**Connection Cost Agreement– schedules**

**SCHEDULE “A”:**

**SCOPE OF WORK**

**General Description:**

Enhancement of the Distributor’s distribution system to permit the connection of a XXX kW generating facility connecting to the XXXX kV feeder XXXX from XXXX TS.

In-Service Date: MONTH DD, YYYY

Security Requirement: N/A

Easement Required: N/A

**Customer Responsibilities:**

## 1.0 General Project Requirements

The Customer shall:

1. ensure that project data is provided to the Distributor as required;
2. provide or continue to provide a dedicated communication circuit for remote access to the metering equipment in accordance with IESO Market Rules;
3. provide a communication circuit for remote monitoring between the Customer and the Distributor’s Control room; and
4. comply with the OEB and IESO requirements for market participation, revenue metering or export and obtain applicable regulatory approvals.

## 2.0 Telecommunication and Protection at the Generating Facility

At least 1 week before the In-Service date the Customer shall:

1. provide and install adequate protection and other equipment and materials required at the generating facility;
2. be responsible for detailed design, installation, wiring and commissioning of telecommunication equipment at the generating facility site, if required.

## 3.0 Revenue Metering

The existing meter will be replaced with a bi-directional meter.

## 4.0 Pole-Line Ownership Transfer

N/A.

## 5.0 Documentation

The Customer shall provide to the Distributor 1 electronic copy in \*.PDF format of each of the following Group A, Group B, Group C and Group D Connection Interface Documents for review. Distributor will define these requirepemtns at the initial project meeting.

**Group A**

* IESO application (Not Applicable)
* Single-line drawings showing ratings of all electrical equipment, such as disconnect switches, bushing potential devices, CVTs, power transformers, grounding transformers, grounding resistors, breakers, etc.
* GPR Study and associated station ground design (Not Applicable)

**Group B:**

* DC station service 1 line showing ratings of all electrical equipment such as batteries, chargers, etc.
* Switchgear fault ratings
* HV surge arrestor specification
* Transformer protection, AC and DC EWD
* Disconnect switch or HV breaker AC and DC EWD
* LV breaker (transformer & bus tie breakers) AC and DC EWD
* Breaker Failure (transformer & bus tie breakers) AC and DC EWD
* HV equipment operating and protection philosophy.

**Group C:**

* Power transformer and generator nameplate ratings
* Relay settings including relay logic diagrams, coordination studies and fault calculations.
* Commissioning Procedure following the template of Confirmation of Verification and Evidence Report (COVER)

**Group D:**

* Preliminary and final generator data, including excitation system performance, automatic voltage regulator (AVR), power factor regulator, power system stabilizer, static exciter and speed governor to ensure compliance with all applicable reliability standards required under the IESO Market Rules.

**Distributor’s Responsibilities:**

## 1.0 General Project Requirements

The Distributor shall be responsible for providing the following at the Customer’s costs:

1. review the design of the existing and proposed generating facility that may have impact on the Distributor’s distribution system.
2. review the existing feeder protection and recommend feeder relay setting change if required
3. review the generator commissioning and Confirmation of Verification and Evidence Report (COVER) work as required and provided by the Customer.
4. install the revenue metering and the revenue meter.
5. project management and administration.

The Customer shall be responsible for the Actual Costs of the Distributor in fulfilling the foregoing responsibilities.

The Distributor shall not be responsible for any costs that may incur as a result of work done by the Distributor to meet Hydro One Networks Inc. (“Transmitter”) requirements (Transfer Trip, for example), which may be determined and charged to the Distributor at a later date.

**SCHEDULE “B”:**

**ESTIMATED COSTS**

The Distributor estimates that the total capital cost of the Project shall be the total amount of costs identified below.

The estimated amount of costs payable to the Distributor for connection work is $XX,XXX.XX plus Taxes:

Note:

1. Overheads are included in the estimated Capital Contribution.

2. Any contingencies will be recovered from the Customer in accordance with the terms of the Agreement.

**MANNER OF PAYMENT OF THE ESTIMATED CAPITAL CONTRIBUTION**

The customer shall make the following payment in Certified Cheque payable to the Distributor towards the Estimated Capital Contribution:  **$** **XX,XXX.XX + Taxes**

**MISCELLANEOUS**

1. **1. Connection Point**

The proposed generating facility will be connected to XXXX TS XXXX kV feeder XXXX.

The current connection point between the Distributor and the customer is at XXXX KVA transformer at address. The Distributor may require a change of connection point and operating control point based on the system operating conditions.

1. **2.** **Generation Facility**

The generating facility consists of X x XXX kW Solar PV Net Metered generation facility in total of XXX kW.

**SCHEDULE “C”:**

**STANDARD TERMS AND CONDITIONS FOR CONNECTION COST AGREEMENT**

1. **Definitions**

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

**“Actual Cost”** means the Distributor’s charge for equipment, labour and materials at the Distributor’s standard rates and overheads, interest thereon plus any costs payable by the Distributor to any other third Party for the purposes of constructing the Project, undertaking the Work and connecting the Project to the Distributor’s distribution system. For greater certainty, the Actual Costs may include but are not limited to all preliminary design costs, storage costs, facility removal expenses and any costs of environmental remediation.

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

“**Business** **Day**” means any day, excluding Saturday, Sunday, and any other day that in Ontario, is either a legal holiday or a day on which banking institutions are authorized or required by law or other governmental action to be closed.

**“Code”** means the latest version of the Distribution System Code as issued by the OEB from time to time.

“Confidential Information” means all information whether transmitted orally, electronically or in written form, relating to the Project which a Party or its Representatives may receive or have received in the course of the Work and which contain or otherwise disclose information which the other Party reasonably claims as confidential or proprietary, including, but not limited to, the Distributor’s distribution system or transmission system design and system specifications. For further clarity, all requests for information made by a Party to the other Party are Confidential Information.

“Good Utility Practice” means any of the practices, methods and acts engaged in or approved by a significant portion of the electrical utility industry in North America during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgement 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 and expedition. Good Utility Practice is not intended to be limited to optimum practice, method or act to the exclusion of all others, but rather to include all practices, methods or acts generally accepted in North America.

“IESO” means the Independent Electricity System Operator and any successor thereto.

“In-Service Date” means the date that the Distributor approves the final energization of the Project.

“Market Rules” means the IESO administered market rules.

“OEB” means the Ontario Energy Board and any successor thereto.

“Party” means each of the Distributor and the Customer, and the Distributor and Customer are collectively referred to as the “Parties”.

“Project” means the expansion or enhancement of the Distributor’s distribution system as described in Schedule A for the purpose of connecting the generating facility to the Distributor’s distribution system.

“**Person**” shall include individuals, trusts, partnerships, firms and corporation or any other legal entity.

“**Representative**” means (i) a person controlling or controlled by or under common control of a Party and each of the respective directors, officers, employees and independent contractors of a Party and such Party’s Representative, (ii) any consultants, agents or legal, financial or professional advisors of a Party or such Party’s Representative and (iii) in the case of Customer, any institution providing or considering providing financing for the Project, including such institutions directors, officers, employees and independent contractors or its consultants, agents or legal, financial or professional advisors.

**“Taxes”** means any and all taxes imposed by a governmental authority including but not limited to GST/HST, ad valorem, (including any provincial sales, excise or similar taxes), property, municipal, utility, sales, use, consumption, excise, transaction and other taxes, or increases therein.

**“Work”** means all of thework to be conducted in accordance with the Scope of Work attached hereto as Schedule “A” and in accordance with the terms and conditions of this Agreement.

**2. Representations and Warranties**

Each Party represents and warrants to the other that:

(a) it is duly constituted, validly existing and in good standing under the laws of its governing jurisdiction.

(b) it has the necessary power, authority and capacity and good and sufficient right to enter into this Agreement on the terms and conditions herein set forth, and the execution and performance of this Agreement will not conflict with, or constitute a breach under, any agreement to which it is a Party or any judgment, order, statute or regulation which is applicable to it.

(c) this Agreement constitutes a valid and binding obligation of it, enforceable against it in accordance with its terms and conditions.

(d) any individual executing the Agreement or any document hereunder has been duly authorized by the Party to sign the Agreement and any document hereunder.

(e) it is registered for the purposes of Part IX of the *Excise Tax Act* (Canada).

(f) it is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada), as amended.

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

**3. Customer Acknowledgements**

The Customer acknowledges and agrees that:

(a) it will enter into a connection agreement with the Distributor at least **7** days prior to the In-Service Date.

(b) it will ensure that all work performed by the Customer required for successful installation, testing and commissioning of protective equipment is completed as required so as to permit the Distributor to witness and test to confirm the satisfactory performance of such systems.

(c) the Project will not be energized until the Distributor accepts the technical specifications (including electrical and civil drawings) for the Project and has accepted the Customer’s verification of those portions of the Customer’s Work which affects the Distributor’s distribution system.

(d) all right, title and interest, including copyright ownership, to all information and material of any kind whatsoever (including, but not limited to the work product developed as part of the Work) that may be developed, conceived and/or produced by the Distributor during the performance of this Agreement is the property of the Distributor and the Customer shall not do any act that may compromise or diminish the Distributor’s interest as aforesaid.

(e) it will be responsible to rectify at its own cost, any negative impacts that the connection of the Project and operation of the Project following connection may have on the Distributor’s distribution system in accordance with Good Utility Practice and to the satisfaction of the Distributor. The Customer further acknowledges that the negative impacts on the Distributor’s distribution system may include but are not limited to impacts on safety, reliability, efficiency, power factor and power quality, voltage disturbances, voltage flicker, or objectionable harmonics on the distribution system or on other customers.

(f) it will be responsible to rectify at its own cost any negative impacts that the connection of the Project and operation of the Project following connection may have on the IESO-controlled grid (as that term is defined in the *Electricity Act, 1998* (Ontario) in accordance with Good Utility Practice and to the satisfaction of the Distributor.

(g) it is responsible for installing such equipment and facilities at the Project for the purpose of protecting its property, generating facility and equipment.

(h) the Distributor will not be required to change its feeder operating, protection and reclosing practice to accommodate the connection of the Project to the Distributor’s distribution system.

**4. General Covenants**

The Parties acknowledges and agrees that each Party shall:

(a) shall perform their respective obligations outlined in this Agreement in a manner consistent with Good Utility Practice and the Code and in compliance with all Applicable Laws including the Ontario Electrical Safety Code.

(b) be responsible for obtaining and maintaining any and all permits, certificates, reviews and approvals required under Applicable Law with respect to the work that Party is undertaking in respect of the Project.

Except as provided herein, the Distributor makes no representation or warranty, express, implied, statutory or otherwise, including, but not limited to, any representation or warranty as to the merchantability or fitness of the Work or any part thereof for a particular purpose.

**5. Equipment**

(a) The title to and ownership of all Distributor’s equipment placed on the Customer’s property or on any easement shall remain the property of the Distributor (if applicable) with full rights of removal. This provision shall survive the termination of this Agreement.

**6. Liability**

The Parties acknowledge and agree that:

(a) each Party shall only be liable to the other Party for damages that arise directly out of the negligence or the willful misconduct of that Party.

(b) that notwithstanding Section 6(a), the Parties shall not be liable under any circumstances whatsoever for any loss of profits or revenues, business interruption losses, loss of contract or loss of goodwill, or for any indirect, consequential, incidental or special damages, including but not limited to punitive or exemplary damages, whether any of the said liability, loss or damages arise in contract, tort or otherwise.

This Section 6 shall survive the termination of this Agreement.

**7. Force Majeure**

(a) Neither Party shall be considered to be in default in the performance of its obligations under this Agreement, except obligations to make payments herein , to the extent that performance of any such obligation is prevented or delayed by any cause, existing or future, which is beyond the reasonable control of, and not a result of the fault or negligence of, the affected Party (“**Force Majeure**”) and includes, but is not limited to, strikes, lockouts and any other labour disturbances.

(b) If a Party is prevented or delayed in the performance of any such obligation by Force Majeure, such Party shall immediately provide notice to the other Party of the circumstances preventing or delaying performance and the expected duration thereof. Such notice shall be confirmed in writing as soon as reasonably possible. The Party so affected by the Force Majeure shall endeavour to remove the obstacles which prevent performance and shall resume performance of its obligations as soon as reasonably practicable, except that there shall be no obligation on the Party so affected by the Force Majeure where the event of Force Majeure is a strike, lockout or other labour disturbance.

**8. General Provisions**

(a) Each Party agrees that no portion of this Agreement shall be interpreted less favourably to either Party because that Party or its counsel was primarily responsible for the drafting of that portion.

(b) No amendment, modification or supplement to this Agreement shall be valid or binding unless set out in writing and executed by the Parties with the same degree of formality as the execution of this Agreement.

(c) This Agreement shall be construed and enforced in accordance with, and the rights of the Parties shall be governed by, the laws of the Province of Ontario and the laws of Canada applicable therein, and the courts of Ontario shall have exclusive jurisdiction to determine all disputes arising out of this Agreement.

(d) No waiver of any term of this Agreement is binding unless it is in writing and signed by the Party entitled to grant the waiver. No failure to exercise, and no delay in exercising, any right or remedy under this Agreement will be deemed to be a waiver of that right or remedy. No waiver of any breach of any term of this Agreement will be deemed to be a waiver of any subsequent breach of that term.

(e) This Agreement represents the entire agreement between the Parties hereto respecting the subject matter hereto and supersedes all prior agreements, understandings, discussions, negotiations, representations and correspondence made by or between them respecting the subject matter hereto.

(f) The Customer may not assign this Agreement without the prior written consent of the Distributor which consent may not be unreasonablely withheld by the Distributor in its sole discretion.

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

**SCHEDULE “D”:**

# CONFIDENTIALITY TERMS

1. **Disclosure of Confidential Information**

Pursuant to the terms and conditions contained herein, a Party may disclose Confidential Information to the other Party solely for the purpose of the Project or the Work. Notwithstanding such disclosure the Confidential Information shall remain the sole and exclusive property of the disclosing Party and as such shall be maintained in confidence by the receiving Party using the same care and discretion to avoid disclosure as the receiving Party uses with its own similar information that it does not wish to disclose. The receiving Party may disclose Confidential Information to its Representatives pursuant to Section 3 below but may not use or disclose it to others without the disclosing Party’s prior written consent. Notwithstanding the generality of the foregoing, all intellectual property rights which may subsist in the Confidential Information shall remain with the disclosing Party. The receiving Party shall not use the confidential information for any purposes other than the Project or the Work without the disclosing Party’s prior written consent.

2. **Information that is not Confidential**

Confidential Information shall not include information which:

(a) is previously known to or lawfully in the possession of the receiving Party prior to the date of disclosure as evidenced by the receiving Party’s written record.

(b) is independently known to or discovered by the receiving Party, without any reference to the Confidential Information.

(c) is obtained by the receiving Party from an arm’s length third Party having a bona fide right to disclose same and who was not otherwise under an obligation of confidence or fiduciary duty to the disclosing Party or its Representatives.

(d) is or becomes publicly available through no fault or omission of, or breach of this Schedule “D” by, the receiving Party or its Representatives.

(e) is disclosed by the disclosing Party to another entity without obligation of confidentiality.

(f) is required to be disclosed on a non-confidential basis pursuant to a judicial or governmental order or other legal process as described in Section 5 or as set forth in Section 4.

3. **Disclosure to Representatives**

Confidential Information shall only be disclosed to Representatives who need to know the Confidential Information for the purposes of the Project or the Work. Except in the case of officers, directors or employees, Confidential Information may only be disclosed to Representatives where the receiving Party has an agreement in place with those Representatives sufficient to obligate them to treat the Confidential Information in accordance with the terms hereof. The receiving Party hereby specifically acknowledges that it shall be solely responsible to ensure that its Representatives comply with the terms of this Schedule “D” and that 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 Schedule “D” by the receiving Party or any of its Representatives.

4. **Compelled Disclosure**

In the event that a receiving Party, or anyone to whom a receiving Party transmits Confidential Information pursuant to this Schedule “D” or otherwise, becomes legally compelled to disclose any Confidential Information, the receiving Party will provide the disclosing Party with prompt notice so that the disclosing Party may seek injunctive relief or other appropriate remedies. In the event that both Parties are unable to prevent the further transmission of the Confidential Information, the receiving Party will, or will use reasonable efforts to cause such person to whom the receiving Party transmitted the Confidential Information to furnish only that portion of the Confidential Information, which the receiving Party is advised by written opinion of counsel is legally required to be furnished by the receiving Party, to such person and exercise reasonable efforts to obtain assurances that confidential treatment will be afforded to that portion of the Confidential Information so furnished.

5. **Records with respect to Confidential Information**

The receiving Party shall keep all written or electronic confidential information furnished to or created by it. All such Confidential Information, including that portion of the Confidential Information which consists of analyses, compilations, studies or other documents prepared by the receiving Party or by its Representatives, is the disclosing Party’s property and will be returned immediately to the disclosing Party or destroyed upon its request and the receiving Party agrees not to retain any copies, extracts or other reproductions in whole or in part. If a receiving Party does not receive a request to return Confidential Information to the disclosing Party within 6 months of the last communication between the Parties concerning the Project or the Work then the receiving Party shall destroy any Confidential Information it holds.

Notwithstanding the foregoing and provided that the Project is connected to the distribution system, the Distributor shall have the right to retain such electrical information concerning the Project that it has received from the Customer or its Representatives for the purpose of the Distributor making the required calculations and decisions related to the design, operation, and maintenance of the Distributor’s facilities and those for any other person that may connect or is considering connecting to the distribution system that could be impacted by the Project.

6. **Remedies**

The receiving Party agrees that the disclosing Party would be irreparably injured by a breach of this Schedule “D” and that the disclosing Party shall be entitled to equitable relief, including a restraining order, injunctive relief, specific performance and/or other relief as may be granted by an court to prevent breaches of this Schedule “D” and to enforce specifically the terms and provision hereof in any action instituted in any court having subject matter jurisdiction, in addition to any other remedy to which the disclosing Party may be entitled at law or in equity in the event of any breach of the provisions hereof. Such remedies shall not be deemed to be the exclusive remedies for a breach of this Schedule “D” but shall be in addition to all other remedies available at law or equity.