



**BRUCE C IMPACT ASSESSMENT FUNDING AGREEMENT**

between

**the INDEPENDENT ELECTRICITY SYSTEM OPERATOR**

- and -

**BRUCE POWER L.P.**

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**April 5, 2024**

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## SCHEDULES

Schedule "A" – Estimate Breakdown

This Impact Assessment Funding Agreement (this “**Agreement**”) is made as of the 5<sup>th</sup> day of April, 2024 (the “**Effective Date**”), between:

**INDEPENDENT ELECTRICITY SYSTEM OPERATOR** (the “**IESO**”)

-and-

**BRUCE POWER L.P.** (the “**Recipient**”)

## **RECITALS**

- I. On July 10, 2023, the Province of Ontario released a report titled *Powering Ontario’s Growth: Ontario’s Plan for a Clean Energy Future*. Along with the release of this report, the Minister of Energy (Ontario) issued a letter to the IESO in which it asked the IESO to “[i]n collaboration with Bruce Power, develop a cost sharing and recovery framework for a nuclear new-build Impact Assessment at the Bruce nuclear site” that includes “appropriate mechanics to balance cost and risk sharing in order to minimize impacts on electricity ratepayers.”
- II. As a result of this guidance, the Recipient is exploring options for adding up to 4,800 megawatts of additional nuclear generation capacity at the Bruce nuclear site (the “**Project**”) and has commenced pre-development work in respect of the Project.
- III. The IAAC (as defined below) is responsible for administering federal IAs (as defined below). The IA process is set out in the *Impact Assessment Act* (Canada) and the regulations made thereunder (together, the “**Act**”). The Project is subject to the Act and will therefore be required to complete a joint review IA process by the IAAC and the CNSC under the Act.
- IV. The Parties intend for the IESO to provide funding pursuant to this Agreement to enable the Recipient to initiate and complete the IAAC and CNSC joint review process in a manner that is timely, efficient, and in the best interests of electricity ratepayers.
- V. This is a new agreement between the Parties, although by virtue of the incorporation of certain terms herein and in respect of Section 4(c) it may be linked to, but for certainty is entirely distinct from, the Amended and Restated Bruce Power Refurbishment Implementation Agreement between the IESO and the Recipient dated December 3, 2015 (as previously amended and as may be hereafter amended from time to time, the “**ARBPRIA**”).
- VI. The IA for the Project is expected to benefit from extensive work carried out between 2006 and 2009 for, or on behalf of, the Recipient and funded solely by the Recipient (the “**Prior Work**”). This is a contribution being made by the Recipient to the overall joint review IA process for which the Parties have agreed the Recipient will not receive any financial compensation under this Agreement.

VII. The IESO and the Recipient have agreed that the IA will be funded by the Parties as described in, and subject to, the terms and conditions set out in this Agreement and the Schedule attached hereto.

**IN CONSIDERATION** of the agreements set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

## 1. DEFINITIONS

The following capitalized terms have the meanings stated below when used in this Agreement:

**“Act”** has the meaning given to it in the recitals of this Agreement.

**“Agreement”** has the meaning given to it in the preamble of this Agreement.

**“Alternate Funds”** has the meaning given to it in Section 3(a)(iv).

**“Annual Report”** has the meaning given to it in Section 11(b).

**“Applicable Law”** means any law, including any statute, legislation, treaty, regulation and any applicable guideline, directive, rule, code, standard, requirement, policy, order, judgment, injunction, award or decree of a Governmental Authority and any applicable Governmental Approvals, in each case having the force of law and that is applicable to the relevant person, event or circumstance.

**“Arbitration Act”** has the meaning give to it in Section 15(d).

**“ARBPRIA”** has the meaning given to it in the recitals of this Agreement.

**“Base Operating Costs”** has the meaning given to it in the ARBPRIA.

**“Claim”** means any actual or threatened civil, criminal, administrative, regulatory, arbitral or investigative demand, allegation, action, suit, investigation or proceeding.

**“Commercially Reasonable Efforts”** means efforts which are designed to enable a Party, directly or indirectly, to perform its obligations under this 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 obligations to be performed.

**“Confidential Information”** means all information, whether written or oral, provided to the Receiving Party or its Representatives by the Disclosing Party or its Representatives relating to the Disclosing Party, its business, affairs, financial position, assets, technology, operations, products, activities or proposed products or activities and prospects including any technical, commercial, legal, financial, strategic, tactical, regulatory or governmental information and any information relating to existing partners, reports, contracts, business plans, projections, forecasts or data, trade secrets and all other documents or information provided for inspection or review or pertaining in any way whatsoever to the Disclosing Party or this Agreement. Such information constitutes Confidential Information whether disclosed before or after the date hereof irrespective of whether it is labelled or otherwise

identified as “confidential”. Confidential Information does not include, however, information that the Receiving Party is able to demonstrate to the Disclosing Party’s satisfaction, acting reasonably,

- a) was or becomes generally known to the public other than by a breach of the Receiving Party or any of its Representatives of this Agreement;
- b) as shown by written record, was specifically known by the Receiving Party prior to disclosure by the Disclosing Party hereunder and was not subject to any confidentiality obligation;
- c) as shown by written record, was independently developed by the Receiving Party without use of or reference to the Confidential Information; or
- d) was or becomes known to the Receiving Party on a non-confidential basis from a third party other than the Disclosing Party, so long as such source was not subject to any confidentiality obligation.

“**CNSC**” means the Canadian Nuclear Safety Commission established pursuant to the *Nuclear Safety and Control Act (Canada)*, including any replacement federal Governmental Authority responsible for regulation of nuclear power.

“**Detailed Project Description**” means the notice and detailed description of the Project as contemplated in subsection 15(1) of the Act and any amendments to such notice and/or description as contemplated in subsection 15(2) of the Act.

“**Disclosing Party**” has the meaning give to it in Section 12(a).

“**Dispute**” has the meaning given to it in Section 15(a).

“**Effective Date**” has the meaning given to it in the preamble of this Agreement.

“**Eligible Expenses**” has the meaning given to it in Section 4(a)(iii).

“**EPP Funding**” has the meaning given to it in Section 5(d).

“**ETA**” means Part IX of the *Excise Tax Act (Canada)*.

“**Excess Funds**” has the meaning given to it in Section 5(b)(ii).

“**Excluded Scope**” has the meaning given to it in Section 2(c).

“**Final Cost Statement**” has the meaning given to it in Section 4(c).

“**Force Majeure Event**” has the meaning given to it in Section 17.

“**Good Engineering Practices**” means any of the practices, methods and activities adopted by a significant portion of the North American electric generating industry as good practices applicable to, as the context in this Agreement requires, the development, permitting or construction, or all of the foregoing, of nuclear generating facilities of similar design, size and capacity or any of the practices, methods or activities which, in the exercise of skill, diligence, prudence and judgment by a prudent nuclear electric generator in light of the facts known at the time the decision was made, could have

been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety, expedition and Applicable Law. Good Engineering Practices are not intended: (i) to be limited to the optimum practices, methods or acts to the exclusion of all others, but rather are intended to delineate practices, methods or acts generally accepted in the North American electric generating industry; and (ii) notwithstanding the immediately preceding clause (i), to prevent or discourage innovation in the undertaking of such practices, methods or activities provided that such innovation incorporates the exercise of skill, diligence, prudence and judgment by a prudent nuclear electric generator in light of the facts known at the time.

**“Governmental Approvals”** means any declaration, filing or registration with, license, permit, certificate, registration, authorization, consent or approval of, any Governmental Authority pertaining to the Project.

**“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, but only in its capacity as the operator of the IESO-controlled grid, the IAAC, the CNSC, the Ontario Energy Board, the Electrical Safety Authority, the Office of the Auditor General of Ontario, and any person acting under the authority of any of the foregoing or their respective successor entities.

**“Group”** means (i) in reference to the Recipient, (A) its general partner and any of its Affiliates and each of the Limited Partners and any of their Affiliates; and (B) its lenders or potential lenders and any bona fide potential investors in the Recipient or in any Limited Partner; and (ii) in reference to the IESO, members or staff of the Province of Ontario, including its ministries and agencies, or the Province of Ontario’s Executive Council. **“Affiliate”** in this definition of “Group” has the meaning ascribed to it in the ARBPRIA.

**“HST”** has the meaning given to it in Section 6(b).

**“IA Approval”** has the meaning given to it in Section 2(a)(iv) and includes any successor or replacement approval arising from any amendment, re-enactment or replacement of the Act.

**“IA Dedicated Staff”** means employees, or individuals who are independent contractors, of the Recipient who are dedicated on a full-time basis exclusively to the performance of the Work.

**“IA Deliverables”** means all plans, studies and reports completed as part of the Work.

**“IAAC”** means the federal Impact Assessment Agency of Canada continued pursuant to the Act, including any replacement federal Governmental Authority responsible for federal nuclear new-build impact assessment, and for purposes of this Agreement includes any review panel constituted with the CNSC pursuant to sections 43 and 44 of the Act for purposes of completing an IA of the Project.

**“IESO”** has the meaning given to it on the recital page of this Agreement.

**“Impact Assessment”** or **“IA”** has the meaning given to it in section 2 of the Act, namely, an assessment of the effects of a designated project that is conducted in accordance with the Act.

**“Impact Statement”** means any information or studies in respect of the IA for the Project required to be submitted as contemplated in section 19(1) of the Act.

**“Incremental Costs”** means the costs and expenses incurred by the Recipient from and after the Reimbursement Start Date in connection with, arising from, or related to the Work, including: (i) IA Dedicated Staff (including salary, overtime, benefits, pensions, post-employment benefits, allowances, and/or bonuses); and (ii) the services and reimbursable expenses of external professional advisors and consultants, including engineering, financial, environmental and legal, retained in accordance with Section 3(a)(ii); provided, however, Incremental Costs do not include Regulatory Fees or Internal Costs.

**“Ineligible Expenses”** has the meaning given to it in Section 4(b).

**“Initial Project Description”** means the initial description of the Project required in connection with the IA as contemplated in subsection 10(1) of the Act.

**“Internal Costs”** means (i) the staff costs (including salary, overtime, benefits, pensions, post-employment benefits, allowances, and/or bonuses) for the Recipient’s internal staff other than IA Dedicated Staff, and (ii) any costs for environmental assessment, studies and all other work completed by the Recipient related to the Bruce Power site, whether related to the Project or not, prior to the Reimbursement Start Date.

**“Invoice”** has the meaning given to it in Section 6(a).

**“Limited Partners”** means the limited partners, from time to time, of the Recipient.

**“Material Scope Change”** has the meaning given to it in Section 2(b).

**“O&M Efficiency Amount”** has the meaning given to it in the ARBPRIA.

**“OPG”** means Ontario Power Generation Inc., or its successors and permitted assigns as party to the OPG Lease.

**“OPG Lease”** means the Second Amended and Restated Bruce Lease relating to the Bruce Nuclear Generating Station dated as of October 11, 2016 between OPG, the Recipient, certain subsidiaries of OPG, TransCanada Pipelines Limited, and OMERS Administration Corporation, as amended pursuant to a first amending agreement made as of March 31, 2021, and a second amending agreement dated March 1, 2024, together with any amendment, change supplement, restatement, extension, renewal or modification thereof.

**“Party”** or **“Parties”** means one or both of the IESO and the Recipient, as the context requires.

**“Payment Period”** means the first six-month period commencing on the first day of the calendar month immediately following the Effective Date (or the Effective Date if it is the first day of a calendar month) and each subsequent six-month period thereafter until the last day of the Term; provided, however, the first Payment Period will include all days from and including the Reimbursement Start Date and up to the first day of the calendar month immediately following the Effective Date and the last Payment Period may be less than six months.

**“Prior Work”** has the meaning given to it in the recitals of this Agreement.

**“Project”** has the meaning given to it in the recitals of this Agreement.

**“Receiving Party”** has the meaning give to it in Section 12(a).

**“Recipient”** has the meaning given to it in the recitals of this Agreement.

**“Regulatory Fees”** has the meaning given to it in Section 4(a)(i).

**“Reimbursement Start Date”** means July 10, 2023.

**“Representatives”** means the directors, officers, employees or advisors (including a financial advisor, legal counsel or accountant) of a Party or a Party’s Group.

**“Summary of Issues”** means the summary of issues as contemplated in subsection 14(1) of the Act.

**“Supplementary Information Requests”** means any requirements to provide additional or supplemental information in connection with the IA for the Project including as contemplated in subsection 19(3), section 38 and subsection 52(2) of the Act.

**“Tailored Impact Statement Guidelines”** means any tailored guidelines regarding the information or studies required to be completed for the Project as contemplated in subsection 18(1)(b) of the Act.

**“Term”** has the meaning given to it in Section 7.

**“Work”** has the meaning given to it in Section 2(a).

## 2. WORK

(a) The **“Work”** to be undertaken and performed by the Recipient with respect to the IA for the Project will comprise all activities and undertakings necessary to complete the joint review IA for the Project and to obtain the IA Approval, and is expected to include the following phases and activities, including those set out in Schedule “A” – Estimate Breakdown, but does not include the Excluded Scope.

(i) Pre-planning and Planning:

1. preparation and submission of the Initial Project Description, as required under the Act’s IA process;

2. preparation and submission of the Detailed Project Description, as required under the Act's IA process;
3. responding to the Summary of Issues;
4. undertaking and participating in engagement, as needed;
5. providing community capacity funding;
6. technical assessment of the Project site and technology assessment as is necessary in order to develop the plant parameter envelope required for the IA process;
7. corresponding and meeting with the IAAC and the CNSC as required in connection with any of the above; and
8. obtaining or preparing plans, studies and reports as required in respect of any of the above;

(ii) Impact Statement:

1. collection of information and completion of all required studies, as will be specified in the Tailored Impact Statement Guidelines;
2. consideration of Indigenous knowledge, scientific information, community knowledge and other evidence;
3. analysis of the potential impacts of the Project, including with regard to the factors listed in section 22 of the Act;
4. consultation and engagement with the public and Indigenous groups to gather information and address concerns, as required;
5. preparation and submission of the Impact Statement, as required under the Act's IA process;
6. preparation and submission of the CNSC licence to prepare site in respect of the Project;
7. preparation and submission of responses to any Supplementary Information Requests; and
8. obtaining or preparing plans, studies and reports as required in respect of any of the above;

(iii) Impact Assessment:

1. preparation and submission of responses to any Supplementary Information Requests;
2. participation in public engagement sessions;
3. participation in consultations with Indigenous groups;
4. participation in the public hearing, as required; and
5. providing comments on potential conditions of a CNSC licence to prepare site in respect of the Project and of an IA Approval; and
6. obtaining or preparing plans, studies and reports as required in respect of any of the above;

(iv) IA Approval:

1. obtaining a public interest determination by the Governor-in-Council and thereafter obtaining a final, unappealable decision statement issued by the federal Minister of the Environment and Climate Change determining that any adverse effects of the Project are in the public interest and the issuance of a CNSC licence to prepare site in respect of the Project (collectively considered the “**IA Approval**” for purposes of this Agreement), including administrative activities to support the receipt of and finalization of the IA Approval.

(b) The Parties acknowledge that the details of the Work set out in Section 2(b) are based on certain current estimates and assumptions in respect of the Act as of the Effective Date. The Parties further acknowledge that the total Incremental Costs to complete the Work, as of the Effective Date, are estimated to be \$66.85 million as more specifically described in Schedule “A” – Estimate Breakdown. If there is any (i) repeal, replacement, amendment, change or other modification to the Act or (ii) change or other modification to the interpretation, implementation, application or administration of the Act (which, for greater certainty, includes changes or other modifications to existing, or introduction of new, guidelines in respect of the Act) by a Governmental Authority during the Term, that may individually or in the aggregate materially impact the Work, including its timeline (a “**Material Scope Change**”), the Parties will negotiate in good faith to amend the scope and timing of the Work, as necessary.

(c) Operational activities or other activities, projects and/or costs undertaken or incurred by the Recipient that are not directly related to the IA process, including any work related to technology selection (other than as provided in Section 2(a)(i)6) and licensing or approvals

required to be obtained for the Project that are not the IA Approval, are excluded from the Work (the “**Excluded Scope**”).

### **3. OBLIGATIONS OF THE RECIPIENT AND THE IESO**

(a) The Recipient will implement and undertake the Work with a view to obtaining the IA Approval and, in implementing and undertaking the Work, the Recipient will:

- (i) use Commercially Reasonable Efforts to cost effectively implement and undertake the Work in accordance with Good Engineering Practices and this Agreement;
- (ii) utilize the services of external professional advisors and consultants, including engineering, financial, environmental and legal, where such expertise is necessary to supplement existing resources or the IA Dedicated Staff;
- (iii) utilize existing internal resources and the Prior Work in accordance with Good Engineering Practices in an effort to reduce Incremental Costs;
- (iv) use Commercially Reasonable Efforts to seek out and obtain all available sources of alternative funding, including any applicable tax credits, available from any Governmental Authority to offset the Recipient’s costs of completing the Work, including any funding available from Natural Resources Canada and other federal or provincial government sources, for which the Recipient is eligible and that is directly related to the Work (“**Alternate Funds**”). For certainty, any funds that (A) the IESO receives directly or indirectly related to the IA process from the Province of Ontario or its ratepayers, or (B) that the Recipient receives and that are not directly related to the Work, are in either case not Alternate Funds for purposes of this Agreement; and
- (v) comply in all material respects with all Applicable Laws, including any privacy obligations under Applicable Laws.

(b) The IESO will provide funding to the Recipient to facilitate the implementation and undertaking of the Work in accordance with Section 4 below.

### **4. COST ALLOCATION**

(a) In order for the Recipient to implement and undertake the Work, the IESO will reimburse the Recipient as follows:

- (i) For 100% of the fees, charges or levies billed to the Recipient by the IAAC and the CNSC in connection with the IA process and the Work (the “**Regulatory Fees**”), that for greater certainty include all amounts paid by the Recipient to the CNSC pursuant to the special project services agreement to be entered into between the Recipient and the CNSC;

- (ii) For 75% of the first \$60 million of reasonable Incremental Costs incurred in respect of activities and undertakings comprising the Work from and after the Reimbursement Start Date, up to a total of \$45 million; and
- (iii) For 50% of the next \$60 million of reasonable Incremental Costs incurred in respect of activities and undertakings comprising the Work, up to an additional \$30 million.

((i), (ii) and (iii) collectively, the “**Eligible Expenses**”).

(b) The Recipient will not be entitled to reimbursement by the IESO hereunder for any of the following costs:

- (i) work contemplated or undertaken in relation to the Bruce Power site that is covered under the ARBPRIA;
- (ii) any Internal Costs;
- (iii) any costs related to the Excluded Scope; and
- (iv) any costs related to the Prior Work

((i), (ii), (iii) and (iv) collectively, the “**Ineligible Expenses**”).

(c) Within 60 days following the expiry of the Term or earlier termination of this Agreement, the Recipient will prepare a detailed accounting (the “**Final Cost Statement**”) of all Incremental Costs incurred by the Recipient in relation to the IA process or the Work, all amounts reimbursed by the IESO in connection therewith and all Alternate Funds received or receivable. Any Incremental Costs incurred by the Recipient hereunder that are not reimbursed by the IESO hereunder or that are not recovered by any Alternate Funds retained by the Recipient in accordance with Section 5 (the “**Unrecovered Costs**”), will be deemed to be Base Operating Costs under the ARBPRIA. Such Unrecovered Costs will be added to the Base Operating Costs and will be included in the Recipient’s calculation of the O&M Efficiency Amount in the Planning Period ending December 31, 2030. (Capitalized terms not otherwise defined in this Section 4(c) have the meanings ascribed to them in the ARBPRIA.)

## **5. ALTERNATE FUNDS**

In the event that any Alternate Funds are received or receivable by the Recipient in the period from and after the Reimbursement Start Date up to the last day of the Term:

- (a) the IESO is to be the beneficiary of the proceeds of any Alternate Funds received by the Recipient in order to first offset or repay 100% of the Regulatory Fees that the IESO, in aggregate (i) is required to reimburse the Recipient but that have been offset pursuant to Section 6(c), or (ii) has reimbursed to the Recipient pursuant to Section 4(a)(i); and

- (b) if any Alternate Funds remain after first applying them to offset the Regulatory Fees, then those Alternate Funds will be shared between the Parties as follows:
- (i) for the first \$60 million of Alternate Funds remaining after deduction of the Regulatory Fees, 75% will go to the account of the IESO in order to repay the Incremental Costs that the IESO, in aggregate (A) is required to reimburse the Recipient but that have been offset pursuant to Section 6(c), or (B) has reimbursed to the Recipient pursuant to Section 4(a)(ii), up to a total of \$45 million and the remainder will be retained by the Recipient; and
  - (ii) for any remaining Alternate Funds in excess of the sum of the Regulatory Fees and \$60 million (the “**Excess Funds**”), 50% of the Excess Funds will go to the account of the IESO in order to repay the Incremental Costs that the IESO, in aggregate (A) is required to reimburse the Recipient but that have been offset pursuant to Section 6(c), or (B) has reimbursed to the Recipient pursuant to Section 4(a)(ii), up to a total of \$30 million and the remainder will be retained by the Recipient.
- (c) For greater certainty:
- (i) the total amount of reductions of payments by the IESO on Invoices pursuant to Section 6(c) and the amount of payments made by the Recipient pursuant to this Section 5 will not exceed the sum of the Regulatory Fees and \$75 million;
  - (ii) subject to Section 5(d), any funding or benefits received by the Recipient from Governmental Authorities not directly related to the Work will be for the Recipient’s account and retained 100% by the Recipient; and
  - (iii) the Recipient may seek funding with respect to the Project but not directly related to the Work or used to pay Incremental Costs from any sources in its discretion.
- (d) The Parties acknowledge that the Recipient is pursuing funding from Natural Resources Canada under the Electricity Predevelopment Program (“**EPP Funding**”). In respect of any EPP Funding received or receivable by the Recipient, the Parties acknowledge and agree that:
- (i) any EPP Funding provided by Natural Resources Canada to the Recipient is intended to benefit Ontario electricity ratepayers and, consequently, the Recipient is to use any EPP Funding received, to the greatest extent possible, as Alternate Funds under this Agreement;
  - (ii) the Recipient’s use of the EPP Funding may be time limited; and
  - (iii) in the event that the Recipient’s use of any EPP Funding is time limited and the Recipient (A) cannot obtain an extension to use the EPP Funding by a later date, (B) cannot reasonably spend the EPP Funding on the Work within the required time, and (C) is otherwise entitled to use the EPP Funding for other activities which, while

not directly related to the Work contemplated in this Agreement, are in furtherance of the Project, then, provided the Recipient has provided the IESO with reasonable written notice of its intended use of such EPP Funding, the Recipient may use the EPP Funding for such other use described in (C).

## **6. INVOICING REQUIREMENTS AND AUDIT RIGHTS**

- (a) The Recipient will prepare and deliver to the IESO an invoice (the “**Invoice**”) within 30 days after the end of each Payment Period. Each Invoice will set out the actual Eligible Expenses incurred during the immediately preceding Payment Period, any Alternate Funds received in such Payment Period and will include reasonably detailed back-up data and information to support or establish the amounts set forth therein, which will form part of such Invoice and if the Recipient fails to provide such reasonably detailed back-up information and data in the Invoice, the IESO may send notice to the Recipient requesting same and the Recipient will promptly and in any event within 10 days thereafter, provide same to the IESO.
- (b) The Eligible Expenses reimbursable by the IESO are exclusive of Harmonized Sales Tax (“**HST**”) and all other applicable taxes. Where applicable, HST and other taxes will be shown separately on all Invoices. The Recipient will deduct all recoverable HST from Eligible Expenses before calculating HST on amounts to be invoiced to the IESO. For greater certainty, recoverable HST means HST paid by the Recipient on its own account and that is recoverable to it by way of input tax credit, rebate or similar mechanism.
- (c) Any Alternate Funds received in a Payment Period will be used to reduce the amount payable by the IESO to the Recipient on the basis described in Section 5 of this Agreement. In addition, once the Work has been completed and all Alternate Funds received, the Recipient will provide the IESO with a full reconciliation documenting how all Alternate Funds received have been allocated between the Parties in accordance with Section 5.
- (d) Each Invoice will be payable by the IESO within 60 days of the later of (i) receipt of the Invoice and (ii) receipt of any additional reasonably detailed back-up information and data requested pursuant to Section 6(a). If the IESO disputes an Invoice or any portion thereof in good faith, the IESO will, notwithstanding such dispute, pay any amount not in dispute in such Invoice to the Recipient.
- (e) At any time during the Term and for a period of two years thereafter and in connection with and for the purposes of verifying Invoices and back-up data and information or to conduct an audit of Eligible Expenses incurred, or Alternate Funds received, by the Recipient that are submitted for reimbursement hereunder, the Recipient will, in a timely manner, provide the IESO and its representatives with access during normal business hours to any and all information relating to the IA, Eligible Expenses, Internal Costs, Alternate Funds, as well as any other relevant information the IESO may request, acting reasonably.

## 7. TERM AND TERMINATION

- (a) The term of this Agreement will commence upon execution and will terminate on the earlier of January 1, 2029, or the issuance of the IA Approval (the “Term”).
- (b) The IESO may, in its sole and absolute discretion, terminate this Agreement at any time on the date following 30 days’ prior written notice of termination to the Recipient.
- (c) The Recipient may terminate this Agreement at any time if there has been a material breach or failure to perform any material covenant or material agreement made by the IESO under this Agreement that has not been cured by the IESO within 30 days of the IESO’s receipt of written notice of such breach or failure by the Recipient, or if such breach or failure to perform cannot reasonably be cured within such 30-day period, such reasonably longer period not to exceed 90 days.
- (d) Where the IESO exercises its termination right under Section 7(b) or the Recipient exercises its termination right under Section 7(c), the IESO will reimburse the Recipient for any Eligible Expenses incurred or committed to be incurred by the Recipient up to and including the date of termination of this Agreement.
- (e) The Recipient may terminate this Agreement on the date following 30 days’ prior written notice of termination to the IESO in the event that:
  - (i) there is a Material Scope Change that is reasonably expected to result in an increase of Incremental Costs by more than \$15 million; and
  - (ii) the Material Scope Change is expected to cause the total Incremental Costs to obtain an IA Approval to exceed \$60 million.
- (f) Where the Recipient exercises its termination right under Section 7(e):
  - (i) the IESO will reimburse the Recipient for any Eligible Expenses (net of Alternate Funds received or receivable by the Recipient) incurred or committed to be incurred by the Recipient up to and including the date of termination upon receipt of an Invoice in respect of same; and
  - (ii) the Recipient will transfer to the IESO ownership of all rights, title and interest it has in the IA Deliverables in accordance with Section 8 and the IESO will reserve the right to proceed with the Work on the IESO’s own accord and at its own expense, independent of the Recipient.
- (g) The IESO, in its sole and absolute discretion, reserves the right to extend the Term of this Agreement, without limitation.

## **8. TRANSFERABILITY**

- (a) If, after obtaining the IA Approval and exhausting Commercially Reasonable Efforts (including spending a reasonable amount of time to evaluate the impacts of the IA Approval and the next steps required for the Project), the Parties cannot agree to the next steps necessary to develop the Project and are unable to reach a binding, definitive agreement with respect to such steps, the IESO reserves the right to (i) require the Recipient to transfer to the IESO ownership of all rights, title and interest the Recipient has in the IA Approval and the IA Deliverables in accordance with Applicable Law and as not otherwise prohibited by the OPG Lease, and subject to any requirements or restrictions contained in the OPG Lease, as the OPG Lease is in effect on the Effective Date, and (ii) transfer such ownership to another entity as directed by the IESO in its sole and absolute discretion, all at no additional cost to the IESO except for payment to the Recipient of any unreimbursed Eligible Expenses and expenses as provided in Section 8(b). In the event that the Recipient does not have ownership of any IA Deliverables and is therefore prohibited from transferring ownership, the IESO reserves the right to (i) require the Recipient to grant to the IESO a non-exclusive, irrevocable, royalty-free, sublicensable, transferable, worldwide licence to use the IA Deliverables, and (ii) transfer such non-exclusive licence to another entity as directed by the IESO in its sole and absolute discretion, all at no additional cost to the IESO except for payment to the Recipient of any unreimbursed Eligible Expenses and expenses as provided in Section 8(b).
- (b) In the event that the IESO takes ownership in the IA Deliverables as a result of Section 8(a), is granted a non-exclusive licence to use the IA Deliverables as a result of Section 8(a), or the termination of this Agreement by the Recipient in accordance with Section 7(e): (i) the IESO acknowledges and agrees that it will obtain no better ownership or use rights to the IA Deliverables than the Recipient has as at such time and the IESO will take any such ownership or non-exclusive licence subject to the rights of others, if any; (ii) the Recipient will use Commercially Reasonable Efforts to obtain, at the expense of the IESO, reliance letters from any professional consultants hired by the Recipient to complete the Work that permit the IESO to rely on any IA Deliverables prepared by such consultant; and (iii) the IESO will, and will cause any of its transferees to, grant to the Recipient non-exclusive, irrevocable, royalty-free, licensable, transferable, worldwide intellectual property rights to use the IA Deliverables.

## **9. REPRESENTATIONS AND WARRANTIES OF THE RECIPIENT**

The Recipient represents, warrants and covenants to the IESO as follows, and acknowledges that the IESO is relying on such representations and warranties in entering into this Agreement:

- (a) the Recipient is duly organized and validly existing as a limited partnership under the laws of the Province of Ontario, is registered or otherwise qualified to carry on business in the Province of Ontario, and has all necessary power and authority to enter into this Agreement and to perform its obligations hereunder;

- (b) this Agreement has been duly authorized, validly executed, will constitute a binding obligation of the Recipient in accordance with its terms, and will not result in a breach or violation of, constitute a default under, or cause a termination, cancellation or acceleration of any other material obligation of the Recipient;
- (c) the Recipient has, or will retain at the applicable time, the necessary experienced and skilled personnel to perform its obligations hereunder;
- (d) the Recipient is registered for HST purposes under the ETA and its HST registration number is 86482 9635; and
- (e) there are no bankruptcy, insolvency, reorganization, receivership, seizure, realization, arrangement or other similar proceedings pending against or being contemplated against the Recipient.

#### **10. REPRESENTATIONS AND WARRANTIES OF THE IESO**

The IESO represents, warrants and covenants to the Recipient as follows, and acknowledges that the Recipient is relying on such representations and warranties in entering into this Agreement:

- (a) the IESO is a corporation without share capital existing under the *Electricity Act, 1998* (Ontario) and has all necessary power and authority to enter into this Agreement and to perform its obligations hereunder;
- (b) this Agreement has been duly authorized, validly executed, will constitute a binding obligation of the IESO in accordance with its terms, and will not result in a breach or violation of, constitute a default under, or cause a termination, cancellation or acceleration of any other material obligation of the IESO;
- (c) the IESO is registered for HST purposes under the ETA and its HST registration number is 870513959RT-0002; and
- (d) there are no bankruptcy, insolvency, reorganization, receivership, seizure, realization, arrangement or other similar proceedings pending against or being contemplated against the IESO.

#### **11. REPORTING AND MEETINGS**

- (a) The Recipient will deliver to the IESO, upon execution of this Agreement and then no later than October 31 of each year thereafter, a plan for the following calendar year that includes a summary of the deliverables, activities, estimated costs associated with the planned Work for such calendar year, and an estimated cost and duration of the remaining Work to be completed for the IA.
- (b) Within 90 days following each calendar year, the Recipient will deliver to the IESO a report summarizing the deliverables, activities, Alternate Funds received or applied for, and actual

costs associated with the actual Work completed in the previous calendar year (an “**Annual Report**”).

- (c) As part of the Work, the Recipient will also deliver periodic reports with respect to the Work upon the reasonable request of the IESO, including reports as to the status or progress of the Work, barriers and impediments to the advancement of the Work, outcomes of the Work and lessons learned from the implementation of the Work (the “**Other Reports**”). The Other Reports will be in a form and content to be agreed upon by the Parties acting reasonably.
- (d) At any time during the Term, should the Recipient become aware of either (i) any matter or circumstance that would reasonably be expected to have a material adverse effect on the completion or timing of the Work or obtaining the IA Approval in accordance with this Agreement, or (ii) any Material Scope Change, the Recipient will provide a reasonably detailed notice to the IESO regarding such event within 30 days of the Recipient becoming aware of it.
- (e) All Annual Reports and any Other Reports delivered under this Agreement will be subject to Section 12.

## **12. CONFIDENTIALITY**

- (a) In connection with its performance under this Agreement, either Party (each a “**Disclosing Party**” as the context requires) may, subject to the terms of this Agreement, disclose to the other Party (each a “**Receiving Party**” as the context requires) certain information (including applications of that information) which is confidential to the Disclosing Party.
- (b) All Confidential Information remains, at all times, the exclusive property of the Disclosing Party. Neither the Receiving Party nor any of its Representatives has any licence or other right to use or disclose any Confidential Information for any purpose whatsoever other than to use the Confidential Information to exercise its rights or comply with its obligations under this Agreement.
- (c) The Receiving Party agrees, with respect to the Disclosing Party’s Confidential Information:
  - (i) to hold the Confidential Information secure and in confidence using the same degree of care and security to safeguard such Confidential Information as it uses to protect its own information of like character, but in no event less than a reasonable degree of care and security;
  - (ii) to use all appropriate security measures to prevent any unauthorized disclosure or use of, or access to, the Confidential Information;
  - (iii) to limit disclosure of and access to the Confidential Information to those of its Representatives having a need to know the Confidential Information for the purpose of this Agreement;

- (iv) to use the Confidential Information solely to exercise its rights or comply with its obligations under this Agreement; and
  - (v) not to remove or obscure proprietary rights or confidentiality notices that appear on Confidential Information and copies thereof.
- (d) The Receiving Party will inform its Representatives to whom it may be permitted to disclose or provide any such Confidential Information hereunder of the confidential nature of the Confidential Information and will cause such Representatives to comply with the provisions of this Agreement. The Receiving Party will notify the Disclosing Party of any unauthorized disclosure or use of, or access to, the Confidential Information within a reasonable period of time after becoming aware of such a breach and will be responsible for any breaches of this Agreement by any of its Representatives, as if such Representatives were a Party to this Agreement.
- (e) If the Receiving Party or any of its Representatives are required by Applicable Law, or are required or requested in any judicial or administrative proceeding or by any Governmental Authority, to disclose any Confidential Information, the Receiving Party will, and will cause its Representatives, to the extent legally permissible, to:
  - (i) provide prompt notice of the existence, terms and circumstances of such requirement or request to the Disclosing Party so that the Disclosing Party may seek an appropriate protective order or waive compliance with the terms of this Agreement;
  - (ii) consult with the Disclosing Party on the advisability of taking legally available steps to resist or narrow such requirement or request; and
  - (iii) disclose, if disclosure of such information is required, only such information as is required by Applicable Law and use the Receiving Party's best efforts, and cause its Representatives to use their best efforts, to obtain an order or other reliable assurance that confidential treatment will be accorded to such portion of the disclosed information as the Disclosing Party designates.
- (f) The Recipient acknowledges that all Confidential Information provided by or to the IESO may be subject to the *Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, c.F.31, as amended, the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, as amended and the *Electricity Act, 1998*, S.O. 1998, c. 15, as amended, and agrees to comply, and cause its Representatives to comply, at all times with applicable privacy laws in connection with the collection and use of personal information. For greater certainty, the Parties will follow the provisions of Section 12(e) of this Agreement with respect to requests and disclosures under these statutes.

(g) Unless otherwise agreed to in writing by the Parties, at any time, at the Disclosing Party's request, the Receiving Party will destroy or deliver to the Disclosing Party all, or a Disclosing Party-specified portion of, the Confidential Information, together with all copies, extracts or other reproductions in whole or in part of such Confidential Information, provided that the Receiving Party may retain any copies of Confidential Information (a) required to comply with the requirements of any applicable legislation, other legal requirement, internal record retention policies or procedures or good governance, and (b) automatically created on the Receiving Party's or Representative's computer systems by its normal back-up procedures for the period it normally archives backed-up computer records; however, such Confidential Information referred to in (a) and (b) remains confidential and subject to the terms of this Agreement. Promptly following delivery or destruction, as the case may be, on the request of the Disclosing Party, the Receiving Party will provide the Disclosing Party with written confirmation of completion. Notwithstanding the return or destruction of Confidential Information, the Receiving Party and its Representatives will continue to be bound by the obligations of confidentiality and all other obligations hereunder for the Term and a period of two years thereafter.

### **13. PUBLICITY**

- (a) Each Party must receive the other Party's prior written approval, such approval not to be unreasonably withheld, before making any public acknowledgment or communication relating to this Agreement.
- (b) Notwithstanding Section 13(a), the IESO may make general reference to the Work, the Project and to the fact that the IESO is providing a financial contribution to the Recipient in any publicity or publication. For greater certainty, in such publicity or publication the IESO will not disclose the amount or timing of such financial contribution.

### **14. LIMITATION OF LIABILITY AND INDEMNIFICATION**

- (a) Notwithstanding anything contained herein to the contrary, neither Party will be liable under this Agreement for any Claims of the other Party for loss of profits, loss of power capacity or supply, cost of procuring alternative or replacement electricity, consequential, special, incidental, indirect, collateral, exemplary or punitive damages.
- (b) Without limiting any other terms or conditions of this Agreement, each Party agrees to defend, indemnify and hold harmless the other Party and its officers, directors, employees, agents and representatives from and against any Claim, threatened or actual, arising out of or relating to:
  - (i) the first Party's breach of any provision of this Agreement; or
  - (ii) where the IESO and its officers, directors, employees, agents and representatives are the indemnitees and to the extent none of the foregoing persons has caused or

contributed to any of the following: any injury to persons (including injuries resulting in death) or loss of or damage to property of others which may be or be alleged to be caused or suffered as a result of or in connection with the performance by the Recipient or any of its employees or subcontractors of the Work, of all or any part of the Recipient's obligations under this Agreement or as a result of, or in connection with, the Project.

- (c) The Recipient makes no representation or warranty in respect of or related to (i) any terms or conditions of the IA Approval, (ii) the Recipient's ability to obtain the IA Approval or (iii) the Recipient's ability to obtain any amount of Alternate Funds.

## 15. DISPUTE RESOLUTION

- (a) Any controversy, dispute, difference, question or claim (collectively a "**Dispute**") arising between the Parties in connection with the interpretation, performance, construction or implementation of this Agreement that cannot be resolved within 10 days after the Dispute has arisen will be settled in accordance with this Section 15.
- (b) Either Party may provide the other Party written notice identifying the Dispute, the amount involved, if any, and the remedy sought, and invoking the procedures of this section. Within five business days following delivery of any such notice, a senior executive (Senior Vice-President or higher of the Recipient and Vice-President or higher of the IESO) 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, then either Party may refer the Dispute to be resolved by arbitration in accordance with the following provisions of this Section 15.
- (c) The Parties will submit any arbitration under this Agreement to a single arbitrator agreed upon by both Parties. If the Parties cannot agree upon a single arbitrator within 10 days after the Dispute is referred to arbitration, either Party may make an application to a court of competent jurisdiction for appointment of an arbitrator. Any arbitrator selected to act under this Agreement will be qualified by education, training and experience to pass on the particular question in Dispute and will have had no business, financial relationship or connection to either of the Parties currently or within the past five years other than acting in previous arbitrations.
- (d) The arbitrator will provide each of the Parties an opportunity to be heard and will conduct the arbitration hearing in accordance with the *Arbitration Act, 1991* (Ontario) (the "**Arbitration Act**") and pursuant to such procedures as the arbitrator shall determine appropriate in their sole discretion. Unless otherwise agreed by the Parties, the arbitrator will render a decision within 90 days after the end of the arbitration hearing and will notify the Parties in writing of such decision with reasons.

- (e) The decision of the arbitrator will be conclusive, final and binding on the Parties, and there shall be no appeal therefrom, including any appeal to a court on a question of law, a question of fact or a question of mixed fact and law, with the sole exception that the decision of the arbitrator may be appealed on the grounds that the conduct of the arbitrator, or the decision itself, violated the Arbitration Act.
- (f) The arbitration hearing will be conducted in the City of Toronto in the Province of Ontario at the location determined from time to time by the arbitrator.
- (g) The Arbitration Act will govern the procedures to apply in the enforcement of any award made. If it is necessary to enforce such award, all costs of enforcement will be payable and paid on a full indemnity basis by the Party against whom such award is enforced.
- (h) In determining the allocation between the Parties of the costs of the arbitration hearing, including the compensation of the arbitrator and the costs associated with the arbitration hearing, the arbitrator may invite submissions as to costs and may consider, among other things, an offer of settlement made by a Party to the other Party prior to or during the course of an arbitration. Unless otherwise directed by the arbitrator, all costs of the arbitrator will be paid equally by the Parties. If it is necessary to enforce such award, all costs of enforcement will be payable and paid by the Party against whom such award is enforced.
- (i) All information disclosed, including all statements made and documents produced, in the course of the arbitration hearing will be held in confidence and neither Party will rely on, or introduce as evidence in any subsequent proceeding, any admission, view, suggestion, notice, response, discussion or position of either Party or any acceptance of a settlement proposal or recommendation for settlement made during the course of the arbitration process, except (i) as required by Applicable Law or (ii) to the extent that disclosure is reasonably necessary for the establishment or protection of a Party's legal rights against a third party or to enforce the award of the arbitrator or to otherwise protect a Party's rights under this Section 15.

## **16. RECORD KEEPING**

The Recipient will maintain proper books, records, contracts, accounts, invoices and all other information relating to the Work, the Alternate Funds and the IA during the Term and for a period of seven years thereafter. During that period, the Recipient will provide the IESO, its agents, the Government of Ontario and the Ontario Energy Board (and any of their respective successor entities) with reasonable access to such information for any reasonable purpose, including for audit examination, process audit or evaluation, measurement and verification of Project results and impacts. For certainty, if the IESO reasonably requests any information or documentation relating to the Work or the IA, the Recipient will deliver it within 30 days.

## **17. FORCE MAJEURE**

Any delay or failure of either Party to perform or comply with its obligations (other than payment obligations) under this Agreement, in whole or in part, will be excused to the extent that the delay or failure was caused directly by an event, cause or condition beyond such Party's reasonable control, without such Party's fault or negligence and that by its nature (i) could not have been prevented by such Party using Commercially Reasonable Efforts and (ii) could not reasonably have been anticipated as at the Effective Date (which events, causes or conditions may include acts of God, natural disasters, pandemics, embargoes, explosions, riots, wars or acts of terrorism) (each, a "**Force Majeure Event**"). A Party's financial inability to perform, changes in cost or availability of materials, components or services, market conditions or supplier actions or contract disputes will not excuse performance by such Party under this Section 17. Each Party shall give the other Party prompt written notice of any occurrence of a Force Majeure Event, and the anticipated duration of such Force Majeure Event. Such Party shall use Commercially Reasonable Efforts to end or remedy the Force Majeure Event, minimize the effects of any Force Majeure Event, and resume full performance under this Agreement. In the event that a Force Majeure Event is the sole reason that the Recipient is unable to obtain the IA Approval on or before January 1, 2029, then, notwithstanding anything to the contrary in Section 7, the Parties agree that the Term of this Agreement will be extended by the duration of the delay directly resulting from such Force Majeure Event.

## **18. AMENDMENTS**

This Agreement may be amended or altered or modified only by a written document signed by both the Recipient and the IESO.

## **19. ASSIGNMENT**

This Agreement may not be assigned, in whole or in part, by either Party without the prior written consent of the other Party, which consent may not be unreasonably withheld, delayed or conditioned.

## **20. NO PARTNERSHIP**

The IESO and the Recipient are independent operators and (a) nothing in this Agreement will be construed as creating a partnership, joint venture, or agency relationship between the Parties; (b) neither Party has any authority whatsoever to enter into legally binding obligations on behalf of the other, and (c) neither Party will make any representation to the contrary.

## **21. SURVIVAL**

Terms, provisions, covenants and conditions contained in this Agreement which, by their nature or terms, require their performance by the Parties after the expiration or termination of this Agreement will continue in full force and effect following such expiry or termination, including Sections 12 and 13, which will continue in full force and effect for a period of two years following the expiration or termination of this Agreement, and Section 16, which will continue in full force and effect for a period of seven years

following the expiration or termination of this Agreement, and Section 14, which will continue in full force and effect without limitation following the expiration or termination of this Agreement.

## **22. INTERPRETATION**

- (a) In the event of any inconsistency between the provisions of this Agreement and any schedule to the Agreement, the Agreement will prevail.
- (b) In this Agreement, unless the context otherwise requires:
  - (i) where words denoting inclusion (e.g., “including”) are followed by a list of specific matters or items, such lists will not restrict the generality of such provision;
  - (ii) a reference to any dollar amounts is a reference to Canadian dollars;
  - (iii) words importing the singular include the plural and vice versa and words importing gender include all genders.
  - (iv) the words “hereof”, “hereto”, “hereunder”, “herein” and similar expressions mean and refer to this Agreement and not any particular section;
  - (v) the expression “Section” followed by a letter or a number means and refers to the specified section of this Agreement; and
  - (vi) unless otherwise specified, any reference in this Agreement to any Applicable Law will be a reference to such Applicable Law as amended, re-enacted or replaced from time to time.

## **23. GOVERNING LAW AND ATTORNMENT**

This Agreement will be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. For the purpose of all legal proceedings, this Agreement will be deemed to have been made and performed in the Province of Ontario. The IESO and the Recipient each hereby attorns to the exclusive jurisdiction of the courts of the Province of Ontario.

## **24. NOTICES**

For all purposes of this Agreement, notice to a Party will be delivered in writing or electronically to the addresses set out below. Notices will be deemed to be received on the earlier of the time of actual receipt or two clear days (excluding Saturdays, Sundays and civic holidays in the Province of Ontario) after the sending thereof. Addresses for notices to a Party are as follows:

For the IESO:

Organization Independent Electricity System Operator  
Address 120 Adelaide Street West, Suite 1600  
Toronto, Ontario  
M5H 1T1

Attention: General Counsel  
Email: general.counsel@ieso.ca

and a mandatory copy to:

Organization Independent Electricity System Operator  
Address 120 Adelaide Street West, Suite 1600  
Toronto, Ontario  
M5H 1T1

Attention: Director, Contract Management  
Email: contract.management@ieso.ca

For the Recipient:

Organization Bruce Power L.P.  
Address Building B10  
177 Tie Road  
Municipality of Kincardine  
R.R #2  
Tiverton, Ontario  
N0G 2T0

Attention: James Scongack  
Executive Vice President, Operational Services & Chief  
Development Officer

Email: James.Scongack@brucepower.com

and a mandatory copy to:

Organization    Bruce Power L.P.  
Address        Building B10  
                  177 Tie Road  
                  Municipality of Kincardine  
                  R.R #2  
                  Tiverton, Ontario  
                  N0G 2T0

Attention:     Jack Tasker  
                  Executive Director, Tax, Treasury and Insurance

Email:         [Jack.Tasker@brucepower.com](mailto:Jack.Tasker@brucepower.com)

Attention:     General Counsel  
Email:         [generalcounsel@brucepower.com](mailto:generalcounsel@brucepower.com)

## **25.      EFFECTIVENESS OF AGREEMENT**

This Agreement will become effective when executed and delivered by the Parties and after that time will be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns.

## **26.      THIRD PARTY BENEFICIARIES**

Each of the Parties hereby acknowledges and agrees that the indemnitees contemplate herein are third party beneficiaries of the rights of indemnification provided for under this Agreement. It is further acknowledged and agreed that the IESO is acting as agent and trustee for the IESO indemnitees as regards the covenants of the Recipient under this Agreement with respect to indemnification of the IESO indemnitees, and the Recipient is acting as agent and trustee for its respective Recipient indemnitees as regards the covenants of the IESO under this Agreement with respect to indemnification of the Recipient indemnitees.

## **27.      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, prior to the date hereof, by either Party to this Agreement, or its Representatives, to the other Party or its Representatives, except to the extent that the same has been reduced to writing and included as a written term of this Agreement.

**28. COUNTERPARTS**

This Agreement may be executed in two or more counterparts (including counterparts by facsimile, PDF email or other electronic transmission), and both such counterparts will together constitute one and the same Agreement. It will not be necessary in making proof of the contents of this Agreement to produce or account for more than one such counterpart.

*[Remainder of page left intentionally blank – signature page follows]*

The duly authorized representatives of each Party are signing this Agreement on the date stated beneath that Party's signature.

**INDEPENDENT ELECTRICITY SYSTEM OPERATOR**

By: \_\_\_\_\_  
Name:  
Title:  
Date:

**BRUCE POWER L.P., by its general partner, BRUCE POWER INC.**

By: \_\_\_\_\_  
Name:  
Title:  
Date:

By: \_\_\_\_\_  
Name:  
Title:  
Date: