

**Contingency Support Agreement for  
Lambton Generating Station and  
Nanticoke Generating Station  
from 2009 to 2014**

**Between**

**ONTARIO POWER GENERATION INC.**

**and**

**ONTARIO ELECTRICITY FINANCIAL CORPORATION**

**January 1, 2009**

**THIS AGREEMENT** dated as of the 1<sup>st</sup> day of January 2009

**BETWEEN:**

Ontario Power Generation Inc., a corporation duly incorporated and organized under the laws of the Province of Ontario, having its registered address and its principal place of business at 700 University Avenue, Toronto, Ontario, M5G 1X6 ("*OPG*")

- and -

Ontario Electricity Financial Corporation, a corporation continued under the *Electricity Act, 1998*, S.O. 1998, c. 15, Sched. A, as amended, having its principal place of business at 1 Dundas Street West, 14<sup>th</sup> Floor, Toronto, Ontario M7A 1Y7 ("*OEFC*")

**WHEREAS:**

**Background**

1. The Government of Ontario has established targets/caps that limit the total carbon dioxide (CO<sub>2</sub>) emissions from the use of coal at *OPG's* coal-fired generating stations for 2009-2014. The stations covered by the emission targets/caps are Lambton, Nanticoke, Atikokan and Thunder Bay.
2. *OPG* will offer its Lambton, Nanticoke, Atikokan and Thunder Bay units into the Ontario Electricity Market in keeping with the *Shareholder's Resolution*, *OIC's* and Regulation(s) which direct *OPG* to implement a strategy to meet the Government of Ontario CO<sub>2</sub> emission targets/caps for coal-fired generation beginning in 2009 and continuing to 2014. *OPG* will operate and maintain its Lambton, Nanticoke, Atikokan and Thunder Bay units consistent with all regulatory and legislative requirements, including the *IESO's* Market Rules.
3. *OPG* has projected that as a result of the *Shareholder's Resolution* and *OIC(s)/Regulation(s)* pertaining to emissions reductions, payments may be required to assure the reliability and availability of the *Lambton* and *Nanticoke* in their current condition.
4. *OEFC* and *OPG* have entered into this agreement ("*Agreement*") to ensure that *OPG's Lambton* and *Nanticoke* receive sufficient revenue to recover their *actual costs* and ensure that *OPG* will continue to economically maintain *Lambton* and *Nanticoke* for supply adequacy and system reliability following the implementation of CO<sub>2</sub> emissions targets/caps.

NOW therefore, in consideration of the mutual covenants set forth herein and of other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the *Parties* agree as follows:

## ARTICLE 1

### INTERPRETATION

#### 1.1 Incorporation of *market rules* Definitions:

Subject to Section 1.2 of this *Agreement*, italicized expressions used in this *Agreement* have the meaning ascribed thereto in Chapter 11 of the *market rules*.

#### 1.2 Definitions

In this *Agreement*, the following italicized expressions shall have the meanings set out below unless the context otherwise requires:

*"actual costs"* means actual costs for *Lambton* and *Nanticoke* that are prudently incurred in accordance with good utility practices and that reflect the use of coal as an energy-limited resource and will include:

- a. *OM&A costs*;
- b. *fuel costs* including emission credit or allowance costs;
- c. depreciation over the Term (net book value recovered in full by no later than December 31, 2014);
- d. insurance;
- e. *direct corporate support costs*;
- f. capital and property taxes;
- g. interest on inventory (including fuel) based on monthly ending balances at 6 per cent per annum;
- h. all net *IESO* market charges (debits or uplifts) in respect of *Lambton* and *Nanticoke* received or allocated, including, without limitation all costs such as net energy market settlement for non-dispatchable load, network pool service charge, debt retirement charge, rural rate assistance settlement credit, *IESO* energy market administration charge, uplift, and, global adjustment settlement amount; and
- i. *biomass costs*.

The *actual costs* for any year shall be consistent with the audited financial statements of *OPG* for the year in which the costs are incurred and shall be subject to review and audit by *OEFC* or its agent.

*"affiliate"* has the meaning ascribed to that term in Section 1(2) of the *Securities Act* (Ontario);

*"Agreement"* means this *Agreement*, including the Schedules to this *Agreement*, as amended or supplemented from time to time, and the expressions "herein", "hereto", "hereunder",

"hereby" and similar expressions refer to this *Agreement* and not to any particular section or other portion of this *Agreement*;

"*applicable law*" means all laws, regulations, other statutory instruments and rules and other documents of a legislative nature which apply to the *OEFC* or *OPG* and all orders of a government, governmental body, authority or agency having jurisdiction over the *OEFC* or *OPG* including, but not limited to, any licence issued to the *OEFC* or *OPG*;

"*applicable accounting principles*" means *GAAP* as applied by *OPG* until the point in time when *OPG* has commenced utilizing *IFRS* as the financial accounting principles applied for the preparation of its interim and annual financial statements, at which point in time it shall mean *IFRS*.

"*Atikokan*" means Atikokan Generating Station;

"*biomass costs*" means costs related to biomass at *Lambton* and *Nanticoke* and are comprised of the cost of biomass related investments in the design of *Lambton* and *Nanticoke*, such as biomass fuel handling & storage, and testing & research related to biomass. Such costs shall not exceed Two Million Dollars (\$2.0M) over the term of this *Agreement*;

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

"*company representative*" means the representative of a *Party* appointed by that *Party* for the purposes specified in Section 9.1 of this *Agreement*, as identified in Schedule B;

"*confidential information*" means (i) information which has been supplied by the disclosing person in confidence implicitly or explicitly, where disclosure could reasonably be expected to: (a) prejudice significantly the competitive position of the disclosing person; (b) interfere significantly with the contractual or other negotiations of the disclosing person or another person; (c) result in undue loss or gain to the disclosing person or another person; (d) result in the disclosing person being in breach of a bona fide confidentiality agreement to which the information is subject or (e) information that, pursuant to applicable law, a *Party* cannot disclose or make available to one or more persons;

"*contingent support payment*" shall be the amount payable by *OEFC* to *OPG* and has the meaning attributed to that term in Section 1 of Schedule A;

"*default*" means either a *financial default* or a *material non-financial default*;

"*direct corporate support costs*" means the staff and related costs, including software, incurred in the direct support of *Lambton* and *Nanticoke* as further described in Schedule D. Such costs shall be consistent with the cost allocation methodology contained in the business plans for the year for *Lambton* and *Nanticoke* approved by *OPG* and shall include costs resulting from contingencies;

"*early termination payment*" means a payment, if any, made by the *OEFC* pursuant to Section 9.13 of this *Agreement* and in accordance with Section 3 of Schedule A;

**"effective date"** means January 1, 2009, which, shall be the date of commencement of this Agreement;

**"energy limited resource"** means a generating unit which cannot operate at full capacity in all hours, due to either emissions or fuel limitations;

**"financial default"** means a failure by a Party to pay any amount under this Agreement to the other Party when due, including any amount payable as compensation or indemnification for any loss or damage suffered by a Party which amount has been agreed by the Parties or, if disputed, has been determined in accordance with the dispute resolution procedures contemplated herein, where such failure is not cured within ten (10) days of either becoming aware of such failure or receiving notice thereof under Section 9.13.2 of this Agreement;

**"force majeure"** means an event or circumstance which prevents a Party from performing its obligations under this Agreement, which event or circumstance was not anticipated as of the date of this Agreement, which is not within the reasonable control of, or result of the negligence of, the claiming Party and which, by the exercise of due diligence, the claiming Party is unable to overcome or avoid or cause to be avoided and includes, but is not limited to, acts of war (whether declared or undeclared), invasion, armed conflict or act of a foreign enemy, blockade, embargo, revolution, riot, insurrection, civil disobedience or disturbances, vandalism or act of terrorism; strikes, lockouts, restrictive work practices or other labour disturbances; and acts of God including lightning, earthquake, fire, flood, landslide, unusually heavy or prolonged rain or accumulation of snow or ice or lack of water arising from weather or environmental problems;

**"fuel costs"** means OPG's fixed and variable fuel costs associated with operating Lambton and Nanticoke through the term of this Agreement, including costs reasonably committed to prior to the effective date of this Agreement.

**"future facility-related product"** means all related products that relate to generation at Lambton and Nanticoke and that were not capable of being traded by OPG in the IESO-administered markets or other markets on or before the date of this Agreement.

**"GAAP"** means those accounting principles which are recognized as being generally accepted in Canada from time to time as set out in the handbook published by the Canadian Institute of Chartered Accountants, consistently applied;

**"generation cost guarantee"** means IESO payments received by generators to cover costs associated with start-ups and minimum run-times. These payments are currently available through the IESO "Spare Generation on Line" and "Day-Ahead Generation Cost Guarantee" programs.

**"good utility 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 operation of generating 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 applicable law. Good utility 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, *good utility practices* include taking reasonable steps to ensure that:

- a. adequate materials, resources and supplies, including fuel, are available to meet the facilities' needs under reasonable conditions and reasonably anticipated abnormal conditions;
- b. sufficient operating personnel are available and are adequately experienced and trained to operate the facilities properly and efficiently and are capable of responding to abnormal conditions;
- c. routine and non-routine maintenance and repairs are performed on a basis that ensures reliable and safe operation 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 shall function properly under both normal and abnormal conditions.

*"governmental authority"* means any domestic government, including any federal, provincial, municipal or local government, and any government agency, tribunal, commission or other authority exercising or purporting to exercise executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, government, in each case having or purporting to have jurisdiction in the relevant circumstances;

*"gross revenue"* means the aggregate gross revenues earned by or attributed to *Lambton* and *Nanticoke* and will include:

- a. all net *IESO-administered market* revenues (including prior period adjustments relating to the Term) received in respect of *Lambton* and *Nanticoke* or allocated to *Lambton* and *Nanticoke* by *OPG* including, without limitation, all energy related revenues, congestion management settlement credits/uplifts, ancillary product revenues/debits and all payments received with respect to any other products pertaining to *Lambton* and *Nanticoke*, including *future facility-related products*;
- b. all realized revenues within the Term from any environmental credits such as carbon credits attributable to *Lambton* and *Nanticoke*;
- c. *generation cost guarantee* payment;
- d. net of any adjustments that may be required as per OIC 137/2008; and
- e. other non electricity revenue (i.e., by-products and dock rentals).

For greater certainty, *gross revenue* does not include any *contingent support payments* to *OPG* from *OEFC* under this Agreement.

The *gross revenue* for any year shall be consistent with the audited financial statements of *OPG* for the year in which the *gross revenue* is earned and shall be subject to review and audit by *OEFC* or its agent.

**"IESO"** means Independent Electricity System Operator;

**"IESO-administered market"** means the markets established by the *market rules*.

**"IFRS"** means the International Financial Reporting Standards, being the accounting standards and interpretations adopted or recommended from time to time by the International Accounting Standards Board or any successor organization, applied on a consistent basis, excluding changes in depreciation expense resulting from changes in net book value of *Lambton* and *Nanticoke* due to the application of International Accounting Standards 36, Impairment of Assets.

**"indemnitees"** has the meaning ascribed to that term in Section 2.5 of this *Agreement*;

**"insolvency event"** means the occurrence of any one or more of the following events:

- a. the *Party* ceases or threatens to cease to carry on its business or a substantial part of its business as a *generator* or as an agency of the Province of Ontario, as the case may be, but in the case of a *generator*, does not include ceasing to generate electricity from coal, where such cessation has been approved by the relevant *governmental authorities*, or the sale of any generating station (other than *Lambton* and *Nanticoke*) that has been approved by the relevant *governmental authorities*;
- b. the *Party* enters into or takes any action to enter into an arrangement, composition or compromise with, or an assignment for the benefit of, all or any class of its creditors or members or a moratorium involving any of them;
- c. the *Party* is, or states that it is, unable to pay from its own money its debts when they fall due for payment;
- d. a receiver or receiver and manager or person having a similar or analogous function under the laws of any relevant jurisdiction is appointed in respect of any property of the *Party* which is used in or relevant to the performance by the *Party* of any of the obligations imposed on *OPG* as a provider of *energy* or *ancillary services* with respect to *Lambton* and *Nanticoke* under the *market rules* or on either *Party* with respect to any of the *Party's* obligations under this *Agreement*;
- e. an administrator, liquidator, trustee in bankruptcy or person having a similar or analogous function under the laws of any relevant jurisdiction is appointed in respect of the *Party*, or any action is taken to appoint such person;
- f. an application is made for the winding up or dissolution of a *Party* or a resolution is passed or any steps are taken to pass a resolution for the winding up or dissolution of that *Party*;
- g. the *Party* is wound up or dissolved, unless the notice of winding up or dissolution is discharged; or
- h. a court determines that the *Party* is insolvent or unable to pay its debts;

**"invoice"** means an invoice from *OPG* to the *OEFC* which sets forth a settlement amount;

**"Lambton"** means Lambton Generating Station;

**"market rules"** means rules made under section 32 of the *Electricity Act, 1998*;

**"material non-financial default"** means:

- a. a breach of a term or condition of this *Agreement*, excluding a *financial default*, by a *Party* which results in, has or is reasonably expected to have, a material adverse effect on the non-defaulting *Party's* ability to obtain and enjoy the primary rights and benefits under this *Agreement*, including, without limitation, in the case of *OPG*, a breach of Section 2.2; or
- b. in the case of *OPG*, it transfers all or substantially all of either *Lambton* or *Nanticoke* to another person unless, at the time of such transfer, there has been a permitted and valid assignment of this *Agreement* by *OPG* under this *Agreement* to the transferee person and such person has assumed all of *OPG's* obligations under this *Agreement*; where such breach or transfer is not cured within thirty (30) days of either becoming aware of such breach or transfer or receiving notice thereof under Section 9.13.2.

**"Nanticoke"** means Nanticoke Generating Station;

**"OEFC's audit rights"** means the *OEFC's* rights set out in Section 3.3 of this *Agreement*;

**"OIC"** means Order-in-Council;

**"OM&A costs"** means costs associated with the operation, maintenance and administration of *Lambton* and *Nanticoke*; including all reasonable costs attributable to *Lambton* and *Nanticoke* in accordance with the cost allocation methodology contained in the business plans for the year for *Lambton* and *Nanticoke* approved by *OPG* and shall include costs resulting from contingencies;

**"Party"** means a party to this *Agreement* and "Parties" means every Party;

**"related products"** means any products related to the rated, continuous load-carrying capability of *Lambton* and *Nanticoke* to generate and deliver energy at a given time, *ancillary services*, and any other products or services that may be provided by *Lambton* and *Nanticoke* from time to time, 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 exists as of the date of this *Agreement*, such as *capacity reserves*.

**"revenue sharing payment"** shall be the amount payable by *OPG* to the *OEFC* and has the meaning attributed to that term in Section 1 of Schedule A;

**"representatives"** means a *Party's* lawyers, accountants, auditors, consultants or other advisors;

**"Shareholder's Declaration"** means a declaration of Her Majesty the Queen in Right of the Province of Ontario dated May 15, 2008 regarding carbon dioxide emissions arising from the use of coal at *OPG's* coal-fired generating stations, as amended;

**"Shareholder's Resolution"** means a resolution of Her Majesty the Queen in Right of the Province of Ontario dated as of May 16, 2008 addressing carbon dioxide emissions arising from the use of coal at OPG's coal fired generating stations, as amended;

**"settlement amount"** means any amount of money to be paid by one Party to the other;

**"term"** has the meaning attributed to that term in Section 6.1 of this Agreement;

**"termination costs"** means the remaining net book value of Lambton and Nanticoke and the actual out-of-pocket costs, if any, incurred or to be incurred which directly relate to this Agreement and for which OPG is contractually committed and which, acting commercially reasonably, cannot be avoided or mitigated and which have been initiated prior to notice of any termination of this Agreement as a result of the OEFC's default pursuant to Section 9.13 of this Agreement, but excluding, for greater certainty, any costs relating to the de-registration and removal from service of Lambton and Nanticoke or any decommissioning costs relating thereto;

**"termination costs statement"** means the statement prepared and delivered by OPG calculating in detail the termination costs to be received by OPG, as specified in Section 3.c of Schedule A;

**"Thunder Bay"** means Thunder Bay Generating Station; and

**"year"** means a calendar year.

**1.3 Interpretation: In this Agreement, unless the context otherwise requires:**

1.3.1 words importing the singular include the plural and vice versa;

1.3.2 words importing a gender include any gender;

1.3.3 when italicized, other parts of speech and grammatical forms of a word or phrase defined in this Agreement have a corresponding meaning;

1.3.4 the expression "person" includes a natural person, any company, partnership, trust, joint venture, association, corporation or other private or public body corporate, and any government agency or body politic;

1.3.5 a reference to an article, section, provision or schedule is to an article, section, provision or schedule of this Agreement;

1.3.6 a reference to any statute, regulation, proclamation, order-in-council, ordinance, by-law, resolution, rule, order or directive includes all statutes, regulations, proclamations, orders-in-council, ordinances, by-laws or resolutions, rules, orders or directives varying, consolidating, re-enacting, extending or replacing any of them and a reference to a statute includes all regulations, proclamations, orders-in-council, rules and by-laws of a legislative nature issued under that statute;

1.3.7 a reference to a document or provision of a document, including this Agreement and the market rules or a provision of this Agreement, includes an amendment or

- supplement to, or replacement or novation of, that document or that provision of that document, as well as any exhibit, schedule, appendix or other annexure thereto;
- 1.3.8 a reference to a person includes that person's heirs, executors, administrators, successors and permitted assigns;
- 1.3.9 a reference to sections of this *Agreement* separated by the word "to" (i.e., "Sections 1.1 to 1.4") shall be a reference to the sections inclusively; and
- 1.3.10 the expression "including" means including without limitation, the expression "includes" means includes without limitation and the expression "included" means included without limitation.
- 1.4 **Headings:** The division of this *Agreement* into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the interpretation of this *Agreement*, nor shall they be construed as indicating that all of the provisions of this *Agreement* relating to any particular topic are to be found in any particular article, section, subsection, clause, provision, part or schedule.

## ARTICLE 2

### RIGHTS AND OBLIGATIONS IN RELATION TO OPG

- 2.1 **Ownership of *Lambton* and *Nanticoke*:** Subject to Section 9.3 of this *Agreement*, *OPG* agrees to own *Lambton* and *Nanticoke* during the term of this *Agreement*.
- 2.2 **Operation of *Lambton* and *Nanticoke*:** *OPG* shall maintain the reliability and availability of and operate and maintain *Lambton* and *Nanticoke* during the term using *good utility practices* as required in order to meet the supply adequacy and system reliability requirements of the Ontario electricity system. This obligation is subject to *OPG* meeting all requirements of *applicable law*, including operating and maintaining *Lambton* and *Nanticoke* in accordance with the electricity generation *licence* issued by the Ontario Energy Board, Ontario Regulation 496/07 as amended under the *Environmental Protection Act*, the *Shareholder's Declaration* and the *Shareholder's Resolution*.
- 2.3 **Insurance:** *OPG* shall maintain all necessary and appropriate insurance that a prudent person in the business of *OPG* operating *Lambton* and *Nanticoke* would maintain in respect of such facilities.
- 2.4 **Permits, Licences and Authorizations:** *OPG* shall at all times hold and maintain in good standing all permits, licences and other authorizations that may be necessary to enable it to carry on the business and perform the functions and obligations of *Lambton* and *Nanticoke*, including maintaining its electricity generation licence with the Ontario Energy Board.
- 2.5 **Assumption of Risk:** *OPG* agrees to assume all risk, liability and obligation and to indemnify, defend and hold harmless the *OEFC* and its affiliates, and each of the foregoing persons' respective directors, officers, employees, shareholders, advisors and agents (including contractors and their employees) (collectively, 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, *Lambton* and *Nanticoke* 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*, or 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 of the *indemnitees*.

- 2.6 **Information:** *OPG* shall promptly disclose or provide to the *OEFC* such information as is required to be disclosed or provided to the *OEFC* pursuant to this *Agreement*. Information disclosed or provided by *OPG* shall be, to the best of *OPG*'s knowledge, true, correct and complete at the time at which such disclosure or provision is made, acting reasonably. Where *OPG* discovers that any such information that is material and has been previously disclosed or provided by it to the *OEFC* was or, in *OPG*'s opinion, is reasonably likely to become, materially untrue, incorrect, or incomplete, *OPG* shall as soon as reasonably practicable in the circumstances rectify the situation and disclose or provide the true, correct, or complete information to the *OEFC*.
- 2.7 **Notification of Significant Events:** *OPG* shall, as soon as reasonably practicable in the circumstances, notify the *OEFC* of the occurrence of, or upon becoming aware of any circumstances that may give rise to, any of the following events during the term of this *Agreement*:
- 2.7.1 if it becomes unlawful for *OPG* to comply with any of the obligations imposed on it under the *market rules* or with any of *OPG*'s obligations under this *Agreement*;
- 2.7.2 a *licence*, permit or other authorization referred to in Section 2.4 of this *Agreement* is suspended, revoked, materially and adversely amended or otherwise ceases to be in full force and effect;
- 2.7.3 *OPG* experiences an *insolvency event*;
- 2.7.4 if *OPG* ceases, or threatens or intends to cease maintaining the reliability and availability of and operating and maintaining *Lambton* and *Nanticoke* during the term using *good utility practices* as required in order to meet the supply adequacy and system reliability requirements of the Ontario electricity system, subject to *OPG* meeting all requirements of *applicable law*, including operating and maintaining *Lambton* and *Nanticoke* in accordance with the electricity generation *licence* issued by the Ontario Energy Board, Ontario Regulation 496/07 as amended under the *Environmental Protection Act*, the *Shareholder's Declaration* and the *Shareholder's Resolution*.
- 2.7.5 any new projects relating to *Lambton* and *Nanticoke* not already specifically identified to the *OEFC* in *OPG*'s business plans for *Lambton* and *Nanticoke* for the year approved by *OPG* in excess of the amounts set forth below and any increase in the costs of existing projects, for *Lambton* and *Nanticoke* in excess of:
- i. \$1,000,000 individually; or
  - ii. \$4,000,000 in the aggregate.

Provided that *OPG* shall not be required to give such notice in the event that a project is amended or changed or a replacement project is substituted for one which is included in the business plan if the cost of such amended, changed or replacement project is of equal or lesser cost than the project set forth in the business plan.

Any such notice shall provide reasonable detail regarding the reasons for and components of any increased costs in existing projects or any new projects, as the case may be, and shall be prepared by *OPG* in good faith and, to the best of *OPG*'s information, knowledge and belief, shall be accurate and complete;

- 2.7.6 the development by *OPG* of any *future facility-related product* in any *IESO-administered market* or other market; and
- 2.7.7 any other event in respect of *OPG* that is likely to materially affect the performance by *OPG* of its obligations under the *market rules* or this *Agreement* in relation to the provision of *energy* or *ancillary services* from *Lambton* and *Nanticoke*.
- 2.8 **Performance Standards:** Nothing in this *Agreement* shall require *OPG* to operate *Lambton* and *Nanticoke* during an *outage*, or where to do so would endanger the safety of any person, damage equipment, harm the environment or violate any *applicable law*.
- 2.9 **Record Retention and OEFC Audits:** *OPG* shall keep complete and accurate books, records and all other data required by it for the purpose of proper administration of, and compliance with this *Agreement*. All such books, records and data shall be maintained as required by *applicable law* but for no less than for seven (7) years after the creation of the book, record or data. *OPG*, on a confidential basis as provided for in Article 5, shall provide reasonable access to the *OEFC*, any auditor appointed by the *OEFC* pursuant to Section 3.3 of this *Agreement* and any of the *OEFC*'s *representatives*, to such books, records and data kept and shall provide any assistance the *OEFC* of any such auditor may reasonably require in order to conduct audits pursuant to Section 3.3.
- 2.10 **Reporting:** *OPG* shall prepare all statements in accordance with the terms of this *Agreement*, using revenues and costs prepared in accordance with *applicable accounting principles* and such statements shall fairly reflect the terms of this *Agreement* and the financial position and results of operation of the *Lambton* and *Nanticoke* for the periods set out therein.
- 2.11 **Business Plans for Lambton and Nanticoke:** *OPG* will provide *OEFC* with draft business plans for *Lambton* and *Nanticoke* no later than thirty (30) days before the beginning of each calendar year during the term of this *Agreement*, and business plans for *Lambton* and *Nanticoke* consistent with *OPG*'s business plan for the corporation within ten (10) days of *OPG*'s Board of Directors approving *OPG*'s business plan for the corporation.

### ARTICLE 3

#### RIGHTS AND OBLIGATIONS IN RELATION TO THE OEFC

- 3.1 **Information:** The *OEFC* shall promptly disclose or provide to *OPG* such information as is required to be disclosed or provided to *OPG* pursuant to this *Agreement*. Information disclosed or provided by the *OEFC* shall be, to the best of the *OEFC*'s knowledge, true, correct and complete at the time at which such disclosure or provision is made, acting

reasonably. Where the *OEFC* discovers that any such information that is material and has been previously disclosed or provided by it to *OPG* was or, in the *OEFC*'s opinion, is reasonably likely to become, materially untrue, incorrect, or incomplete, the *OEFC* shall as soon as reasonably practicable in the circumstances rectify the situation and disclose or provide the true, correct or complete information to *OPG*.

**3.2 Notification of Significant Events:** The *OEFC* shall, as soon as reasonably practicable in the circumstances, notify *OPG* of the occurrence of, or upon becoming aware of any circumstances that may give rise to, any of the following events during the term of this *Agreement*:

- 3.2.1 if it becomes unlawful for the *OEFC* to comply with any of the *OEFC*'s obligations under this *Agreement*;
- 3.2.2 a licence, permit or other authorization that is necessary to enable the *OEFC* to carry on its business and perform its obligations under this *Agreement*, is suspended, revoked, materially and adversely amended or otherwise ceases to be in full force and effect;
- 3.2.3 if the *OEFC* experiences an *insolvency event*; and
- 3.2.4 any other event that is likely to materially affect the performance by the *OEFC* of its obligations under this *Agreement*.

**3.3 Audits:**

- 3.3.1 The *OEFC*, at its own cost, shall have the right, acting reasonably, to initiate one or more audits during normal business hours and upon reasonable notice, at any time during the term of this *Agreement* and within a period of four months from the expiration or termination of this *Agreement*, of the books, records, data, procedures and operations of *OPG* in order to verify compliance by *OPG* with its obligations under this *Agreement*, including verification of its *actual costs* and *gross revenues* for the purposes of the payments specified in Schedule A and verification of any other information provided pursuant to this *Agreement*.
- 3.3.2 Any such audit shall be conducted at the *OEFC*'s own expense and shall be conducted by a third party appointed by the *OEFC* unless *OPG* acting reasonably, consents to the conduct of an audit by the *OEFC*. If the *OEFC* conducts the audit itself, it may use its own employees for purposes of any such audit provided that those employees are bound by the confidentiality requirements provided for in Article 5. For greater certainty, any third party auditor appointed by the *OEFC* to conduct an audit and any *OEFC* employee involved in conducting an audit shall have the right to discuss and share information only within the *OEFC*, the Ontario Financing Authority, the Ministry of Finance and Ministry of Energy and Infrastructure concerning an audit, subject in all cases to the confidentiality requirements provided for in Article 5 and the confidentiality and non-disclosure agreement executed by the auditor pursuant to Section 3.4 of this *Agreement*.
- 3.3.3 If *OPG* has a confidentiality obligation to a third party with respect to any of its books, records, data, procedures or operations that are relevant to the conduct of an audit pursuant to this *Agreement*, and *OPG* is unable, using commercially reasonable

efforts, to obtain consent to the release thereof to a third party auditor, the *OEFC* or its *representatives*, *OPG* shall provide a certificate executed by a nationally recognized, independent auditing firm attesting to the accuracy and completeness of such books, records, data, procedures or operations, and any information reflected therein as may be reasonably requested by the *OEFC*.

- 3.3.4 The *OEFC* or the third party appointed to conduct any audit shall provide to *OPG* the terms of reference of the audit plan and audit procedures at least ten (10) *business days* prior to the commencement of the audit in order to assist the *Parties* in planning the audit. The *OEFC* acknowledges and agrees that *OPG*'s readiness for an audit shall be dependent in part on the scope of the audit, and that, notwithstanding its commercially reasonable efforts, *OPG* may not be fully prepared to assist in the conduct of an audit at the end of such ten (10) *business days*. Notwithstanding the foregoing, *OPG* shall be so prepared as soon as is reasonably possible in the circumstances.
- 3.4 **Audit Confidentiality:** Any auditor appointed by the *OEFC* pursuant to Section 3.3 of this *Agreement* shall enter into a Confidentiality Agreement with *OPG* substantially in the form of Schedule C.

#### ARTICLE 4

##### REPRESENTATIONS AND WARRANTIES

- 4.1 **Representations and Warranties of the *OEFC*:** The *OEFC* hereby represents and warrants that:
- 4.1.1 the *OEFC* is a corporation continued under the *Electricity Act, 1998* (Ontario), is qualified to carry on its business in the Province of Ontario, and has the requisite power to enter into this *Agreement* and to perform its obligations hereunder;
- 4.1.2 the execution, delivery and performance of this *Agreement* by it has been duly authorized by all necessary corporate and/or governmental action;
- 4.1.3 this *Agreement* constitutes a legal and binding obligation of the *OEFC*, enforceable against the *OEFC* 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; and
- 4.1.4 the *OEFC* has reviewed this *Agreement* to ensure its consistency with and full compliance with the provisions of the *OEFC*'s constating documents and authorizations of *governmental authorities* and, to the best of the *OEFC*'s knowledge, this *Agreement* is consistent with and in full compliance with the provisions of the *OEFC*'s constating documents and authorizations of *governmental authorities*.
- 4.2 **Representations and Warranties of *OPG*:** *OPG* hereby represents and warrants that:

- 4.2.1 *OPG* is a corporation incorporated under the laws of the Province of Ontario, 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;
- 4.2.2 the execution, delivery and performance of this *Agreement* by it has been duly authorized by all necessary corporate and/or governmental action;
- 4.2.3 this *Agreement* constitutes a legal and binding obligation of *OPG*, enforceable against *OPG* 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; and
- 4.2.4 the information to be provided by *OPG* and in accordance with Schedule A for each year of the term of this *Agreement* with respect to its *actual costs* and *gross revenues* to operate the *Lambton* and *Nanticoke*;
- 4.2.4.1 will be prepared by *OPG* in accordance with *applicable accounting principles* and in good faith and, to the best of its knowledge, information and belief after reasonable due diligence and inquiry, will represent an accurate and complete statement of such *actual costs* and *gross revenues*;
- 4.2.4.2 will be consistent with the audited financial statements of *OPG*;
- 4.2.4.3 will represent *actual costs* that are consistent with the operation of *Lambton* and *Nanticoke* in accordance with *good utility practices*, acting as energy-limited resource and in a commercially reasonable manner; and
- 4.2.4.4 will represent *actual costs* that are, to the best of its knowledge, information and belief after reasonable due diligence and inquiry, consistent with the historical operating costs of *Lambton* and *Nanticoke*, subject in all cases to commercially reasonable changes to such costs in accordance with *good utility practices* and operating *Lambton* and *Nanticoke* as an *energy-limited resource*.

## ARTICLE 5

### CONFIDENTIALITY

- 5.1 **Market Rules Confidentiality Obligations:** It is acknowledged that *OEFC* and *OPG* are institutions for the purposes of the *Freedom of Information and Protection of Privacy Act* R.S.O. c. F.31 ("*FIPPA*"). Subject to the provisions of the *FIPPA*, each *Party* shall keep confidential any *confidential information* pertaining to the other *Party*; provided that it is acknowledged that the *OEFC* may disclose *confidential information* to the Ontario Financing Authority, the Ministry of Finance and the Ministry of Energy and Infrastructure.
- 5.2 **Confidentiality Obligations:** The following provisions shall apply to any *confidential information*. *Confidential information* shall include all analyses, compilations, forecasts,

studies or other documents prepared by a receiving *Party* which contain *confidential information*. The *Party* receiving the *confidential information* shall:

- 5.2.1 not make any copies or reproductions of the *confidential information* in any medium or form other than as reasonably necessary to carry out the terms of this *Agreement*;
- 5.2.2 only disclose the *confidential information* to such of its *representatives* or employees who need to know the *confidential information* to carry out the terms of this *Agreement*. The receiving *Party* specifically acknowledges that it shall be solely responsible to ensure that its *representatives* and employees are bound by the terms of this *Agreement* and the receiving *Party* shall defend, indemnify and hold harmless the disclosing *Party* from and against all suits, actions, damages, claims and costs arising out of any breach of this *Agreement* by such *representatives* and employees;
- 5.2.3 upon the expiration or other termination of this *Agreement*, and subject to the survival rights contained in Section 6.3 of this *Agreement*, at the request of the disclosing *Party*, return or destroy all *confidential information* disclosed or otherwise obtained in writing or in any medium or form, including copies or reproductions thereof, and destroy all analyses, compilations, forecasts, studies or other documents prepared by the receiving *Party* which contain *confidential information*, including all copies or reproductions thereof, and certify to the disclosing *Party* that it has done so;
- 5.2.4 if it is legally compelled to disclose any *confidential information*, it shall provide the disclosing *Party* with prompt notice so that the disclosing *Party* may seek injunctive relief or other appropriate remedies and/or waive compliance with the provisions of this *Agreement*. Furthermore, the receiving *Party* shall use reasonable efforts to assist the disclosing *Party* to contest and resist such disclosure, request, requirement or order. If the *Parties* are unable to prevent the further transmission of the *confidential information*, the receiving *Party* shall use reasonable efforts to obtain assurances that confidential treatment will be afforded to that portion of the *confidential information* furnished; and
- 5.2.5 not dispute that the disclosing *Party* would be irreparably injured by a breach of Article 5 of this *Agreement* and would be entitled to equitable relief, including injunctive relief and specific performance as may be granted by any court of competent jurisdiction to prevent breaches of Article 5 and to enforce specifically the terms and provisions hereof in any action instituted in any court having jurisdiction.

The provisions of this Section 5.2 shall apply to any *representatives* who receive *confidential information* pursuant to Section 3.3 and 3.4 of this *Agreement*.

## ARTICLE 6

### TERM AND TERMINATION

- 6.1 **Term:** This *Agreement* comes into force as of the *effective date* and shall remain in full force and effect until December 31, 2014; provided that in the event that there is a change to the *applicable law* or to the policy of any *governmental authority* which has a negative material financial effect upon the rights or obligations of *OPG* under this *Agreement* then the *Parties*

agree to use good faith efforts to amend this *Agreement* to minimize such financial effect in an equitable manner.

6.2 **No Right to Extend or Renew:** Neither *Party* shall have any right to extend or renew the term of this *Agreement*.

6.3 **Survival:** The provisions of:

6.3.1 Sections 2.5, 2.9, 3.3, 3.4, Article 5, Section 7.5, Article 8 shall survive the expiration of the term or any other termination of this *Agreement*;

6.3.2 Sections 1, 2 and 3 of Schedule A shall survive the expiration of the term or any other termination of this *Agreement* until such time as any payments required to be made pursuant to those sections have been made; and

6.3.3 Article 4 shall survive the expiration of the term or any other termination of this *Agreement* for a period of one (1) year following such expiration or termination.

Termination or expiration of all or part of this *Agreement* for any reason does not affect any rights of either *Party* against the other which:

- a. arose prior to or at the time at which such termination or expiration occurred; or
- b. otherwise relate to or may arise at any future time from any breach or non-observance of an obligation under this *Agreement* occurring prior to the termination or expiration.

These rights shall survive the expiration of the term or earlier termination of this *Agreement* for a period of time equal to the applicable statute of limitation.

## ARTICLE 7

### PAYMENT

7.1 **Payments:** Each *Party* shall make all payments required to be made to the other *Party* in accordance with this *Agreement*.

7.2 **Frequency of Payment:** Each *Party* shall pay the *invoices* on a monthly basis.

7.3 **Time of Payment:** Payments required to be made under any *invoice* shall be made on or before the twentieth (20<sup>th</sup>) *business day* of the month following the month during which *OPG's* invoice is received by *OEFC*.

7.4 **Taxes:** Each of the *OEFC* and *OPG* is liable for and shall pay, or cause to be paid, or reimburse the other *Party* if that other *Party* has paid, all taxes applicable on any payment due to the other *Party* other than on its income or capital. Any goods and services tax exigible pursuant to the *Excise Tax Act* (Canada) or Ontario provincial sales tax exigible under the *Retail Sales Tax Act* (Ontario) payable in connection with such payments shall be paid by the payor.

- 7.5 **Payment Records:** The *Parties* shall keep all books, records and data necessary to support the information contained in and with respect to each payment made hereunder.

## ARTICLE 8

### DISPUTE RESOLUTION

- 8.1 **Dispute Resolution:** In the event of a dispute regarding this *Agreement*, before either *Party* may submit the dispute to arbitration in accordance with Section 8.2, such *Party* shall first provide written notice to the other *Party* of the particulars of the dispute, following which the parties shall use all reasonable efforts to resolve the dispute amicably, promptly and in good faith.
- 8.2 **Arbitration:** If pursuant to Section 8.1, the parties cannot come to a resolution of a dispute regarding this *Agreement* within ten (10) *business days* of the date of receipt of the written notice referred to in Section 8.1 the dispute may be submitted to arbitration by either *Party*. Arbitration shall be conducted pursuant to the *Arbitration Act, 1991* of Ontario, as amended and then in effect to the extent not inconsistent with the rules herein specified. Such arbitration shall be held in Toronto, Ontario, or in any other mutually agreed upon location. Unless otherwise mutually agreed, the dispute shall be heard by one arbitrator who has not previously been employed or otherwise retained by/or affiliated with a person that has been employed or otherwise retained by either *Party*, does not have a direct or indirect interest in either *Party* and shall be disinterested in the subject matter of the dispute. Such arbitrator shall either be as mutually agreed by the parties within thirty (30) days after agreeing to arbitration or failing agreement, shall be selected under the rules of the *Arbitration Act, 1991* of Ontario. The judgment rendered by the arbitrator may be enforced by any court of competent jurisdiction. All costs of the arbitration shall be paid equally by the parties, unless the award shall specify any different division of the costs. Each *Party* shall be responsible for its own expenses, including attorney's fees unless the award shall specify differently. Both parties shall be afforded adequate opportunity to present information in support of their position on the dispute being arbitrated and to respond to the other *Party's* submissions. The arbitrator may also request additional information from the parties.
- 8.3 **Arbitration Rules:** Should the parties submit to arbitration pursuant to this Article 8, then the following arbitration rules shall apply. The arbitrator shall be bound by the terms of this *Agreement* and may not detract from or add to its items. The parties may by mutual agreement specify the rules that are to govern the arbitration proceedings and limit the matters to be considered. The findings and award of the arbitrator shall be final and conclusive and shall be binding upon the parties and shall not be subject to appeal. Each *Party* agrees that it will not bring a lawsuit concerning any dispute covered by the arbitration provisions.
- 8.4 **Exception:** Nothing in Article 8 shall prevent a *Party* from making application to a court of competent jurisdiction in the Province of Ontario for urgent interlocutory or interim injunctive relief.

## ARTICLE 9

### MISCELLANEOUS

- 9.1 **Company Representative:** Each *company representative* 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 *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*.

- 9.2 **Amendment:** No amendment of this *Agreement* shall be effective unless made in writing and signed by the *Parties*.
- 9.3 **Assignment:** This *Agreement* may not be assigned, whether absolutely, in whole or in part, by a *Party* without the prior written consent of the other *Party*, such consent not to be unreasonably withheld or delayed. Upon any such assignment, the assigning *Party* shall be relieved of any further obligations under this *Agreement*.
- 9.4 **Successors and Assigns:** This *Agreement* shall enure to the benefit of, and be binding on, the *Parties* and their respective heirs, administrators, executors, successors and permitted assigns.
- 9.5 **Further Assurances:** Each *Party* shall promptly do such further acts and execute and deliver or cause to be done, executed and delivered all further acts and documents in connection with this *Agreement* that the other *Party* may reasonably require for the purposes of giving effect to this *Agreement*.
- 9.6 **Waiver:** A waiver of any *default*, breach or non-compliance under this *Agreement* is not effective unless in writing and signed by the non-defaulting *Party*. No waiver shall be inferred or implied by any failure to act or by the delay in acting by a non-defaulting *Party* in respect of any *default*, breach or non-observance or by anything done or omitted to be done by the defaulting *Party*. The waiver by a *Party* of any *default*, breach or non-compliance under this *Agreement* shall not operate as a waiver of that *Party's* rights under this *Agreement* in respect of any continuing or subsequent *default*, breach or non-observance (whether of the same or any other nature).
- 9.7 **Severability:** Any provision of this *Agreement* that is invalid or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of that invalidity or unenforceability and shall be deemed severed from the remainder of this *Agreement*, all without affecting the validity or enforceability of the remaining provisions of this *Agreement* or affecting the validity or enforceability of such provision in any other jurisdiction.
- 9.8 **Notices:** Any notice, demand, consent, request or other communication required or permitted to be given or made under this *Agreement* shall be valid only if delivered in writing in accordance with this section. The addresses for delivery are set forth in Schedule 4 attached hereto.

Notice sent accordingly shall be deemed to have been delivered and received:

- (a) if delivered by hand, upon receipt;
- (b) if sent by electronic transmission, 48 hours after the time of transmission, excluding from the calculation weekends and public holidays;
- (c) if sent by registered mail, six (6) days after the mailing thereof, provided that if there is a postal strike such notice shall be delivered by hand.

Either *Party* may change its address and representative as set forth in Schedule B by written notice to the other *Party* given as aforesaid.

- 9.9 **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.
- 9.10 **Counterparts:** This *Agreement* may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument. Counterparts may be executed either in original, faxed or other electronically-communicated form and the *Parties* adopt any signatures received by a receiving facsimile machine or otherwise received electronically as original signatures of the *Parties*; provided, however, that any *Party* providing its signature in such manner shall promptly forward to the other *Party* an original signed copy of this *Agreement* which was so faxed or electronically delivered.
- 9.11 **Third Party – Beneficiaries:** In connection with this *Agreement*, the *Parties* shall be acting on their own behalf and shall benefit from the limitations of liability and other provisions of this *Agreement*. The *Parties* shall not be acting as agent, fiduciary or trustee for any other person or legal entity, and accordingly it is the *Parties'* intention that no person or legal entity other than the *Parties* hereto shall have any rights or remedies under or the ability to enforce this *Agreement* in any manner, directly or indirectly. The *Parties* further agree that the foregoing provisions shall not act as a waiver of subrogation by the *Parties'* insurers.
- 9.12 **Force Majeure:** To the extent either *Party* is prevented by *force majeure* from carrying out, in whole or part, its obligations under this *Agreement* and such claiming *Party* gives notice and details of the *force majeure* to the other *Party* as soon as practical, then the claiming *Party* shall be excused from the performance of such obligations to the extent so prevented (other than the obligation to make payments then due or becoming due.) The claiming *Party* shall remedy the *force majeure* with all reasonable dispatch, except where the *force majeure* is a strike, lockout or other labour dispute, in which case there shall be no such obligation. The term of this *Agreement* shall not be extended by the length of the *force majeure*. Notwithstanding the aforesaid, in the event there is a *force majeure* at *Lambton* or *Nanticoke* which causes damage to a unit or units then *OPG* shall, as soon as reasonably practicable thereafter, provide to the *OEFC* an analysis of the economic implications of rebuilding or repairing or not rebuilding or repairing the unit or units. If *OPG* determines, and the *OEFC* concurs, that it is not economical to rebuild or repair such unit or units then, subject to receiving the consent of the *OEFC*, which consent shall not be unreasonably withheld, *OPG* shall not be required to rebuild or repair such unit or units. If such unit or units are not rebuilt or repaired *OPG* shall be able to shutdown the unit or units and invoice for the remaining book value of the unit or units in accordance with the terms of this *Agreement*. If *OPG* decides, and the *OEFC* concurs, that it is economical to repair or rebuild such unit or units and it is necessary to do so in order to meet *OPG's* obligations pursuant to section 2.2 of this *Agreement* then *OPG* shall repair or rebuild such unit or units and all costs related thereto shall be considered *actual costs* in accordance with the terms of this *Agreement*.
- 9.13 **Default:** If an *insolvency event* occurs in relation to a *Party* or, in the case of *OPG*, if it provides notice to the *OEFC* pursuant to Section 2.7.4 of this *Agreement*, then the other *Party* may terminate this *Agreement* at any time by notice to that first *Party*. If the other *Party* gives a termination notice under this clause, then this *Agreement* terminates from the start of the later of the day following the day on which the notice was given and the day nominated in the notice.
- 9.13.1 **Notice by Party in Breach:** If a *Party* becomes aware that a circumstance has arisen which that *Party* reasonably considers constitutes or is likely to constitute or result in a *default* by it (for greater certainty, without reference to the applicable cure period), the *Party* must:

- a. immediately after becoming aware of the circumstances, give the other *Party* notice of that circumstance; and
- b. keep the other *Party* informed both at reasonable intervals and upon request by the other *Party*, as soon as practicable following the receipt of that request, of:
  - i. the first *Party*'s estimate of the likely duration of the *default*;
  - ii. the cessation of that *default* or the successful mitigation or minimization of the effects of that *default*; and
  - iii. any other matter which the other *Party* may reasonably request in connection with the occurrence of the *default* and the matters referred to in paragraphs (b)(i) and (ii).

9.13.2 **Notice by Party not in Breach:** If a *Party* becomes aware that a circumstance has arisen which that *Party* reasonably considers constitutes or is likely to constitute or result in a *default* by the other *Party* (for greater certainty, without reference to the applicable cure period), then the first *Party* may give the other *Party* notice of that circumstance. Upon receipt of that notice, the other *Party* must keep the first *Party* informed in accordance with clause 9.13.1(b).

9.13.3 **Cure of Default:** Upon receiving notice under clause 9.13.2 or otherwise becoming aware that a circumstance has arisen which constitutes or is likely to constitute or result in a *default* by it (for greater certainty, without reference to the applicable cure period), a *Party* must cure the *default* or prevent the *default* from occurring (as the case requires) and mitigate any loss the other *Party* suffers or is likely to suffer.

9.13.4 **Remedies:** If the defaulting *Party* does not cure a pending *default* within the applicable cure period such that a *default* has occurred, then the non-defaulting *Party* may terminate this *Agreement* by giving a further written notice to the defaulting *Party* which notice shall specify the effective date of termination, and the defaulting *Party* shall forfeit any payment otherwise payable to that *Party* after the termination date. If such termination occurs as a result of the *OEFC's default*, the *OEFC* shall reimburse *OPG* for its *termination costs*.

9.14 **Entire Agreement:** This *Agreement* constitutes the entire agreement between the *Parties* with respect to the matters contemplated by this *Agreement* and supersedes all prior agreements, undertakings, negotiations and discussions, whether oral or written, of the *Parties*.

9.15 **Publication or Announcement of Schedules to Agreement:** Subject, where applicable, to Article 5, except to the extent otherwise required by *applicable law* or as directed by any *governmental authority* or with the prior written consent of the other *Party*, neither *Party* shall publish in any medium, or make any public announcement concerning the substance of, the Schedules to this *Agreement*.

9.16 **Schedules:**

The following schedules are attached and shall form part of this *Agreement*:

Schedule A – Payments

Schedule B – *Company Representatives for Notifications*

Schedule C – *Form of Confidentiality Agreement*

Schedule D – *Direct Corporate Support Costs*

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**IN WITNESS WHEREOF** the *Parties* have, by their duly appointed *representatives*, executed this *Agreement*.

**ONTARIO POWER GENERATION INC.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**ONTARIO ELECTRICITY FINANCIAL CORPORATION**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_