, have the right (but not the obligation) to cure such default, and the OPA shall accept such performance by such Secured Lender as if the same had been performed by the Supplier.
- (c) Any payment to be made or action to be taken by a Secured Lender hereunder as a prerequisite to keeping this Agreement in effect shall be deemed properly to have been made or taken by the Secured Lender if such payment is made or action is taken by a nominee or agent of the Secured Lender or a receiver or receiver and manager appointed by or on the application of the Secured Lender.
- (d) A Secured Lender shall be entitled to the Supplier's rights and benefits contained in this Agreement and shall become liable for the Supplier's obligations solely as provided in this Section 12.2(d). A Secured Lender may, subject to the provisions of this Agreement, enforce any Secured Lender's Security Agreement and acquire the Supplier's Interest in any lawful way and, without limitation, a Secured Lender or its nominee or agent or a receiver or receiver and manager appointed by or on the application of the Secured Lender, may take possession of and manage the Facility and, upon foreclosure, or without foreclosure upon exercise of any contractual or statutory power of sale under such Secured Lender's Security Agreement, may sell or assign the Supplier's Interest with the consent of the OPA as required under Section 12.2(f).
- (e) Until a Secured Lender (i) forecloses or has otherwise taken ownership of the Supplier's Interest or (ii) has taken possession or control of the Supplier's Interest, whether directly or by an agent as a mortgagee in possession, or a receiver or receiver and manager has taken possession or control of the Supplier's Interest by reference to the Secured Lender's Security Agreement, the Secured Lender shall not be liable for any of the Supplier's obligations or be entitled to any of the Supplier's rights and benefits contained in this Agreement, except by way of

security. If the Secured Lender itself or by a nominee or agent, or a receiver or a receiver and manager appointed by or on the application of the Secured Lender, is the owner or is in control or possession of the Supplier's Interest, then the entity that is the owner or is in control or possession of the Supplier's Interest shall be bound by all of the Supplier's obligations. Once the Secured Lender or such other Person goes out of possession or control of the Supplier's Interest or transfers the Supplier's Interest in accordance with this Agreement to another Person who is at Arm's Length with the Secured Lender, the Secured Lender shall cease to be liable for any of the Supplier's obligations and shall cease to be entitled to any of the Supplier's rights and benefits contained in this Agreement, except, if the Secured Lender's Security Agreement remains outstanding, by way of security.

- (f) Despite anything else contained in this Agreement, any Person to whom the Supplier's Interest is transferred shall take the Supplier's Interest subject to the Supplier's obligations. No transfer shall be effective unless the OPA:
 - (i) acting reasonably, if such transferee is at Arm's Length with the Secured Lender; or
 - (ii) acting in its sole and subjective discretion, if such transferee is not at Arm's Length with the Secured Lender,

has approved of the transferee and the transferee has entered into an agreement with the OPA in form and substance satisfactory to the OPA, acting reasonably, wherein the transferee agrees to assume and to perform the obligations of the Supplier in respect of the Supplier's Interest, whether arising before or after the transfer, and including the posting of the Completion and Performance Security required under Article 6.

- (g) In the event of the termination of this Agreement prior to the end of the Term due to a Supplier Event of Default, the OPA shall, within ten (10) days after the date of such termination, deliver to each Secured Lender which is at Arm's Length with the Supplier a statement of all sums then known to the OPA that would at that time be due under this Agreement but for the termination and a notice to each such Secured Lender stating that the OPA is willing to enter into a New Agreement (the "**OPA Statement**"). Subject to the provisions of this Article 12, each such Secured Lender shall thereupon have the option to obtain from the OPA a New Agreement in accordance with the following terms:
 - (i) Upon receipt of the written request of the Secured Lender within thirty (30) days after the date on which it received the OPA Statement, the OPA shall enter into a New Agreement.
 - (ii) Such New Agreement shall be effective as of the Termination Date and shall be for the remainder of the Term at the time this Agreement was terminated and otherwise upon the terms contained in this Agreement. The OPA's obligation to enter into a New Agreement is conditional upon the

Secured Lender (A) paying all sums that would, at the time of the execution and delivery thereof, be due under this Agreement but for such termination, (B) otherwise fully curing any defaults under this Agreement existing immediately prior to termination of this Agreement that are capable of being cured, and (C) paying all reasonable costs and expenses, including legal fees, so as to provide a full indemnity (and not only substantial indemnity), incurred by the OPA in connection with such default and termination, and the preparation, execution and delivery of such New Agreement and related agreements and documents, provided, however, that with respect to any default that could not be cured by such Secured Lender until it obtains possession, such Secured Lender shall have the applicable cure period commencing on the date that it obtains possession to cure such default.

When the Secured Lender has appointed an agent, a receiver or a receiver and manager or has obtained a court-appointed receiver or receiver and manager for the purpose of enforcing the Secured Lender's security, that Person may exercise any of the Secured Lender's rights under this Section 12.2(g).

- (h) Despite anything to the contrary contained in this Agreement, the provisions of this Article 12 shall enure only to the benefit of the holders of a Secured Lender's Security Agreement. If the holders of more than one such Secured Lender's Security Agreement who are at Arm's Length with the Supplier make written requests to the OPA in accordance with this Section 12.2 to obtain a New Agreement, the OPA shall accept the request of the holder whose Secured Lender's Security Agreement had priority immediately prior to the termination of this Agreement over the Secured Lender's Security Agreements of the other Secured Lenders making such requests and thereupon the written request of each other Secured Lender shall be deemed to be void. In the event of any dispute or disagreement as to the respective priorities of any such Secured Lender's Security Agreement, the OPA may rely upon the opinion as to such priorities of any law firm qualified to practise law in the Province of Ontario retained by the OPA in its unqualified subjective discretion or may apply to a court of competent jurisdiction for a declaration as to such priorities, which opinion or declaration shall be conclusively binding upon all parties concerned.

12.3 Cooperation

The OPA and the Supplier shall enter into an agreement with any Secured Lender for the purpose of implementing the Secured Lender's Security Agreement protection provisions contained in this Agreement. The OPA, acting reasonably, shall consider any request jointly made by the Supplier and a Secured Lender or proposed Secured Lender to facilitate a provision of a Secured Lender's Security Agreement or proposed Secured Lender's Security Agreement that may require an amendment to this Agreement, provided that the rights of the OPA are not adversely affected thereby, the obligations of the Supplier to the OPA are not altered thereby and the consent of any other Secured Lender to such amendment has been obtained by the Supplier or the Secured Lender making the request for the amendment.

ARTICLE 13 DISCRIMINATORY ACTION

13.1 Discriminatory Action

A "**Discriminatory Action**" shall occur if:

- (a)
 - (i) the Legislative Assembly of Ontario causes to come into force any statute that was introduced as a government bill in the Legislative Assembly of Ontario or causes to come into force or makes any order-in-council or regulation first having legal effect on or after the date of the submission of the Proposal; or
 - (ii) the Legislative Assembly of Ontario directly or indirectly amends this Agreement without the agreement of the Supplier;
- (b) the effect of the action referred to in Section 13.1(a):
 - (i) is borne principally by the Supplier; or
 - (ii) is borne principally by the Supplier and one or more Other Suppliers who have a CHP IV Contract or another bilateral arrangement with the OPA similar in nature to this Agreement; and
- (c) such action increases the costs that the Supplier would reasonably be expected to incur under this Agreement in the Delivery of the Electricity and delivery of Related Products from the Facility or the availability of the Monthly Contract Capacity or adversely affects the revenues of the Supplier from the Facility, except where such action is in response to any act or omission on the part of the Supplier that is contrary to Laws and Regulations (other than an act or omission rendered illegal by virtue of such action) or such action is permitted under this Agreement. Despite the preceding sentence, none of the following shall be a Discriminatory Action:
 - (i) Laws and Regulations of general application, including an increase of Taxes of general application, or any action of the Government of Ontario pursuant thereto;
 - (ii) any such statute that prior to five (5) Business Days prior to the date that the Supplier submitted its Proposal in accordance with the CHP IV RFP:
 - (A) has been introduced as a bill in the Legislative Assembly of Ontario in a similar form as such statute takes when it has legal effect, provided that any amendments made to such bill in becoming such statute do not have a Material Adverse Effect on the Supplier; or

- (B) has been made public in a discussion or consultation paper, press release or announcement issued by the Government of Ontario that appeared on the website of the Government of Ontario, provided that any amendments made to such public form, in becoming such statute, do not have a Material Adverse Effect on the Supplier; and
- (iii) any of such regulations that prior to five (5) Business Days prior to the date that the Supplier submitted its Proposal in accordance with the CHP IV RFP:
 - (A) have been published but by the terms of such regulations come into force on or after five (5) Business Days prior to the date that the Supplier submitted its Proposal in accordance with the CHP IV RFP; or
 - (B) have been referred to in a press release issued by the Government of Ontario that appeared on the website of the Government of Ontario, provided that any amendments made to such regulations in coming into force do not have a Material Adverse Effect on the Supplier.

13.2 Consequences of Discriminatory Action

If a Discriminatory Action occurs, the Supplier shall have the right to obtain, without duplication, compensation (the "**Discriminatory Action Compensation**") from the OPA for:

- (a) the amount of the increase in the costs that the Supplier would reasonably be expected to incur in the Delivery of the Electricity and delivery of Related Products from the Facility as a result of the occurrence of such Discriminatory Action, commencing on the first day of the first calendar month following the date of the Discriminatory Action and ending at the expiry of the Term, but excluding the portion of any costs charged by a Person who does not deal at Arm's Length with the Supplier that is in excess of the costs that would have been charged had such Person been at Arm's Length with the Supplier; and
- (b) the amount by which (i) the net present value of the net revenues from the Facility that are forecast to be earned by the Supplier during the period of time commencing on the first day of the first calendar month following the date of the Discriminatory Action and ending at the expiry of the Term, exceeds (ii) the net present value of the net revenues from the Facility that are forecast to be earned by the Supplier during the period of time commencing on the first day of the first calendar month following the date of the Discriminatory Action and ending on the expiry of the Term, taking into account the occurrence of the Discriminatory Action and any actions that the Supplier should reasonably be expected to take to mitigate the effect of the Discriminatory Action, such as by mitigating operating expenses and normal capital expenditures of the business of the generation and Delivery of the Electricity and delivery of Related Products by the Facility.

13.3 Notice of Discriminatory Action

- (a) In order to exercise its rights in the event of the occurrence of a Discriminatory Action, the Supplier must give a notice (the "**Preliminary Notice**") to the OPA within sixty (60) days after the date on which the Supplier first became aware (or should have been aware, using reasonable due diligence) of the Discriminatory Action stating that a Discriminatory Action has occurred. Within sixty (60) days after the date of receipt of the Preliminary Notice, the Supplier must give another notice (the "**Notice of Discriminatory Action**"). A Notice of Discriminatory Action must include:
- (i) a statement of the Discriminatory Action that has occurred;
 - (ii) details of the effect of the said occurrence that is borne by the Supplier;
 - (iii) details of the manner in which the Discriminatory Action increases the costs that the Supplier would reasonably be expected to incur in the Delivery of the Electricity and delivery of Related Products from the Facility or making the Monthly Contract Capacity available and or adversely affects the revenues of the Supplier; and
 - (iv) the amount claimed as Discriminatory Action Compensation and details of the computation thereof.

The OPA shall, after receipt of a Notice of Discriminatory Action, be entitled, by notice given within thirty (30) days after the date of receipt of the Notice of Discriminatory Action, to require the Supplier to provide such further supporting particulars as the OPA considers necessary, acting reasonably.

- (b) If the OPA wishes to dispute the occurrence of a Discriminatory Action, the OPA shall give a notice of dispute (the "**Notice of Dispute**") to the Supplier, stating the grounds for such dispute, within thirty (30) days after the date of receipt of the Notice of Discriminatory Action or within thirty (30) days after the date of receipt of the further supporting particulars, as applicable.
- (c) If neither the Notice of Discriminatory Action nor the Notice of Dispute has been withdrawn within thirty (30) days after the date of receipt of the Notice of Dispute by the Supplier, the dispute of the occurrence of a Discriminatory Action shall be submitted to mandatory and binding arbitration in accordance with Section 16.2 without first having to comply with Section 16.1.
- (d) If the OPA does not dispute the occurrence of a Discriminatory Action or the amount of Discriminatory Action Compensation claimed in the Notice of Discriminatory Action, the OPA shall pay to the Supplier the amount of Discriminatory Action Compensation claimed within sixty (60) days after the date of receipt of the Notice of Discriminatory Action. If a Notice of Dispute has been given, the OPA shall pay to the Supplier the Discriminatory Action Compensation Amount determined in accordance with Section 13.3(e) not later than sixty (60)

days after the later of the date on which the dispute with respect to the occurrence of a Discriminatory Action is resolved and the date on which the Discriminatory Action Compensation Amount is determined.

- (e) (i) If the OPA wishes to dispute the amount of the Discriminatory Action Compensation, the OPA shall give to the Supplier a notice (the "**Discriminatory Action Compensation Notice**") setting out an amount that the OPA proposes as the Discriminatory Action Compensation (the "**Discriminatory Action Compensation Amount**"), if any, together with details of the computation. If the Supplier does not give notice (the "**Supplier Non-acceptance Notice**") to the OPA stating that it does not accept the Discriminatory Action Compensation Amount proposed within thirty (30) days after the date of receipt of the Discriminatory Action Compensation Notice, the Supplier shall be deemed to have accepted the Discriminatory Action Compensation Amount so proposed. If the Supplier Non-acceptance Notice is given, the OPA and the Supplier shall attempt to determine the Discriminatory Action Compensation Amount through negotiation, and any amount so agreed in writing shall be the Discriminatory Action Compensation Amount. If the OPA and the Supplier do not agree in writing upon the Discriminatory Action Compensation Amount within sixty (60) days after the date of receipt of the Supplier Non-acceptance Notice, the Discriminatory Action Compensation Amount shall be determined in accordance with the procedure set forth in Section 13.3(e)(ii) and Sections 16.1 and 16.2 shall not apply to such determination.
- (ii) If the negotiation described in Section 13.3(e)(i) does not result in an agreement in writing on the Discriminatory Action Compensation Amount, either the OPA or the Supplier may, after the later of (A) the date on which a dispute with respect to the occurrence of a Discriminatory Action is resolved and (B) the date of the expiry of a period of sixty (60) days after the date of receipt of the Supplier Non-acceptance Notice, by notice to the other, require the dispute to be resolved by arbitration as set out below. The OPA and the Supplier shall, within thirty (30) days after the date of receipt of such notice of arbitration, jointly appoint a valuator to determine the Discriminatory Action Compensation Amount. The valuator so appointed shall be a duly qualified business valuator where the individual responsible for the valuation has not less than ten (10) years' experience in the field of business valuation. If the OPA and the Supplier are unable to agree upon a valuator within such period, the OPA and the Supplier shall jointly make application (provided that if a Party does not participate in such application, the other Party may make application alone) under the *Arbitration Act, 1991* (Ontario) to a judge of the Superior Court of Justice to appoint a valuator, and the provisions of the *Arbitration Act, 1991* (Ontario) shall govern such appointment. The valuator shall determine the Discriminatory Action Compensation Amount within sixty (60) Business Days after the date of his or her appointment. Pending a

decision by the valuator, the OPA and the Supplier shall share equally, and be responsible for their respective shares of, all fees and expenses of the valuator. The fees and expenses of the valuator shall be paid by the non-prevailing party. "**Prevailing Party**" means the Party whose determination of the Discriminatory Action Compensation Amount is most nearly equal to that of the valuator's determination. The Supplier's and the OPA's respective determinations of the Discriminatory Action Compensation Amount shall be based upon the Notice of Discriminatory Action and the Discriminatory Action Compensation Notice, as applicable.

- (iii) In order to facilitate the determination of the Discriminatory Action Compensation Amount by the valuator, each of the OPA and the Supplier shall provide to the valuator such information as may be requested by the valuator, acting reasonably, and the Supplier shall permit the valuator and the valuator's representatives to have reasonable access during normal business hours to such information and to take extracts therefrom and to make copies thereof.
- (iv) The Discriminatory Action Compensation Amount as determined by the valuator shall be final and conclusive and not subject to any appeal.
- (f) Any amount to be paid under Section 13.3(d) shall bear interest at a variable nominal rate per annum equal on each day to the Interest Rate then in effect from the date of receipt of the Notice of Discriminatory Action to the date of payment.
- (g) Payment of the Discriminatory Action Compensation and interest thereon by the OPA to the Supplier shall constitute full and final satisfaction of all amounts that may be claimed by the Supplier for and in respect of the occurrence of the Discriminatory Action and, upon such payment, the OPA shall be released and forever discharged by the Supplier from any and all liability in respect of such Discriminatory Action.

13.4 Right of the OPA to Remedy or Cause to be Remedied a Discriminatory Action

If the OPA wishes to remedy or cause to be remedied the occurrence of a Discriminatory Action, the OPA must give notice to the Supplier within thirty (30) days after the later of the date of receipt of the Notice of Discriminatory Action and the date of the receipt by the OPA of the further supporting particulars referred to in Section 13.3(b). If the OPA gives such notice, the OPA must remedy or cause to be remedied the Discriminatory Action within one hundred and eighty (180) days after the date of receipt of the Notice of Discriminatory Action or, if a Notice of Dispute has been given, within one hundred and eighty (180) days after the date of the final award pursuant to Section 16.2 to the effect that a Discriminatory Action occurred. If the OPA remedies or causes to be remedied the Discriminatory Action in accordance with the preceding sentence, the Supplier shall have the right to obtain, without duplication, the amount that the Supplier would have the right to claim in respect of that Discriminatory Action pursuant to Section 13.2, adjusted to apply only to the period commencing on the first day of the first

calendar month following the date of the Discriminatory Action and expiring on the day preceding the day on which the Discriminatory Action was remedied.

ARTICLE 14 LIABILITY AND INDEMNIFICATION

14.1 Exclusion of Consequential Damages

Notwithstanding anything contained herein to the contrary, neither Party will be liable under this Agreement or under any cause of action relating to the subject matter of this Agreement for any special, indirect, incidental, punitive, exemplary or consequential damages, including loss of profits (save and except as provided in Section 13.2), loss of use of any property or claims of customers or contractors of the Parties for any such damages.

14.2 Liquidated Damages

Nothing in this Article shall reduce a Party's claim for liquidated damages pursuant to Sections 2.4, 10.2(b) and 10.2(e). The Supplier acknowledges and agrees with the OPA that the actual damages incurred by the OPA and Electricity consumers as a result of a failure by the Supplier to meet its obligations under this Agreement are impossible to definitively quantify and the Supplier further agrees that the payment of the liquidated damages set forth in this Agreement constitutes a fair and reasonable means of compensating the OPA for damages likely to be incurred as a result of such delays and does not constitute a penalty. The OPA agrees that the payment of liquidated damages pursuant to Sections 10.2(b) or 10.2(e) constitutes a fair and reasonable means of compensating the Supplier for such damages likely to be incurred and does not constitute a penalty.

14.3 OPA Indemnification

In addition to the indemnity provided by the Supplier in Section 2.7(b), the Supplier shall indemnify, defend and hold the OPA, the OPA (to the extent that it is no longer the counterparty hereunder), the Government of Ontario, the members of the Government of Ontario's Executive Council and their respective Affiliates, and each of the foregoing Persons' respective directors, officers, employees, shareholders, advisors and agents (including contractors and their employees) (collectively, the "**Indemnitees**") harmless from and against any and all claims, demands, suits, losses, damages, liabilities, penalties, obligations, payments, costs and expenses and accrued interest thereon (including the costs and expenses of, and accrued interest on, any and all actions, suits, proceedings for personal injury (including death) or property damage, assessments, judgments, settlements and compromises relating thereto and reasonable lawyers' fees and reasonable disbursements in connection therewith) (each, an "**Indemnifiable Loss**"), asserted against or suffered by the Indemnitees relating to, in connection with, resulting from, or arising out of (i) any occurrence or event relating to the Facility, except to the extent that any injury or damage is attributable to the negligence or wilful misconduct of the Indemnitees or the failure of the Indemnitees to comply with Laws and Regulations and (ii) any breach by the Supplier of any representations, warranties and covenants contained in this Agreement, except to the extent that any injury or damage is attributable to the negligence or wilful misconduct of the Indemnitees. For greater certainty, in the event of contributory negligence or other fault of the

Indemnitees, then such Indemnitees shall not be indemnified hereunder in the proportion that the Indemnitees' negligence or other fault contributed to any Indemnifiable Loss.

14.4 Defence of Claims

- (a) Promptly after receipt by the Indemnitees of any Claim or notice of the commencement of any action, administrative or legal proceeding or investigation as to which the indemnity provided for in Section 14.3 may apply, the OPA shall notify the Supplier in writing of such fact. The Supplier shall assume the defence thereof with counsel designated by the Supplier and satisfactory to the affected Indemnitees, acting reasonably; provided, however, that if the defendants in any such action include both the Indemnitees and the Supplier and the Indemnitees shall have reasonably concluded that there may be legal defences available to them which are different from or additional to, or inconsistent with, those available to the Supplier, the Indemnitees shall have the right to select separate counsel satisfactory to the Supplier acting reasonably (at no additional cost to the Indemnitees) to participate in the defence of such action on behalf of the Indemnitees. The Supplier shall promptly confirm that it is assuming the defence of the Indemnitees by providing written notice to the Indemnitees. Such notice shall be provided no later than five (5) days prior to the deadline for responding to any Claim relating to any Indemnifiable Loss.

- (b) Should any of the Indemnitees be entitled to indemnification under Section 14.3 as a result of a Claim by a third party, and the Supplier fails to assume the defence of such Claim (which failure shall be assumed if the Supplier fails to provide the notice prescribed by Section 14.4(a)), the Indemnitees shall, at the expense of the Supplier, contest (or, with the prior written consent of the Supplier, settle) such Claim, provided that no such contest need be made and settlement or full payment of any such Claim may be made without consent of the Supplier (with the Supplier remaining obligated to indemnify the Indemnitees under Section 14.3), if, in the written opinion of an independent third party counsel chosen by the Company Representatives, such Claim is meritorious. If the Supplier is obligated to indemnify any Indemnitees under Section 14.3, the amount owing to the Indemnitees will be the amount of such Indemnitees' actual out-of-pocket loss net of any insurance proceeds received or other recovery.

14.5 Joint and Several Liability

If the Supplier is not a single legal entity (for example, an unincorporated joint venture), then all such entities set out in the definition of the term "**Supplier**", namely [●] and [●], shall be jointly and severally liable to the OPA for all representations, warranties, obligations, covenants and liabilities of the Supplier hereunder. **[Note to Finalization: List names of all entities comprising the Supplier.]**

ARTICLE 15 CONTRACT OPERATION AND ADMINISTRATION

15.1 Company Representative

The Supplier and the OPA shall, by notice substantially in the form of Exhibit V, each appoint, from time to time, a representative (a "**Company Representative**"), who shall be duly authorized to act on behalf of the Party that has made the appointment, and with whom the other Party may consult at all reasonable times, and whose instructions, requests and decisions, provided the same are in writing signed by the respective Company Representative, shall be binding on the appointing Party as to all matters pertaining to this Agreement. The Company Representatives shall not have the power or authority to amend this Agreement.

15.2 Record Retention; Audit Rights

The Supplier and the OPA shall both keep complete and accurate records and all other data required by either of them for the purpose of proper administration of this Agreement. All such records shall be maintained as required by Laws and Regulations but for no less than for seven (7) years after the creation of the record or data. The Supplier and the OPA, on a confidential basis as provided for in Article 8 of this Agreement, shall provide reasonable access to the relevant and appropriate financial and operating records and data kept by it relating to this Agreement reasonably required for the other Party to comply with its obligations to Governmental Authorities or to verify or audit billings or to verify or audit information provided in accordance with this Agreement, including, for greater certainty, information provided pursuant to Sections 2.7(c), 4.1, 15.6 and 15.7. Moreover, the Supplier agrees and consents to Ontario Electricity Financial Corporation, the IESO, an LDC or any other relevant third party providing to the OPA all relevant meter and invoice data regarding the Facility required by the OPA in order to verify information provided pursuant hereto. A Party may use its own employees for purposes of any such review of records, provided that those employees are bound by the confidentiality requirements provided for in Article 8. Alternatively, and at the election of the auditing Party, access shall be through the use of a mutually agreed upon third party auditor. The Party seeking access to such records in this manner shall pay the fees and expenses associated with use of the third party auditor.

15.3 Reports to the OPA

- (a) If the Supplier is not required to report Outages directly to the IESO, the Supplier shall deliver to the OPA the following documentation with respect to each calendar month:
 - (i) no later than seven (7) Business Days prior to the beginning of each calendar month, an Outage Notice providing advance notice of all Planned Outages for such calendar month; and
 - (ii) no later than one (1) Business Day following the end of each calendar month, an Outage Notice confirming the occurrence and duration of all Outages for such calendar month.

- (b) If the Supplier is required to report Outages directly to the IESO, the Supplier shall deliver to the OPA a copy of all reports, plans and notices that the Supplier is required to provide to the IESO with respect to Outages, at the same time or within one (1) Business Day after such reports, plans and notices are delivered by the Supplier to the IESO.
- (c) In addition to the documentation provided in Sections 15.3(a) or 15.3(b), as applicable, the Supplier shall deliver at the times specified below the following documents, reports, plans and notices to the OPA:
 - (i) no later than sixty (60) days prior to the Commercial Operation Date, the Supplier shall provide to the OPA an operating plan for the Facility for the Term commencing no later than the date of execution of this Agreement, including a long term major maintenance schedule (the "**Long Term Operating Plan**"). The Supplier shall provide the OPA with copies of any amendments or modifications to the Long Term Operating Plan within ten (10) Business Days of such amendments or modifications being made. The Long Term Operating Plan shall be consistent with Good Engineering and Operating Practices and is not a guarantee of the timing of Planned Outages;
 - (ii) no later than:
 - (A) the date that the Long Term Operating Plan is to be provided to the OPA in accordance with Section 15.3(c)(i), and
 - (B) in respect of the second Contract Year and each Contract Year thereafter, sixty (60) days prior to each Contract Year,the Supplier shall provide to the OPA an operating plan for the Facility for the succeeding Contract Year (the "**Annual Operating Plan**"). The Annual Operating Plan shall include a schedule of Planned Outages for that twelve (12) month period (together with the Supplier's estimate of the expected duration of each Planned Outage) which shall be consistent with Good Engineering and Operating Practices, consistent with the Long Term Operating Plan and, to the extent the Supplier is required to do so by the IESO Market Rules, coordinated with and approved by the IESO. The Supplier may, on not less than ten (10) Business Days prior notice to the OPA, amend the Annual Operating Plan;
 - (iii) prompt notice to the OPA of any Outage other than a Planned Outage, or any anticipated Outage other than a Planned Outage. Any notice under this subsection shall include a statement of the cause of such Outage, the proposed corrective action and the Supplier's estimate of the expected duration of such Outage. The Supplier shall use Commercially Reasonable Efforts to promptly end or reduce the length of such Outage;

- (d) thirty (30) days prior written notice (or such lesser number of days as is possible in the circumstances) to the OPA of any Planned Outage of the Facility.
- (e) Notwithstanding anything in this Section 15.3 to the contrary, the Supplier shall not schedule or reschedule any Planned Outage during all or any part of a directed production interval set out in any provisional Directed Dispatch Order issued by the OPA pursuant to paragraph 3(j) of Exhibit G or a Directed Dispatch Order approved by the OPA pursuant to paragraph 3(c) of Exhibit G.
- (f) On and after the Commercial Operation Date, in addition to other notices or reports as set out in this Agreement, the Supplier shall provide the OPA with:
 - (i) an annual report in the form and covering the matters specified in Exhibit R; and
 - (ii) a Restatement report in the form and covering the matters specified in Exhibit S, if the Supplier is entitled under this Agreement to a Restatement and, upon such Restatement, the Supplier proposes to reconfigure the equipment at the Facility.
- (g) In addition to the foregoing, upon a Restatement, the Supplier shall provide the OPA with quarterly status reports relating to the reconfiguration of the Facility equipment in connection with the Restatement, together with such other information relating to the Restatement as the OPA may reasonably request.

15.4 Inspection of Facility

- (a) The OPA and its authorized agents and representatives shall, at all times upon two (2) Business Days' prior notice, at any time after execution of this Agreement, have access to the Facility and every part thereof during regular business hours and the Supplier shall, and shall cause all personnel operating and managing the Facility, to furnish the OPA with all reasonable assistance in inspecting the Facility for the purpose of ascertaining compliance with this Agreement; provided that such access and assistance shall be carried out in accordance with and subject to the reasonable safety and security requirements of the Supplier and all personnel operating and managing the Facility, as applicable, and shall not interfere with the operation of the Facility.
- (b) The inspection of the Facility by or on behalf of the OPA shall not relieve the Supplier of any of its obligations to comply with the terms of this Agreement. No Supplier Event of Default by the Supplier will be waived or deemed to have been waived by any inspection by or on behalf of the OPA. In no event will any inspection by the OPA hereunder be a representation that there has been or will be compliance with this Agreement and Laws and Regulations.

15.5 Inspection Not Waiver

- (a) Failure by the OPA to inspect the Facility or any part thereof under Section 15.4, or to exercise its audit rights under Section 15.2, shall not constitute a waiver of any of the rights of the OPA hereunder. An inspection or audit not followed by a notice of a Supplier Event of Default shall not constitute or be deemed to constitute a waiver of any Supplier Event of Default, nor shall it constitute or be deemed to constitute an acknowledgement that there has been or will be compliance by the Supplier with this Agreement.
- (b) Failure by the Supplier to exercise its audit rights under Section 15.2 shall not constitute or be deemed to constitute a waiver of any of the rights of the Supplier hereunder. An audit not followed by a notice of a OPA Event of Default shall not constitute or be deemed to constitute a waiver of any OPA Event of Default, nor shall it constitute or be deemed to constitute an acknowledgement that there has been or will be compliance by the OPA with this Agreement.

15.6 Capacity Check Tests

- (a) OPA's Right to Request Capacity Check Tests. The OPA shall have the option, exercisable on no more than two (2) occasions per Contract Year, to require the Supplier, within ten (10) Business Days after written notice has been delivered to the Supplier, provided it is not during an Outage, to conduct a test (the "**Capacity Check Test**"), at the Supplier's sole cost and expense, that may be witnessed by the OPA or its Representative, to confirm the ability of the Facility to produce the Monthly Contract Capacity and the Minimum UHO Requirement for the Month in which the Capacity Check Test is conducted.
- (b) The Supplier's Right to Schedule Capacity Check Tests. The Supplier shall be entitled, with written notice to (but without the consent of) the OPA, to schedule and conduct, at its sole cost and expense, Capacity Check Tests for purposes of Section 2.1(d). If the OPA has consented to a Facility Amendment pursuant to Section 2.1(c), the Supplier may request, within ten (10) Business Days after written notice has been delivered to the OPA, a Capacity Check Test.
- (c) Test Protocol. Each Capacity Check Test (including any Further Capacity Check Test and Final Capacity Check Test, as applicable) shall be carried out in accordance with a test protocol (the "**Test Protocol**") which is to be prepared by the Supplier and submitted in writing to the OPA for review and approval within three (3) months after the Facility has attained Commercial Operation and which shall address, in detail, at a minimum, all of the matters set forth in Exhibit X and any other matters requested by the OPA. The Test Protocol shall include the requirement that an Independent Engineer observe and certify the Capacity Check Test, at the Supplier's sole expense. The Test Protocol approved by OPA shall be appended to the Agreement as Exhibit BB. If the Contract Facility is designed or configured such that the Measured Electricity at any point in time is capable of being affected by the level of Useful Heat Output being produced by the Contract

Facility at such time, the Test Protocol shall set out a methodology for adjusting the Measured Electricity downwards to account for any incremental Measured Electricity that was capable of being produced as a result of the Useful Heat Output during a Capacity Check Test being less than the Minimum UHO Requirement over the duration of the Capacity Check Test. Additionally, if the Contract Facility is designed or configured such that the Measured Electricity at any point in time is affected by whether the Facility is operating under normal operating conditions, the Test Protocol shall set out a methodology for adjusting the Measured Electricity downwards to account for any incremental Measured Electricity that was capable of being produced as a result of the Facility operating other than under normal operating conditions during a Capacity Check Test. The measurements of the Capacity Check Test shall be made using high accuracy calibrated instruments and recording systems or Facility instrumentation, including tariff meters for Electricity, fuel and Useful Heat Output as set out in the Metering Plan and acceptable to the OPA, acting reasonably.

- (d) Test Parameters and Adjustments. Each Capacity Check Test (including any Further Capacity Check Test and Final Capacity Check Test, as applicable) consists of the Contract Facility generating Electricity and Useful Heat Output for four continuous hours during a period during the hours of 7:00 am to 11:00 pm daily that is designated by the Supplier and agreed to by the OPA in advance as a test period, subject to coordination and approval of the IESO, LDC or Transmitter, as applicable. The Supplier acknowledges and agrees that the Tranche 1 Monthly Contract Capacity, the Tranche 2 Monthly Contract Capacity, the Electricity output of the Contract Facility, the Station Service Loads, and Useful Heat Output, as may be measured by the Capacity Check Test, shall not be adjusted for ambient weather conditions. If the Facility is not operating under normal operation conditions during a Capacity Check Test, the Measured Electricity shall be adjusted downwards in accordance with the Test Protocol. Additionally, if the Useful Heat Output during the Capacity Check Test does not satisfy the Minimum UHO Requirement, the Measured Electricity shall be adjusted downwards in accordance with the Test Protocol, as applicable.
- (e) Optional Re-Performance of a Capacity Check Test as a Result of Weather or Force Majeure. If a Capacity Check Test is interrupted by an event of Force Majeure, or if at any point during the Capacity Check Test the air temperature, as reported at the Environment Canada weather station that is physically nearest to the Facility, exceeded in respect of a Capacity Check Test:

Month Conducted	Degrees in Celsius
January	6.0
February	6.0
March	13.0

Month Conducted	Degrees in Celsius
April	20.0
May	25.0
June	29.0
July	30.0
August	29.0
September	27.0
October	21.0
November	14.0
December	8.0

then the Supplier may, at the Supplier's sole cost and expense, re-perform the Capacity Check Test within ten (10) Business Days after the receipt by the Supplier of the Capacity Confirmation relating to such Capacity Check Test from the OPA.

- (f) Capacity Check Test Report. The Supplier shall at the Supplier's sole cost and expense and within ten (10) Business Days after completion of the Capacity Check Test prepare and submit to the OPA a written Capacity Check Test report that includes, at a minimum, the matters set forth in Exhibit X, the data collected during the test period, computation of test data, any adjustment made in accordance with the Test Protocol and the test results. The OPA shall provide to the Supplier within ten (10) Business Days after receipt of the Capacity Check Test report from the Supplier, written confirmation of the Electricity output and the Useful Heat Output for each hour during the Capacity Check Test (the "**Capacity Confirmation**").

- (g) Requirements to Pass a Capacity Check Test. To pass a Capacity Check Test, the Average Test Capacity resulting from the Capacity Check Test must be equal to or greater than the Monthly Contract Capacity for the Month in which the Capacity Check Test is conducted. The "**Average Test Capacity**" is defined as (a) the summation of the lesser of (i) the Monthly Contract Capacity for the Month in which the Capacity Check Test is conducted multiplied by one hour over each hour of the Capacity Check Test, or (ii) the Measured Electricity as may be adjusted pursuant to Section 15.6(d) or 15.6(e) and the Test Protocol) and as stated in the Capacity Confirmation, over each hour of the Capacity Check Test; divided by (b) the number of hours in the Capacity Check Test.

- (h) Further Capacity Check Test. If the Supplier has not passed the Capacity Check Test, then the Supplier shall, at the Supplier's cost and expense, perform a further Capacity Check Test (a "**Further Capacity Check Test**") as follows:
- (i) The Supplier shall perform the Further Capacity Check Test in a month (the "**Further Capacity Check Test Month**") specified by the OPA in a written notice delivered to the Supplier. The Further Capacity Check Test Month shall be no earlier than one Month after the date of the Capacity Confirmation with respect to the Capacity Check Test and no later than (A) one year after the date of the Capacity Confirmation with respect to the Capacity Check Test and (B) the tenth Business Day of the Further Capacity Check Test Month. The Further Capacity Check Test shall take place on the same terms and conditions as the Capacity Check Test described in Sections 15.6(a), 15.6(c), 15.6(d), 15.6(f) and, as applicable, 15.6(e).
 - (ii) If the Average Test Capacity resulting from the Capacity Check Test is less than 80% of the Monthly Contract Capacity for the Month in which the Capacity Check Test is conducted and the Average Test Capacity resulting from the Further Capacity Check Test is less than 80% of the Monthly Contract Capacity for the Month in which the Further Capacity Check Test is conducted, then this shall be considered a Supplier Event of Default.
 - (iii) If the Average Test Capacity resulting from the Further Capacity Check Test is equal to or greater than 80% but is less than 100% of the Monthly Contract Capacity for the Month in which the Further Capacity Check Test is conducted, then the Capacity Reduction Factor (as defined below and used in the calculation of Total Monthly Fixed Capacity Payment in Exhibit J) shall be determined as set out below, effective on the date of the Capacity Confirmation in relation to the Further Capacity Check Test. In addition, the Supplier shall perform a further Capacity Check Test (the "**Final Capacity Check Test**") as set out in Section 15.6(i). The "**Capacity Reduction Factor**" or "**CRF_{CCT}**" shall be the greater of (i) the Average Test Capacity resulting from the Capacity Check Test divided by the Monthly Contract Capacity for the Month in which the Capacity Check Test is conducted, or (ii) the Average Test Capacity resulting from the Further Capacity Check Test divided by the Monthly Contract Capacity for the Month in which the Further Capacity Check Test is conducted.
 - (iv) If the supplier fails to conduct the Further Capacity Check Test as outlined in Section 15.6(h)(i), then the Capacity Reduction Factor shall be determined as set out below, effective on the first day of the month immediately following the Further Capacity Check Test Month. The Capacity Reduction Factor shall be equal to the Average Test Capacity resulting from the Capacity Check Test divided by the Monthly Contract

Capacity for the Month in which the Capacity Check Test is conducted. In addition, the Supplier shall perform a Final Capacity Check Test in accordance with Section 15.6 (i) provided that, in this case, the Final Capacity Check Test shall be performed no earlier than one month after the Further Capacity Check Test Month and no later than (A) thirteen months after the date of the Capacity Confirmation for the relevant Capacity Check Test and (B) the tenth Business Day of the Final Capacity Check Test Month.

- (i) Final Capacity Check Test. If Section 15.6(h)(iii) is applicable, then the Supplier shall perform a Final Capacity Check Test at the Supplier's cost and expense in a month (the "**Final Capacity Check Test Month**") specified by the OPA in a written notice delivered to the Supplier. The Final Capacity Check Test Month shall be no earlier than one month after the date of the Capacity Confirmation with respect to the Further Capacity Check Test and no later than (A) thirteen months after the date of the Capacity Confirmation with respect to the Further Capacity Check Test and (B) the tenth Business Day of the Final Capacity Check Test Month, failing which this shall be considered to be a Supplier Event of Default. The Final Capacity Check Test shall take place on the same terms and conditions as the Capacity Check Test described in Sections 15.6(a), 15.6(c), 15.6(d), 15.6(f) and, as applicable, 15.6(e), and including the delivery of the Capacity Confirmation in relation to the Final Capacity Check Test. If the Average Test Capacity resulting from the Final Capacity Check Test:
- (i) is less than ninety-five percent (95%) of the Monthly Contract Capacity for the Month in which the Final Capacity Check Test is conducted, then this shall be considered a Supplier Event of Default;
 - (ii) is equal to or greater than ninety-five percent (95%) and less than one hundred percent (100%) of the Monthly Contract Capacity for the Month in which the Final Capacity Check Test is conducted, then the Capacity Reduction Factor or CRF_{CCT} , for the purposes of Exhibit J, shall be the Average Test Capacity resulting from the Final Capacity Check Test divided by the Monthly Contract Capacity for the Month in which the Final Capacity Check Test is conducted, effective from the date of the Capacity Confirmation in relation to the Final Capacity Check Test; and
 - (iii) is equal to one hundred percent (100%) of the Monthly Contract Capacity for the Month in which the Final Capacity Check Test is conducted, then the Capacity Reduction Factor or CRF_{CCT} shall, for the purposes of Exhibit J, be an amount equal to 1.0, effective from the date of the Capacity Confirmation in relation to the Final Capacity Check Test.

15.7 Useful Heat Output

- (a) The Supplier shall use Commercially Reasonable Efforts to implement and comply with the Useful Heat Output Plan attached as Exhibit I, as such plan may be amended from time to time in accordance with the terms of this Agreement.
- (b) The Supplier shall provide to the OPA a written report within thirty (30) days of the end of the last day of the last month of each Contract Year setting out the percentage (the "**Actual UHO Percentage**") of energy actually generated by the operation of the Contract Facility attributable to Useful Heat Output delivered by the Supplier to the Host in respect of the Host Facility. The "**Actual UHO Percentage**" for a Contract Year ("CY") shall be calculated as follows:

$\text{AUHOP}_{\text{CY}} (\%) = \text{Greater of } \left(\frac{\sum_{s=1}^4 \text{AUHOP}_s}{4}, \text{ or } \text{AUHOP}_t \right)$	
where:	
AUHOP_{CY}	<p>is the Actual UHO Percentage for Contract Year "CY" with "t" representing the Contract Year "CY" and "s", representing each of the seasons during Contract Year "CY" as follows:</p> <ul style="list-style-type: none"> s = 1 for December, January, and February s = 2 for March, April, and May s = 3 for June, July, and August s = 4 for September, October, and November <p>provided that for any month in which the Contract Year terminates, other than the final year of the Term, the relevant season shall be deemed to include all days of that month.</p>
AUHOP_s or AUHOP_t	<p>is the Actual UHO Percentage applicable to season "s", or time period "t" expressed as a percentage calculated as follows:</p> $\text{AUHOP}_s (\%) = \frac{\text{AUHO}_s}{\text{AUHO}_s + \text{CCDE}_s}$ $\text{AUHOP}_t (\%) = \frac{\text{AUHO}_t}{\text{AUHO}_t + \text{CCDE}_t}$

AUHO _s or AUHO _t	is the Actual Useful Heat Output (in MWh _t) applicable to season "s" or time period "t" and is the Useful Heat Output delivered from the Contract Facility to the Host Facility as measured at the thermal energy delivery point to the Host Facility net of any thermal energy returned from the Host Facility and net of any thermal energy imported to the Contract Facility, for all hours that Delivered Electricity is greater than zero during season "s" or time period "t".
CCDE _s or CCDE _t	is the Contract Capacity Delivered Electricity (in MWh _e) applicable to each month in season "s" or time period "t", and is the aggregate of the lesser of (i) the Delivered Electricity or (ii) the Contract Capacity multiplied by one hour for all hours that Delivered Electricity is greater than zero during season "s" or time period "t".

- (c) If the Actual UHO Percentage in respect of any Contract Year is less than 15%, then the Supplier shall include with the UHO Report documentation demonstrating the Supplier's efforts to implement the Useful Heat Output Plan and its compliance with the Useful Heat Output Plan
- (i) If the Actual UHO Percentage in respect of any Contract Year is less than 15%, the Supplier shall, within, 60 days of receiving a written request from the OPA, deliver a written remedial plan specifying the manner and schedule in which the Supplier will arrange for additional users of Useful Heat Output or an increase in use of Useful Heat Output by existing users, such that within a period of time acceptable to the OPA, acting reasonably, the Contract Facility's Actual UHO Percentage for future Contract Years is reasonably expected to be no less than 15% (such plan, a "**UHO Remediation Plan**").
 - (ii) The OPA shall review a proposed UHO Remediation Plan and, where the OPA has determined, acting reasonably, that such UHO Remediation Plan is reasonably expected to result in an average Actual UHO Percentage of no less than 15% within a reasonable period of time, the OPA shall provide written notice to the Supplier of its acceptance of such UHO Remediation Plan. If the OPA does not accept the Supplier's proposed UHO Remediation Plan, the Supplier shall amend such proposed UHO Remediation Plan as the OPA may reasonably require.
- (d) If the Actual UHO Percentage in respect of any Contract Year other than the first Contract Year is less than 15%, then, commencing the first day of the Contract Year immediately following the Contract Year in which the Actual UHO Percentage is less than 15%, and until the last day of such Contract Year, a

- (b) Notices shall be delivered or transmitted as set out below, and shall be considered to have been received by the other Party:
 - (i) on the date of delivery if delivered by hand or by courier prior to 5:00 p.m. (local time of the recipient) on a Business Day and otherwise on the next following Business Day (it being agreed that the burden of establishing delivery shall be on the Party delivering the notice);
 - (ii) in those circumstances where electronic transmission (other than transmission by facsimile) is expressly permitted under this Agreement, on the date of delivery if delivered prior to 5:00 p.m. (local time of the recipient) on a Business Day and otherwise on the next following Business Day, provided that a copy of such notice is also delivered by regular post within a reasonable time thereafter;
 - (iii) on the third (3rd) Business Day following the date of transmission by facsimile, if transmitted prior to 5:00 p.m. (local time of the recipient) on a Business Day and otherwise on the fourth (4th) following Business Day, provided that a copy of such notice is also delivered by regular post within a reasonable time thereafter; and
 - (iv) on the fifth (5th) Business Day following the date of mailing by registered post.
- (c) Notwithstanding Section 15.8(b):
 - (i) any notices of an Event of Default and termination of this Agreement shall only be given by hand or courier delivery; and
 - (ii) if regular post service, facsimile or other form of electronic communication is interrupted by strike, slowdown, a Force Majeure event or other cause, a notice, direction or other instrument sent by the impaired means of communication will not be deemed to be received until actually received, and the Party sending the notice shall utilize any other such service which has not been so interrupted to deliver such notice.

ARTICLE 16 MISCELLANEOUS

16.1 Informal Dispute Resolution

If either Party considers that any dispute has arisen under or in connection with this Agreement that the Parties cannot resolve, then such Party may deliver a notice to the other Party describing the nature and the particulars of such dispute. Within ten (10) Business Days following delivery of such notice to the other Party, a senior executive (Senior Vice-President or higher) from each Party shall meet, either in person or by telephone (the "**Senior Conference**"), to attempt to resolve the dispute. Each senior executive shall be prepared to propose a solution to the dispute.

If, following the Senior Conference, the dispute is not resolved, the dispute may be settled by arbitration pursuant to Section 16.2, if agreed to by both Parties.

16.2 Arbitration

Except as otherwise specifically provided for in this Agreement, any matter in issue between the Parties as to their rights under this Agreement may be decided by arbitration provided, however, that the Parties have, where applicable, first completed a Senior Conference pursuant to Section 16.1. Any dispute to be decided by arbitration will be decided by a single arbitrator appointed by the Parties or, if such Parties fail to appoint an arbitrator within fifteen (15) days following the agreement to refer the dispute to arbitration, upon the application of either of the Parties, the arbitrator shall be appointed by a Judge of the Superior Court of Justice (Ontario) sitting in the Judicial District of Toronto Region. The arbitrator shall not have any current or past business or financial relationships with any Party (except prior arbitration). The arbitrator shall provide each of the Parties an opportunity to be heard and shall conduct the arbitration hearing in accordance with the provisions of the *Arbitration Act, 1991* (Ontario). Unless otherwise agreed by the Parties, the arbitrator shall render a decision within ninety (90) days after the end of the arbitration hearing and shall notify the Parties in writing of such decision and the reasons therefor. The arbitrator shall be authorized only to interpret and apply the provisions of this Agreement and shall have no power to modify or change this Agreement in any manner. The decision of the arbitrator shall be conclusive, final and binding upon the Parties. The decision of the arbitrator may be appealed solely on the grounds that the conduct of the arbitrator, or the decision itself, violated the provisions of the *Arbitration Act, 1991* (Ontario) or solely on a question of law as provided for in the *Arbitration Act, 1991* (Ontario). *The Arbitration Act, 1991* (Ontario) shall govern the procedures to apply in the enforcement of any award made. If it is necessary to enforce such award, all costs of enforcement shall be payable and paid by the Party against whom such award is enforced. Unless otherwise provided in the arbitral award to the contrary, each Party shall bear (and be solely responsible for) its own costs incurred during the arbitration process, and each Party shall bear (and be solely responsible for) its equal share of the costs of the arbitrator. Each Party shall be otherwise responsible for its own costs incurred during the arbitration process.

16.3 Business Relationship

Each Party shall be solely liable for the payment of all wages, taxes and other costs related to the employment by such Party of Persons who perform this Agreement, including all federal, provincial and local income, social insurance, health, payroll and employment taxes and statutorily-mandated workers' compensation coverage. None of the Persons employed by either Party shall be considered employees of the other Party for any purpose. Nothing in this Agreement shall create or be deemed to create a relationship of partners, joint venturers, fiduciary, principal and agent or any other relationship between the Parties.

16.4 Binding Agreement

Except as otherwise set out in this Agreement, this Agreement shall not confer upon any other Person, except the Parties and their respective successors and permitted assigns, any rights, interests, obligations or remedies under this Agreement. This Agreement and all of the

provisions of this Agreement shall be binding upon and shall enure to the benefit of the Parties and their respective successors and permitted assigns.

16.5 Assignment

- (a) Subject to Section 16.7, except as set out below and as provided in Article 12, neither this Agreement nor any of the rights, interests or obligations under this Agreement may be assigned by either Party, including by operation of Laws and Regulations, without the prior written consent of the other Party, which consent shall not be unreasonably withheld.
- (b) Subject to Section 16.7, the Supplier may, subject to compliance with Laws and Regulations and provided that there is not a Supplier Event of Default that has not been remedied, assign this Agreement without the consent of the OPA to an Affiliate acquiring the Facility; provided, however, that no such assignment by the Supplier or any of its successors or permitted assigns hereunder shall be valid or effective unless and until such Affiliate agrees with the OPA in writing to assume all of the Supplier's obligations and be bound by the terms of this Agreement, and the arrangements and obligations of the Supplier set forth in Article 6 have been met in accordance with the terms of Article 6. If a valid assignment of this Agreement is made by the Supplier in accordance with this Section 16.5(b), the OPA acknowledges and agrees that, upon such assignment and assumption and notice thereof by the assignor to the OPA, the assignor shall be relieved of all its duties, obligations and liabilities hereunder.
- (c) If the Supplier assigns this Agreement to a non-resident of Canada (the "**Assignee**"), for the purposes of the ITA, and the OPA incurs any additional Taxes, at any time thereafter, solely as the result of such assignment, then Section 4.5 hereof shall apply.
- (d) The OPA shall have the right to assign this Agreement and all benefits and obligations hereunder for the balance of the Term without the consent of the Supplier to an assignee which shall assume the obligations and liability of the OPA under this Agreement and be novated into this Agreement in the place and stead of the OPA (except for the OPA's obligation in Section 16.5(d)(iii) which will remain in force), provided that the assignee agrees in writing to assume and be bound by the terms and conditions of this Agreement and further agrees not to make any material amendments to or terminate this Agreement after such Assignment without the prior written consent of the OPA, whereupon:
 - (i) the representation set forth in Section 7.2(a) shall apply to the assignee with all necessary amendments to reflect the form and the manner in which the assignee was established;
 - (ii) all of the representations set forth in Section 7.2 shall be deemed to be made by the assignee to the Supplier at the time of such assignment and assumption; and

- (iii) the OPA shall be relieved of all obligations and liability arising pursuant to this Agreement; notwithstanding the foregoing, the OPA shall remain liable to the Supplier for remedying any payment defaults under Section 10.3(a) and shall remain liable for any obligations and liabilities of the assignee arising from any OPA Event of Default, provided that any notice required to be given under Sections 10.3 and 10.4(a) is given on the same day to the assignee and to the OPA. The time periods in Section 10.3 shall not begin to run until both the assignee and the OPA have been so notified.

- (e) The OPA shall have the right to assign this Agreement and all benefits and obligations hereunder from time to time throughout the Term for a period less than the balance of the Term (the "**Assignment Period**") without the consent of the Supplier to an assignee which shall assume the obligations of the OPA under this Agreement and be novated into this Agreement in the place and stead of the OPA (except for the OPA's obligation in Section 16.5(e)(iii) which will remain in force), provided that the assignee agrees in writing to assume and be bound by the terms and conditions of this Agreement and further agrees not to make any material amendments to or terminate this Agreement during the Assignment Period without the prior written consent of the OPA, whereupon:
 - (i) the representation set forth in Section 7.2(a) shall apply to the assignee with all necessary amendments to reflect the form and the manner in which the assignee was established;
 - (ii) all of the representations set forth in Section 7.2 shall be deemed to be made by the assignee to the Supplier at the time of such assignment and assumption;
 - (iii) the OPA shall be relieved of all obligations and liability arising pursuant to this Agreement; notwithstanding the foregoing, the OPA shall remain liable to the Supplier for remedying any payment defaults under Section 10.3(a) and shall remain liable to the Supplier for any obligations and liabilities of the assignee arising from any OPA Event of Default, provided that any notice required to be given under Sections 10.3 and 10.4(a) is given on the same day to the assignee and to the OPA. The time periods in Section 10.3 shall not begin to run until both the assignee and the OPA have been so notified; and
 - (iv) upon the expiry of the Assignment Period:
 - (A) this Agreement, without requiring the execution of any assignment, consent or other documentation of any nature, shall automatically revert and be assigned back to the OPA;

- (B) the assignee shall remain responsible to the Supplier for all obligations and liabilities incurred or accrued by the assignee during the Assignment Period; and
- (C) the OPA, as OPA pursuant to the automatic assignment back to it, shall be deemed to be in good standing under this Agreement, provided that such good standing shall not relieve the OPA from any obligation to the Supplier pursuant to Section 16.5(e)(iii) that arose prior to the expiry of the Assignment Period.

16.6 No Change of Control; Minimum Ownership

- (a) The Supplier shall not permit or allow a change of Control of the Supplier, except with the prior written consent of the OPA, which consent may not be unreasonably withheld, subject to Section 16.7 hereof.
- (b) If the Facility is a Host Developed Contract Facility, the ownership in the Supplier by the Host or person who Controls the Host (and/or, in the case of a District Energy Facility, the district energy business) shall not be less than a Controlling interest, except with the prior written consent of the OPA, which consent may not be unreasonably withheld, subject to Section 16.7 hereof.
- (c) For the purposes of Sections 16.6(a) and 16.6(b), it shall not be unreasonable for the OPA to withhold consent if the change of Control or failure to hold the minimum specified equity ownership in the Supplier, as applicable, will have or is likely to have, as determined by the OPA acting reasonably, a Material Adverse Effect on the Supplier's ability to perform its obligations under this Agreement, in which case such consent may be withheld by the OPA.
- (d) For the purposes of Sections 16.6(a) and 16.7(b), a change of Control shall exclude a change in ownership of any shares or units of ownership that are listed on a recognized stock exchange and shall include a change of Control resulting from a change in ownership in any shares or units of ownership in any entity that directly owns the entity whose special or sole purpose is the ownership of the Facility or the Facility and other generation facilities under a CHP IV Contract.

16.7 No Assignment or Change of Control for Specified Period

Notwithstanding the provisions of Sections 16.5(a), 16.5(b), 16.5(c) and 16.6(a) to the contrary, and except as provided in Article 12, under no circumstances shall:

- (a) any assignment of this Agreement by the Supplier, or
- (b) any change of Control in respect of the Supplier,

be permitted until the Commercial Operation Date.

16.8 Survival

The provisions of Sections 2.7(b), 4.3, 4.4, 4.5, Article 8, Sections 10.2, 10.4, 10.5 and 11.2, Article 14, Sections 15.2, 16.1, 16.2, 16.5(c), 16.5(d) and 16.5(e) shall survive the expiration of the Term or earlier termination of this Agreement. The expiration of the Term or a termination of this Agreement shall not affect or prejudice any rights or obligations that have accrued or arisen under this Agreement prior to the time of expiration or termination and such rights and obligations shall survive the expiration of the Term or the termination of this Agreement for a period of time equal to the applicable statute of limitations.

16.9 Counterparts

This Agreement may be executed in two or more counterparts, and all such counterparts shall together constitute one and the same Agreement. It shall not be necessary in making proof of the contents of this Agreement to produce or account for more than one such counterpart. Any Party may deliver an executed copy of this Agreement by facsimile but such Party shall promptly deliver to the other Party an originally executed copy of this Agreement.

16.10 Additional Rights of Set-Off

- (a) In addition to its other rights of set-off under this Agreement or otherwise arising in law or equity, the OPA may set off any amounts owing by the Supplier to the OPA in connection with Sections 1.7(e), 1.8(e), 1.9(d), 1.10(c), 2.3, 2.4, 2.7(b), 2.9, 4.2, 4.3, 4.5, 5.3, 10.2, 10.5, 14.3 and 15.7 against any monies owed by the OPA to the Supplier in connection with Sections 1.7(e), 1.8(e), 1.9(d), 1.10(c), 2.3, 4.2, 4.4, 4.5, 5.3, 10.5 and 13.3(d).
- (b) In addition to its other rights of set-off under this Agreement or otherwise arising in law or equity, the Supplier may set-off any amounts owing by the OPA to the Supplier in connection with Sections 1.7(e), 1.8(e), 1.9(d), 2.3, 4.2, 4.4, 4.5, 5.3, 10.4, 10.5 and 13.3(d) against any monies owed by the Supplier to the OPA in connection with Sections 1.7(e), 1.8(e), 1.9(d), 1.10(c), 2.3, 2.4, 2.7(b), 2.9, 4.2, 4.3, 4.5, 5.3, 10.2, 10.5, 14.3 and 15.7.

16.11 Rights and Remedies Not Limited to Contract

Unless expressly provided in this Agreement, the express rights and remedies of the OPA or the Supplier set out in this Agreement are in addition to and shall not limit any other rights and remedies available to the OPA or the Supplier, respectively, at law or in equity.

16.12 Time of Essence

Time is of the essence in the performance of the Parties' respective obligations under this Agreement.

16.13 Further Assurances

Each of the Parties shall, from time to time on written request of the other Party, do all such further acts and execute and deliver or cause to be done, executed or delivered all such further acts, deeds, documents, assurances and things as may be required, acting reasonably, in order to fully perform and to more effectively implement and carry out the terms of this Agreement. The Parties agree to promptly execute and deliver any documentation required by any Governmental Authority in connection with any termination of this Agreement.

IN WITNESS WHEREOF, and intending to be legally bound, the Parties have executed this Agreement by the undersigned duly authorized representatives as of the date first stated above.

[•]

ONTARIO POWER AUTHORITY

Per: _____
[Name]
[Title]

Per: _____
[Name]
[Title]
I have authority to bind the Corporation.

Per: _____
[Name]
[Title]
I have authority to bind the Corporation.

**EXHIBIT A
DESCRIPTION OF FACILITY**

NAME OF FACILITY:

Municipal Location:

Connection Point:

Description of Generation:

Nameplate Capacity:

Detailed Description of Facility:

1.0 Overview

1.1 Site Description

1.2 Project Design and Major Equipment

1.3 Environmental Features (including a description of features that mitigate environmental concerns, such as air quality, noise, water, sewage discharge, etc and a list of environmental approvals and permits and their status):

1.4 Fuel Supply (including description of work required to obtain fuel supply)

1.5 Electrical Interconnection (including description of work required to connect Facility and attach Single Line Diagram)

1.6 Plant General Arrangement

EXHIBIT C
FORM OF IRREVOCABLE STANDBY LETTER OF CREDIT

DATE OF ISSUE:	[●]
APPLICANT:	[●]
BENEFICIARY:	Ontario Power Authority and its permitted assigns
AMOUNT:	[●]
EXPIRY DATE:	[●]
EXPIRY PLACE:	Counters of the issuing financial institution in Toronto, Ontario
CREDIT RATING:	[Insert credit rating only if the issuer is not a financial institution listed in either Schedule I or II of the <i>Bank Act</i>]
TYPE:	Irrevocable and Unconditional Standby Letter of Credit Number: [●] (the "Credit")

The Credit is issued in connection with the [Contract Name] (the "Contract") dated [Insert Date of Contract] between the Beneficiary and the Applicant.

We hereby authorize the Beneficiary to draw on [Issuing Bank Name/Address], in respect of the Credit, for the account of the Applicant, up to the Amount.

Available by the Beneficiary's draft at sight accompanied by the Beneficiary's signed certificate stating that:

"The Applicant is in breach of, or default under, the Contract, and therefore the Beneficiary is entitled to draw upon the Credit in the amount of the draft attached hereto."

Drafts drawn hereunder must bear the clause "Drawn under irrevocable and unconditional Standby Letter of Credit No. [●] issued by [Issuing Bank Name] dated [Issue Date]."

Partial drawings are permitted.

This Letter of Credit will automatically extend for additional, successive terms of one year each (each an "Additional Term"), unless the undersigned provides the Beneficiary with written notice, at least 60 days prior to the expiration date of the then current term, that it does not wish to extend this Letter of Credit for an Additional Term.

We engage with you that all drafts drawn under and in compliance with the terms of the Credit will be duly honoured, if presented at the counters of [Issuing Bank Name/Address] at or before [Expiry Time] (EST) on [Expiry Date], as extended.

The Credit is subject to the International Standby Practices ISP 98, International Chamber of Commerce publication No. 600 and, as to matters not addressed by the ISP 98, shall be governed by the laws of the Province of Ontario and applicable Canadian federal law, and the parties hereby irrevocably agree to attorn to the non-exclusive jurisdiction of the courts of the Province of Ontario.

It is a term of the Credit that the above name of the Beneficiary will be amended to another entity by way of an amendment hereto, without the consent of the Applicant, and upon receipt by

[**Issuing Bank Name**] of the Beneficiary's dated and signed letter addressed to [**Issuing Bank Name**] and completed as follows:

"We, the undersigned Beneficiary to [**Issuing Bank Name**] Letter of Credit No. [●], hereby waive all our rights under the said Letter of Credit and request that the current name and address of the Beneficiary thereunder be amended to read [**insert name and address of new Beneficiary**]. Please forward the original amendment to the [**new Beneficiary**], care of the Applicant to whom we have delivered the original of the Letter of Credit along with its amendment(s) (if any)."

The Beneficiary may transfer the Credit without the consent of the Applicant or the issuing financial institution.

[**Issuing Bank Name**]

By: _____

By: _____

EXHIBIT D
FORM OF GUARANTEE

THIS GUARANTEE dated as of [•] is made and entered into between [•], a corporation incorporated under the laws of [•] (the "Guarantor"), and the Ontario Power Authority (the "OPA").

RECITALS:

- A. The OPA and **[insert name of Supplier]**, a [•], [•] under the laws of [•] ("Supplier"), have entered into a Combined Heat and Power CHP IV Contract dated as of [•], (as extended, amended, replaced and supplemented, collectively, the "Agreement");
- B. The Guarantor will directly or indirectly benefit from the Agreement;
- C. Pursuant to the terms of the Agreement, the OPA has required that the Guarantor shall deliver a guarantee of all payment obligations of the Supplier under the Agreement to the OPA; and
- D. Capitalized terms used in this Guarantee but not otherwise defined herein have the meanings ascribed to them in the Agreement.

NOW THEREFORE for good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged) the Guarantor hereby agrees as follows:

1. Guarantee

Subject to the terms and conditions hereof, the Guarantor absolutely, irrevocably and unconditionally guarantees to the OPA the full and timely payment when due, whether at stated maturity, by acceleration or otherwise, of the payment or indemnity obligations of the Supplier: (i) under the Agreement or (ii) under any award or order under any binding arbitration or by a court of competent jurisdiction in respect of the Agreement, and interest thereon accrued as provided in the Agreement, irrespective of when such obligations were incurred (the "Guaranteed Obligations"); provided, however, that the applicable rate of interest shall never exceed the maximum rate permitted by law. The aggregate amount of the Guarantor's liability under this Guarantee shall not exceed [•] CANADIAN DOLLARS (Cdn. \$[•]) (the "Maximum Guarantee Amount"), plus reasonable legal fees and expenses payable by the Guarantor as provided herein. To the extent that Supplier fails to pay any Guaranteed Obligation, the Guarantor shall pay to the OPA the amount due within ten (10) Business Days after demand for payment has been received by the Guarantor from the OPA in writing in accordance with Section 11 hereof. The Guarantor shall also be liable for all reasonable out-of-pocket expenses (including the legal fees and expenses of the OPA) incurred to collect or enforce any of the Guaranteed Obligations; provided however, that such legal fees and expenses shall be payable by the Guarantor only to the extent that the OPA is successful in enforcing the Guaranteed Obligations. This Guarantee shall be a continuing guarantee effective during the term of the Agreement and until fulfillment of, including payment in full of, the Guaranteed Obligations.

2. Demand

The Guarantor's obligation to make payment under this Guarantee shall arise forthwith after demand for payment has been received by the Guarantor from the OPA in writing in accordance with Section 11 hereof and the Guarantor's liability for the Guaranteed Obligations shall bear interest in accordance with the terms and conditions set forth in the Agreement. The only condition (and no other document or proof or action other than as specifically provided in this Guarantee is necessary as a condition) of the Guarantor honouring its obligations under this Guarantee shall be such demand for payment. No notice of the Guaranteed Obligations need be given in any form to the Guarantor at any time and the Guarantor waives any such notice and the right to consent to the Guaranteed Obligations. In the event that any payment to the OPA in respect of any Guaranteed Obligation is rescinded or must otherwise be returned for any reason whatsoever, including the insolvency or bankruptcy of the Supplier or otherwise, the Guarantor shall remain liable hereunder in respect of such Guaranteed Obligation as if such payment had not been made.

3. Waivers

- (a) The Guarantor waives any right to require as a condition to its obligations hereunder that:
 - (i) collateral be applied to the Guaranteed Obligations;
 - (ii) an action be brought against the Supplier or any Person other than the Guarantor should the OPA seek to enforce the obligations of the Guarantor;
 - (iii) a judgment be rendered against the Supplier or any Person other than the Guarantor;
 - (iv) the Supplier or any other Person be joined in any action against the Guarantor;
 - (v) an action separate from one against the Guarantor be brought against the Supplier or any other Person or under any other security or guarantee held by the OPA; and
 - (vi) any Supplier Event of Default under the Agreement has occurred.
- (b) The Guarantor further waives:
 - (i) all defences, set-offs, counterclaims, estoppels or privileges which might but for this provision exonerate or discharge it from its obligations hereunder; and
 - (ii) notice of acceptance of this Guarantee, notice of any liability to which it may apply, presentment, demand, protest and notice of dishonour, non-payment or non-performance and marshalling of assets.

- (c) The obligations of the Guarantor hereunder shall in no way be affected or impaired by reason, and the Guarantor waives its right to prior notice, of the happening from time to time of any of the following:
- (i) any invalidity or unenforceability of all or any part of the Guaranteed Obligations or any agreement or instrument relating to or securing the Guaranteed Obligations;
 - (ii) any insolvency, bankruptcy, reorganization or dissolution, or any proceeding of the Supplier or any other guarantor, including without limitation, rejection of the Guaranteed Obligations in such bankruptcy;
 - (iii) extensions (whether or not material) of the time for payment or performance of all or any portion of the Guaranteed Obligations;
 - (iv) the modification or amendment in any manner (whether or not material) of the Agreement or the Guaranteed Obligations;
 - (v) subject to applicable statutes of limitations, any failure, delay or lack of diligence on the part of the OPA or any other Person to enforce, assert or exercise any right, privilege, power or remedy conferred on the OPA or any Person in the Agreement or at law, or any action on the part of the OPA or such other Person granting an indulgence or extension of any kind;
 - (vi) the settlement or compromise of any Guaranteed Obligations;
 - (vii) the change of status, composition, structure or name of the Supplier, including by reason of merger, amalgamation, continuance, dissolution, reorganization or consolidation with or into another legal entity;
 - (viii) the release or waiver, by operation of law or otherwise, of the performance or observance by the Supplier of any express or implied covenant, term or condition in the Agreement or the enforceability of any covenant, term or condition thereof;
 - (ix) the release or waiver, by operation of law or otherwise, of the performance or observance by any co-guarantor, surety, endorser or other obligor of any express or implied covenant, term or condition to be performed or observed by it under the Agreement or any related document;
 - (x) the failure to acquire, perfect or maintain perfection of any lien on, or security interest in, any collateral provided by the Supplier to the OPA or the release of any such collateral or the release, modification or waiver of, or failure to enforce, any pledge, security, guarantee, surety or other indemnity agreement in respect of such collateral;

- (xi) the assignment of the Agreement and/or any rights thereunder from or by the Supplier to any other Person; and
- (xii) any other circumstance similar, or having a similar effect, as those set out in subsections 3(c)(i) through (xi) inclusive, which might constitute in whole or in part a defence available to the release and discharge of this Guarantee.

4. Limitation of Liability

The Guarantor shall not be liable hereunder for any special, consequential, incidental, punitive, exemplary or indirect damages, including loss of use of any property or claims of customers of the Supplier or the OPA, except to the extent specifically provided in the Agreement to be due from the Supplier.

5. Indemnity

The Guarantor hereby indemnifies and saves the OPA harmless from and against any and all damages, losses, costs and expenses of any nature whatsoever resulting from or in consequence of any default, non-payment or non-performance by the Supplier of its payment or indemnity obligations: (i) under the Agreement or (ii) under any award or order under any binding arbitration or by a court of competent jurisdiction in respect of the Agreement, irrespective of when such obligations were incurred, including its obligations to pay interest as provided in the Agreement and all reasonable out-of-pocket expenses (including legal fees and expenses incurred to collect or enforce the Agreement); provided however, that the maximum amount recoverable under the foregoing indemnity and otherwise under this Guarantee shall be an amount equal to the Maximum Guarantee Amount. In addition, the Guarantor shall also be liable to the OPA for all reasonable out-of-pocket expenses (including legal fees and expenses of the OPA) incurred to collect or enforce this indemnity; provided however, that such legal fees and expenses shall be payable by the Guarantor only to the extent that the OPA is successful in enforcing the indemnity provided herein. Any payment made pursuant to this Section 5 shall be reduced by any amount that is fully and indefeasibly paid by the Guarantor to the OPA pursuant to its obligations under Section 1 hereof.

6. Release of Guarantee

If Section 6.4(b) of the Agreement is applicable, then upon request by the Supplier, the OPA shall promptly return this Guarantee to the Guarantor and the Guarantor shall be released and discharged of its obligations hereunder with respect to any Guaranteed Obligations existing or arising after the date that Section 6.4(b) of the Agreement is applicable.

7. Defences

The Guarantor reserves the right to assert all rights, setoffs, counterclaims and other defences of the Supplier relating to the Guaranteed Obligations, other than defences arising out of the bankruptcy, insolvency, dissolution or liquidation of the Supplier.

8. Subrogation

The Guarantor shall not be or claim to be subrogated, in whole or in part, to the rights of the OPA against the Supplier under the Agreement or otherwise, until (a) the OPA shall have received full and indefeasible payment of all Guaranteed Obligations; and (b) either the Agreement has been terminated or this Guarantee has been terminated pursuant to the terms hereof and the terms and conditions of the Agreement as applicable. Except as set out in this Section 8, nothing contained in this Guarantee shall limit the rights at law and in equity of the Guarantor to subrogation.

9. Representations

The Guarantor represents that:

- (a) it is a **[corporation duly incorporated]** and existing under the laws of the Province of **[Ontario]** **[Note to Finalization: Reflect form and jurisdiction of Guarantor]** and has the corporate power and capacity to enter into this Guarantee and to perform its obligations hereunder;
- (b) this Guarantee has been duly authorized, executed and delivered by the Guarantor and is a valid and binding obligation of the Guarantor enforceable in accordance with its terms;
- (c) no declaration, filing or registration with, or notice to, or licence, permit, certificate, registration, authorization, consent or approval of or from, any Governmental Authority is necessary or required for the consummation by the Guarantor of the transactions contemplated by this Guarantee; and
- (d) the execution and delivery of this Guarantee and performance of its obligations hereunder do not conflict with or result in a breach of its constating documents or by-laws, any applicable law, rule or regulation, any judgment, order, contractual restriction or agreement binding on it or affecting its properties.

10. No Waiver by the OPA

No failure on the part of the OPA to exercise, and no delay in exercising, any right, remedy or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise by the OPA of any right, remedy or power hereby granted to the OPA or allowed it by law or other agreement be a waiver of any other right, remedy or power and each such right, remedy or power shall be cumulative and not exclusive of any other, and may be exercised by the OPA from time to time. No term, condition or provision hereof or any right hereunder or in respect hereof shall be, or shall be deemed to have been, waived by the OPA except by express written waiver signed by the OPA, all such waivers to extend only to the particular circumstances therein specified.

11. Notices

Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be sufficiently given if transmitted by facsimile or delivered by hand or courier delivery:

(a) if to the OPA, to:

[•]

Attention: [•]

Facsimile: [•]

(b) if to the Guarantor, to:

[•]

Attention: [•]

Facsimile: [•]

Notice delivered or transmitted as provided above shall be deemed to have been given and received on the day it is delivered or transmitted, provided that it is delivered or transmitted on a Business Day prior to 5:00 p.m. local time in the place of delivery or receipt. However, if a notice is delivered or transmitted after 5:00 p.m. local time or such day is not a Business Day, then such notice shall be deemed to have been given and received on the next Business Day. Either party may, by written notice to the other, change its address to which notices are to be sent.

12. Governing Law

This Guarantee shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein. The Guarantor agrees that any suit, action or proceeding against the Guarantor arising out of or relating to this Guarantee against it may be brought in any court in the Province of Ontario and the Guarantor irrevocably and unconditionally attorns and submits to the non-exclusive jurisdiction of such courts. The Guarantor irrevocably waives and agrees not to raise any objection it might now or hereafter have to the bringing of any such suit, action or proceeding in any such court, including any objection that the place where such court is located is an inconvenient forum or that there is any other suit, action or proceeding in any other place relating in whole or in part to the same subject matter. The Guarantor agrees that any judgment or order in any such suit, action or proceeding brought in such a court shall be conclusive and binding upon it and consents to any such judgment or order being recognized and enforced in the courts of its jurisdiction of incorporation or any other courts, by registration of such judgment or order, by a suit, action or proceeding upon such judgment or order, or any other means available for enforcement of judgments or orders, at the option of the OPA, provided that service of any required process is effected upon it as permitted by applicable law. Nothing in this section shall restrict the bringing of any such suit, action or proceeding in the courts of any other jurisdiction.

13. Severability

Each of the provisions contained in this Guarantee is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision of this Guarantee.

14. Entire Agreement

This Guarantee constitutes the entire agreement between the parties pertaining to the subject matter of this Guarantee. There are no warranties, conditions, representations or agreements in connection with such subject matter except as specifically set forth or referred to in this Guarantee.

15. Binding and Assignment

- (a) This Guarantee and all of the provisions hereof shall be binding upon and ensure to the benefit of the parties and their respective successors and permitted assigns. This Guarantee is not intended to confer upon any other Person, except the parties and their respective successors and permitted assigns, any rights, interests, obligations or remedies under this Guarantee.
- (b) Neither this Guarantee nor any of the rights, interests or obligations under this Guarantee shall be assigned by either party without the prior written consent of the other party. Notwithstanding the foregoing, if the OPA assigns the Agreement to an assignee pursuant to Sections 16.5(d) or 16.5(e) thereof, then the OPA may assign this Guarantee to such assignee without the consent of the Guarantor or the Supplier.

16. Limitation Period

The limitation period applicable to any claim hereunder shall not begin to run until actual demand is made by the OPA pursuant to Section 2 above. The parties agree to extend such limitation to six (6) years.

17. Facsimile and Counterparts

The parties may deliver an executed copy of this Guarantee by facsimile and this Guarantee may be executed and delivered by the parties in counterparts. All such facsimiles and counterparts shall together constitute one and the same agreement.

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

[GUARANTOR]

By: _____

Name: [●]

Title: [●]

By: _____

Name: [●]

Title: [●]

I/We have the authority to bind the Guarantor.

[ONTARIO POWER AUTHORITY]

By: _____

Name: [●]

Title: [●]

I have the authority to bind the corporation.

EXHIBIT E
DETERMINATION OF AVAILABILITY

1. The availability of the Facility in respect of a given Settlement Month (the "Availability") shall be calculated as set out below.

(a) First Contract Year

For each Settlement Month in the first Contract Year, the Availability of the Facility will not be tested for the purposes of Section 10.1(n).

(b) Second and Third Contract Years

For the purposes of the formula to calculate Availability set out below, the Availability of the Facility for each Settlement Month in the second and third Contract Years shall be calculated as follows:

$AV = (THM - OH - FMH) / (THM - FMH) \times 100$	
where:	
AV	is the Availability of the Facility (expressed as a percentage figure);
OH	is the total number of Outage Hours in the period between the Commercial Operation Date and the last day of the applicable Settlement Month, subject to the following: <ul style="list-style-type: none"> (a) in determining Outage Hours, an hour may be a partial Outage Hour as a result of an Outage, including an inability of the Facility to produce at the full Contract Capacity or as a result of an Outage lasting for a part but not all of an hour. An hour in which a partial Outage occurs will be counted as a fractional Outage Hour by subtracting from one the quotient obtained by dividing: (i) the maximum production in that hour that could have been achieved given the partial Outage (in MWh) by (ii) the Contract Capacity multiplied by one hour (in MWh). This fraction will be the contribution of that hour to the Outage Hours in the given Settlement Month; and (b) Outage Hours shall not include the hours of any Outage where and to the extent that the Outage is caused by an event of Force Majeure (including a Host Facility Force Majeure where the Supplier has elected not to run).
THM	is the total number of hours in the period between the Commercial Operation Date and the last day of the applicable Settlement Month

FMH	is the total number of hours in the period between the Commercial Operation Date and the last day of the applicable Settlement Month during which the Supplier was subject to an event of Force Majeure (including a Host Facility Force Majeure where the Supplier has elected not to run)
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(c) Fourth Contract Year and Balance of Term

The Availability of the Facility for each Settlement Month in the fourth Contract Year and for the balance of the Term shall be calculated as follows:

$AV = (THM - OH - FMH) / (THM - FMH) \times 100$	
where:	
AV	is the Availability of the Facility (expressed as a percentage figure);
OH	<p>is the total number of Outage Hours in the most recent 36 month period which ends on the last day of the Settlement Month, subject to the following:</p> <p>(a) in determining Outage Hours, an hour may be a partial Outage Hour as a result of an Outage, including an inability of the Facility to produce at the full Contract Capacity or as a result of an Outage lasting for a part but not all of an hour. An hour in which a partial Outage occurs will be counted as a fractional Outage Hour by subtracting from one the quotient obtained by dividing: (i) the maximum production in that hour that could have been achieved given the partial Outage (in MWh) by (ii) the Contract Capacity multiplied by one hour (in MWh). This fraction will be the contribution of that hour to the Outage Hours in the given Settlement Month; and</p> <p>(b) Outage Hours shall not include the hours of any Outage where and to the extent that the Outage is caused by an event of Force Majeure (including a Host Facility Force Majeure where the Supplier has elected not to run).</p>
THM	is the total number of hours in the most recent 36 month period which ends on the last day of the Settlement Month.
FMH	is the total number of hours in the most recent 36 month period which ends on the last day of the Settlement Month during which the Supplier was subject to an event of Force Majeure (including a Host

	Facility Force Majeure where the Supplier has elected not to run)
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EXHIBIT F
ARBITRATION PROVISIONS APPLICABLE TO SECTIONS 1.6, 1.7, 1.8, 1.9, 1.10 AND 2.12

The following rules and procedures (the "Rules") shall govern, exclusively, any matter or matters to be arbitrated between the Parties under Sections 1.6, 1.7, 1.8, 1.9, 1.10 and 2.12 of this Agreement.

- 1. Commencement of Arbitration** – If the Parties and, at the OPA's option, all Other Suppliers required by the OPA to participate, have been unable to reach agreement as contemplated in Sections 1.6, 1.7, 1.8, 1.9, 1.10 or 2.12, as applicable, then the OPA shall commence arbitration by delivering a written notice (the "**Request**") to the Supplier and such Other Suppliers required by the OPA to participate (collectively the "**Suppliers**"). If the OPA has not already done so, the OPA shall then deliver to the Suppliers the names of all Suppliers. Within twenty (20) days of the delivery of the Request, the OPA shall deliver to the Suppliers a written notice nominating an arbitrator who shall be familiar with commercial law matters and has no financial or personal interest in the business affairs of any of the parties. Within twenty (20) days of the receipt of the OPA's notice nominating its arbitrator, the Suppliers shall by written notice to the OPA nominate an arbitrator who shall be familiar with commercial law matters and has no financial or personal interest in the business affairs of any of the parties. The two arbitrators nominated shall then select a chair person of the arbitration panel (the "**Arbitration Panel**") who shall be a former judge of a Superior Court or appellate court in Canada.
- 2. Application to Court** - If the Suppliers are unable to agree on the nomination of an arbitrator within twenty (20) days of the receipt of the OPA's notice nominating its arbitrator, any Supplier or the OPA may apply to a judge of the Superior Court of Justice of Ontario to appoint the arbitrator. If the two (2) arbitrators are unable to agree on a chair person within thirty (30) days of the nomination or appointment of the Suppliers' arbitrator, any supplier or the OPA may apply to a judge of the Superior Court of Justice of Ontario to appoint the chair person.
- 3. General** - The Arbitration Panel, once appointed, shall proceed immediately to determine the Replacement Price and/or the Replacement Provision, and/or other amendments required under such sections, as the case may be, in accordance with the Ontario Arbitration Act, 1991 and, where applicable, the Ontario International Commercial Arbitration Act, it being the intention of the OPA and the Supplier that there be, to the extent possible, one arbitration proceeding and hearing to determine the Replacement Price or the Replacement Provision or such other amendments, as applicable. Unless otherwise agreed by the Parties, the Arbitration Panel shall determine the conduct of the arbitral proceedings, including the exchange of statements of claim and defence, the need for documentary and oral discovery and whether to hold oral hearings with a presentation of evidence or oral argument so that the award may be made within the time period set out below. Each of the Suppliers shall have a right to participate in the arbitration proceeding.

4. **Consolidation** – The Parties agree that should the Arbitration Panel determine that the Replacement Price or the Replacement Provision or other required amendments, as applicable, needs to be determined through more than one arbitration proceeding, then the Parties agree that the Arbitration Panel shall determine whether the arbitration proceedings shall be consolidated, conducted simultaneously or consecutively or whether any of the arbitration proceedings should be stayed until any of the others are completed.
5. **Award** - The award of the Arbitration Panel, which shall include the Replacement Price, Replacement Provision or such other required amendments, as applicable, shall be made within six months after the appointment of the Arbitration Panel, subject to any extended date to be agreed by the Parties or any reasonable delay due to unforeseen circumstances.
6. **Costs** – The Parties shall pay their own costs of participating in the arbitration proceedings.
7. **Fees** - Each of the arbitrators on the Arbitration Panel shall be paid their normal professional fees for their time and attendances, which fees together with any hearing room fees, shall be paid pro-rata by the parties.
8. **Computation of Time** - In the computation of time under these Rules or an order or direction given by the Arbitration Panel, except where a contrary intention appears, or the parties otherwise agree:
 - (a) where there is a reference to a number of days between two events, those days shall be counted by excluding the day on which the first event happens and including the day on which the second event happens, even if they are described as clear days or the words "at least" are used;
 - (b) statutory holidays shall not be counted;
 - (c) where the time for doing any act or any order or direction given by the Arbitration Panel expires on a day which is not a Business Day, the act may be done on the next day that is a Business Day; and
 - (d) service of a document or notice or any order or direction given by the Arbitration Panel made after 4:00 p.m. (Toronto time), or at any time on a day which is not a Business Day, shall be deemed to have been made on the next Business Day.
9. **Place of Arbitration** - The arbitration, including the rendering of the award, shall take place in Toronto, Ontario, which shall be the seat of the proceedings. The language to be used in the arbitration shall be English.

EXHIBIT G DISPATCH OPTIONS

1. General

The following shall apply to the Deemed Dispatch Option and the Directed Dispatch Option:

- (a) the Supplier shall be free to operate the Facility (including the nomination and purchase of Gas) and generate Electricity and Related Products at its own discretion and for its own account, with the knowledge that payment settlements in each Settlement Month shall be based on the imputed revenue model set out in Exhibit J; and
- (b) the Monthly Payment, payable by the Supplier to the OPA or the OPA to the Supplier, as the case may be, in a Settlement Month will be based on the imputed revenue model set out in Exhibit J.

2. Deemed Dispatch Option

The Deemed Dispatch Option shall be the default dispatch payment model governing that portion of the Monthly Contract Capacity that is not subject to a Directed Dispatch Order, and shall be governed by the following rules:

- (a) that portion of the Monthly Contract Capacity that is not the subject of a Directed Dispatch Order or is the subject of a Cancelled Directed Dispatch Order shall be subject to the Deemed Dispatch Option; and
- (b) for purposes of calculating the Monthly Payment, Tranche 1 Deemed Dispatch Hours and Tranche 2 Deemed Dispatch Hours shall include all Outage Hours and all Force Majeure Outage Hours occurring during Tranche 1 Deemed Dispatch Intervals and Tranche 2 Deemed Dispatch Intervals, as applicable.

3. Directed Dispatch Option

The Directed Dispatch Option shall be governed by the following rules:

- (a) the OPA (or the Dispatcher, if one has been appointed) may, in accordance with the terms of the Agreement, issue a Directed Dispatch Order (DA) or a Directed Dispatch Order (LT), as applicable;
- (b) for greater certainty, for purposes of this Exhibit G, day "d" shall mean the twenty-four (24) hour period between the beginning of the hour ending 01:00 (EST) and the end of hour ending 24:00 (EST);
- (c) the OPA shall not issue a provisional Directed Dispatch Order (LT) in respect of any hour in which a Planned Outage was scheduled with the IESO and that notice

of which was given to the OPA, prior to the issuance of such provisional Directed Dispatch Order, in accordance with Section 15.3(c)(ii).

- (d) long term directed dispatch arrangements set out in a Directed Dispatch Order (LT) are to cover a period of one (1) or more calendar months, but may be subject to daily cancellation by the OPA by issuing an order cancelling the Directed Dispatch Order (a "**Cancelled Tranche 1 Directed Dispatch Order**" or "**Cancelled Tranche 2 Directed Dispatch Order**", as applicable);
- (e) the OPA shall not issue a Tranche 2 Directed Dispatch Order in respect of any hour that is not also the subject of a Tranche 1 Directed Dispatch Order that has not been cancelled by a Cancelled Tranche 1 Directed Dispatch Order.
- (f) the OPA, if requested by the Supplier, shall establish a standing credit support guarantee in favour of the supplier of Gas to the Supplier (the "**Gas Provider**") (in a form substantially similar to Exhibit T) and other security provided to the Gas Provider in accordance with subparagraph (iv)(A) below (collectively, the "**OPA Security**") as follows:
 - (i) the Supplier shall, on a daily basis, determine the amount owed or that will be owed (whether or not then due) by the Supplier to the Gas Provider with respect to any and all Gas purchase transactions and any and all derivative transactions which relate to any Gas to be purchased for Imputed Production under a Directed Dispatch Order (LT) for any day that is the subject of a Directed Dispatch Order (LT) and which have been or will be entered into in accordance with this Exhibit G (the "**Exposure Amount**");
 - (ii) the maximum Exposure Amount which the OPA shall be entitled to maintain in relation to any Directed Dispatch Order (LT) shall be based on the Credit Rating of the OPA and shall be the amount (the "**Exposure Threshold Amount**") set out in the following table:

EXPOSURE THRESHOLD AMOUNT	CREDIT RATING		
	DBRS	S&P	Moody's
CAD \$75,000,000	A to A (high)	A to A+	A2 to A1
CAD \$50,000,000	A (low)	A-	A3
CAD \$20,000,000	BBB (high)	BBB+	Baa1
CAD \$15,000,000	BBB	BBB	Baa2
CAD \$5,000,000	BBB (low)	BBB-	Baa3
\$0	below BBB (low)	below BBB-	below Baa3

Notwithstanding the foregoing, (A) in the event the OPA has a Negative Outlook, then its Credit Rating, for purposes of calculating the Exposure Threshold Amount and the amount of the guarantee, will be automatically demoted by one row in the above table and (B) in the event the OPA has a Credit Rating from more than one of the above credit rating agencies, then its Credit Rating for the above purposes will be based on the lowest credit rating granted by any such credit rating agency.

- (iii) the amount of the guarantee to be provided by the OPA from time to time shall be equal to the Exposure Threshold Amount listed in that row of the table in subparagraph (ii) above which contains the OPA's then current Credit Rating, as adjusted by any Negative Outlook in accordance with subparagraph (ii) above;
- (iv) in the event that the Exposure Amount on any day exceeds the Exposure Threshold Amount on such day then the OPA shall, within two (2) Business Days of receiving notice of such fact:
 - (A) provide to the Gas Provider an irrevocable standby letter of credit, cash collateral or other form of collateral security, in each case, in form and substance acceptable to the Gas Provider (acting reasonably) for the full amount of the difference between the Exposure Amount and the Exposure Threshold Amount; or
 - (B) issue a full or partial Cancelled Directed Dispatch Order such that the Exposure Amount does not exceed the Exposure Threshold Amount;
- (v) in the event that the OPA should fail to provide or maintain any of the applicable OPA Security required hereunder, at the Supplier's option to be exercised by notice (the "**Cancellation Notice**") in writing to the OPA, the OPA shall be deemed to have issued a Cancelled Directed Dispatch Order in respect of the balance of the Directed Dispatch Order (LT) then outstanding and such Cancelled Directed Dispatch Order shall be deemed to be effective as of the day specified in the Cancellation Notice, provided that, if applicable, such date shall not be earlier than the date of receipt by the OPA of the notice set out in subparagraph (iv) above; and
- (vi) the Supplier shall not vary the "**Obligations**" (as defined in "Exhibit T") in respect of the standing credit support arrangement established by the OPA in accordance with this Section 3(f), except: (i) as a direct result of the issuance of a new Directed Dispatch Order (LT) or the full or partial cancellation of an existing Directed Dispatch Order (LT); or (ii) if the OPA has first consented in writing to a variation of such Obligations on any other basis. Notwithstanding Section 7 of "Exhibit T", if the Supplier agrees with the "**Counterparty**" (as defined in "Exhibit T") to vary such Obligations on any other basis, any increased cost to the OPA of

discharging such Obligations, to the extent relating to or caused by such variance, shall be for the Supplier's sole account and may be set off by the OPA against any payment owing by the OPA under this Agreement;

- (g) a Directed Dispatch Order (LT) shall not relate to any calendar month ending more than one (1) year from the date of the order;
- (h) long term directed dispatch arrangements may also be amended on a daily basis by issuing a Cancelled Directed Dispatch Order for an applicable day followed by a Directed Dispatch Order (DA) for such day;
- (i) a Directed Dispatch Order will be issued in the form provided in Exhibit H;
- (j) a Directed Dispatch Order (DA) may be issued by the OPA (or the Dispatcher, if one has been appointed) in respect of any day "d" of the Term provided that it shall not be issued later than 09:00 EPT on the prior Business Day; however, if the Directed Dispatch Order (DA) is being issued in respect of a day that was the subject of a Cancelled Directed Dispatch Order and the OPA is seeking to add additional Directed Dispatch Hours in respect of day "d" prior to 10:00 EPT, such Directed Dispatch Order (DA) shall not be issued later than 09:00 EPT on the day which is two (2) Business Days prior to day "d";
- (k) a Directed Dispatch Interval shall start at the relevant Start-Up Hour and continue to and end on the relevant Shut-Down Hour. A Directed Dispatch Order (DA) shall specify the Directed Dispatch Hours for up to two (2) Tranche 1 Directed Dispatch Interval(s) and two (2) Tranche 2 Directed Dispatch Interval(s) for the day by specifying the Tranche 1 Directed Start-Up Hour or Tranche 2 Directed Start-Up Hour (as applicable) and the Tranche 1 Directed Shut-Down Hour or Tranche 2 Directed Shut-Down Hour (as applicable) for each Tranche 1 Directed Dispatch Interval and Tranche 2 Directed Dispatch Interval; each Tranche 1 Directed Dispatch Interval and Tranche 2 Directed Dispatch Interval shall constitute a consecutive run time that may continue into the next calendar day; for greater certainty, in any hour, that portion of the Monthly Contract Capacity that is not the subject of a Directed Dispatch Order (DA) shall be subject to the Deemed Dispatch Option;
- (l) a provisional Directed Dispatch Order (LT) may be issued by the OPA (or the Dispatcher, if one has been appointed) in respect of one or more calendar months of the Term provided that it shall not be issued later than 09:00 EPT on the day which is five (5) Business Days before the first day of the first calendar month covered by such order;
- (m) a provisional Directed Dispatch Order (LT) shall specify the Tranche 1 Directed Dispatch Hours or Tranche 2 Directed Dispatch Hours for up to two (2) Tranche 1 Directed Dispatch Interval(s) and two (2) Tranche 2 Directed Dispatch Interval(s) in each day of each applicable month by specifying the Tranche 1 Directed Start-Up Hour or Tranche 2 Directed Start-Up Hour (as applicable) and

the Tranche 1 Directed Shut-Down Hour or Tranche 2 Directed Shut-Down Hour (as applicable) for each Tranche 1 Directed Dispatch Interval and Tranche 2 Directed Dispatch Interval on a specific basis (e.g., 12:00 to 22:00 EST on Monday, the nth day of the month) or on a generic basis (e.g. 07:00 to 20:00 EST on each Business Day of the month); each Tranche 1 Directed Dispatch Interval and each Tranche 2 Directed Dispatch Interval shall constitute a consecutive run time that may continue into the next calendar day; for greater certainty, in any hour, that portion of the Monthly Contract Capacity that is not the subject of a Directed Dispatch Order (LT) shall be subject to the Deemed Dispatch Option;

- (n) each Tranche 1 Directed Dispatch Interval specified by a Tranche 1 Directed Dispatch Order (DA) or Tranche 1 Directed Dispatch Order (LT) shall constitute a consecutive run time of at least four (4) Tranche 1 Directed Dispatch Hours;
- (o) if specifically requested by the OPA in the provisional Directed Dispatch Order (LT), the Supplier shall secure a long-term non-binding price quote (in Dollars per MMBTU) for the supply of Gas required to cover the specified Directed Dispatch Hours and Directed Tranche 1 Start-Ups, based on the Supplier's reasonable estimate of the applicable Monthly Contract Heat Rate, and Tranche 1 Start Fuel set out in Exhibit B, for each month covered by the provisional Directed Dispatch Order (LT) and advise the OPA of such price quote within two (2) Business Days of the receipt of the provisional Directed Dispatch Order (LT) from the OPA; if the OPA does not specifically request a long-term non-binding price quote in the provisional Directed Dispatch Order (LT), the Supplier shall purchase Gas at its discretion in order to comply with the Directed Dispatch Order (LT) and the OPA shall compensate the Supplier for such Gas purchased based on the Gas Price (DA) and in such event, paragraphs (p) and (q) shall not apply;
- (p) upon receipt of the price quote set forth in paragraph (o), the OPA shall within one (1) Business Day of receipt of the price quote from the Supplier either:
 - (i) confirm its acceptance of the price quote and thereby approve the Directed Dispatch Order (LT) on the condition that the Gas Price (LT) applicable for such Directed Dispatch Order (LT) shall not exceed such price quote by more than an amount to be agreed upon by the Parties at such time; or
 - (ii) withdraw the provisional Directed Dispatch Order (LT), in which case the OPA may issue a new or revised provisional Directed Dispatch Order (LT) in accordance with paragraph (l);
- (q) as soon as reasonably practicable, but no later than two (2) Business Days of the confirmation from the OPA under paragraph (p)(i), the Supplier shall confirm to the OPA that:
 - (i) it has secured the required physical or financial Gas supply arrangement based on the Gas price limit established under paragraph (p)(i), in which

case the Gas Price (LT) applicable for such Directed Dispatch Order (LT) shall be equal to the long-term price so determined; for purposes of this paragraph, the Supplier may, but is not obligated to, secure the required physical or financial Gas supply arrangements by electing to supply Gas from its Gas portfolio, and the Gas Price (LT) applicable for such Directed Dispatch Order (LT) shall in such case be equal to the price quote set forth in paragraph (o); or

- (ii) the required physical or financial Gas supply arrangement is not available based on the Gas price limit established under paragraph (p)(i), in which case the OPA may issue a new or revised provisional Directed Dispatch Order (LT) in accordance with paragraph (l);
- (r) the OPA (or the Dispatcher, if one has been appointed) may issue a Cancelled Directed Dispatch Order in respect of any Directed Dispatch Interval which is the subject of a provisional Directed Dispatch Order (LT) cancelling the Directed Dispatch Order for such day, provided that the Cancelled Directed Dispatch Order shall not be issued later than 09:00 EPT on the prior day "*d-1*";
- (s) any portion of the Monthly Contract Capacity that is the subject of a Cancelled Directed Dispatch Order shall be subject to the Deemed Dispatch Option, unless the OPA issues a Directed Dispatch Order (DA) in respect of such portion of the Monthly Contract Capacity in accordance with paragraph (j);
- (t) a Cancelled Directed Dispatch Order shall cover periods equal to increments of one or more Tranche 1 Directed Dispatch Intervals or Tranche 2 Directed Dispatch Intervals;
- (u) a Cancelled Tranche 1 Directed Dispatch Order in respect of any Tranche 1 Directed Dispatch Intervals that are also subject to a Tranche 2 Directed Dispatch Order shall also cancel such Tranche 2 Directed Dispatch Order.
- (v) a Cancelled Directed Dispatch Order shall also require the Supplier to sell, using Commercially Reasonable Efforts, the applicable Gas Cancellation Volume of Gas that the OPA had requested be purchased on a forward basis under the Directed Dispatch Order (LT), provided that the Supplier may, but is not required, to sell such Gas if: (i) the Supplier would have provided such Gas from its Gas portfolio, or (ii) the Supplier will transfer such Gas into the Supplier's portfolio, as long as the Supplier, in either case, is willing to have a "deemed sale" at a target price mutually agreed by the Parties;
- (w) the amount of capacity imputed to be delivered in respect of any Tranche 1 Directed Dispatch Hour under any Tranche 1 Directed Dispatch Order shall always be equal to the applicable Tranche 1 Monthly Adjusted Contract Capacity; the amount of capacity imputed to be delivered in respect of any Tranche 2 Directed Dispatch Hour under any Tranche 2 Directed Dispatch Order shall always be equal to the applicable Tranche 2 Monthly Adjusted Contract Capacity;

- (x) the OPA (or the Dispatcher, if one has been appointed) makes no guarantee or assurance to the Supplier as to whether, how often, or how long the OPA (or the Dispatcher, if one has been appointed) will issue Directed Dispatch Orders to the Supplier during the Term; and
- (y) for purposes of calculating the Monthly Payment, Directed Dispatch Hours shall include all Outage Hours and all Force Majeure Outage Hours occurring during Directed Dispatch Intervals.

EXHIBIT H
FORM OF DIRECTED DISPATCH ORDER

The Directed Dispatch Order will be in a form to be determined by the Buyer, acting reasonably.

**EXHIBIT I
USEFUL HEAT OUTPUT PLAN**

[Note to Finalization: Attach Useful Heat Output Plan provided with the Proposal]

**EXHIBIT J
CALCULATION OF CSP AND RSP**

This Exhibit J sets out the calculation of the Contingent Support Payment and the Revenue Sharing Payment, as applicable, for a given Settlement Month "m" in Calendar Year "y", which is a four stage calculation that involves:

Stage I	Determination of the Total Monthly Fixed Capacity Payment;
Stage II	Determination of the Variable Energy Cost;
Stage III	Determination of the Imputed Net Revenue;
Stage IV	Determination of the Contingent Support Payment and the Revenue Sharing Payment.

Except as expressly set forth below, all references to Sections are to Sections of the Agreement.

1.0 STAGE I: DETERMINATION OF TOTAL MONTHLY FIXED CAPACITY PAYMENT

1.1 Calculation of the Total Monthly Fixed Capacity Payment

The Total Monthly Fixed Capacity Payment is calculated as follows:

$TMFCP_m = (CRF_m \times FMCRF_m \times UHOCRF_m \times NRR_m \times MCC_m)$	
where:	
$TMFCP_m$	<p>$TMFCP_m$ is the Total Monthly Fixed Capacity Payment (in \$ for the Settlement Month), provided that if the Settlement Month is the last Settlement Month of the Term, the NRR_m for the Settlement Month will be prorated for the number of days of the Term in the Settlement Month and the Total Monthly Fixed Capacity Payment shall be calculated as follows:</p> <p style="text-align: center;">$TMFCP_m = (CRF_m \times FMCRF_m \times UHOCRF_m \times NRR_m \times MCC_m) \times (SMD_m / CMD_m)$</p>
SMD_m	is the number of days in the Settlement Month "m" (i.e. the number of days of the Term in such month).
CMD_m	is the total number of days in the calendar month in which the Settlement Month "m" falls.

CRF_m	<p>is the Capacity Reduction Factor for Settlement Month "<i>m</i>" as defined in Section 15.6, and expressed as a fraction. The Capacity Reduction Factor shall be 1.0 unless and to the extent the circumstances set out in Sections 15.6(h)(iii), 15.6(h)(iv) or 15.6(i)(ii) apply. If the Capacity Reduction Factor changes during the Settlement Month, then CRF will be calculated as a weighted average based on the number of days of the Settlement Month during which the different values of CRF apply.</p>
$UHO CRF_m$	<p>is the UHO Capacity Reduction Factor, as defined in Section 15.7(d) for Settlement Month "<i>m</i>". The UHO Capacity Reduction Factor shall be determined as described in Section 1.2 of this Exhibit J. In the period following Permanent Restatement or during an Indefinite Restatement, CRF_{UHOm} shall be equal to one (1),</p>
NRR_m	<p>is the Net Revenue Requirement (in \$/MW-month) for Settlement Month "<i>m</i>". For the first Calendar Year, the Net Revenue Requirement shall be equal to the amount set out in Exhibit B (NRR_{mB}). For the second and each succeeding Calendar Year, a portion of the Net Revenue Requirement for each settlement month shall be adjusted on the first day of such Calendar Year to the percentage increase or decrease (if any) between the CPI effective as of the first day of such Calendar Year compared with the CPI effective as of the Term Commencement Date. The NRR_m shall be calculated as follows:</p> $NRR_m = (NRR_{mB} \times NRRIF \times IF_y) + (NRR_{mB} \times (1 - NRRIF))$ <p>In the period following Permanent Restatement or during an Indefinite Restatement, NRR_{mB} shall be replaced with $RNRR_{mB}$ for the purpose of determining NRR_m.</p>
$NRRIF$	<p>is the Net Revenue Requirement Indexing Factor set out in Exhibit B, and expressed as a decimal figure.</p>
MCC_m	<p>is the Contract Capacity (in MW) for Settlement Month "<i>m</i>" equal to the sum of Tranche 1 Monthly Contract Capacity for Settlement Month "<i>m</i>" and Tranche 2 Monthly Contract Capacity for Settlement Month "<i>m</i>" as set out in Exhibit B.</p> $MCC_m = T1MCC_m + T2MCC_m$ <p>In the period following Permanent Restatement or during an Indefinite Restatement, $T1MCC_m$ and $T2MCC_m$ shall be replaced with $RT1MCC_m$ and $RT2MCC_m$ for the purpose of determining MCC_m.</p>
IF_y	<p>is the Index Factor for year "<i>y</i>" and shall be calculated as follows:</p> $IF_y = CPI_y / CPI_B$
CPI_y	<p>is the CPI applicable to the calendar month immediately preceding the calendar month during which the first day of Calendar Year "<i>y</i>" occurs.</p>

CPI_B	is the CPI applicable to the calendar month immediately preceding the calendar month during which the Term Commencement Date occurs.
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1.2 Calculation of UHO Capacity Reduction Factor

The UHO Capacity Reduction Factor shall be calculated as follows:

$UHO_{CRF}_m = 1 - (0.2 \times UHO_{5SP}_{CY})$	
where:	
UHO_{CRF}_m	is the UHO Capacity Reduction Factor applicable to Settlement Month "m", provided that UHO_{CRF}_m is subject to a maximum value of 1.0.
UHO_{5SP}_{CY}	<p>is the UHO 5-Year Shortfall Percentage applicable to Contract Year "CY".</p> <p>(a) The UHO 5-Year Shortfall Percentage shall not apply to the first and second Contract Years.</p> <p>(b) For the Third Contract Year, the UHO 5-Year Shortfall Percentage is calculated as follows: $UHO_{5SP}_3 = \frac{UHOSP_2 + UHOSP_1}{2}$</p> <p>(c) For the fourth Contract Year, the UHO 5-Year Shortfall Percentage is calculated as follows: $UHO_{5SP}_4 = \frac{UHOSP_3 + UHOSP_2 + UHOSP_1}{3}$</p> <p>(d) For the fifth Contract Year, the UHO 5-Year Shortfall Percentage is calculated as follows: $UHO_{5SP}_5 = \frac{UHOSP_4 + UHOSP_3 + UHOSP_2 + UHOSP_1}{4}$</p> <p>(e) For the sixth and subsequent Contract Years, the UHO 5-Year Shortfall Percentage is calculated as follows: $UHO_{5SP}_{CY} = \frac{UHOSP_{CY-1} + UHOSP_{CY-2} + UHOSP_{CY-3} + UHOSP_{CY-4} + UHOSP_{CY-5}}{5}$</p>
$UHOSP_{CY}$	<p>is the UHO Shortfall Percentage in Contract Year "CY", and is calculated as follows: $UHOSP_{CY} = (0.15 - AUHOP_{CY}) / 0.15$</p>
$AUHOP_{CY}$	is the Actual UHO Percentage in respect of Contract Year "CY", determined in accordance with Section 15.7(b).

1.3 Calculation of the Force Majeure Capacity Reduction Factor

The Force Majeure Capacity Reduction Factor for Settlement Month "m" which shall be equal to 1.0 if there are no Outages in the Settlement Month resulting from an event of Force Majeure, otherwise it shall be calculated as follows:

FMCRF_m = T2P_m x T2FMCRF_m + T1P_m x T1FMCRF_m	
where:	
FMCRF _m	is the Force Majeure Capacity Reduction Factor for Settlement Month "m".
<u>Tranche 2</u>	
T2P _m	is the Tranche 2 Proportion for Settlement Month "m" and shall be calculated as follows: T2P_m = T2MCC_m / (T1MCC_m + T2MCC_m)
T2FMCRF _m	is the Tranche 2 Force Majeure Capacity Reduction Factor for Settlement Month "m" which shall be equal to 1.0 if there are no Outages affecting a Tranche 2 Imputed Production Hour in the Settlement Month resulting from an event of Force Majeure, otherwise it shall be calculated as follows: $\mathbf{T2FMCRF_m = 1 - \frac{\sum_{T2FMOH=1}^{T2FMOH=T2FMOH_m} T2FMOC_{T2FMOH}}{T2MACC_m \times T2IPH_m}}$
T2FMOC _{T2FMOH}	is the Tranche 2 Force Majeure Outage Capacity in any Tranche 2 Force Majeure Outage Hour, which is calculated as the lesser of T2MACC _m and the following: T2FMOC_{T2FMOH} = ACC_m – FMAC_{FMOH}
T2MACC _m	is the Tranche 2 Monthly Adjusted Contract Capacity (in MW) for the Settlement Month "m", and is calculated as follows: T2MACC_m = T2MCC_m x CRF_m
T2MCC _m	is the Tranche 2 Monthly Contract Capacity applicable in Settlement Month "m" as set out in Exhibit B.
T2FMOH	is a Tranche 2 Force Majeure Outage Hour, which is an hour within any Tranche 2 Imputed Production Interval in Settlement Month "m" for which the Supplier has notified the IESO and the OPA, as applicable, of an Outage caused by an event of Force Majeure. For greater certainty, any T2FMOH is by definition also an T2IPH; however, Outages must continue to be reported to the IESO and the OPA for all Outage Hours.
T2FMOH _m	is the total number of Tranche 2 Force Majeure Outage Hours in Settlement Month "m".

T2IPH	is a Tranche 2 Imputed Production Hour which is an hour in Settlement Month " <i>m</i> " that is contained within an Tranche 2 Imputed Production Interval which occurred, in whole or in part, in Settlement Month " <i>m</i> ".
T2IPH _{<i>m</i>}	is the total number of Tranche 2 Imputed Production Hours in Settlement Month " <i>m</i> ".
FMAC _{FMOH}	is the Force Majeure Available Capacity (in MW), which is the portion of the Adjusted Contract Capacity available for dispatch as reported by the Supplier to the IESO in respect of a Force Majeure Outage Hour.
FMOH	is a Force Majeure Outage Hour, which is an hour in Settlement Month " <i>m</i> " for which the Supplier has notified the IESO and the OPA, as applicable, of an Outage caused by an event of Force Majeure.
ACC _{<i>m</i>}	is the Adjusted Contract Capacity (in MW) for the Settlement Month " <i>m</i> ", and is calculated as follows: ACC_{<i>m</i>} = T1MACC_{<i>m</i>} + T2MACC_{<i>m</i>}
<u>Tranche 1</u>	
T1P _{<i>m</i>}	is the Tranche 1 Proportion for Settlement Month " <i>m</i> " and shall be calculated as follows: T1P_{<i>m</i>} = T1MCC_{<i>m</i>} / (T1MCC_{<i>m</i>} + T2MCC_{<i>m</i>})
T1FMCRF _{<i>m</i>}	is the Tranche 1 Force Majeure Capacity Reduction Factor for Settlement Month " <i>m</i> " which shall be equal to 1.0 if there are no Outages affecting a Tranche 1 Imputed Production Hour in the Settlement Month resulting from an event of Force Majeure, otherwise it shall be calculated as follows: $T1FMCRF_m = 1 - \frac{\sum_{T1FMOH=1}^{T1FMOH=T1FMOH_m} T1FMOC_{T1FMOH}}{T1MACC_m \times T1PH_m}$
T1FMOC _{T1FMOH}	is the Tranche 1 Force Majeure Outage Capacity in any Tranche 1 Force Majeure Outage Hour, which is calculated as the lesser of T1MACC _{<i>m</i>} and the following: T1FMOC_{T1FMOH} = ACC_{<i>m</i>} – FMAC_{FMOH} – T2MACC_{<i>m</i>}
T1MACC _{<i>m</i>}	is the Tranche 1 Monthly Adjusted Contract Capacity (in MW) for the Settlement Month " <i>m</i> ", and is calculated as follows: T1MACC_{<i>m</i>} = T1MCC_{<i>m</i>} x CRF_{<i>m</i>}
T1MCC _{<i>m</i>}	is the Tranche 1 Monthly Contract Capacity applicable in Settlement Month " <i>m</i> " as set out in Exhibit B.

T1FMOH	is a Tranche 1 Force Majeure Outage Hour, which is an hour within any Tranche 1 Imputed Production Interval in Settlement Month " <i>m</i> " for which the Supplier has notified the IESO and the OPA, as applicable, of an Outage caused by an event of Force Majeure for which the $FMAC_{FMOH}$ is less than $T1MACC_m$. For greater certainty, any T1FMOH is by definition also an T1IPH.
$T1FMOH_m$	is the total number of Tranche 1 Force Majeure Outage Hours in Settlement Month " <i>m</i> ".
T1IPH	is a Tranche 1 Imputed Production Hour which is an hour in Settlement Month " <i>m</i> " that is contained within an Tranche 1 Imputed Production Interval which occurred, in whole or in part, in Settlement Month " <i>m</i> ".
$T1IPH_m$	is the total number of Tranche 1 Imputed Production Hours in Settlement Month " <i>m</i> ".

2.0 STAGE II: DETERMINATION OF VARIABLE ENERGY COST

In the period following Permanent Restatement or during an Indefinite Restatement, all parameters that are restated will be replaced with their restated versions

2.1 Calculation of Variable Energy Cost for Each Tranche

2.1.1 Tranche 1 Variable Energy Cost

The calculation of the Tranche 1 Variable Energy Cost for each hour "h" during Settlement Month "m" is as follows:

$T1VEC_h = (T1GP_h \times T1MCHR_m) + T1O\&M_y$	
where:	
$T1VEC_h$	is the Tranche 1 Variable Energy Cost for hour "h" (in \$/MWh).
$T1GP_h$	is the Tranche 1 Gas Price for hour "h" (in \$/MMBTU) and shall be determined as follows: (i) for Tranche 1 Directed Dispatch Hours that are subject to a Tranche 1 Directed Dispatch Order (LT) and are not subject to a Cancelled Tranche 1 Directed Dispatch Order, the Tranche 1 Gas Price (in \$/MMBTU) is the Gas Price (LT) applicable for the day as agreed upon by the Parties pursuant to paragraphs 3(p)(i) and (q)(i) of Exhibit G, otherwise the Tranche 1 Gas Price is the Gas Price (DA) for the day, as applicable; and (ii) for all other hours, the Tranche 1 Gas Price is the Gas Price (DA) for the day. The Gas Price (DA) shall be converted from U.S. dollars to Dollars using the Bank of Canada noon spot exchange rate between US dollars and Dollars on day "d-1".
$T1MCHR_m$	is the Tranche 1 Monthly Contract Heat Rate (in MMBTU/MWh) applicable for the Settlement Month as set out in Exhibit B. In the period following Permanent Restatement or during an Indefinite Restatement, $T1MCHR_m$ shall be replaced with $RT1MCHR_m$ for the purpose of determining $T1VEC_h$.
$T1O\&M_y$	is the Tranche 1 O&M Cost (in \$/MWh) set out in Exhibit B, as adjusted for indexation to the CPI as described in Section 2.2 of this Exhibit J.

2.1.2 Tranche 2 Variable Energy Cost

The calculation of the Tranche 2 Variable Energy Cost for each hour "h" during Settlement Month "m" is as follows:

T2VEC_h = (T2GP_h x T2MCHR_m)	
where:	
T2VEC _h	is the Tranche 2 Variable Energy Cost for hour "h" (in \$/MWh).
T2GP _h	is the Tranche 2 Gas Price for hour "h" (in \$/MMBTU) and shall be determined as follows: (i) for Tranche 2 Directed Dispatch Hours that are subject to a Tranche 2 Directed Dispatch Order (LT) and are not subject to a Cancelled Tranche 2 Directed Dispatch Order, the Tranche 2 Gas Price (in \$/MMBTU) is the Gas Price (LT) applicable for the day as agreed upon by the Parties pursuant to paragraphs 3(p)(i) and (q)(i) of Exhibit G, otherwise the Tranche 2 Gas Price is the Gas Price (DA) for the day, as applicable; and (ii) for all other hours, the Tranche 2 Gas Price is the Gas Price (DA) for the day. The Gas Price (DA) shall be converted from U.S. dollars to Dollars using the Bank of Canada noon spot exchange rate between US dollars and Dollars on day "d-1".
T2MCHR _m	is the Tranche 2 Monthly Contract Heat Rate (in MMBTU/MWh) applicable for the Settlement Month as set out in Exhibit B. In the period following Permanent Restatement or during an Indefinite Restatement, T2MCHR _m shall be replaced with RT2MCHR _m for the purpose of determining T2VEC _h .

2.2 Indexation of Tranche 1 O&M Cost

For the first Calendar Year, the Tranche 1 O&M Cost shall be equal to the amount set out in Exhibit B. For greater certainty, there is no O&M cost applicable to Tranche 2. For the second and each succeeding Calendar Year, these Tranche 1 O&M costs shall be adjusted on the first day of such Calendar Year to the percentage increase or decrease (if any) between the CPI effective as of the first day of such Calendar Year compared with the CPI effective as of the Term Commencement Date, and shall be calculated as follows:

2.2.1 Indexation of Tranche 1 O&M Cost

T1O&M_y = T1O&M_B x IF_y	
where:	
T1O&M _y	is the applicable Tranche 1 O&M Cost (in \$/MWh) for Calendar Year "y". For the first Calendar Year, the applicable Tranche 1 O&M Cost shall be equal to the amount set in Exhibit B.
T1O&M _B	is the Tranche 1 O&M cost (in \$/MWh) as set out in Exhibit B.

IF _y	is the Index Factor for year "y" which is calculated as described in Section 1.1 of this Exhibit J.
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2.3 Calculation of Start-Up Costs

The calculation of the Tranche 1 Start-Up Costs for each day "d" during Settlement Month "m" is calculated as follows. For greater certainty, there is no start-up cost applicable to Tranche 2.

T1SUC_d = CRF_m x [T1SUG x T1GP_d + T1SUMC_y]	
where:	
T1SUC _d	is the Tranche 1 Start-Up Costs (in \$/start-up) for day "d".
CRF _m	is the Capacity Reduction Factor for Settlement Month "m" determined according to Section 1.1 of this Exhibit J.
T1SUG	is the Tranche 1 Start Fuel (in MMBTU/start-up) as set out in Exhibit B.
T1GP _d	is the Tranche 1 Gas Price applicable for day "d" (in \$/MMBTU) and shall be determined as follows: (i) for days that are subject to a Tranche 1 Directed Dispatch Order (LT) and are not subject to a Cancelled Directed Dispatch Order, the Gas Price (in \$/MMBTU) is the Gas Price (LT) applicable for the day as agreed upon by the Parties pursuant to paragraphs 3(o)(i) and (p)(i) of Exhibit G, otherwise the Gas Price is the Gas Price (DA) for the day, as applicable; and (ii) for all other days, the Gas Price is the Gas Price (DA) for the day. The Gas Price (DA) shall be converted from U.S. dollars to Dollars using the Bank of Canada noon spot exchange rate between US dollars and Dollars on day "d-1".
T1SUMC _y	is the Tranche 1 Start-Up Maintenance Cost (in \$/start-up) for Calendar Year "y". For the first Calendar Year, the Tranche 1 Start-Up Maintenance Cost shall be equal to the amount set out in Exhibit B. For the second and each succeeding Calendar Year, the Tranche 1 Start-Up Maintenance Cost shall be adjusted on the first day of such Calendar Year to the percentage increase or decrease (if any) between the CPI effective as of the first day of such Calendar Year compared with the CPI effective as of the Term Commencement Date, and shall be calculated as follows: $T1SUMC_y = T1SUMC_B \times IF_y$
IF _y	is the Index Factor for year "y" which is calculated as described in Section 1.1 of this Exhibit J.

T1SUMCB	is the Tranche 1 Start-Up Maintenance Cost (in \$/start-up) as set out in Exhibit B.
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3.0 STAGE III: DETERMINATION OF IMPUTED PRODUCTION INTERVALS, IMPUTED GROSS ENERGY MARKET REVENUE AND IMPUTED NET REVENUE

In the period following Permanent Restatement or during an Indefinite Restatement, all parameters that are restated will be replaced with their restated versions

For the purposes of this Exhibit J, day "d" shall mean the twenty-four (24) hour period between the beginning of the hour ending 01:00 (EST) and the end of hour ending 24:00 (EST).

Subject to the provisions below:

- (i) the Contract Facility shall be deemed to operate, and hence, be imputed to produce Electricity at the sum of the Tranche 1 Monthly Adjusted Contract Capacity ("T1MACC") and Tranche 2 Monthly Adjusted Contract Capacity ("T2MACC"), for all hours within all Tranche 2 Imputed Production Intervals contained in whole or in part in any month; and
- (ii) the Contract Facility shall be deemed to operate, and hence, be imputed to produce Electricity at the T1MACC for all hours within all Tranche 1 Imputed Production Intervals that are not also Tranche 2 Imputed Production Hours, whether or not such Tranche 1 Imputed Production Interval or Tranche 2 Imputed Production Interval is contained in whole or in part in any month.

3.1 Imputed Production Intervals

3.1.1 Tranche 1

A "**Tranche 1 Imputed Production Interval**" ("T1IPI") is either a Tranche 1 Deemed Dispatch Interval or a Tranche 1 Directed Dispatch Interval. For purposes of this Exhibit J, a set of two or more contiguous Tranche 1 Deemed Dispatch Intervals in the same Settlement Month shall be treated as a single Tranche 1 Imputed Production Interval. In respect of any hours in a Tranche 1 Imputed Production Interval, the following shall apply:

- (i) Any hour that is either a Tranche 1 Deemed Dispatch Hour or a Tranche 1 Directed Dispatch Hour will be a Tranche 1 Imputed Production Hour.
- (ii) Any Tranche 1 Imputed Production Hour that is not immediately preceded by a Tranche 1 Imputed Production Hour (including Tranche 1 Imputed Production Hours in the previous day) will be considered a Tranche 1 Imputed Start-Up Hour, and $T1ISU_d$ will equal the total of the Tranche 1 Imputed Start-Up Hours in day "d", subject to $T1ISU_d$ not being greater than the sum of $T1DeemSU_d$ plus $T1DirSU_d$. If zero (0), one (1), two (2), or three (3) Tranche 1 Imputed Start-Up Hours occur in a day, then $T1ISU_d = 0, 1, 2, \text{ or } 3$, respectively, subject to $T1ISU_d$ not being greater than the sum of $T1DeemSU_d$ and $T1DirSU_d$.

3.1.2 **Tranche 2**

A "**Tranche 2 Imputed Production Interval**" ("**T2IPI**") is either a Tranche 2 Deemed Dispatch Interval or a Tranche 2 Directed Dispatch Interval. For purposes of this Exhibit J, a set of two or more contiguous Tranche 2 Deemed Dispatch Intervals in the same Settlement Month shall be treated as a single Tranche 2 Imputed Production Interval. Any hour that is either a Tranche 2 Deemed Dispatch Hour or a Tranche 2 Directed Dispatch Hour will be a Tranche 2 Imputed Production Hour.

3.2 **Deemed Dispatch Interval**

3.2.1 **Tranche 1**

In respect of any hour which is not the subject of a Tranche 1 Directed Dispatch Order or is the subject of a Cancelled Tranche 1 Directed Dispatch Order, the following shall apply:

- (i) A "**Tranche 1 Deemed Dispatch Interval**" is a contiguous set of n Tranche 1 Deemed Dispatch Hours for which, subject to Sections 3.2.2(i) and 3.3.2(i) of this Exhibit J, the Contract Facility is deemed to have operated the T1MACC, which is all hours between and including a Tranche 1 Deemed Start-Up Hour and a Tranche 1 Deemed Shut-Down Hour. A Tranche 1 Deemed Dispatch Interval may consist of only one hour. For greater certainty, it is possible for a Tranche 1 Deemed Start-Up Hour and a Tranche 1 Deemed Shut-Down Hour to be the same hour.
- (ii) A "**Tranche 1 Deemed Start-Up Hour**" is the first hour of a Tranche 1 Deemed Dispatch Interval, and is the first hour, other than a Tranche 1 Directed Dispatch Hour, following a Tranche 1 Deemed Shut-Down Hour in which the Pre-Dispatch Price for that hour h , as published three hours prior to that hour, exceeds the applicable Tranche 1 Variable Energy Cost, and the HOEP was greater than or equal to the applicable Tranche 1 Variable Energy Cost for that hour h or for the previous hour $h-1$. Notwithstanding the foregoing, the requirement that the Tranche 1 Deemed Start-Up Hour follow a Tranche 1 Deemed Shut-Down Hour shall not apply to the first Tranche 1 Deemed Start-Up Hour in the Term.
- (iii) A "**Tranche 1 Deemed Start-Up**" ("**T1DeemSU**") is deemed to have occurred at the time of the first Tranche 1 Deemed Start-Up Hour in day " d ". If one or more Tranche 1 Deemed Start-Ups takes place in a day, then $T1DeemSU_d = 1$; otherwise $T1DeemSU_d = 0$.
- (iv) A "**Tranche 1 Deemed Shut-Down Hour**" is the last hour in a Tranche 1 Deemed Dispatch Interval, and is the first hour within a Tranche 1 Deemed Dispatch Interval in which,
 - (a) HOEP was less than or equal to the applicable Tranche 1 Variable Energy Cost for that hour h and for the previous hour $h-1$; or

- (b) the Pre-Dispatch Prices, as published in that hour h , for hours $h+1$, $h+2$ and $h+3$ are all less than the applicable Tranche 1 Variable Energy Cost; or
- (c) the following hour is a Tranche 1 Directed Start-Up Hour.

Notwithstanding the foregoing, where the last hour of the Term is a Tranche 1 Deemed Dispatch Hour, it shall also be a Tranche 1 Deemed Shut-Down Hour.

3.2.2 **Tranche 2**

In respect of any hour which is not the subject of a Tranche 2 Directed Dispatch Order or is the subject of a Cancelled Tranche 2 Directed Dispatch Order, the following shall apply:

- (i) A "**Tranche 2 Deemed Dispatch Interval**" is a contiguous set of n Tranche 2 Deemed Dispatch Hours for which the Contract Facility is deemed to have operated the T2MACC, which is all hours between and including a Tranche 2 Deemed Start-Up Hour and a Tranche 2 Deemed Shut-Down Hour. A Tranche 2 Deemed Dispatch Interval may consist of only one hour. For greater certainty, it is possible for a Tranche 2 Deemed Start-Up Hour and a Tranche 2 Deemed Shut-Down Hour to be the same hour.
- (ii) A "**Tranche 2 Deemed Start-Up Hour**" is the first hour of a Tranche 2 Deemed Dispatch Interval, and is the first hour, other than a Tranche 2 Directed Dispatch Hour, following a Tranche 2 Deemed Shut-Down Hour in which (A) the Pre-Dispatch Price for that hour h , as published three hours prior to that hour, exceeds the applicable Tranche 2 Variable Energy Cost, (B) the HOEP was greater than or equal to the applicable Tranche 2 Variable Energy Cost for that hour h or for the previous hour $h-1$, and (C) that hour h is a Tranche 1 Imputed Production Hour. Notwithstanding the foregoing, the requirement that the Tranche 2 Deemed Start-Up Hour follow a Tranche 2 Deemed Shut-Down Hour shall not apply to the first Tranche 2 Deemed Start-Up Hour in the Term.
- (iii) A "**Tranche 2 Deemed Shut-Down Hour**" is the last hour in a Tranche 2 Deemed Dispatch Interval, and is the first hour within a Tranche 2 Deemed Dispatch Interval in which,
 - (a) HOEP was less than or equal to the applicable Tranche 2 Variable Energy Cost for that hour h and for the previous hour $h-1$;
 - (b) the Pre-Dispatch Prices, as published in that hour h , for hours $h+1$, $h+2$ and $h+3$ are all less than the applicable Tranche 2 Variable Energy Cost; or
 - (c) the following hour is a Tranche 2 Directed Start-Up Hour.

Notwithstanding the foregoing, where the last hour of the Term is a Tranche 2 Deemed Dispatch Hour, it shall also be a Tranche 2 Deemed Shut-Down Hour.

3.3 Directed Dispatch Interval

3.3.1 Tranche 1

In respect of any hours which are the subject of a Tranche 1 Directed Dispatch Order, in addition to the terms set forth in Exhibit G, the following shall apply:

- (i) A "**Tranche 1 Directed Dispatch Interval**" is a contiguous set of n Tranche 1 Directed Dispatch Hours for which, subject to Sections 3.2.2(i) and 3.3.2(i) of this Exhibit J, the Contract Facility is directed to operate the T1MACC, which is all hours between and including a Tranche 1 Directed Start-Up Hour and a Tranche 1 Directed Shut-Down Hour as set out in a Tranche 1 Directed Dispatch Order. For greater certainty, it is possible for a Tranche 1 Directed Dispatch Interval and a Tranche 1 Deemed Dispatch Interval to be contiguous.
- (ii) A "**Tranche 1 Directed Start-Up**" ("T1DirSU") is deemed to have occurred at the time of the first Tranche 1 Directed Start-Up Hour that starts in day " d ", resulting from a Tranche 1 Directed Dispatch Order. If the Tranche 1 Directed Dispatch Order specifies a second Tranche 1 Directed Production Interval in day " d ", a second Tranche 1 Directed Start-Up is deemed to have occurred at the time of the second Tranche 1 Directed Start-Up Hour in day " d ". If one Tranche 1 Directed Start-Up takes place in a day, then $T1DirSU_d = 1$ and if two Tranche 1 Directed Start-Ups take place in a day, then $T1DirSU_d = 2$.

3.3.2 Tranche 2

In respect of any hours which are the subject of a Tranche 2 Directed Dispatch Order, in addition to the terms set forth in Exhibit G, the following shall apply:

- (i) A "**Tranche 2 Directed Dispatch Interval**" is a contiguous set of n Tranche 2 Directed Dispatch Hours for which the Contract Facility is directed to operate the T2MACC, which is all hours between and including a Tranche 2 Directed Start-Up Hour and a Tranche 2 Directed Shut-Down Hour as set out in a Tranche 2 Directed Dispatch Order. For greater certainty, it is possible for a Tranche 2 Directed Dispatch Interval and a Tranche 2 Deemed Dispatch Interval to be contiguous.

3.4 Calculation of Imputed Gross Energy Market Revenue

3.4.1 Calculation of Imputed Gross Energy Market Revenue

The Imputed Gross Energy Market Revenue is calculated as follows:

IGEMR_m = T2IGEMR_m + T1IGEMR_m	
where:	
IGEMR _m	is the Imputed Gross Energy Market Revenue (in \$) for Settlement Month "m".
T2IGEMR _m	is the Tranche 2 Imputed Gross Energy Market Revenue (in \$) for Settlement Month "m".
T1IGEMR _m	is the Tranche 1 Imputed Gross Energy Market Revenue (in \$) for Settlement Month "m".

3.4.2 Calculation of Imputed Gross Energy Market Revenue for Tranche 2

The Imputed Gross Energy Market Revenue for Tranche 2 is calculated as follows:

$\mathbf{T2IGEMR_m = \sum_{T2IPH=1}^{T2IPH=T2IPH_m} T2IP_{T2IPH} \times HOEP_{T2IPH} - \sum_{T2ROH=1}^{T2ROH=T2ROH_m} T2ROC_{T2ROH} \times T2OHOEP_m - \sum_{T2FMOH=1}^{T2FMOH=T2FMOH_m} T2FMOC_{T2FMOH} \times HOEP_{T2FMOH}}$	
where:	
T2IGEMR _m	is the Tranche 2 Imputed Gross Energy Market Revenue (in \$) for Settlement Month "m".
T2IP _{T2IPH}	is the Tranche 2 Imputed Production corresponding to a given Tranche 2 Imputed Production Hour, which is calculated as the Tranche 2 Monthly Adjusted Contract Capacity for the Settlement Month, "m", (T2MACC _m), calculated in accordance with Section 1.3 of this Exhibit J, multiplied by one hour.
T2IPH	is a Tranche 2 Imputed Production Hour, which is an hour in Settlement Month "m" that is contained within a Tranche 2 Imputed Production Interval which occurred, in whole or in part, in Settlement Month "m". For greater certainty, T2IPH shall include all T2ROH and T2FMOH.
T2IPH _m	is the total number of Tranche 2 Imputed Production Hours in Settlement Month "m".

HOEP _{T2IPH}	is the Hourly Ontario Energy Price corresponding to a given Tranche 2 Imputed Production Hour (expressed in \$/MWh).
T2OHOEP _m	<p>is the Tranche 2 Outage HOEP adjustment for Settlement Month "m", determined as follows:</p> <p>(a) if the difference between the weighted average HOEP for all Tranche 2 Reported Outage Hours in Settlement Month "m" and the weighted average relevant Tranche 2 Variable Energy Cost for all Tranche 2 Reported Outage Hours in Settlement Month "m" is equal to or less than Max Increment_y, then T2OHOEP_m = zero; and</p> <p>(b) if the difference between the weighted average HOEP for all Tranche 2 Reported Outage Hours in Settlement Month "m" and the weighted average relevant Tranche 2 Variable Energy Cost for all Tranche 2 Reported Outage Hours in Settlement Month "m" is greater than Max Increment_y, then T2OHOEP_m equals that calculated difference minus Max Increment_y.</p> <p>For the purposes of determining Tranche 2 Outage HOEP, where a weighted average is referred to, the weight for each hour shall be expressed by multiplying T2ROC for such hour by one hour.</p>
T2ROC	<p>is the Tranche 2 Reported Outage Capacity in any hour, which is calculated as the lesser of T2MACC_m and the following:</p> $\mathbf{T2ROC} = \mathbf{ACC}_m - \mathbf{ROAC}_{T2ROH}$ <p>where ACC_m the Adjusted Contract Capacity (in MW) in Settlement Month "m", calculated in accordance with the formula provided in Section 1.3 of this Exhibit J.</p>
T2ROC _{T2ROH}	is the T2ROC corresponding to a given Tranche 2 Reported Outage Hour.
ROAC _{T2ROH}	is the Reported Outage Availability Capacity (in MW), which is the portion of the Adjusted Contract Capacity available for dispatch as reported by the Supplier to the IESO in respect of a Tranche 2 Reported Outage Hour.
T2ROH	is a Tranche 2 Reported Outage Hour, which is an hour within any Tranche 2 Imputed Production Interval in Settlement Month "m" for which the Supplier has notified the IESO and the OPA, as appropriate, of an Outage that is not the result of an event of Force Majeure. For greater certainty, any Tranche 2 Reported Outage Hour is by definition also a T2IPH; however, Outages must continue to be reported to the IESO and the OPA for all Outage Hours.
T2ROH _m	is the total number of Tranche 2 Reported Outage Hours in Settlement Month "m".

Max Increment _y	is equal to \$75.00/MWh as of December 31, 2007. From and after January 1, 2008, and for each succeeding calendar year, Max Increment _y shall be adjusted on the first day of such calendar year to the percentage increase or decrease (if any) between the CPI effective as of the first day of such calendar year and the CPI effective as of the first day of the immediately prior calendar year.
T2FMOC _{T2FMOH}	is the Tranche 2 Force Majeure Outage Capacity in any Tranche 2 Force Majeure Outage Hour, which is calculated as described in Section 1.3 of this Exhibit J.
T2FMOH	is a Tranche 2 Force Majeure Outage Hour as defined in Section 1.3 of this Exhibit J.
T2FMOH _m	is the total number of Tranche 2 Force Majeure Outage Hours in Settlement Month "m".
HOEP _{T2FMOH}	is the HOEP corresponding to a given Tranche 2 Force Majeure Outage Hour.

3.4.3 Calculation of Imputed Gross Energy Market Revenue for the Tranche 1

The Imputed Gross Energy Market Revenue for Tranche 1 is calculated as follows:

$T1IGEMR_m = \sum_{T1IPH=1}^{T1IPH=T1IPH_m} T1IP_{T1IPH} \times HOEP_{T1IPH} - \sum_{T1ROH=1}^{T1ROH=T1ROH_m} T1ROC_{T1ROH} \times T1OHOEP_m - \sum_{T1FMOH=1}^{T1FMOH=T1FMOH_m} T1FMOC_{T1FMOH} \times HOEP_{T1FMOH}$	
where:	
T1IGEMR _m	is the Tranche 1 Imputed Gross Energy Market Revenue (in \$) for Settlement Month "m".
T1IP _{RIPH}	is the Tranche 1 Imputed Production corresponding to a given Tranche 1 Imputed Production Hour, which is calculated as the Tranche 1 Monthly Adjusted Contract Capacity for the Settlement Month, "m", (T1MACC _m), calculated in accordance with Section 1.3 of this Exhibit J, multiplied by one hour.
T1IPH	is a Tranche 1 Imputed Production Hour, which is an hour in Settlement Month "m" that is contained within a Tranche 1 Imputed Production Interval which occurred, in whole or in part, in Settlement Month "m". For greater certainty, T1IPH shall include all T1ROH and T1FMOH.
T1IPH _m	is the total number of Tranche 1 Imputed Production Hours in Settlement Month "m".

HOEP _{T1IPH}	is the Hourly Ontario Energy Price corresponding to a given Tranche 1 Imputed Production Hour (expressed in \$/MWh).
T1OHOEP _m	<p>is the Tranche 1 Outage HOEP adjustment for Settlement Month "m", determined as follows:</p> <p>(a) if the difference between the weighted average HOEP for all Tranche 1 Reported Outage Hours in Settlement Month "m" and the weighted average relevant Tranche 1 Variable Energy Cost for all Tranche 1 Reported Outage Hours in Settlement Month "m" is equal to or less than Max Increment_y, then T1OHOEP_m = zero; and</p> <p>(b) if the difference between the weighted average HOEP for all Tranche 1 Reported Outage Hours in Settlement Month "m" and the weighted average relevant Tranche 1 Variable Energy Cost for all Tranche 1 Reported Outage Hours in Settlement Month "m" is greater than Max Increment_y, then T1OHOEP_m equals that calculated difference minus Max Increment_y.</p> <p>For the purposes of determining Tranche 1 Outage HOEP, where a weighted average is referred to, the weight for each hour shall be expressed by multiplying T1ROC for such hour by one hour.</p>
T1ROC	<p>is the Tranche 1 Reported Outage Capacity in any hour, which is calculated as the lesser of T1MACC_m and the following:</p> <p>T1ROC = T1MACC_m – ROAC_{T1ROH}</p>
T1ROC _{T1ROH}	is the T1ROC corresponding to a given Tranche 1 Reported Outage Hour.
ROAC _{T1ROH}	is the Reported Outage Availability Capacity (in MW), which is the portion of the Adjusted Contract Capacity available for dispatch as reported by the Supplier to the IESO in respect of a Tranche 1 Reported Outage Hour.
T1ROH	is a Tranche 1 Reported Outage Hour, which is an hour within any Tranche 1 Imputed Production Interval in Settlement Month "m" for which the Supplier has notified the IESO and the OPA, as appropriate, of an Outage that is not the result of an event of Force Majeure for which the ROAC is less than T1MACC _m . For greater certainty, any Tranche 1 Reported Outage Hour is by definition also a T1IPH.
T1ROH _m	is the total number of Tranche 1 Reported Outage Hours in Settlement Month "m".
Max Increment _y	has the meaning given to it above, in Section 3.4.2 of this Exhibit J.
T1FMOCT1FMOH	is the Tranche 1 Force Majeure Outage Capacity in any Tranche 1 Force Majeure Outage Hour, which is calculated as described in Section 1.3 of this Exhibit J.
T1FMOH	is a Tranche 1 Force Majeure Outage Hour as defined in Section 1.3 of this Exhibit J.

$T1FMOH_m$	is the total number of Tranche 1 Force Majeure Outage Hours in Settlement Month " m ".
$HOEP_{T1FMOH}$	is the HOEP corresponding to a given Tranche 1 Force Majeure Outage Hour.

3.5 Calculation of Imputed Net Revenue

The Imputed Net Revenue shall be calculated by adding (i) the Imputed Net Energy Revenue determined in accordance with Section 3.5.1 of this Exhibit J; (ii) the Future Contract Related Products Revenue determined in accordance with Section 3.5.4 of this Exhibit J, and (iii) the negative interval net revenue recapture for each tranche, determined in accordance with Sections 3.5.6 and 3.5.7 of this Exhibit J, and subtracting (iv) the Gas Cancellation Amount determined in accordance with Section 3.5.5 of this Exhibit J, expressed as:

$INR_m = INER_m + FCRPR_m + T1NINRR_m + T2NINRR_m - GCA_m$
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3.5.1 Calculation of the Imputed Net Energy Revenue

The Imputed Net Energy Revenue for Settlement Month " m " is calculated as follows:

$INER_m = IGEMR_m - T1IVEC_m - T2IVEC_m$	
where:	
$INER_m$	is the Imputed Net Energy Revenue (in \$) in Settlement Month " m ".
$IGEMR_m$	is the Imputed Gross Energy Market Revenue (in \$) in Settlement Month " m ".
$T1IVEC_m$	is the Tranche 1 Imputed Variable Energy Cost in Settlement Month " m ".
$T2IVEC_m$	is the Tranche 2 Imputed Variable Energy Cost in Settlement Month " m ".

3.5.2 Calculation of the Imputed Variable Energy Cost for Tranche 2

$T2IVEC_m = \sum_{d=1}^{d=day_m} \left[\left(\sum_{T2IPH=1}^{T2IPH=T2IPH_d} T2VEC_h \times T2IP_{T2IPH} \right) - \left(\sum_{T2FMOH=1}^{T2FMOH=T2FMOH_d} T2VEC_h \times T2FMOCT_{T2FMOH} \right) \right]$	
where:	

$T2IVEC_m$	is the Tranche 2 Imputed Variable Energy Cost (in \$) in Settlement Month "m", which is equal to the aggregate Tranche 2 Variable Energy Cost for the total Tranche 2 Imputed Production during the Settlement Month "m".
day_m	is the number of days in the Settlement Month "m".
$T2VEC_h$	is the Tranche 2 Variable Energy Cost for hour "h" (in \$/MWh) calculated according to Section 2.1.2 of this Exhibit J.
$T2IPH$	is a Tranche 2 Imputed Production Hour, which is an hour in day "d" that is contained within a Tranche 2 Imputed Production Interval which occurred, in whole or in part, in day "d".
$T2IPH_d$	is the total number of Tranche 2 Imputed Production Hours in day "d".
$T2IP_{PIPH}$	is the Tranche 2 Imputed Production corresponding to a given Tranche 2 Imputed Production Hour (in MWh), which is calculated according to Section 3.4.2 of this Exhibit J.
$T2FMOH$	is a Tranche 2 Force Majeure Outage Hour as defined in Section 1.3 of this Exhibit J.
$T2FMOH_d$	is the number of Tranche 2 Force Majeure Outage Hours in day "d".
$T2FMOC_{PFMOH}$	is the Tranche 2 Force Majeure Outage Capacity in any Tranche 2 Force Majeure Outage Hour, which is calculated as described in Section 1.3 of this Exhibit J.

3.5.3 Calculation of the Imputed Variable Energy Cost for the Tranche 1

$T1IVEC_m = \sum_{d=1}^{d=day_m} \left[(T1SUC_d \times T1ISU_d) + \left(\sum_{T1IPH=1}^{T1IPH=T1IPH_d} T1IVEC_h \times T1IP_{T1IPH} \right) - \left(\frac{\sum_{T1FMOH=1}^{T1FMOH=T1FMOH_m} T1FMOC_{T1FMOH}}{T1MACC_m \times T1IPH_m} \right) - \left(\sum_{T1FMOH=1}^{T1FMOH=T1FMOH_d} T1IVEC_h \times T1FMOC_{T1FMOH} \right) \right]$	
where:	
$T1IVEC_m$	is the Tranche 1 Imputed Variable Energy Cost (in \$) in Settlement Month "m", which is equal to the aggregate Tranche 1 Variable Energy Cost for the total Tranche 1 Imputed Production during the Settlement Month "m".
day_m	is the number of days in the Settlement Month "m".

$T1VEC_h$	is the Tranche 1 Variable Energy Cost for hour " h " (in \$/MWh) calculated according to Section 2.1.1 of this Exhibit J.
$T1IPH$	is a Tranche 1 Imputed Production Hour, which is an hour in day " d " that is contained within an Imputed Production Interval which occurred, in whole or in part, in day " d ".
$T1IPH_d$	is the total number of Tranche 1 Imputed Production Hours in day " d ".
$T1IP_{T1IPH}$	is the Tranche 1 Imputed Production corresponding to a given Tranche 1 Imputed Production Hour (in MWh), which is calculated according to Section 3.4.3 of this Exhibit J.
$T1FMOH$	is a Tranche 1 Force Majeure Outage Hour as defined in Section 1.3 of this Exhibit J.
$T1FMOH_d$	is the number of Tranche 1 Force Majeure Outage Hours in day " d ".
$T1FMOCT1FMOH$	is the Tranche 1 Force Majeure Outage Capacity in any Tranche 1 Force Majeure Outage Hour, which is calculated as described in Section 1.3 of this Exhibit J.
$T1ISU_d$	is the number of Tranche 1 Imputed Start-Ups for day " d " calculated according to Section 3.1.1 of this Exhibit J.
$T1SUC_d$	is the Tranche 1 Start-Up Costs (in \$/start-up) for day " d " calculated according to Section 2.3 of this Exhibit J.

3.5.4 Calculation of Future Contract Related Products Revenue

The Future Contract Related Products Revenue for Settlement Month " m " is calculated as follows:

$FCRPR_m = RFCRP_m + RFREC_m$	
where:	
$FCRPR_m$	is the Future Contract Related Products Revenue (in \$) for Settlement Month " m ".

RFCRP _m	<p>is:</p> <p>(a) 100% of the net revenue (in \$) arising from any Future Contract Related Products that are Capacity Products; and</p> <p>(b) 50% of the net revenue (in \$) arising from all Future Contract Related Products other than Capacity Products;</p> <p>corresponding to Settlement Month "m", where net revenue is calculated as the revenue received from the applicable Future Contract Related Products less any reasonable costs incurred by the Supplier to receive such revenue. For greater certainty, such costs shall be determined on an actual cost basis without mark-up, as confirmed by the OPA and Supplier, and which shall be subject to verification by the OPA, from time to time.</p>
RFREC _m	<p>is any revenue to the Supplier in the Settlement Month "m" arising from the sale, disposition, or encumbrance of the Supplier's interest in the GHG Emissions Credits provided or paid for by the OPA pursuant to Section 2.11 of the Agreement.</p>

3.5.5 Calculation of Gas Cancellation Amount

The Gas Cancellation Amount (in \$) in Settlement Month "m" is calculated as follows:

$GCA_m = \sum_{d=1}^{d=day_c} T1GCP_d \times T1GCV_d + \sum_{d=1}^{d=day_c} T2GCP_d \times T2GCV_d$	
<p>where:</p>	
GCA _m	<p>is the Gas Cancellation Amount (in \$) for Settlement Month "m".</p>
T1GCP _d	<p>is the Tranche 1 Gas Cancellation Price (in \$/MMBTU) for any day "d" that was the subject of a Tranche 1 Directed Dispatch Order (LT) and (i) which order was cancelled by a full or partial Cancelled Tranche 1 Directed Dispatch Order, or (ii) during which day any Tranche 1 Directed Dispatch Hour is affected by an Outage caused by an event of Force Majeure, and is calculated as follows:</p> <p>(a) In the event of a sale of the Tranche 1 Gas Cancellation Volume of Gas that is not a deemed sale pursuant to Section 3(r) of Exhibit G, then the Tranche 1 Gas Cancellation Price is equal to the Gas Price (LT)_d minus the price (net of Tranche 1 Gas Sale Transaction Costs) at which the Tranche 1 Gas Cancellation Volume (T1GCV_d), as calculated below, is sold by the Supplier using Commercially Reasonable Efforts.</p> <p>(b) In the event of a sale of the Tranche 1 Gas Cancellation Volume of Gas that is a deemed sale pursuant to Section 3(t) of Exhibit G, then the Tranche 1 Gas Cancellation Price is equal to Gas Price (LT)_d minus the target price mutually agreed by the Parties</p>

	<p>pursuant to Section 3(t) of Exhibit G. For greater certainty, $T1GCP_d$ may be a negative number.</p>
$T1GCV_d$	<p>is the Tranche 1 Gas Cancellation Volume (in MMBTU) associated with the total Tranche 1 Directed Dispatch Hours for any day "d" that were the subject of a Tranche 1 Directed Dispatch Order (LT) and:</p> <p>(i) where such order was cancelled by a full or partial Cancelled Tranche 1 Directed Dispatch Order, the Tranche 1 Gas Cancellation Volume shall be an amount equivalent to (A) the applicable Tranche 1 Monthly Heat Rate multiplied by the applicable Tranche 1 Monthly Adjusted Contract Capacity in the Settlement Month, "m", and multiplied by such total number of cancelled Tranche 1 Directed Dispatch Hours, plus (B) the Tranche 1 Start Fuel (in MMBTU per start-up) set out in Exhibit B multiplied by the applicable number of $T1DirSU_d$ cancelled as a result of the Cancelled Tranche 1 Directed Dispatch Order; or</p> <p>(ii) where during such day any Tranche 1 Directed Dispatch Hour is affected by an Outage caused by an event of Force Majeure, the Tranche 1 Gas Cancellation Volume shall be an amount equivalent to (A) the applicable Tranche 1 Monthly Heat Rate multiplied by the weighted average $T1FMOC_{T1FMOH}$ over all $T1FMOH$ in day "d" and multiplied by $T1FMOH_d$, plus (B) the Tranche 1 Start Fuel (in MMBTU per start-up) set out in Exhibit B multiplied by the applicable number of $T1DirSU_d$ cancelled as a result of the Outage caused by the event of Force Majeure.</p>
$T1GSTC$	<p>is the Tranche 1 Gas Sale Transaction Costs (in \$/MMBTU) which represents those transaction costs incurred by the Supplier in a sale of the Tranche 1 Gas Cancellation Volume that is not a deemed sale pursuant to Section 3(t) of Exhibit G. The Supplier shall, upon the OPA's request, provide reasonable evidence of the $T1GSTC$ for audit and verification by the OPA from time to time.</p>
$T2GCP_d$	<p>is the Tranche 2 Gas Cancellation Price (in \$/MMBTU) for any day "d" that was the subject of a Tranche 2 Directed Dispatch Order (LT) and (i) which order was cancelled by a full or partial Cancelled Tranche 2 Directed Dispatch Order, or (ii) during which day any Tranche 2 Directed Dispatch Hour is affected by an Outage caused by an event of Force Majeure, and is calculated as follows:</p> <p>(a) In the event of a sale of the Tranche 2 Gas Cancellation Volume of Gas that is not a deemed sale pursuant to Section 3(r) of Exhibit G, then the Tranche 2 Gas Cancellation Price is equal to the Gas Price $(LT)_d$ minus the price (net of Tranche 2 Gas Sale Transaction Costs) at which the Tranche 2 Gas Cancellation Volume ($PGCV_d$), as calculated below, is sold by the Supplier using Commercially Reasonable Efforts.</p> <p>(b) In the event of a sale of the Tranche 2 Gas Cancellation</p>

	<p>Volume of Gas that is a deemed sale pursuant to Section 3(t) of Exhibit G, then the Tranche 2 Gas Cancellation Price is equal to Gas Price (LT)_d minus the target price mutually agreed by the Parties pursuant to Section 3(t) of Exhibit G.</p> <p>For greater certainty, T2GCP_d may be a negative number.</p>
T2GCV _d	<p>is the Tranche 2 Gas Cancellation Volume (in MMBTU) associated with the total Tranche 2 Directed Dispatch Hours for any day "d" that were the subject of a Tranche 2 Directed Dispatch Order (LT) and:</p> <p>(i) where such order was cancelled by a full or partial Cancelled Tranche 2 Directed Dispatch Order, the Tranche 2 Gas Cancellation Volume shall be an amount equivalent to the applicable Tranche 2 Monthly Heat Rate multiplied by the applicable Tranche 2 Monthly Adjusted Contract Capacity in the Settlement Month, "m", and multiplied by such total number of cancelled Tranche 2 Directed Dispatch Hours; or</p> <p>(ii) where during such day any Tranche 2 Directed Dispatch Hour is affected by an Outage caused by an event of Force Majeure, the Tranche 2 Gas Cancellation Volume shall be an amount equivalent to the applicable Tranche 2 Monthly Heat Rate multiplied by the weighted average T2FMOC_{T2FMOH} over all T2FMOH in day "d" and multiplied by T2FMOH_d.</p>
T2GSTC	<p>is the Tranche 2 Gas Sale Transaction Costs (in \$/MMBTU) which represents those transaction costs incurred by the Supplier in a sale of the Tranche 2 Gas Cancellation Volume that is not a deemed sale pursuant to Section 3(v) of Exhibit G. The Supplier shall, upon the OPA's request, provide reasonable evidence of the T2GSTC for audit and verification by the OPA from time to time.</p>
day _c	<p>is the total number of days in Settlement Month "m" which were the subject of a Tranche 1 Directed Dispatch Order (LT) or a Tranche 2 Directed Dispatch Order (LT) and (i) which order or orders were cancelled for such days by a full or partial Cancelled Tranche 1 Directed Dispatch Order or Cancelled Tranche 2 Directed Dispatch Order, or (ii) were affected by an Outage caused by an event of Force Majeure.</p>

3.5.6 Calculation of Negative Interval Net Revenue Recapture for Tranche 2

$T2NINRR_m = \sum_{T2IP1=1}^{T2IP1=T2IP1_m} (T2IVEC_{T2IP1} - T2IGEMR_{T2IP1})$	
<p>where:</p>	
T2NINRR _m	<p>is the Tranche 2 Negative Interval Net Revenue Recapture that is applicable to all those Tranche 2 Imputed Production Intervals that are</p>

	Tranche 2 Deemed Dispatch Intervals only (provided that for purposes of calculating T2NINRR, (i) a set of two or more contiguous Tranche 2 Deemed Dispatch Intervals shall be treated as a single Tranche 2 Imputed Production Interval, and (ii) any Tranche 2 Deemed Dispatch Interval having a Tranche 2 Deemed Shut-Down Hour that meets the conditions set out in Section 3.2.2(iii)(c) of this Exhibit J shall be excluded from the calculation of T2NINRR) ending in Settlement Month "m" where T2IVEC _{T2IPI} was greater than T2IGEMR _{T2IPI} .
T2IVEC _{T2IPI}	is the Tranche 2 Imputed Variable Energy Cost and is calculated as follows: T2IVEC_{T2IPI} = $\sum_{T2IPH=1}^{T2IPH=T2IPH_i} (T2VEC_{T2IPH} \times T2IP_{T2IPH} - T2VEC_{T2FMOH/N} \times T2FMOCT_{T2FMOH/N})$
T2IGEMR _{T2IPI}	is the Tranche 2 Imputed Gross Energy Market Revenue and is calculated as follows: T2IGEMR_{T2IPI} = $\sum_{T2IPH=1}^{T2IPH=T2IPH_i} (T2IP_{T2IPH} \times HOEP_{T2IPH} - T2FMOCT_{T2FMOH/N} \times HOEP_{T2FMOH/N})$
T2VEC _{T2IPH}	is the applicable Tranche 2 Variable Energy Cost for those Tranche 2 Imputed Production Hours during a Tranche 2 Imputed Production Interval where T2IVEC _{T2IPI} was greater than T2IGEMR _{T2IPI} .
T2IPI _m	is the total number of Tranche 2 Imputed Production Intervals in Settlement Month "m" where T2IVEC _{T2IPI} was greater than T2IGEMR _{T2IPI} .
T2IPH _i	is the total number of Tranche 2 Imputed Production Hours in those Tranche 2 Imputed Production Interval for which T2IVEC _{T2IPI} was greater than T2IGEMR _{T2IPI} .
T2FMOCT _{T2FMOH/N}	is the Tranche 2 Force Majeure Outage Capacity in any Tranche 2 Force Majeure Outage Hour (which is calculated as described in Section 1.2 of this Exhibit J) during a Tranche 2 Imputed Production Interval where T2IVEC _{T2IPI} was greater than T2IGEMR _{T2IPI} .
T2FMOH/N	is a Tranche 2 Force Majeure Outage Hour (as defined in Section 1.2 of this Exhibit J) during a Tranche 2 Imputed Production Interval where T1IVEC _{P1PI} was greater than T1IGEMR _{P1PI} .

3.5.7 Calculation of Negative Interval Net Revenue Recapture for Tranche 1

$T1NINRR_m = \sum_{T1IPI=1}^{T1IPI=T1IPI_m} (T1IVEC_{T1IPI} - T1IGEMR_{T1IPI})$

where:	
$T1NINRR_m$	is the Tranche 1 Negative Interval Net Revenue Recapture that is applicable to all those Tranche 1 Imputed Production Intervals that are Tranche 1 Deemed Dispatch Intervals only (provided that for purposes of calculating T1NINRR, (i) a set of two or more contiguous Tranche 1 Deemed Dispatch Intervals shall be treated as a single Tranche 1 Imputed Production Interval, and (ii) any Tranche 1 Deemed Dispatch Interval having a Tranche 1 Deemed Shut-Down Hour that meets the conditions set out in Section 3.2.1(iv)(c) of this Exhibit J shall be excluded from the calculation of T1NINRR) ending in Settlement Month "m" where $T1IVEC_{T1IPI}$ was greater than $T1IGEMR_{T1IPI}$.
$T1IVEC_{T1IPI}$	is the Tranche 1 Imputed Variable Energy Cost and is calculated as follows: $T1IVEC_{T1IPI} = \sum_{T1IPH=1}^{T1IPH=T1IPH_i} (T1IVEC_{T1IPH} \times T1IP_{T1IPH} - T1IVEC_{T1FMOH/N} \times T1FMOC_{T1FMOH/N}) + T1SUC_{T1IPI} - T1SUC_{T1IPI} \times \left[\frac{\sum_{T1IPH=1}^{T1IPH=T1IPH_i} T1FMOC_{T1FMOH/N}}{T1MACC_m \times T1IPH_i} \right]$
$T1IGEMR_{T1IPI}$	is the Tranche 1 Imputed Gross Energy Market Revenue and is calculated as follows: $T1IGEMR_{T1IPI} = \sum_{T1IPH=1}^{T1IPH=T1IPH_i} (T1IP_{T1IPH} \times HOEP_{T1IPH} - T1FMOC_{T1FMOH/N} \times HOEP_{T1FMOH/N})$
$T1IVEC_{T1IPH}$	is the applicable Tranche 1 Variable Energy Cost for those Tranche 1 Imputed Production Hours during a Tranche 1 Imputed Production Interval where $T1IVEC_{T1IPI}$ was greater than $T1IGEMR_{T1IPI}$.
$T1IPI_m$	is the total number of Tranche 1 Imputed Production Intervals in Settlement Month "m" where $T1IVEC_{T1IPI}$ was greater than $T1IGEMR_{T1IPI}$.
$T1IPH_i$	is the total number of Tranche 1 Imputed Production Hours in those Tranche 1 Imputed Production Interval for which $T1IVEC_{T1IPI}$ was greater than $T1IGEMR_{T1IPI}$.
$T1FMOC_{T1FMOH/N}$	is the Tranche 1 Force Majeure Outage Capacity in any Tranche 1 Force Majeure Outage Hour (which is calculated as described in Section 1.3 of this Exhibit J) during a Tranche 1 Imputed Production Interval where $T1IVEC_{T1IPI}$ was greater than $T1IGEMR_{T1IPI}$.

T1FMOH/N	is a Tranche 1 Force Majeure Outage Hour (as defined in Section 1.2 of this Exhibit J) during a Tranche 1 Imputed Production Interval where $T1IVEC_{T1IPI}$ was greater than $T1IGEMR_{T1IPI}$.
$T1SUC_{T1IPI}$	are the Tranche 1 Start-Up Costs, if the Tranche 1 Imputed Production Interval for which $T1IVEC_{T1IPI}$ was greater than $T1IGEMR_{T1IPI}$ has a Tranche 1 Imputed Start-Up Hour that is the first Tranche 1 Imputed Start-Up Hour of the day in which such Tranche 1 Imputed Production Interval falls.
$T1MACC_m$	is the Tranche 1 Monthly Adjusted Contract Capacity in Settlement Month " <i>m</i> ".

4.0 STAGE IV: DETERMINATION OF CONTINGENT SUPPORT PAYMENT AND REVENUE SHARING PAYMENT

4.1 The Contingent Support Payment and Revenue Sharing Payment for a Settlement Month are calculated as follows:

If $TMFCP_m > INR_m$, then: $CSP_m = TMFCP_m - INR_m$ and $RSP_m = 0$.	
If $TMFCP_m < INR_m$, then: $RSP_m = INR_m - TMFCP_m$ and $CSP_m = 0$.	
If $TMFCP_m = INR_m$, then: $RSP_m = 0$ and $CSP_m = 0$.	
where:	
$TMFCP_m$	is the Total Monthly Fixed Capacity Payment (in \$) for Settlement Month " m ".
INR_m	is the Imputed Net Revenue (in \$) in Settlement Month " m ".
CSP_m	is the Contingent Support Payment (in \$), if any, for Settlement Month " m ".
RSP_m	is the Revenue Sharing Payment (in \$), if any, for Settlement Month " m ".

EXHIBIT K
MILESTONE EVENTS AND MILESTONE DATES FOR THE FACILITY

MILESTONE EVENT	MILESTONE DATE (MONTH/DAY/YEAR)
1. Financial Closing	[•]
2. Commercial Operation	[•]

EXHIBIT L

INTENTIONALLY DELETED

EXHIBIT M
INTENTIONALLY DELETED

**EXHIBIT N
FORM OF STATUTORY DECLARATION**

PROVINCE OF ONTARIO

TO WIT

IN THE MATTER OF A COMBINED HEAT AND POWER IV CONTRACT DATED AS OF [●] (THE "AGREEMENT") BETWEEN THE ONTARIO POWER AUTHORITY AND **[INSERT NAME OF SUPPLIER]** (THE "SUPPLIER")

I, [●]

OF THE [●]

IN THE [●]

SOLEMNLY DECLARE THAT

- (1) I am the [●] of the Supplier and as such, have knowledge of the matters declared below, and am duly authorized by the Supplier to execute this declaration. All capitalized terms used in this declaration, unless otherwise stated, have the meanings ascribed to them in the Agreement.
- (2) The Supplier entered into an Off-Take Agreement dated [●] with **[insert Host name]** pursuant to which the Supplier supplied Useful Heat Output from the Facility to the Host Facility.
- (3) The Host Facility has permanently ceased to purchase the Facility's Useful Heat Output as a direct result of **[a permanent closure of the operations of the Host Facility / a permanent cessation of the Host Facility's requirements for any of the Useful Heat Output of the Facility as a result of a change in the Host Facility's industrial processes]**, the details of which are described below:

- (4) To the knowledge of the Supplier, the Host Facility has not acquired, nor does it intend to acquire during the remainder of the Term, any thermal energy from any source other than the Facility, where such acquired thermal energy could reasonably be considered a replacement, in whole or in part, of the Useful Heat Output provided by the Facility.
- (5) The Supplier has (i) exhausted all commercially reasonable avenues of legal recourse to enforce continuation or reinstatement of the purchase of Useful Heat Output by the Host Facility and (ii) failing such continuation or reinstatement, exhausted all commercially reasonable avenues of legal recourse to obtain financial compensation from the Host Facility and used the net proceeds of any compensation so received to defer the Restatement Date by the same amount of time that the Restatement Date would otherwise have been deferred if the compensation so received had instead been revenue received from continued Useful Heat Output sales to the Host Facility.

AND I make this solemn declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath.

DECLARED BEFORE ME at the [●] OF
[●], IN THE [COUNTY/REGION] OF
[●], ONTARIO, 20[●][●].

Commissioner for taking affidavits

Name

EXHIBIT O
FORM OF FORCE MAJEURE NOTICE

TO: ONTARIO POWER AUTHORITY

DATE: _____

RE: CHP IV Contract

Supplier:	Project:
Contractual COD:	OPA Approved Revised COD:
1. Description of events leading to Force Majeure (Provide reasonably full particulars of the cause and timing of events relating to the invoked Force Majeure) (If you are claiming a Host Facility Force Majeure, also provide an explanation of why the event is not a Host Facility Outage)	
2. Effect of Force Majeure (Provide reasonably full particulars of the effect of the Force Majeure on the Supplier's ability to fulfill its obligations under the Agreement)	
3. Cost of Alternatives available to remedy or remove the Force Majeure (Provide reasonably full particulars of alternatives available to the Supplier to remedy or remove the Force Majeure, together with an estimation of related costs with respect to each alternative)	
4. Commercially Reasonable Efforts – Reasonably full particulars of efforts, if any, undertaken or contemplated by the Supplier to remedy or remove the Force Majeure (or, in the case of a Host Facility Force Majeure, undertaken as contemplated by the Host to remedy or remove the Host Facility Force Majeure, if known to the Supplier).	

EXHIBIT Q
FORM OF QUARTERLY REPORT

INSTRUCTIONS:

The Quarterly Report shall be in the form of the template provided herein and shall contain the following information with respect to the Agreement and the obligations of the Supplier thereunder:

1. **Executive Summary** - A brief overview of major work accomplished during, and any significant safety or environmental events that have occurred in, the subject reporting period, and any issues that could have potential schedule impacts or invoking Force Majeure
2. **Change of Control** – Report the status of assignment and/or change of control, if any (this section is to report status only, the Supplier is required to give the Buyer prompt notice before this occurs as per Sections 16.5 and 16.6)
3. **Force Majeure** – Report the status of Force Majeure events, if any (this section is to report status only, the Supplier is required to give the Buyer prompt notice when Force Majeure is invoked, in accordance with Article 11)
4. **Representations of the Supplier** – Report that the representations of the Supplier stipulated in Section 7.1 of the Agreement are still true and accurate or provide a statement of the exceptions
5. **Development, Design and Construction Progress** – Report the status of each Reportable Event as shown on the attached quarterly progress report template; if the Reportable Event is also a Milestone Event, then enter the contract Milestone Date as per Exhibit K
6. **Approvals** – Provide a list of all approvals, permits, licenses and certificates required to construct, operate and maintain the Facility and the status thereof
7. **Critical Path** – Provide a list of activities that are on the critical path schedule for the project, including activity identification, activity description, duration, start date, finish date, predecessor(s) and successor(s)
8. **Supplier Submittals Prior to Commercial Operation Date** – Report the status of the submittals as shown on the attached quarterly report template
9. **Progress Photos** – Provide a minimum of three photos, in digital format, that can best represent the progress of construction work

Quarterly Report

TO: ONTARIO POWER AUTHORITY
RE: COMBINED HEAT AND POWER CHP IV CONTRACT dated [●]

Supplier:		Date:	
Project:		Reporting Period:	
Contract COD:		OPA Approved Revised COD:	

1. Executive Summary		
[●]		
2. Assignment and Change of Control (Section 16.5 and 16.6 of the Agreement)		
[●]		
3. Force Majeure (Section 11.1 of the Agreement)		
[●]		
4. Representations of the Supplier (Section 7.1 of the Agreement)		
Section	Still Valid (Yes or No)	If No, details of exception
7.1(a)		
7.1(b)		
7.1(c)(i)		
7.1(c)(ii)		
7.1(c)(iii)		
7.1(c)(iv)		

7.1(c)(v)						
7.2(d)						
7.1(e)						
7.1(f)						
7.1(g)						
7.1(h)						
7.1(i)						
7.1(j)						
5. Development, Design, and Construction Progress						
Item	Reportable Events	Status of Efforts / Progress Description	Date			
			Contractual	Forecast	Actual	
1	Obtain all Environmental and Municipal Approvals and Permits for Construction to Commence	Progress: [●] Issues: [●]	% Comp			
2	Completions of connection assessments including receipt of approvals from the IESO, the Transmitter, the LDC and Electrical Host Facility, as applicable	Progress: [●] Issues: [●]	% Comp			

3	Financial Closing	Progress: [●] Issues: [●]	% Comp			
4	Order of Major and Long Lead Time Equipment	Progress: [●] Issues: [●]	% Comp			
5	Status of Construction of Contract Facility	Progress: [●] Issues: [●]	% Comp			
6	Status of construction of interconnections, such as transmission or distribution system connection and natural gas supply connection	Progress: [●] Issues: [●]	% Comp			

7	Commercial Operation	Progress: [●] Issues: [●]	% Comp			
6. Supplier Submittals Prior to Commercial Operation Date						
Item	Reference Section	Description of Submittals	Submission Date			
			Contractual	Forecast	Actual	
1	2.1(b)	Single Line Diagram				
2	2.9(b)(i) and 2.9(d)	Valid certificates of insurance for "all risk"				
3	2.9(b)(ii) and 2.9(d)	Valid certificates of insurance for "equipment breakdown"				
4	2.9(b)(iii) and 2.9(d)	Valid certificates of insurance for commercial general liability				
5	2.9(b)(iv) and 2.9(d)	Valid certificates of insurance for automobile insurance				
6	2.9(b)(v) and 2.9(d)	Valid certificates of insurance for environmental liability				
7	2.9(b)(vi) and 2.9(d)	Valid certificates of insurance for other additional insurance required under Laws and Regulations or as appropriate				
9	2.9(e)	Clearance certificate of <i>Workplace Safety and Insurance Act</i>				
10	2.10(c)	Evidence on Supplier registered with the IESO as a "Metered Market Participant" and as a "Generator" (if applicable)				
11	6.1(a)	Completion and Performance Security in the amount specified				

7. Progress Photos:

8. If the Supplier is a Market Participant, submit a copy of the Supplier's most recent "Project Status Report" (currently, IMO-FORM-1399) submitted to the IESO.

**EXHIBIT R
FORM OF ANNUAL REPORT**

Post COD Annual Report - The report provides updated information on the Off-Take Agreement. This information includes:

1. Contract expiry date
2. Status of contract negotiations
3. Length of a new contract
4. New Host name if it has changed

POST COMMERCIAL OPERATION ANNUAL REPORT

TO: ONTARIO POWER AUTHORITY

DATE: _____

RE: COMBINED HEAT AND POWER CHP IV CONTRACT dated [●]

Supplier:		Facility:	
Useful Heat Output:		Revised Useful Heat Output (if applicable):	
1. Status of Off-Take Agreement:			
2. Expiry date of Off-Take Agreement:			
3. Status of any Host Facility contract negotiations indicating			
a) Status of revisions:			
b) Term of Off-Take Agreement:			
c) Counterparty of Off-Take Agreement:			

EXHIBIT S
FORM OF RESTATEMENT REPORT

Restatement Progress Report – If the Restatement involves reconfiguration, modifications, etc, construction progress reports are required for the construction reconfiguration. The frequency of the report depends on the forecasted duration of the work.

Restatement Progress Report

TO: ONTARIO POWER AUTHORITY

RE: COMBINED HEAT AND POWER CHP IV CONTRACT dated [●]

If the period of construction upon Restatement is:

- less than 6 months in duration then the Supplier is required to submit a monthly construction progress report to the OPA.
- greater than 6 months and less than 12 months then the Supplier is required to submit a bi-monthly construction progress report to the OPA.
- greater than 12 months then the Supplier is required to submit a quarterly construction progress report to the OPA.

1. Reporting Period:						
2. Description of Restatement						
3. Executive Summary						
4. Development, Design and Construction Progress related to Restatement						
Item	Reportable Events	Status of Efforts / Progress Description		Date		
				Planned	Forecast	Actual
1	Regulatory Permitting	Progress: [●]	% Comp			

		Issues: [●]				
2	Outage Application, Execution, and Grid re-connection	Progress: [●] Issues: [●]				
3	Equipment Ordered	Progress: [●] Issues: [●]	% Comp			
4	Equipment Delivered	Progress: [●] Issues: [●]	% Comp			
5	Commencement of Construction	Progress: [●] Issues: [●]	% Comp			

6	Completion of Construction	Progress: [●] Issues: [●]	% Comp			
7	Commercial Operation	Progress: [●] Issues: [●]	% Comp			

- 5. Proof of construction insurance coverage (certificates or other statements):
- 6. Progress Photos:

EXHIBIT T
FORM OF OPA GUARANTEE TO SUPPORT DIRECTED DISPATCH (LT)

THIS GUARANTEE dated and effective as of [the Commercial Operation Date] by the Ontario Power Authority (the "Guarantor") to and in favour of [●] [**insert legal form of the gas supplier and jurisdiction of organization**] corporation (the "Counterparty"). Capitalized words and phrases used in this Guarantee shall have the meanings given to them in the Combined Heat and Power Contract dated as of the [●] day of [●] between [●] [**insert legal form of the Supplier and jurisdiction of organization**], and the Guarantor (the "Agreement") on the date hereof unless otherwise defined herein or unless otherwise indicated by the context of their use.

IN CONSIDERATION of: (i) agreements between the Counterparty and [●] or its permitted assigns relating to the Agreement (the "Debtor") and (ii) the Counterparty agreeing that it may grant credit to the Debtor (being transactions which the Guarantor will benefit from, directly or indirectly), the Guarantor agrees as follows:

1. Obligations

The Guarantor irrevocably and unconditionally guarantees to the Counterparty, its successors and permitted assigns the due and punctual payment of all present and future amounts payable (including damages, if any, arising from a failure to perform) by the Debtor to the Counterparty under or pursuant to one or more gas purchase transactions (including physical and financial transactions) entered into by the Debtor with the Counterparty which relate to the Gas required by the Debtor to comply with a Directed Dispatch Order (LT) (a "DDO") issued by the Guarantor in accordance with Exhibit G of the Agreement (collectively, the "Obligations"). For certainty, and without limiting the generality of the foregoing, upon receipt by the Counterparty of a copy of a DDO delivered by the Guarantor pursuant to Section 8 hereof, all gas purchase obligations of the Debtor which relate to such DDO shall be deemed to be Obligations guaranteed hereunder. In addition, the Guarantor agrees to pay the Counterparty, upon demand, all out-of-pocket costs and expenses (including, without limitation, reasonable legal fees on a solicitor/client basis) that the Counterparty incurs in connection with enforcing any of its rights under and collecting upon this Guarantee, to the extent that the Guarantor has received written notice of the claim for any satisfaction of the Obligations before any such out-of-pocket costs and expenses for which the Guarantor is to be responsible are incurred by the Counterparty.

2. Nature of Guarantee

The liability of the Guarantor in respect of the Obligations shall be absolute and unconditional irrespective of any change in the name, ownership, objects, capital, constating documents or by-laws of the Debtor or any amalgamation, sale, merger or re-organization of the Debtor or, if a partnership, in the firm (in which case this Guarantee shall apply to the corporation or partnership, as the case may be, resulting or continuing therefrom). This Guarantee is a guarantee of payment and not of collection.

3. Liability as Primary Debtor

This Guarantee shall apply in respect of all Obligations despite (i) any incapacity, disability, or lack or limitation of status, authorization or power of the Debtor or any of its directors, officers or agents; (ii) the Debtor not being a legal entity; (iii) the bankruptcy, insolvency, dissolution or liquidation of the Debtor; and (iv) any lack of a written contract or of execution of documents by the Debtor if the Debtor has agreed in writing with the Counterparty to be bound by transactions without such writing or execution. Any such Obligations which may not be recoverable from the Guarantor as guarantor shall be recoverable from the Guarantor as principal debtor upon demand and with interest, calculated and payable as provided in this Guarantee.

4. Continuing Guarantee

This is a continuing guarantee and shall apply to and secure payment of all Obligations and any ultimate unpaid balance thereof. Notwithstanding anything in this Guarantee to the contrary, this Guarantee shall continue to be effective or shall be reinstated (as the case may be) in respect of a particular Obligation if at any time (before or after termination of this Guarantee) any payment in connection with that Obligation is rescinded or must otherwise be restored or returned by the Counterparty upon the insolvency, bankruptcy or reorganization of the Debtor or for any other reason whatsoever, all as though such payment had not been made.

5. Term

This Guarantee will remain in full force and effect until the end of the "Term" (as defined in the Agreement) ("Expiry") or until it is terminated with regard to future transactions by the Guarantor giving Notice of termination to the Counterparty (a "Termination Notice"). If the Guarantor delivers a Termination Notice to the Counterparty, this Guarantee shall be terminated, subject to any prior expiry as set out above, effective as at the later of (i) the effective date of such termination as specified in the Termination Notice; and (ii) the sixtieth (60th) day following actual receipt of the Termination Notice by the Counterparty. Neither Expiry nor delivery of a Termination Notice shall affect the Guarantor's liability relating to Obligations arising from transactions entered into on or prior to the effective date of the Expiry or Termination Notice, and this Guarantee shall remain in effect with respect to such Obligations.

6. Right to Payment

The Guarantor's liability under this Guarantee will not be affected by the existence, validity, enforceability, perfection or extent of any collateral or security for the Obligations. The Counterparty shall not be obligated to file any claim relating to the Obligations if the Debtor becomes subject to a bankruptcy, reorganization or similar proceeding and the failure of Counterparty to do so shall not affect the Guarantor's obligations under this Guarantee. The Counterparty shall not be bound to file suit or seek or exhaust its recourse against the Debtor or any other person or to realize on any security it may hold in respect of the Obligations before being entitled to payment under this Guarantee. The Guarantor renounces all benefits of discussion and division.

7. Dealings by Counterparty

The Counterparty may, without giving Notice to or obtaining the consent of the Guarantor, enter into agreements and transactions with the Debtor, amend or modify agreements with the Debtor,

settle or compromise any of the Obligations, grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges, whether full, partial, conditional or otherwise, perfect or fail to perfect any securities, release any undertaking, property or assets charged by any securities to third parties and otherwise deal or fail to deal with the Debtor and others (including, without limitation, any other guarantors) and securities, hold moneys received from the Debtor and others or from any securities unappropriated, apply such moneys against part of the Obligations and change any such application in whole or in part from time to time, all as the Counterparty may see fit, without prejudice to or in any way discharging or diminishing the liability of the Guarantor. No loss of any securities received by the Counterparty from the Debtor or any other persons shall in any way discharge or diminish the liability of the Guarantor, unless occasioned through the fault of the Counterparty.

8. Delivery of Copies of Directed Dispatch Orders

The Guarantor shall deliver, or cause to be delivered, to the Counterparty, a copy of each DDO issued by the Buyer to the Debtor in accordance with Exhibit G of the Agreement.

9. Payment

If the Debtor fails to pay any Obligation when due, the Guarantor will pay that Obligations directly to the Counterparty promptly upon the Counterparty's demand in accordance with this Guarantee. The liability of the Guarantor shall be payable within five (5) Business Days following written demand delivered to the Guarantor's address set forth in this Guarantee or at such other address as the Guarantor may from time to time designate by Notice to the Counterparty. The liability of the Guarantor shall bear interest from the date five (5) Business Days following Guarantor's receipt of such demand to the date of payment (and both before and after any judgement) at the lesser of (i) the rate equal to the Interest Rate plus two percent (2%) per annum; and (ii) the maximum legal rate per annum.

10. Waivers

The Guarantor waives notice of acceptance of this Guarantee and waives diligence, presentment, protest, notice of protest, acceleration or dishonour and all demands whatsoever other than the demand described in the preceding section of this Guarantee. Any failure of the Counterparty to exercise, and any delay by the Counterparty (other than a delay that gives rise to a defence under an applicable statute of limitation) in exercising, any right, remedy or power under this Guarantee shall not operate as a waiver of such right, remedy or power. Any single or partial exercise by the Counterparty of any right, remedy or power under this Guarantee shall not preclude any other or future exercise of any right, remedy or power.

11. Maximum Liability

Notwithstanding any other provision of this Guarantee, the Guarantor's aggregate liability under this Guarantee is limited to [●] Million Canadian Dollars (\$[●]); provided that this Guarantee shall cover and the Guarantor shall pay, in addition, (i) interest (at the rate set forth in Section 9 above) after demand by the Counterparty under this Guarantee until payment by the Guarantor and (ii) the enforcement costs and expenses (including, without limitation, legal fees on a solicitor/client basis) to which the Counterparty is entitled under this Guarantee.

Except to the extent that the agreements between the Debtor and the Counterparty expressly provide that the Debtor shall have liability for damages other than direct, actual damages, THE LIABILITY OF THE GUARANTOR SHALL BE LIMITED TO DIRECT, ACTUAL DAMAGES SUFFERED OR INCURRED BY THE COUNTERPARTY IN RELATION ONLY TO THE OBLIGATIONS AND THE GUARANTOR SHALL NOT BE LIABLE FOR CONSEQUENTIAL, PUNITIVE OR EXEMPLARY DAMAGES IN TORT, CONTRACT OR OTHERWISE, INCLUDING DAMAGES FOR LOST PROFITS.

12. Subrogation Rights

Until the Obligations have been fully paid and discharged, the Guarantor shall not have any right to be subrogated to any rights of the Counterparty against the Debtor. Upon the Guarantor having fully and unconditionally paid and discharged its obligations under this Guarantee, the Guarantor shall be subrogated to the rights of the Counterparty against the Debtor.

13. Taxes and Set-Off

All amounts payable by the Guarantor shall be paid without any deduction or withholding whatsoever for amounts payable to third parties (other than the Debtor), whether for duties, levies or taxes imposed, levied or assessed by any authority or any other matter whatsoever, unless and to the extent that the Guarantor shall be prohibited by law from doing so, in which event the Guarantor shall (i) forthwith pay to the Counterparty an additional amount so that the amount received by the Counterparty will equal the full amount of the Obligations; and (ii) pay to the relevant authorities the full amount of the deduction or withholding (including any deduction or withholding on any additional amounts payable pursuant to this sentence). The Guarantor has the right to set-off any amounts due by the Counterparty to the Debtor under any of the agreements relating to the Obligations against any payment due under this Guarantee.

14. Reservation of Defences

The Guarantor hereby waives all suretyship defences of every kind and all payments required hereunder shall be made in accordance with the terms hereof, provided that the Guarantor shall have the benefit of and the right to assert any defences against the claims of the Counterparty which are available to the Debtor and which would have been available to the Guarantor if it were in the contractual position of the Debtor under the agreements relating to the Obligations, other than defences (i) arising from the bankruptcy of the Debtor; (ii) expressly waived in this Guarantee; (iii) arising from the lack of due authorization, execution or delivery by the Debtor of any agreement(s) creating or giving rise to the Obligations; and (iv) previously asserted by the Debtor, to the extent that the claim of the Counterparty against which any defence was asserted by the Debtor has been successfully and finally resolved in favour of the Counterparty by a court of competent jurisdiction and last resort.

15. Representations and Warranties

The Guarantor hereby represents and warrants that (i) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation; (ii) the execution, delivery and performance of this Guarantee are within the Guarantor's powers, have been duly authorized by all necessary action and do not violate the Guarantor's charter or by-laws or any law, order or contractual restriction binding on the Guarantor; (iii) any governmental and other consents required with respect to the execution, delivery and performance of this Guarantee by the Guarantor have been obtained and are in full force and effect and all conditions of any such consents have been complied with; (iv) this Guarantee constitutes the legal, valid and binding obligation of the Guarantor, enforceable against it in accordance with its terms (except as enforceability may be limited by bankruptcy, insolvency, moratorium and other laws affecting enforcement of creditors' rights in general and general principles of equity); and (v) it expects to derive advantage from each and every extension of credit to the Debtor.

16. Additional Security

This Guarantee is in addition and without prejudice to any security of any kind (including, without limitation, any other guarantees, whether or not in the same form) held by the Counterparty.

17. Notices

Every communication, request, demand and notice of any kind (in each case, a "Notice") delivered or required to be delivered under this Guarantee shall be in writing and delivered either personally, via prepaid overnight courier service, via certified or registered mail or via facsimile transmission. A Notice shall be deemed received if sent to the address or fax number specified below (i) on the day received if sent by overnight courier delivery and received during the recipient's normal business hours, or at the beginning of the recipient's next business day after receipt if not received during the recipient's normal business hours; (ii) on the next business day if sent by facsimile transmission when sender has machine confirmation that the Notice was transmitted; and (iii) ten (10) Business Days after mailing if sent by certified or registered mail.

To the Guarantor:

- [address]
- [city/state/province]
- [zip/postal code]

Attn: [●]

Fax: [●]

To the Counterparty:

- [address]
- [city/state/province]
- [zip/postal code]

Attn: [●]

Fax: [●]

The Guarantor or the Counterparty may change its address for Notices by providing Notice to the other.

18. Further Assurances

The Guarantor shall from time to time upon the request of the Counterparty, execute and deliver, under seal or otherwise, all such further agreements, instruments and documents and do all such further acts and things as the Counterparty may require to give effect to the transactions contemplated by this Guarantee.

19. Successors and Assigns

This Guarantee shall enure to the benefit of and be binding upon the successors and permitted assigns of the Guarantor and the Counterparty. This Guarantee shall not be assigned or otherwise transferred, in whole or in part, by the Guarantor or the Counterparty without the prior written consent of the other, which consent shall not be withheld unreasonably.

20. Governing Law and Attornment

This Guarantee shall be governed by and construed in accordance with the laws of the Province of Ontario, without regard to its conflicts of laws principles. Each of the Guarantor and the Counterparty irrevocably submits to the non-exclusive jurisdiction of the courts of the Province of Ontario in any action or proceeding arising out of or relating to this Guarantee and waives any objection to such jurisdiction on the grounds that it is an inconvenient forum or any similar grounds. The Guarantor consents to the service of process in any action or proceeding relating to this Guarantee by Notice to the Guarantor in accordance with the provisions of Section 17 hereof. Nothing in this Section 20 shall prevent the Counterparty from enforcing any judgment arising from this Guarantee against the Guarantor in any other jurisdiction.

21. Limitation Period

The limitation period applicable to any claim hereunder shall not begin to run until actual demand is made by the Counterparty pursuant to the terms of this Guarantee. The parties agree to extend such limitation to six (6) years.

22. Entire Agreement

There are no representations, conditions, agreements or understandings with respect to this Guarantee or affecting the liability of the Guarantor or the Counterparty other than as set forth or referred to in this Guarantee. No provision of this Guarantee may be amended or waived except by a written instrument executed by the Guarantor and the Counterparty.

The Guarantor has executed this Guarantee as of the date first above written.

ONTARIO POWER AUTHORITY

By:
Name:
Title:

EXHIBIT U
INTENTIONALLY DELETED

EXHIBIT V
FORM OF COMPANY REPRESENTATIVE NOTICE

Attention: **[Notice Contact]**

Re: [Contract Name] dated [Contract Date], between [Supplier Name] and the Ontario Power Authority ("the OPA") – Company Representative and Notices Provisions

Section [●]: **[Supplier Name]'s Company Representative**

Name: **[●]**

Title: **[●]**

Mailing Address: **[Name]**
 [Address1]
 [Address2]
 [City], [Province], [Postal Code]

Telephone: **[Telephone]**

Facsimile: **[Fax]**

E-Mail Address: **[E-Mail]**

**EXHIBIT W
FORM OF CONFIDENTIALITY UNDERTAKING**

TO: ONTARIO POWER AUTHORITY (the "OPA")

**RE: CHP IV Contract dated [●] (the "Agreement") between [●] (the "Supplier")
 and the OPA**

WHEREAS the Supplier is a party to the Agreement;

AND WHEREAS the undersigned is a Secured Lender or prospective Secured Lender;

AND WHEREAS the Supplier wishes to disclose Confidential Information contained in the Agreement to the undersigned with respect to the financing of the Facility such disclosure is prohibited without the provision to the OPA of this Confidentiality Undertaking;

NOW THEREFORE the undersigned covenants and agrees in favour of the OPA to hold any and all Confidential Information confidential on the terms set out in Article 8 of the Agreement as applicable to the Supplier, mutatis mutandis.

All capitalized terms used in this Confidentiality Undertaking and not defined herein shall have the respective meanings ascribed thereto in the Agreement.

DATED the _____ day of _____, 201[●].

[SUPPLIER]

By: _____
Name: [●]
Title: [●]

[SECURED LENDER]

By: _____
Name: [●]
Title: [●]

EXHIBIT X

MATTERS REQUIRED TO BE ADDRESSED IN TEST PROTOCOL

This Exhibit X sets forth matters to be addressed by the Supplier in the Test Protocol for Capacity Check Tests, submitted by the Supplier to the Buyer for review and approval pursuant to Section 15.6 of the Agreement.

Introduction

The Capacity Check Test will be a test to demonstrate maximum continuous simultaneous production of Electricity and Useful Heat Output of the Facility, while operating within all applicable Laws and Regulations and equipment limits.

Each test will be a minimum of four (4) continuous hours at stable conditions. The Facility will be started up and brought up to the test load point and stabilized for a minimum of thirty (30) minutes operating within all applicable Laws and Regulations and equipment limits.

Upon the start of each test and during each hour during the test, data will be recorded. Fuel supplied, Electricity output, and Useful Heat Output will be recorded from revenue grade metering. If revenue grade metering is unavailable, alternatives will be proposed for approval by the Buyer in advance of the Capacity Check Test.

The measured Electricity output shall be net of Station Service Load and Auxiliary Loads. The Station Service Load and Auxiliary Loads shall include all equipment, including lighting, pumping, ventilation and other ancillary equipment that would be operational during normal plant operation. If any equipment contributing to Station Service Load is supplied from a source outside the Facility or otherwise not reflected in the metered Electricity output of the Facility, then the Electricity consumption of such equipment shall be submetered during the test and subtracted from the metered Electricity output of the Facility. Use of engineering estimates for such equipment may also be acceptable provided that the estimation methodology is approved in advance by the Buyer as part of the Test Protocol.

The Useful Heat Output shall be measured using revenue grade metering capable of measuring the thermal energy accurately to within +/- 1% and shall be net of all thermal energy returned to or imported by the Facility that cannot be shut off during the test. The metering for Useful Heat Output delivered to the Host Facility shall be located at a point as close to the delivery point to the Host Facility as practical. The thermal energy returned from the Host Facility and any other sources of thermal energy supplied to the Facility shall be measured using revenue grade metering capable of measuring thermal energy accurately to within +/- 1%.

The fuel supply shall be measured by revenue grade metering.

The Test Protocol submitted by the Supplier in respect of Capacity Check Tests for the Facility shall include, at a minimum, the following elements.

General

This section must state the Facility name and operator, location, and a brief comment on the objectives of the test.

Facility Description

A description of the Facility must be provided including all major equipment and all equipment comprising the Station Service Load and Auxiliary Loads. The description will also include expected operating ranges, and any operating limitations.

The description shall include:

- (a) A single line diagram of the electrical layout of the Facility, including Auxiliary Loads, sources for supply of Station Service Load external to the Facility and all Electricity metering locations.
- (b) A layout diagram for the supply of Useful Heat Output to the Host Facility, return of thermal energy to the Facility and any other sources of thermal energy supplied to the Facility and all thermal metering locations.
- (c) A fuel supply diagram showing all fuel sources for the Facility and all fuel metering locations

Demonstration Test Plan Description

A description of the test plan shall include provision, as appropriate, for submetering or estimation of Auxiliary Loads and Station Service Load supplied from outside the Facility (or otherwise not reflected in the measured Electricity output of the Facility) and measurement of thermal energy returned to the Facility from the Host Facility and any other thermal energy supplied from outside the Facility.

Testing Contractor

Identify the testing contractor, if applicable, including the name, address, and phone number of the project manager, and discuss prior project experience.

Test Program Organization

An organizational chart must be included showing general organization, delegation of authority, names and duties of all personnel involved. A discussion must be provided to include the qualifications of all personnel involved in relation to the duties assigned to them.

Test Program Objectives

The objectives of the test program must be discussed in detail and shall include (as a minimum) the following information:

- (a) applicable rules, permits, permit limits, conditions or agreements;
- (b) the operating load points (percent of design capacity) at which the equipment will operate during the testing;
- (c) Auxiliary Loads and Station Service Load supplied from outside the facility (or otherwise not reflected in the measured Electricity output of the Facility) and proposed methodology for estimating these loads;
- (d) the thermal energy expected at the operating load points at which the equipment will operate during the testing
- (e) provision for measurement of thermal energy returned to the Facility from the Host Facility and any other thermal energy supplied from outside the Facility
- (f) discussion of how the proposed test program will fulfill the requirements of Capacity Check Test and all applicable rules, permit conditions, and agreements;
- (g) **[proposed test date(s);]** and
- (h) expected date of test report submittal. The source test report is required to be submitted to the department within sixty (60) days of test completion, unless otherwise specified.

Test Procedures

Instrumentation and Equipment Description

This section must provide descriptions and diagrams showing and listing all instrumentation to be used during the test and latest calibration test results.

Test Procedures

This section must provide description of proposed test procedures that satisfy the general requirements of this Test Protocol.

Capacity Check Test Report

The Test Protocol shall also contain a proposed outline for the Capacity Check Test report that will set out the results of the Capacity Check Test.

The report shall have a cover page with signatures of an officer of the Supplier and the project manager for the Capacity Check Test.

The Capacity Check Test report shall also include all information set forth above in this Test Protocol.

In addition, the Capacity Check Test report shall include test data, sample calculations, and test calculations in appendices, including any adjustment to the measured Electricity output pursuant to Exhibit AA of the Agreement.

A sample of test report contents is shown in the box below:

<u>Sample Capacity Check Test Report Outline</u>	
1.	Cover <ol style="list-style-type: none">a. Company nameb. Name of the consulting company performing the source test (if applicable)c. Name of Facilityd. Date of test
2.	Signature Page or Cover Letter <ol style="list-style-type: none">a. Endorsement by project managerb. Endorsement by authorized representative of the Supplierc. Written approval by the OPA of the Test Protocol
3.	Introduction <ol style="list-style-type: none">a. Project description and locationb. Test purposec. Description of equipment, number of years in serviced. Test datese. Names of observers: industry, OPA and consultant (include titles)
4.	Summary of Results <ol style="list-style-type: none">a. Electricity output (net of Station Service Load and Auxiliary Loads)<ol style="list-style-type: none">(1) Average measured output for each hour of the test(2) Any adjustment to Electricity output pursuant to Exhibit AA(3) Test run average for each determinationb. Useful Heat Output (net of thermal energy returned to or imported by the Facility)<ol style="list-style-type: none">(1) Average measured output for each hour of the test(2) Test run average for each determinationc. Fuel Supply<ol style="list-style-type: none">(1) Average measured output for each hour of the test(2) Test run average for each determinationd. Heat Rate<ol style="list-style-type: none">(1) Average for each hour of the test(2) Test run average for each determination <p>Discussion of errors, both real and apparent</p>
5.	Methods and Calculations <ol style="list-style-type: none">a. Use equations described in the applicable test methodsb. Show a step-by-step complete calculation of one test run

- c. Include any deviations from applicable calculations or test methods
 - d. Include methods, descriptions and equations
6. Appendices
- a. Raw field data
 - b. Source test log documenting times of source test events
 - c. Sample calculation (including any adjustment to Electricity output pursuant to Exhibit AA)
 - d. All project participants and titles
 - e. Related correspondence

**EXHIBIT Y
METERING PLAN**

Metering Plan

Submitted by:

[Note to Finalization: Insert Supplier's legal name]
(the "Supplier")

in respect of:

[Note to Finalization: Insert Facility name]
(the "Facility")

to:

Ontario Power Authority
(the "OPA")

Prepared by
[State Name of Preparer]

Date

Representations

The Supplier represents and warrants that:

- (i) the Supplier is, as of the date hereof, in compliance with the applicable requirements of Section 2.8 of the Combined Heat and Power IV Contract between the Supplier and the OPA dated as of the • day of •, 20• (the "CHP IV Contract");
- (ii) all of the representations and warranties set out in Section 7.1 of the CHP IV Contract continue to be true and correct in all material respects as of the date hereof;
- (iii) to the best of the Supplier's knowledge, the Supplier is not in breach or default of any obligation of the Supplier contained in the CHP IV Contract; and
- (iv) all statements, information, technical specification sheets, drawings, metering data, formulae, calculations, meter models, instrument models and all other relevant information contained herein are complete and accurate in all material respects and no material information required to fulfill the objectives to be derived from this Metering Plan is omitted.

Acknowledgements and Agreements

The Supplier acknowledges and agrees that:

- (i) the OPA's approval of this Metering Plan, if granted, is based on the OPA's reliance on the above representations being true and correct;
- (ii) this Metering Plan is a binding obligation of the Supplier enforceable by the OPA in accordance with the terms of the CHP IV Contract;
- (iii) it shall not make any material changes to this Metering Plan and the metering installation described herein in whole or in part without the OPA's prior written approval;
- (iv) in approving this Metering Plan, the OPA is not approving the design safety and suitability of the metering installation. The OPA, and its consultant (if any), have reviewed the Metering Plan only to the extent required in the CHP IV Contract. Review of design safety and suitability is not required in the CHP IV Contract as the responsibility for this lies solely with the Supplier;
- (v) the OPA's approval of the Metering Plan, if provided, does not constitute a warranty or guarantee that the Facility's metering installation is properly designed and meets all applicable laws in Canada. The responsibility for this lies solely with the Supplier;
- (vi) the OPA's approval of the Metering Plan, if provided, shall not be used for any purpose other than that stipulated in the CHP IV Contract. The Supplier shall not use or rely upon

the OPA's approval to represent to a third party in any manner that the OPA has approved the design, safety and integrity of the Facility's metering installation;

- (vii) the Metering Plan is a project-specific document. Plan approval for one project does not make the method of data collection, validation, adjustment and calculation, in whole or in part, approved for one project acceptable for another project.

Covenants

The Supplier covenants that:

- (i) it shall implement the Metering Plan in all respects and without material deviation;
- (ii) it shall provide the OPA with a commissioning report for all revenue meters referenced in the Metering Plan prior to any use of metered data for the purpose of a Capacity Check Test pursuant to Section 15.6 of the CHP IV Contract; and
- (iii) it shall at all times comply with its obligations contained in the CHP IV Contract.

Revision Block

Revision	Reason for Issue/Description	Date
•	First approved issue of the Metering Plan	

Approvals

Supplier's Signature

Name:

Title:

Date:

OPA's Signature

Name:

Title:

Date:

I. INTRODUCTION

Purpose of the Metering Plan

- To identify all instruments used for the measurement of the Facility's net Electricity output & net Useful Heat Output. Such instruments must comply with the requirements of the CHP IV Contract;
- To clearly show the method of how net Electricity output & net Useful Heat Output for the Facility will be measured validated, adjusted and calculated for the purpose of the CHP IV Contract. Such method will be used for the purpose of Capacity Check Test and reporting to the OPA as required in the CHP IV Contract;
- To determine the Actual Useful Heat Output Percentage as stipulated in the CHP IV Contract. The Facility's total net output and net Useful Heat Output are established using the OPA's approved method;
- To specify the technical requirements to enable OPA to have remote real time meter readings access as stipulated in the CHP IV Contract;
- To satisfy the requirements for achieving Commercial Operation as stipulated in the CHP IV Contract.

IESO Market Participation

Remote Meter Readings – Access by the OPA

II. ELECTRICAL POWER METERING

System Description

List of Meters/Instruments

Net Power Output – Before Restatement

Measurement (Explain how data is measured)

Validation (Explain how data is validated)

Adjustment (Explain how data is adjusted/edited, if applicable)

Calculations (Primary & Backup)

$$\text{MWh}_{\text{electrical}} = \text{Gross Electricity Output} - \text{Auxiliary Loads} - \text{Station Service Load (serviced externally)} - \text{Other adjustments}$$

Net Electricity Output – After Restatement

Measurement (Explain how data is measured)

Validation (Explain how data is validated)

Adjustment (Explain how data is adjusted/edited, if applicable)

Calculations (Primary & Backup)

$$\text{MWh}_{\text{electrical}} = \text{Gross Electricity Output} - \text{Auxiliary Loads} - \text{Station Service Load (serviced externally)} - \text{Other adjustments}$$

Maintenance & Calibration

Regular Maintenance (Explain who/how meters are maintained)

Frequency of Calibration

Updating the Buyer's Calibration Records

III. METERING OF THERMAL HEAT

System Description

List of Meters/Instruments

Net Useful Heat Output

Measurement (Explain how data is measured)

Validation (Explain how data is validated)

Adjustment (Explain how data is adjusted/edited, if applicable)

Calculations (Primary & Backup)

$$MWh_{\text{thermal}} = \sum M_e \times H_e - \sum M_r \times H_r - \sum M_i \times H_i$$

Where:

M_e is the mass flow of heat exported from the CHP cycle

H_e is the enthalpy of heat exported from the CHP cycle

M_r is the mass flow of heat returned to the CHP cycle

H_r is the enthalpy of heat returned to the CHP cycle

M_i is the mass flow of heat externally added to CHP cycle

H_i is the enthalpy of heat externally added to the CHP cycle

e, r, i denote respectively the number of export, return and import processes in the combined heat and power cycle.

Maintenance & Calibration

Regular Maintenance (Explain who/how meters are maintained)

Frequency of Calibration

Updating the Buyer's Calibration Records

IV. FUEL METERING

System Description

List of Meters/Instruments

Primary Fuel

Measurement (Explain how data is measured)

Validation (Explain how data is validated)

Adjustment (Explain how data is adjusted/edited, if applicable)

Calculations (Primary & Backup Meters)

Secondary Fuel

Measurement (Explain how data is measured)

Validation (Explain how data is validated)

Adjustment (Explain how data is adjusted/edited, if applicable)

Calculations (Primary & Backup Meters)

V. EXHIBITS

Exhibit 1: Single Line Diagrams

Drawing Number	Drawing Title	Revision	Date

Exhibit 2: Three Line Diagrams

Drawing Number	Drawing Title	Revision	Date

Exhibit 3: Flow/Process Diagrams & Other Drawings

Drawing Number	Drawing Title	Revision	Date

Exhibit 4: Electrical Metering Technical Data

Main Metering

Meter Number	Model Number	Description	Quality/ Accuracy

Backup Metering

Meter Number	Model Number	Description	Quality/ Accuracy

Exhibit 5: Thermal and Other Metering Technical Data

Main Metering

Instrument Number	Model Number	Description	Quality/ Accuracy

Backup Metering

Instrument Number	Model Number	Description	Quality/ Accuracy

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EXHIBIT Z
FORM OF SUPPLIER'S CERTIFICATE RE COMMERCIAL OPERATION

SUBMIT BY E-MAIL (PDF WITH SIGNATURE) TO
contract.management@powerauthority.on.ca

Capitalized terms not defined herein have the meanings ascribed thereto in the Agreement.

Date	
Legal Name of Supplier	
Name of Facility	
Agreement Title	CHP IV Contract #[insert Contract #] (the "Agreement")
Agreement Date	
Commercial Operation Date or Term Commencement Date	
Beginning of the Hour Ending	

WHEREAS Section 2.5(d) of the Agreement between the [Supplier Short Name] and the OPA dated as of [Contract Date] provides that the Facility will be deemed to have achieved Commercial Operation at the point in time when, *inter alia*, the OPA has received a certificate (this "Certificate") addressed to it from the Supplier containing certain statements with respect to the Facility, in addition to a separate IE Certificate referenced in Exhibit I of the Agreement;

NOW THEREFORE, [SUPPLIER LEGAL NAME] CERTIFIES to the OPA, and acknowledges that the OPA is relying on this Certificate, that:

- (a) [Independence Engineering Company Legal Name] is:
 - (i) duly qualified and licensed to practice engineering in the province of Ontario and which holds a certificate of authorization issued by Professional Engineers Ontario;
 - (ii) does not have a vested interest in the design, engineering, procurement, construction, metering and/or testing of the facility; and
 - (iii) not an affiliate of [Supplier Short Name] nor directly or indirectly Controlled by [Supplier Short Name].
- (b) [Supplier Short Name] has provided, or in the case of Section (b)(i) below, has caused the Independent Engineer to provide, to the OPA the following documentation required to be so provided at or prior to Commercial Operation:

- (i) certificate of an independent professional engineer using OPA's "Form of Independent Engineer Certificate" (OPACM-Form-016) in accordance with Section 2.5(c) of the Agreement;
- (ii) as-built single line diagram in accordance with Section 2.1(b) of the Agreement;
- (iii) *Workplace Safety and Insurance Act* (Ontario) clearance pursuant to Section 2.9(e) of the Agreement;
- (iv) Metering Plan that has been approved by the OPA pursuant to Section 2.5(a) of the Agreement; and
- (v) Ontario Energy Board Generator License pursuant to Section 2.10(b) of the Agreement.

Signed [Day] of [Month], [Year]

[Legal Name of Supplier]

By: _____
Name: **[Name]**
Title: **[Title]**

**EXHIBIT AA
FORM OF INDEPENDENT ENGINEER'S CERTIFICATE
RE COMMERCIAL OPERATION**

**SUBMIT BY E-MAIL (PDF WITH SIGNATURE) TO
contract.management@powerauthority.on.ca**

Capitalized terms not defined herein have the meanings ascribed thereto in the Agreement.

Date	
Legal Name of Supplier	
Name of Facility	
Agreement Title	CHP IV Contract #[insert Contract #] (the "Agreement")
Agreement Date	
Legal Name of Independent Engineer	

WHEREAS Section 2.5(c) of the Agreement between the Supplier and the OPA dated as of [Contract Date] provides that the Facility will be deemed to have achieved Commercial Operation at the point in time when, *inter alia*, the OPA has received a certificate (this "Certificate") addressed to it from an Independent Engineer containing certain statements with respect to the Facility;

AND WHEREAS [Legal Name of Independent Engineer] (the "Undersigned") acts as the Independent Engineer for the purposes of delivery of this Certificate;

NOW THEREFORE, THE UNDERSIGNED CERTIFIES to the OPA, and acknowledges that the OPA is relying on this Certificate, that:

- (i) the Undersigned is duly qualified and licensed to practice engineering in the province of Ontario;
- (ii) the Undersigned is neither an employee nor a consultant of the Supplier such that the majority of either the time or billings of the Undersigned during the 18 month period prior to the date hereof were devoted to the Facility;
- (iii) the Undersigned is not an affiliate of the Supplier nor directly or indirectly Controlled by the Supplier;
- (iv) the Facility has been completed in all material respects, excepting punch list items that do not materially and adversely affect the ability of the Facility to operate in accordance with the Agreement;

- (v) the Connection Point of the Facility is at the location specified on Exhibit B of the CHP IV Contract;
- (vi) the Facility has been constructed, connected, commissioned and synchronized to the Transmission System, a Distribution System or an Electrical Host Facility such that at least 100% of the Contract Capacity for the Facility is available to generate Electricity in compliance with Good Engineering and Operating Practices and the requirements of all Laws and Regulations;
- (vii) the Contract Facility has generated Electricity in compliance with all Laws and Regulations for four continuous hours at an uninterrupted rate of not less than 100% of the Contract Capacity, based on calculations of the generator output at the Delivery Points net of any Station Service Loads, in accordance with the Metering Plan, and the undersigned certifies that this has been satisfied by the energy output in each of the four hours (in MWh), divided by one hour, being equal to or greater than the Contract Capacity, provided further that the Contract Capacity, the energy output of the Contract Facility, the Station Service Loads, and the energy attributable to Useful Heat Output, as may be measured by the foregoing test, has been adjusted for ambient weather or other conditions whatsoever; and
- (viii) the Independent Engineer has reviewed the Metering Plan approved by the OPA pursuant to Section 2.2(a) of the Agreement, and all calculations have been performed in accordance therewith.

Signed [Day] of [Month], [Year]

[Legal Name of Independent Engineer]

Per: _____
 Name: [Name, P.Eng.]
 Title: [Title]

Professional Engineer Stamp of Signing Engineer

EXHIBIT BB
APPROVED TEST PROTOCOL

To be provided by Supplier following Commercial Operation Date – see Section 15.6(c).

EXHIBIT CC

INTENTIONALLY DELETED

EXHIBIT DD
KEY EQUIPMENT SUPPLIERS

1. List of Key Equipment Suppliers

The Key Equipment Suppliers shall include the following:

- (a) Key Equipment Suppliers under contract with the Supplier or its contracted EPC Contractor as of the date of the Agreement:

- (b) Key Equipment Suppliers (to be selected by the Supplier or its contracted EPC Contractor following execution of the EPC Contract) shall include the third party equipment suppliers which are at Arm's Length to the Supplier and the EPC Contractor and under contract with the Supplier or its contracted EPC Contractor to supply the following key engineered equipment or equivalents, if applicable:
 - Combustion Turbine/Generator
 - Heat Recovery Steam Generator ("HRSG")
 - Steam Turbine Generator
 - HRSG Bypass Stack
 - HRSG Bypass Stack Heater
 - Generator Step Up Transformer
 - Distributed Control System
 - Continuous Emissions Monitoring System
 - Plant Cooling System
 - High Pressure Boiler Feed Water Pump
 - Demineralized Water Treatment System
 - Condensate Pump
 - Condensate Polisher System
 - Medium Voltage Switchgear and Motor Control Center
 - Gas Compressor

- Water Treatment Plant Module
- SCR (Selective Catalytic Reduction) Stack Assembly

2. Due Diligence Process Relating to Selection of Key Equipment Suppliers

As part of the procurement process undertaken to select Key Equipment Suppliers (except for the supplier of the combustion turbine/generator sets as noted in Section 1 above), the Supplier shall enforce the provisions of the EPC Contract which shall require the EPC Contractor to undertake the following minimum due diligence procedures to mitigate the risk associated with strikes or labour disputes relating to the employees of Key Equipment Suppliers:

- (a) Each bidder shall be required to submit the following information as part of its bid submission:
 - Is bidder's shop and/or subcontractor's shop affiliated with any labour union?
_____ (yes) _____ (no)
 - If yes, provide the following information:
 - (i) Name of bidder's and/or subcontractor's labour union(s) by trade and local union number(s).
 - (ii) Dates of expiration and/or renegotiation dates of each labour contract or collective agreement.
 - (iii) Is bidder's shop(s) and/or subcontractor's shop(s) presently experiencing any work stoppages as a result of a strike or labour dispute?
_____ (yes) _____ (no)
 - (iv) Furnish date and length of last work stoppage resulting from a strike or labour dispute.
- (b) The Supplier or EPC Contractor shall review and analyze the answers to these questions to determine whether there is an impending risk of a strike or labour dispute affecting a bidder and its subcontractors. To the extent that a labour contract or collective agreement is set to expire during the execution of the work, the Supplier or EPC Contractor shall consider the bidder's prior history relating to strikes and labour disputes and any pending or potential issues between the bidder and its labour union(s).
- (c) If, after completing the foregoing due diligence procedures, the Supplier or EPC Contractor concludes that there is a reasonable risk that a bidder or its subcontractors may be subject to a strike or labour dispute which will unduly delay the execution of the work, the Supplier or EPC Contractor, as applicable, shall disqualify such bidder from the procurement process.

3. Measures to Mitigate Impact of Key Equipment Supplier Strikes or Labour Disputes

In the event of a strike or labour dispute by employees of any Key Equipment Supplier, the Supplier shall use, and shall enforce the provisions of the EPC Contract which shall require the EPC Contractor to use, Commercially Reasonable Efforts to mitigate the duration and impact of such a strike or labour dispute, including using Commercially Reasonable Efforts to recover any time lost as a result of such delay.

4. Where No EPC Contractor or EPC Contract

In the case of there being one or more Other Contractor(s), the Supplier's obligations under this Exhibit DD shall be met if the Other Contractor(s) shall themselves carry out and be subject to such obligations or requirements, and have any liabilities, that the EPC Contractor would have been required to carry out or would have been subject to had the EPC Contractor been engaged, and the EPC Contract contained such provisions, as otherwise contemplated in this Exhibit DD. For clarity, the provisions of Sections 2 and 3 of this Exhibit DD shall apply to every Other Contractor.

5. Multiple Contractors

Subject to Section 4 of this Exhibit DD, the obligations that would otherwise be applicable to an EPC Contractor or under an EPC Contract under this Exhibit DD may be borne by more than one Other Contractor or be contained in more than one contract (such that some such obligations are contained in one contract and others in another contract) provided that, in respect of each and every such Other Contractor and contract, the applicable provisions of Sections 2 and 3 of this Exhibit DD shall apply.