PICKERING REFURBISHMENT PROGRAM
WORK BUNDLE STRUCTURE AND CONTRACTS

1.0 OVERVIEW

This schedule describes how OPG structured the major work bundles and developed the contracting approaches that it is using to execute each of the bundles.

2.0 STRUCTURE OF MAJOR WORK BUNDLES

Dividing the Pickering Refurbishment Program ("PRP") into individual projects is consistent with recommendations from the Project Management Institute ("PMI")[1] for large multi-faceted programs such as the PRP. The work bundles were developed as the most logical way to effectively execute the refurbishment scope, reflecting the knowledge and experience gained from the Darlington Refurbishment Program ("DRP").

Work bundles are used by OPG for purposes of assigning project management accountability, as well as for purposes of contracting PRP work to outside contractors. As noted in Ex. D2-3-2, OPG has established project management teams comprised of OPG staff within each of the six work bundles shown below. The manner in which OPG determined the scope of the PRP, including how it grouped that scope into the work bundles, is discussed in Ex. D2-3-5. A summary of the major work bundles is provided in Chart 1 below. The costs of the major work bundles are set out in Ex. D2-3-8. The execution strategy of each of the major work bundles is described in greater detail in Ex. D2-3-9.

[1] PMI is a leading international association for project, program and portfolio management.

Chart 1 – Summary of the Major Work Bundles

BUNDLE	SUMMARY DESCRIPTION
Major Work Bundles	
1. Retube, Feeder and Boiler Replacement (“RFBR”)	**RFBR** is the largest work bundles and the work in this bundle is typically on critical path. It includes engineering, procurement and construction services for: • the replacement of fuel channels, feeders and supporting hardware and associated parts • the replacement of all boilers (steam generators) • internal inspection of calandria vessels • development of tooling and systems to perform replacement and inspection tasks • fuel channel and feeder mock-ups for tool testing and training • commissioning.
2. Turbine Generator (“TG”)	The **TG** sets auxiliary systems and controls are highly specialized equipment designed and supplied as an integrated system for the Pickering station. This work bundle involves replacement of the high-pressure and low-pressure turbines, maintenance, refurbishment and modifications work to the generator, as well as installation of new electronic controls.
3. Balance of Plant (“BOP”)	The **BOP** work bundle includes scope on both nuclear and conventional systems that could not be effectively grouped with other major work bundles. Balance of Plant work includes engineering modifications and many non-modification scopes of work (like-for-like replacements).
4. Facilities & Infrastructure (“F&I”)	**Refurbishment Support Facilities** work is required to support the refurbishment scope and staff in and around the station. It includes common areas such as shops and storage, washrooms, and offices for refurbishment workers. This includes both the renewal of current infrastructure and building of new facilities, where appropriate.
5. Operations & Maintenance (“O&M”)	**Shutdown, Layup and Services** work is required to establish specific conditions for the shutdown of the Pickering unit(s) and layup of systems to maintain a protected environment until the systems are returned to service following refurbishment activities. **Projects** work that is supported by OPG maintenance personnel. Similar to the BOP bundle, the O&M bundle includes project scope on both nuclear and conventional systems that could not be effectively grouped with other major work bundles. This includes

BUNDLE	SUMMARY DESCRIPTION
	engineering modifications and many non-modification scopes of work (like-for-like replacements). **Defueling** involves the safe removal of all fuel from each reactor core in order to minimize outage duration. Defueling is the first segment on critical path once the refurbishment breaker is open. **Fuel Handling** involves improvements to fuel handling reliability through inspections and replacement of critical components.
6. Deep Water Intake ("DWI")	The **DWI** work bundle involves the tunnelling and construction of an offshore intake tunnel, cofferdam and offshore intake shaft. The DWI system will draw deeper cooler water from Lake Ontario, which is expected to improve thermal efficiency, support increased electrical power output, reduce biofouling events, decrease fish impingement and entrainment, and enhance resilience to climate change.

3.0 CONTRACTS FOR MAJOR WORK BUNDLES

This section describes the contracts used for the major work bundles, as well as the Extended Services Master Services Agreement ("ESMSA"), which is the contract being used for the majority of the Balance of Plant work bundle.[2]

Section 3.1 provides an overview of the different forms of contracting and some of the common terms across the contracts. Sections 3.2-3.8 consider the contracts for each of the major work bundles.

3.1 Contracting Overview

3.1.1 Overview of Contracting for Major Work Bundles

Chart 2 below provides an overview of the contracts in place for each of the major work bundles.

[2] The ESMSA is also used for the majority of projects in the Nuclear Operations Project Portfolio. See Ex. D2-1-1 for consideration of the Nuclear Operations Project Portfolio.

1 **Chart 2 – Overview of Major Work Bundle Contracts for PRP**

Work Bundle (Contractor)	Description	Contract Model	Pricing Model
RFBR Atkins Realis[3]/Aecon Joint Venture ("Atkins/Aecon JV")	- Definition Phase work - Execution Phase work For each unit: - Removal/replacement of 380 pressure and calandria tubes - Replacement of 760 feeder pipes - Replacement of all 12 boilers (steam generators) General: - Prepare facilities - Design and production of tooling - Provide goods to support work	Engineering, Procurement and Construction ("EPC")	Target Price (with Fixed Fee)
	Owner Specified Materials ("OSM") Commissioning work	EPC	Cost + Markup
Turbine Generators Siemens Energy/Aecon	Hardware	EPC	Firm Price
	Definition Phase work, Execution Phase work	EPC	Target Price
	Commissioning work	EPC	Time and Materials
Balance of Plant ES Fox, Black&MacDonald, Framatome, MBJV, L3Harris	Various smaller equipment repair and replacement projects and system upgrades Includes: Refurbishment Support Facilities, and Shutdown Layup Services	Multiple Approaches (ESMSA, EPC, OPG Self Performance)	Multiple Approaches
Facilities & Infrastructure ES Fox, Black&MacDonald, Magil, TACC	Definition Phase Work Infrastructure upgrades to accommodate the personnel and heavy equipment that will support the refurbishment. This includes upgrades of current road, electrical work and building sites as well as erection of new buildings and infrastructure.	EPC	Multiple Approaches
Operations & Maintenance Tetra Tech, Framatome, Original Equipment Manufacturers	Definition Phase Work, Execution Phase Materials Design activities to propose material solutions to maintenance activities. Material procurement completed in-house to support OPG Self Performance.	EPC, and OPG Self Performance	Time and Materials, and Cost + Markup
Deep Water Intake Janin Atlas Inc./ Dodin Quebec Inc., Bessac Canada Limited (together, the Deep-Water Intake Group General Partnership "DIG GP")	Large underwater intake system that consists of a new offshore intake tunnel and offshore intake shaft to bring in deeper lake water from Lake Ontario to Pickering Units 5-8.	EPC	Target Price

[3] In 2023, SNC-Lavalin Group Inc. announced that it had rebranded to AtkinsRéalis. The legal entity in the RFBR agreement is SNC-Lavalin Nuclear Inc., a subsidiary of AtkinsRéalis.

3.1.2 Current Status of Contracting Process

As discussed in Ex. D2-3-4, OPG is currently in the Definition Phase, with the PRP Execution Phase expected to begin in January 2027. OPG has successfully awarded all major contracts. While final contract costs will be refined through completion of detailed engineering and refinement of schedule in the Definition Phase, OPG has already conducted detailed vetting processes to establish appropriate contractor estimates, which was used to inform the release quality estimate. OPG will confirm Execution Phase pricing and incentives and disincentives as applicable through the Execution Phase contract amendments for each work bundle, as discussed below.

For RFBR, final agreement with Atkins/Aecon JV was executed on January 18, 2025. Atkins was selected for the Pickering RFBR given Atkins is owner of the original design and has significant experience with CANDU refurbishment projects including DRP. The RFBR contract is currently in its Definition Phase which will continue through the fourth quarter of 2026. Upon completion of Definition Phase activities specified in the contract, OPG will issue a Notice to Proceed ("NTP") authorizing Execution Phase and establishing the target cost and milestone schedule.

For TG, final agreement with Siemens was executed on February 14, 2025. The TG contract is currently in its Definition Phase which will continue through fourth quarter of 2026. Upon completion of Definition Phase activities specified in the contract, OPG will issue an NTP authorizing Execution Phase and establishing the target cost and milestone schedule.

For BOP, the majority of the contracts are currently in Detailed Design phase, which includes long lead material procurements for the associated projects. Contract issuance and progression into the next phase of the contract (Engineering to Procurement to Construction) is based on which scopes will be executed first.

For the DWI, the final agreement with the DIG GP was executed on July 24, 2025. The DWI contract is currently in its Definition Phase which will continue through Q1 2027. Upon completion of the Definition Phase Works, OPG will issue the Final Execution Phase Work NTP, with the concurrent execution of the Execution Phase Amendment.

3.2 Pricing

In determining the appropriate pricing model for each work bundle, the need and ability for OPG to transfer risk to its contractors was balanced against the benefit of achieving a lower contract price or target cost. For example, while fixed price contracts transfer the most risk to contractors, it would come at the highest price. High levels of complexity and uncertainty in certain work bundles (e.g., RFBR) made the transfer of most pricing risk to the contractor less commercially feasible.

OPG's major contracts for the PRP include the following pricing models:

- *Target Price* – Under target pricing, the contractor is paid its actual (allowed) costs (other than overhead costs) incurred in performing the work and is entitled to a fixed fee as compensation for all of its overhead costs and profit. The target price incentive and disincentive mechanism, which includes a neutral band, is structured to achieve alignment of all parties' interests in the completion of the work. Outside the neutral band, the parties share savings below targets and overruns above targets.
- *Fixed Price/Firm Price* – Contractors complete their work within a set budget and time period. Price only varies in specified circumstances or where OPG changes scope. The price of fixed price contracts is a defined value whereas firm price contracts allow an escalation for inflation.
- *Reimbursable Costs or Cost-Plus Mark-up* – Contractors are paid actual labour and materials with mark-ups for overhead and profit (as a percentage of costs).
- *Time and Materials* – Contractors are paid in accordance with predetermined hourly rates for work performed for OPG. The rates are inclusive of profit and overhead.

Incorporating lessons learned from the DRP, the pricing approach for the PRP was adjusted to include more cost categories in the target price component. This strategy was proven to effectively motivate contractor performance in the DRP and the intent is to leverage this tool further for the PRP.

3.2.1 Contract Terms and Conditions

A number of terms and conditions are consistent across the contracts. These are described below and not repeated in the detailed discussion of each major work bundle:

- *Project Change Directives* – The major work bundle contracts limit the ability for the contractors to initiate project change directives to only certain circumstances (e.g., change in law and regulatory codes and standards).[4] The limitation on contractors initiating the process for project change directives reduces OPG's risk exposure to changes in target costs, target schedules or fixed fees.
- *Excusable Delays and Force Majeure* – For a specific set of circumstances beyond its control, the contractor could receive schedule or cost relief.
- *Warranty Provisions* – The warranty periods are sufficiently long for OPG to identify any potential defects with work performed by the contractors or owner-specified materials supplied by the contractors.
- *"Open Book" Approach and OPG Audit Rights* – OPG may review, audit and dispute invoiced costs.
- *Termination for Convenience* – OPG may terminate the contracts for convenience at any time, providing OPG with the ability to exit its engagement with the contractor if required, subject to reimbursement of the contractor's reasonable costs.
- *Suspension of the Work* – OPG has the option to suspend the work at any point during the contract, subject to reimbursement of the contractor's reasonable costs. This provides an important cost-saving measure in the event of a delay in execution.

3.3 Retube Feeder and Boiler Replacement

The RFBR contracting process was initiated in 2023. As part of a strategic decision to mitigate critical path risks, the RFBR scope of work was directly awarded to Atkins/Aecon JV. This approach was chosen to leverage Atkins/Aecon JV's specialized knowledge and experience, especially that gained from working on the Darlington Refurbishment Retube and Feeder Replacement Project ("DRP RFR Project") as well as their key role in the Bruce Power Major Component Replacement Project. Atkins/Aecon JV has demonstrated, through both projects,

[4] The ESMSA does not include this limitation on project change directives.

its capability and capacity to execute the full scope of work while meeting demanding readiness and execution timelines.

The Class 3 Definition phase, encompassing the majority of high-value items such as reactor components, boilers, and specialized tooling, was thoroughly evaluated using both industry and DRP RFR Project benchmarks. For instance, the PRP tooling estimates were derived from the DRP RFR Project actuals, with appropriate adjustments for inflation and scope differences. Labour estimates for both the definition and execution phases were validated against historical actuals, with critical path direct field labour estimates benchmarked against previous retube schedules and crew sizes, ensuring alignment with industry standards and, where applicable, best practices.

Engaging the Atkins/Aecon JV takes full advantage of lessons learned from previous and relevant work in the province and benefits the RFBR project through the engagement of retained critical knowledge and skill of contractor personnel that delivered performance results in the other projects. Further, the Atkins/Aecon JV's familiarity with both OPG and the scope of work allowed them to begin work immediately, accelerating project progress. For example, the Atkins/Aecon JV is familiar with and has demonstrated alignment with OPG's One Team principles, which was key to the success of the DRP RFR Project. OPG also has insight into and experience with the Atkins/Aecon JV's rates, costing methodologies, resource allocation strategies, organizational capacity, time-on-tools metrics and productivity benchmarks, enabling informed commercial decisions and realistic cost validation for RFBR. OPG consolidated all boiler (steam generator) replacement work with the retube and feeder work to give a single contractor responsibility for overlapping work areas and work events. This allows the Atkins/Aecon JV to efficiently streamline and coordinate priorities, balance resources and risks, and maximize opportunities with respect to cost, schedule, and quality objectives.

OPG also leveraged the DRP RFR Project EPC agreement terms as a reference framework, along with its incentive and disincentive mechanisms, as they have contributed to the effective execution of the DRP. The cost and schedule frameworks for both the Definition Phase and the Execution Phase were negotiated in parallel, ensuring alignment and continuity between project phases. OPG executed a final agreement with the contractor on January 18, 2025. A summary of the RFBR contract with the Atkins/Aecon JV is provided in Attachment 1.

3.3.1 Contract Phases

Under the RFBR agreement, the Definition Phase for the RFBR scope that was initiated at the end of 2023 will continue until the fourth quarter of 2026 when, subject to completion of Definition Phase activities outlined in the agreement, OPG will issue an NTP authorizing Execution Phase work for all units and setting the target cost and milestone schedule for Unit 5. OPG expects to further amend the agreement to set the target cost and milestone schedules for Units 6, 7, and 8 in the future. By staggering the setting of target cost and milestone schedules for the subsequent units, OPG is able to manage risk in stages and facilitate the application of lessons learned and innovation to subsequent units. This approach draws on insights from the DRP and helps mitigate the added complexity due to the inclusion of the boiler scope in the RFBR.

3.3.2 Target Price Contract Structure

In alignment with the collaborative EPC delivery model, the contracting strategy selected by OPG for the RFBR major work bundle is a “target” reimbursable cost model that incorporates target cost and target schedule incentives and disincentives for each of the (1) Definition Phase, (2) Execution Phase for Unit 5, and (3) Execution Phase for Units 6, 7, and 8. The target price incentive and disincentive mechanism is structured to achieve alignment between contractor interests and OPG’s objective of limiting cost increases and schedule delays.

During the Definition Phase, the target schedule and target price estimates will be established for the Execution Phase of the work. Following the Definition Phase work, the “Execution Phase target price” will be determined for Unit 5 (targeted for the fourth quarter of 2026) and then for Units 6, 7, and 8 (targeted for 2028), with the respective incentive and disincentive regime applying to cost and schedule performance for each. As a result, similar to the DRP, OPG and the Atkins/Aecon JV will jointly share in cost savings or overruns, by the respective party paying, as an incentive or a disincentive, a specified percentage of cost savings or overruns beyond the neutral band.

The financial incentives/disincentives mechanism is tied to the target cost and is also tied to the contractually negotiated “Fixed Fee”.[5] The Fixed Fee is comprised of the contractor’s profit and overhead on the labour portion of the target cost. If the contractor incurs cost disincentives, its maximum exposure is 50% of the Fixed Fee (“Fee at Risk”). As a result, the contractor’s return on the project is diminished, which is significant to the contractor since it is motivated to earn its profit and not simply pass costs through to the Owner. As such, the contractor has the incentive to avoid this consequence.

In addition, the contract is structured to facilitate a phased risk allocation, with progressive transfer of risk to the contractor over time. The Definition Phase carries the lowest risk, allowing for knowledge development and refinement of project parameters. Unit 5, as the first unit to be executed, provides for intermediate risk transfer. For Units 6, 7, and 8, where the project enters into a greater degree of replication, the contractor assumes the greatest amount of risk as they are in a position to incorporate lessons learned from the first unit’s execution. This structured approach allows for risks to be jointly shared at the outset but then to be increasingly transferred to the contractor as replication is expected. The use of target pricing promotes cost efficiency, transparency, and mitigates paying for a risk premium where appropriate (e.g., for Definition Phase work). Accordingly, 4% of the Fee at Risk is allocated to the Definition Phase, 18% of the Fee at Risk is allocated to Unit 5 work, and 78% of the Fee at Risk is allocated to Units 6, 7, and 8 work. Additionally, the contractor has an incentive opportunity of up to 25% of the Fixed Fee.

Under the target cost model, a neutral band is utilized within which there are no incentives or disincentives for deviations from the target cost. The neutral band minimizes administrative burden and potential disputes over minor cost variations, while ensuring both parties remain focused on overall project objectives, managing material cost overruns and achieving value.

[5] While Goods, Tooling and Reimbursable No Mark-up (pass through) costs are included within the target pricing framework, in order to align the contractor’s performance with cost control objectives, they are not used in the calculation of the Fixed Fee.

Schedule incentives and disincentives are structured with a fixed cost-per-day rate applied to early or late performance. While the rate of early completion remains constant, the rate for delays is staged, increasing as the duration of the work extends.

Altogether, this incentive and disincentive model aligns the contractor's interests to performing optimally on all units of the refurbishment program, embedding expectations for learnings and unit-over-unit efficiencies along the way. The exact amount of the Fee at Risk and the specific incentive and disincentive details will be finalized through planned amendments to the project agreement once the target cost and target schedule durations are established.

3.3.3 Materials and Commissioning Work

Where the contractor has less impact on outcomes, OPG has excluded the work from the target pricing structure. Instead, cost plus mark-up pricing is used for Owner Specified Materials as well as for commissioning work.

The potential for cost fluctuations in Owner Specified Materials, largely driven by the global resurgence in nuclear construction and refurbishment activities, was deemed to be primarily beyond the control of either party, with variations that could range from minor to significant. To avoid the complexities of maintaining continuous adjustments to the target pricing structure to account for these unpredictable and variable cost changes, and to prevent adding undue risk to the target model, Owner Specified Materials were intentionally excluded from the target pricing structure. This decision also facilitated a reduction in the overhead rate applied to the boiler portion of the work, ensuring a more streamlined and cost-effective approach to pricing.

Commissioning work is also excluded from the target price model as it is limited in scope and largely managed by OPG as opposed to the contractor.

3.3.4 Current Status

OPG has conducted a vetting process to establish the Execution Phase contractor estimate for the RFBR for all units. The process included a detailed review of the elements of the estimate by the project management team and a strategy to validate elements of the estimate and assess the gaps OPG identified in the original estimate submission. Further information on the vetting process is provided in Ex. D2-3-8.

By implementing the RFBR procurement process early in the Definition Phase, OPG and the Atkins/Aecon JV have been able to work together, on an open book basis in alignment with One Team principles, to develop the engineering, refine the schedule and budget estimates, and jointly identify, monitor and address risks as they arise.

3.4 Turbine Generator

The turbine generator sets are highly specialized machines designed and manufactured to order specifically for Pickering by C.A. Parsons and Co. A series of corporate mergers and acquisitions resulted in Siemens Energy (“Siemens”) becoming the original equipment manufacturer (“OEM”) in 1997. Siemens previously replaced the high-pressure turbines for Units 5 and 7 in 2019. This completed work therefore does not form part of refurbishment scope.

OPG began the contractor selection process in July 2023, with a focus on contractors that in OPG’s assessment had the requisite expertise with nuclear power stations in Canada. OPG sought comprehensive proposals including technical specifications, key commercial terms and budgetary estimates from such vendors. After reviewing the proposals, OPG selected Siemens on the basis that its proposal was comparatively better for the majority of the assessment areas. In addition, there are a number of advantages that an OEM can offer over a third-party vendor, including reduced engineering effort, fewer potential compatibility issues, and consistent technology across all units for reduced operations and maintenance burden. All such advantages apply to the turbine generator scope of work.

In April 2024, OPG issued a Limited NTP to Siemens to start procurement of long lead materials and initial engineering. As part of the contract negotiations, OPG requested that Siemens consider potential constructors as the installation partner. After such consideration, Aecon Construction Group Inc. (“Aecon”) was selected by Siemens for their project management capability and capacity to do the work. Aecon has a proven track record of successfully executing nuclear mega-projects and, as a partner of the Atkins/Aecon JV on the RFBR work bundle, offers opportunities for resource cross-utilization to enhance efficiency.

OPG executed a final agreement with Siemens and Aecon (collectively the "TG Consortium") on February 14, 2025, establishing their joint responsibility for the execution of the Turbine Generator major work bundle.[6] A summary of the TG contract with the TG Consortium is provided in Attachment 2.

3.4.1 Hardware Supply

The hardware supply component of the work, including preliminary design and factory testing, is conducted using a firm price model and accounts for approximately half of the contract value. As discussed in Section 3.2, a firm price model allows the cost of each component to be escalated annually in accordance with agreed-upon indices applicable to the specific jurisdiction(s) where the component is manufactured.

3.4.2 Definition Phase and Installation

The Definition Phase, installation support work (Siemens) and installation work (Aecon) are executed under the "target" reimbursable cost model, where the TG Consortium assumes partial risk for cost and schedule overruns and shares any benefits of completing the work under budget or ahead of schedule. To promote efficiency across all units, a single cost incentive/disincentive target applies to the entire Execution Phase. The cost disincentives employ a rate reduction model. If the TG Consortium exceeds the target, they will credit back a percentage of the overage to OPG in increasing bands. There is no maximum cost disincentive, but if the target cost is exceeded by a defined percentage, the credit percentage stabilizes, and a larger suite of remedies becomes open to OPG. The schedule risk sharing model is unit-specific, with higher incentives and disincentives for Unit 5 and Unit 8 where the TG schedule is closer to the critical path and schedule adherence is critical. The schedule risk sharing model employs a common "liquidated damages" model, in which the TG Consortium would pay a predetermined daily amount for every day beyond the target schedule and neutral

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[6] Siemens and Aecon have separately entered into a consortium agreement to create a clear framework for allocation of jointly held risks, including hardware supply, installation and commissioning.

band. Likewise, if the TG Consortium finished the work on a given unit early, OPG would pay an incentive for every day ahead of the target schedule.

OPG's Power Workers' Union ("PWU") represented personnel are experienced with the configuration, maintenance and operation of the TG. OPG has an arrangement with the TG Consortium in which such personnel will form part of an integrated team with the TG Consortium's trades under the TG Consortium's supervision, to perform the installation work as enabled by the jurisdictional labour agreement negotiated by OPG, which will leverage OPG's internal staff expertise and deliver execution efficiencies. Refer to Ex. D2-3-4, Section 2.2, for OPG's workforce planning approach to support Pickering Refurbishment and Ex. F4-3-1, Section 2.0, for discussion of the requisite labour agreements.

3.4.3 Static and Dynamic Commissioning

Static commissioning and dynamic commissioning support work is executed using a reimbursable cost model. During the commissioning phases, OPG is performing the work with Siemens technical support. Given the importance of timely technical support to resolve issues through commissioning, there is a schedule incentive available to the TG Consortium should commissioning of a given unit finish on time or early.

3.4.4 Warranty

The TG contract includes extended warranty periods to ensure the equipment performs as required, with different warranty periods for hardware, software and installation to reflect the reasonable timelines in which defects would become apparent. In addition, Siemens has agreed to a performance guarantee on the output of the TG. There are incentives and disincentives tied to performance of the TG during and after commissioning, with anything below the minimum output deemed "defective" with a requirement to correct at Siemens's cost.

3.4.5 Reimbursable Costs

For Siemens's reimbursable costs, OPG pays predetermined rates that are comparable to rates employed by similar OEM contractors. For Aecon's work, OPG pays for actual costs, with the same burden, overhead and profit profile as the RFBR contract, to ensure that Aecon personnel can seamlessly move between projects.

3.5 Deep Water Intake

The implementation of a DWI project is a strategic initiative aimed at enhancing Pickering's operational efficiency, supporting increased electrical output, reducing environmental impacts, and improving its resilience to climate-related challenges. For further information on this project, see Ex. D2-3-5, Section 4.6.

3.5.1 Request-For-Market-Information

A request for market information was launched in early 2024 to assess the level of market interest for this DWI project and to obtain feedback on aspects of the project, including regarding viable contracting options to procure and deliver the work. OPG received a total of 15 requests for market information submissions indicating a high level of interest from the market. In addition, OPG considered three contracting options: 1) design-bid-build; 2) traditional EPC; and 3) EPC with more collaborative principles (collaborative EPC). Five screening factors were used to determine the basis for assessing the three contracting options: 1) cost certainty; 2) on-time delivery; 3) time to construction; 4) risk allocation; and 5) ability to achieve the best value for the project. The contracting options analysis assessment ultimately concluded that a collaborative EPC contracting option is the optimal approach. Lessons learned from OPG's Niagara Tunnel project were also considered, including how to account for geotechnical and subsurface conditions, as well as uncertainty associated with underground tunnelling.

3.5.2 Contracting Model

The DWI project was contracted via a two-stage procurement selection process. This entailed a Request-for-Prequalification ("RFPQ") stage and a Request-for-Proposal ("RFP") stage. The two-stage process allowed OPG to evaluate multiple interested bidders based on company experience and qualifications prior to shortlisting a discrete set of RFP proponents. Utilizing a two-stage process facilitated a focus on evaluating and shortlisting the most capable entities on a consistent experience-based level prior to releasing detailed DWI requirements and terms and conditions to the bidders.

3.5.3 Request-For-Prequalification, Request-For-Proposals, and Contract Award

OPG concluded its stage 1 RFPQ in December 2024 and shortlisted a total of five proponents. Over a five-month period, OPG executed an RFP process that successfully achieved four competitive RFP submissions. OPG entered into a one-month RFP Evaluation Period and evaluated the four RFP submissions from a technical, commercial, and pricing standpoint. A preferred "Negotiations Proponent" was identified at the conclusion of the evaluation period. OPG entered into negotiations with the Negotiations Proponent and successfully concluded the process by awarding the contract on July 24, 2025, which marked the start to the Definition Phase. Final agreement with the DIG GP was executed on July 24, 2025. The DWI contract is currently in its Definition Phase with a target to complete the Definition Phase by no later than February 2027. Upon completion of the Definition Phase Works, OPG will issue the Final Execution Phase Work NTP and the concurrent execution of the Execution Phase Amendment.

3.5.4 Pricing Model

In alignment with the collaborative EPC delivery model, the contracting strategy for the DWI project is a "target" price model that incorporates target cost and target schedule incentives and disincentives for both the Definition Phase and Execution Phase. The target price incentive and disincentive mechanism is structured to achieve alignment between contractor interests and OPG's objective of limiting cost increases and schedule delays.

3.5.5 Incentive and Disincentives – Costs and Schedule

3.5.5.1 Definition Phase – Cost Incentives and Disincentives

The agreement establishes a neutral band for the Definition Phase target cost. If the actual amount of allowed costs incurred in respect of the Definition Phase work falls below the neutral band, OPG will pay the contractor a percentage of OPG's cost savings up to a maximum amount equal to a percentage of the Definition Phase Fixed Fee. If the actual amount of allowed costs incurred exceeds the neutral band, the contractor will pay OPG a percentage of

OPG's cost overruns up to a maximum amount equal to a percentage of the Definition Phase Fixed Fee. Cost incentives and disincentives will be payable on the earlier of (1) the effective date of the Execution Phase Amendment, and (2) the date on which the aggregate amount of cost disincentives exceeds the overall limit, subject to early termination.

3.5.5.2 Execution Phase – Cost Incentives and Disincentives

The Agreement establishes a tighter neutral band during the Execution Phase. If the actual amount of allowed costs incurred in respect of the Execution Phase work falls below the neutral band, OPG will pay the contractor a percentage of OPG's cost savings up to a maximum amount equal to a percentage of the Execution Phase Fixed Fee. If the actual amount of allowed costs incurred exceeds the neutral band, the contractor will pay OPG a percentage of OPG's cost overruns up to a maximum amount equal to a percentage of the Execution Phase Fixed Fee.

3.5.5.3 Execution Phase – Milestone Schedule Incentives and Disincentives

If the contractor achieves Substantial Completion more than 20 days earlier than the guaranteed Substantial Completion date, OPG will pay the contractor an incentive amount determined in accordance with the agreement (as a percentage of the Execution Phase Fixed Fee) up to a maximum amount equal to a percentage of the Execution Phase Fixed Fee. If the contractor achieves Substantial Completion by more than 20 days later than the guaranteed Substantial Completion date, the contractor will pay OPG an amount determined in accordance with the agreement (as a percentage of the Execution Phase Fixed Fee) up to a maximum amount equal to a percentage of the Execution Phase Fixed Fee.

A copy of the contract summary for the DWI project is provided in Attachment 3.

3.6 Balance of Plant

The Balance of Plant work bundle includes scope on both nuclear and conventional systems that could not be effectively grouped with other major work bundles. Balance of Plant work includes engineering modifications and many non-modification scopes of work (i.e., like-for-like replacements).

The ESMSA is the form of contract used for the majority of the Balance of Plant work bundle,[7] as well as for the Facilities & Infrastructure projects. The ESMSA is a form of contract that establishes a set of terms and conditions in advance with a contractor, enabling OPG to significantly shorten the procurement cycle for obtaining engineering, procurement, or construction services, or any combination of the three types of services, as required. Where possible, OPG will optimize resourcing by utilizing existing PWU-represented resources to support construction work, as appropriate.

As described in EB-2016-0152 and EB-2020-0290, in 2012, OPG established ESMSAs with ES Fox and Black & McDonald. In 2015, in order to increase competition and to mitigate capacity risks, OPG selected the Atkins/Aecon JV as a third ESMSA contractor. The initial contract term under each ESMSA was for five years. The term has since been extended to 2027 for each of ES Fox, Black & McDonald and the Atkins/Aecon JV. The current form of agreement in place for all three of these contractors has benefited from clarifications and adjustments based on OPG's experience with the work conducted to date under the ESMSAs, including through the DRP. An ESMSA worksheet template, which contains all of the key ESMSA contract requirements, is used and customized by OPG for each individual Balance of Plant project, to direct the ESMSA contractor on how the required service is to be completed as per the ESMSA contract.

Entering substantially similar agreements with the ESMSA contractors through a competitive process has allowed OPG to achieve a number of benefits with respect to pricing and terms and conditions, as well as flexibility and control by OPG. Some of the key contract features and benefits are highlighted below:

- *Core Team* – Contractor will own the work from start to finish under a "one-stop shop" approach. Each contractor is required to establish and maintain a core team capable of managing, controlling and administering the provision of all work pursuant to the ESMSA. Key personnel for an individual project may be designated in the purchase order for the

[7] The ESMSA vendors make up for 67% of the awarded work for the Balance of Plant bundle. Other significant vendors include MBJV (Makhos-Bird Joint Venture) for the site facilities scope, and Framatome for the transformer construction scope. Together, these vendors make up for 95% of the Balance of Plant work.

project with OPG's consent. Members of the core team and any designated key personnel cannot be replaced without OPG's prior written consent. This approach ensures committed and focused contractor leadership for OPG work and reduces the complexity and costs relating to OPG's ongoing interface with and management of the contractors.

- *Pricing and Profit at Risk Model* – Fixed labour rates for trades and non-trades as well as set fees for material management provide cost predictability under the ESMSA. At the same time, for each project awarded pursuant to the ESMSA, OPG may adopt the appropriate pricing model (i.e., fixed/firm price, time and materials, target price, or other types as appropriate). Under each ESMSA, the contractor is required to submit an application to OPG for payment for work completed. OPG withholds a percentage (specified in the contract) of each corresponding payment and contributes these amounts to a performance fee pool for each ESMSA contractor.[8] As a result, a percentage of the contractor's costs, including the contractor's profits and overhead, are at risk through the performance fee mechanism. Performance fees are paid out of the performance fee pool based on a performance scorecard included in each ESMSA and which is comprised of approved performance indicators, including in the areas of safety, human performance, cost and schedule. The performance scorecards and indicators are established on an annual basis and reviewed regularly by OPG. Altogether, the performance fee mechanism aligns each contractor's incentives with OPG's interests in terms of ongoing performance improvement and delivery of projects in a timely and cost-effective manner. To enhance the effectiveness of the performance mechanism, OPG is also in the process of developing project-specific performance scorecards for the Balance of Plant work packages awarded under the ESMSAs.
- *Work Request Processes and Change Management* – OPG retains the sole discretion to issue a work request to any of the ESMSA contractors and is not restricted in its ability to issue the work request to other contractors regardless of whether they have entered into a similar ESMSA with OPG. While the ESMSA contractor is required to respond to all work requests from OPG, OPG does not guarantee that any specific amount of work will be provided to the contractor, nor does OPG guarantee the exclusive right of the contractor to

[8] The percentage withheld does not apply to applications for payment related to fixed price work, payments of performance fee, or the fixed fees associated with a core team of personnel identified in each ESMSA.

submit a work request response in respect of any work. The ESMSA also sets out a process for addressing changes by way of project change authorizations.

- *Other Terms and Conditions* – Risks have been managed by transfer to the contractors, where appropriate, through a number of terms and conditions, including but not limited to performance security and indemnity, limits of liability and exclusions, requirements regarding delays, termination and events of default, and warranty and rework. A robust dispute resolution process has also been agreed to between OPG and each of the ESMSA contractors.

A summary of the ESMSAs, along with an ESMSA worksheet template, is provided in Attachment 4. An amendment to the ESMSAs are currently being negotiated and are expected to be finalized by the end of 2025. OPG is also evaluating the incoming volume of work across the fleet and the need to execute additional ESMSA contracts to mitigate capacity risks by building out a broader ESMSA vendor pool.

3.7 Facilities & Infrastructure

The Facilities & Infrastructures bundle includes scopes that surround the readiness of buildings and infrastructure to support the staff and equipment necessary for the refurbishment. This includes upgrading current infrastructure such as site facilities, roads, electrical work, or the development of new buildings, where appropriate. This work needs to be executed ahead of other bundle work to ensure there is sufficient capacity at the site to accommodate the resources for the other bundles.

3.7.1 Contract Strategy

The Facilities & Infrastructure bundle is broken down based on the requisite quality assurance program, which varies between commercial grade up until nuclear quality assurance. Similar to the BOP bundle, this bundle utilizes the ESMSA vendors for all projects that require nuclear quality assurance. Each scope is awarded based on the operating experience and ability of the contractor to perform the work.

For commercial grade projects, OPG has entered a competitive procurement process to ensure value for money. For example, projects located offsite do not require nuclear quality assurance, and the selection of vendors will be based from a prepared set of evaluation criteria including pricing, schedule, and technical expertise. Selected contractors will also be subject to benchmarking and reference reviews to ensure the validity of proposals prior to contract issuance.

Certain scope that includes new infrastructure such as the Common Services Building, Pickering Maintenance Facility, and Security Port Upgrades will be completed via a sole source justification to Makhos Bird Joint Venture ("MBJV"). Concurrently, OPG is in negotiations with the MBJV to form part of the ESMSA contractors. The buildings would be built commercially, with the nuclear tie-in portions being completed by the current ESMSA vendors. The commercial terms for these contracts are expected to follow a similar approach as the ESMSA vendors.

3.8 Operations and Maintenance

The Operations and Maintenance bundle includes project scope that will be executed by OPG maintenance personnel. This scope is comprised of project work on both nuclear and conventional systems. The main contracting functions will be based on design support, and material procurement to support work execution.

3.8.1 Design Contract Strategy

For items requiring design support to develop a material solution, Design Service Providers ("DSPs") are being engaged to provide support engineering services to develop solutions and augment OPG's design resources. The DSPs are selected based on OPG's pre-qualified Vendor of Record process ("VOR"). In the VOR process, an open invitation to any supplier is processed at a five-year interval to provide specific services to OPG. The benefits of this approach are that all vendors will have pre-negotiated rates, commercial terms, and vetted experience which reduces the procurement process length. The DSPs that fall under the Engineering Services VOR have a history supporting OPG across the enterprise and have familiarity with OPG systems and processes, and in some cases may have been a part of the original team that helped develop the solution.

OPG completed a secondary compete process to bid the applicable scopes to these Engineering Services VOR vendors, with selection to be based on a combination of pricing, historical experience, and technical expertise with the provided scope. Vendors that have been awarded the work will be expected to follow the intended delivery schedule, adhering to the request quality program and oversight forums.

3.8.2 Material Contract Strategy

Material procurement sequencing follows the refurbishment program milestones, beginning with initial identification of long lead material, then procurement of long lead material, and followed by procurement based on work segments. Any items that are a risk to the project execution window, or have a history of being difficult to source, are also included in advanced scope to allow more time to procure the material.

Materials procurement also utilizes VORs, which are based on key commodities such as valves, transformers, pumps, and others. The aforementioned benefits of the VORs also apply to this approach. Having strategic agreements with these vendors also allows for additional ability to ensure timely deliveries once purchase orders have been issued for the procurement. There are also opportunities for value for money benefits based on volume discounts that can be secured through OPG’s Tier 1 VOR listings.

Items which are not being procured under a VOR are typically either sourced directly from the OEM, which have the most expertise in delivering such material, or are placed through a competitive invitation procurement process. Vendors are selected for invitation based on their history of supplying similar scopes of work. The quotes received are reviewed for technical, schedule, and cost compliance.

For items that are more commoditized and are high turnover in nature, OPG has established Master Product Agreements (“MPAs”), whereby distributors provide products at a fixed price for a period of time, with commercial terms, rebate structures, and delivery times secured. These MPAs can then be automatically processed by the system as inventory is depleted to allow for a more efficient procurement process. The MPAs are owned by OPG's Category Management team and updated at regular intervals to ensure accuracy of the pricing and delivery times.

LIST OF ATTACHMENTS

Attachment 1:	Contract Summary for RFBR with Atkins/Aecon JV
Attachment 2:	Contract Summary for Turbine Generators with the TG Consortium
Attachment 3:	Contract Summary for DWI
Attachment 4:	ESMSA Contract Summary and ESMSA Worksheet Template

Engineering, Procurement and Construction Agreement for the Pickering Refurbishment Retube, Feeder and Boiler Replacement Project (Units 5 to 8)

Pickering Nuclear Generating Station Refurbishment Program

Summary of Key Terms

Date of Agreement: January 1, 2025

The following is a summary of the key terms and conditions of the Engineering, Procurement and Construction Agreement for the Pickering Refurbishment Retube, Feeder and Boiler Replacement Project (Units 5-8) (Pickering Nuclear Generating Station Refurbishment Program) dated as of January 1, 2025 (the "**Agreement**") between Ontario Power Generation Inc. ("**OPG**"), as the owner, and a joint venture between SNC-Lavalin Nuclear Inc. and Aecon Nuclear, a division of Aecon Construction Group Inc. (the "**Contractor**"), as the contractor. Capitalized terms used but not defined in this summary have the meanings set out in the Agreement.[1]

The form of Agreement is an engineering, procurement and construction contract, and the form of Agreement reflects extensive feedback from the entire OPG project team, external legal counsel (Blake, Cassels & Graydon LLP) and the Contractor.

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[1] The objective of this summary is to summarize certain provisions of the Agreement and does not purport to give a complete and accurate summary of all provisions of the Agreement. This summary reflects the state of the Agreement as at the date noted above and does not address any changes following such date.

Phased Approach to Refurbishment Work

The Agreement divides the work on the Pickering Refurbishment Retube, Feeder and Boiler Replacement Project (Units 5-8) (the "**Project**") into three phases – the definition phase, the execution phase, and the commissioning phase.

- The definition phase commenced on December 5, 2023 pursuant to the Early Works Agreement and ends when OPG and the Contractor reach agreement on all components of the execution phase plan for Unit 5.
- The execution phase commences on the date of the issuance of a notice to proceed for the execution phase work and ends on the date on which final completion occurs. OPG may change the start date for the execution phase work on each Unit by issuing a project change directive. If OPG changes this start date, OPG must compensate the Contractor for any reimbursable costs, together with the profit and overhead component of the percentage(s) applicable to the relevant cost categories, including demobilization costs approved by OPG.
- The commissioning phase (for each Unit) commences on the date on which unit mechanical completion is achieved and ends when such unit is returned to service.

Schedules

The definition phase and execution phase are both governed by a milestone schedule, a target schedule, and a submittal schedule. For both phases, the milestone schedules set out high-level milestones for the work and fixes the dates for which the Contractor commits to complete defined aspects of the work. The target schedules establish a detailed project schedule for completion of the work with dates for starting and entirely completing each component of the work, including references to milestones and submittals. The submittal schedules set out the dates and/or time periods for delivery of required submittals. the definition phase schedules were agreed upon by the by parties and are appended to the Agreement. the execution phase schedules are developed collaboratively by the parties during the definition Phase and must be approved by OPG to be final. Once finalized, the milestone schedules, target schedules and submittal schedules may only be changed by an amendment.

Payment of the Contract Price

OPG will pay the Contractor, on a monthly basis and subject to an approved application for payment: (i) its reimbursable costs for all work performed and goods supplied; (ii) the monthly portion of the applicable fixed fee (i.e., 50% of the fixed fee divided by the number of months in the applicable phase); (iii) the portion of the applicable fixed fee payable for milestones achieved; and (iv) the applicable portion of any fixed price or firm price work. Reimbursable costs are the Contractor's actual costs incurred in the performance of its work and calculated in accordance with the cost allocation table. Reimbursable costs do not include disallowed costs (as per the cost allocation table), any costs of owner-specified materials (including boilers) or any cost that is compensated for through a fixed fee, the mark-up for goods, the mark-up for owner-specified materials or the mark-up for boilers. Certain target costs, fees and other pricing elements are subject to escalation.

To maintain a cash neutral position throughout the definition phase and execution phase, the Contractor may receive a monthly advance reflecting the forecast costs for the upcoming two months. Any outstanding advance will be deducted in full by OPG from payments to the Contractor or repaid by the Contractor on a monthly basis or upon early termination.

Rework

To account for typical rework on a project of this nature, each of the definition phase target cost and execution phase target cost, as described below, include an allowance equal to [redacted]. Any costs incurred by the Contractor for rework in excess of such allowance will be reimbursable by OPG, but target costs will not be adjusted.

Completion Milestones

The Agreement establishes a process for completion of three major milestones, provided that the Contractor has delivered the required notices and OPG has confirmed the conditions have been met: "Unit Mechanical Completion", "Final Mechanical Completion" and "Final Completion".

Unit Mechanical Completion - On a Unit-by-Unit basis, when (i) the Contractor has restored the primary heat transport system pressure boundary to a condition that satisfies the requirements; (ii) a Unit has been completely refurbished in compliance with the scope of work and Agreement other than certain punch list items; (iii) the Contractor has completed all required testing of the Unit and the results meet the requirements of the scope of work; (iv) all outstanding deficiencies and defective items have been completed or repaired and no work remains incomplete (except for punch list items agreed to by OPG); (v) it has obtained and delivered to OPG all required approvals; and (vi) full access to the vault can be returned to OPG such that OPG may commence the commissioning phase work.

Final Mechanical Completion – Unit Mechanical Completion has been achieved on all four Units and available for service documentation for all four Units has been provided to OPG.

Final Completion – The Contractor has completed the execution phase work and OPG has received all amounts owing to it by Contractor (including any disincentive payments) and any amounts related to the delay of return to service (as described in the Agreement). The Agreement entitles OPG to hold back an additional $10,000,000 of the execution phase fixed fee and reimbursable costs for the execution phase until OPG determines all execution phase work has been completed.

<u>Incentives and Disincentives – Costs and Schedule</u>

The Agreement includes financial incentives and disincentives for the Contractor's ability to meet the target costs and schedules set forth in the Agreement during the definition phase and execution phase.

Definition Phase – Cost and Schedule Incentives and Disincentives

The Agreement establishes a neutral band [redacted] [redacted]. If the actual amount of reimbursable costs falls outside the neutral band, OPG will pay the Contractor a specified cost incentive amount (for cost savings) or the Contractor will pay OPG a specified disincentive amount (for cost overruns), subject to certain thresholds.

If the Contractor completes all definition phase work more than 23 days ahead of the date set forth in the target schedule, OPG will pay the Contractor an incentive per calendar day up to a maximum schedule incentive amount. If the Contractor completes the work more than 45 days beyond the date set forth in the target schedule, the Contractor will pay to OPG a disincentive per calendar day delayed up to a maximum schedule disincentive amount.

Execution Phase – Cost and Schedule Incentives and Disincentives

The Agreement sets out how the parties will allocate cost and schedule incentives and disincentives relating to the execution phases for Units 5 to 8. Similar to the definition phase incentives and disincentives, the Agreement requires OPG to pay the Contractor a cost incentive if reimbursable costs fall below the neutral band, and the Contractor to pay OPG a cost disincentive if reimbursable costs rise above the neutral band, subject in each case to defined maximum incentive and disincentive amounts. For the execution phase, the Agreement establishes different bands outside of the neutral band, where each band establishes a cost incentive or disincentive amount that progressively increases, up to a predetermined maximum. The Agreement also sets out schedule incentive and disincentives in a similar way for each Unit.

<u>Project Change Directives, Excusable Delays and Force Majeure</u>

The Agreement permits OPG to issue a project change directive and direct the Contractor to make changes in the work (including suspending the performance of the work) and the milestone schedules for an enumerated list of circumstances, including excusable delays, changes in law force majeure delays and concealed conditions. The Contractor may request that OPG issue a project change directive for the same circumstances. In certain cases, OPG is not obliged to accept such request and will not issue a project change directive if certain cost and schedule thresholds are not met. If OPG issues a project change directive, the Contractor is entitled to cost and schedule relief, subject to certain exceptions. Once the changes resulting from a project change directive have been agreed to by the parties, OPG and the Contractor must execute an amendment evidencing any such changes to the work, target cost and/or schedules.

An “excusable delay” is a delay that is caused by an OPG breach or stop work order, emergency or hazardous condition for which OPG is responsible, and which extends the critical path of the definition phase milestone schedule or the execution phase milestone schedule by more than three days.

Neither party will be responsible for material delays caused by “force majeure” events for fire, flood, tidal wave, lightening, earthquake, cyclone, tornado, hurricane, explosion, severe ice storm, epidemic or pandemic disease, legal strike or lock-out (other than those caused by the Contractor, a subcontractor, or their employees, or work to rule activities), war, riot, sabotage or other acts of public enemies, including terrorists, or site-related blockades (other than labour-related events).

An “excusable delay” or a “force majeure” event entitles the applicable party to schedule and/or cost relief depending on the type of work (i.e. fixed, firm price or reimbursable work) impacted by the delay or the event.

In the event there is a single qualified supplier for boilers, pressure tubes, calandria tubes, feeders, end fittings and bellows and the Contractor faces a delay in procuring such special materials, the Contractor will be entitled to schedule relief and reimbursement of its actual costs, but not target cost relief. If there is a delay in the procurement of boilers, and delivery is delayed by more than 152 days, then the Contractor is entitled to schedule relief, target cost relief, and reimbursement of actual costs incurred after the 152 day threshold.

<u>Tooling</u>

Throughout the term of the Agreement, the Contractor will develop specialized tooling equipment for performance of the work. The Contractor will transfer to OPG ownership of the tooling at the time of fabrication or acquisition of the tooling The Contractor will at all times retain ownership of all tooling intellectual property and intellectual property rights, except for any intellectual property developed by OPG. At the end of the project, OPG can retain or remove and dispose of the tooling.

The Contactor agrees that the tooling will be new when delivered to the Pickering Nuclear Generating Station (the "**PNGS**"), will not be diverted for use in any other project, and will not be used except at the PNGS until the Unit Mechanical Completion is achieved for the last Unit.

Procurement of Owner-Specified Materials

The Agreement requires the Contractor to procure both all goods required for the Project and "Owner-Specified Materials". "Owner-Specified Materials" includes (i) boilers; (ii) all "nuclear material" as defined under the *Nuclear Liability and Compensation* Act (Canada) in respect of which the duties under the *Nuclear Liability and Compensation Act* (Canada) are imposed on OPG; certain other owner-specified materials set out in the Agreement; (iv) all nuclear waste containers, racks and flasks; and (v) such other goods that the parties agree from time to time are owner-specified materials.

Subcontractors

The Agreement allows for subcontractors, for whom the Contractor is solely responsible. The Contractor agrees to enter into a written contract with each subcontractor performing any of the work and flow down all applicable terms and conditions of the Agreement. The Contractor, its designated key subcontractors and any successor thereto or replacement thereof must obtain the prior written consent of OPG to enter into any agreement or arrangement in respect of the work with a subcontractor that is an affiliate, or in which any one of them or their affiliates has a direct or indirect beneficial interest of 10% or greater.

Scientific Research and Experimental Development ("SR&ED") Tax Credit

The Agreement provides that OPG is entitled to claim all SRED tax credits generated by work on the Pickering project.

Clean Technology Investment Tax Credits ("ITCs")

The Agreement provides that OPG is entitled to claim ITCs in respect of eligible equipment on the Project and makes provision for certain prevailing wage, apprenticeship and reporting requirements to be followed by the Contractor.

Performance Security

The Agreement obliges the Contractor to post a letter of credit to support its obligations under the Agreement, initially in the amount of $50,000,000 and, within 5 business days of the parties executing the amendment for the execution phase work, increasing the security to $100,000,000.This letter of credit decreases over time as work on the project is completed, up until the expiry of the warranty period for the last Unit to achieve Unit Mechanical Completion.

The Contractor also provided two parental guarantees (one for each Contractor entity) in support of all the Contractor's obligations under the Agreement. The Agreement contains ratings-based and/or tangible net worth based tests of ongoing creditworthiness of the parent guarantors.

Intellectual Property

The Agreement requires the Contractor to or cause its subcontractors to transfer to OPG all intellectual property ownership rights in the physical and electronic results of the work, including designs, software, data and other Contractor work product, subject to exceptions for tooling and other retained intellectual property for which OPG is granted a license to use for certain purposes. OPG will own all other intellectual property in the contractor work product and all associated intellectual property rights, effective immediately and without any payment or other documentation.

Warranty

The Agreement provides for a warranty of the Contractor's work and materials (excluding to the extent that any breach of such warranty is due to (i) maintenance, operation or storage by OPG contrary to the instructions provided by the Contractor; (ii) negligence of wilful misconduct by OPG; (iii) normal wear and tear; or (iv) boiler design defects). The Warranty Period ends on the earlier of the date that is three months after the actual end date of the first planned outage where inspections take place for such Unit, and the date that is five years from the date of Unit Mechanical Completion for such Unit.

If any of the work is determined to be defective, the Contractor will correct or replace such defective portion of the work within a period of time specified by OPG and the warranty period will recommence on the date that such corrected or replaced part re-enters commercial operation, and end on the earlier of the date that is three months from the actual end date of the next planned outage for the applicable Unit and the date that is four years from the date that such corrected or replaced part re-enters commercial operation.

The Contractor is responsible to rectify or repair any boiler design defect which is either determined by dispute resolution to be, or agreed in writing by the boiler supplier to be, a boiler design defect. The Contractor's costs to correct boiler design defects are allowed costs (including profit and overhead) but do not impact the target costs. If such defect or repair continues for more than 40 calendar days on the critical path, the Contractor will be entitled to an extension of the execution phase milestone schedule. In the event of a dispute, OPG will pay the Contractor's reimbursable costs pending the dispute and the Contractor will provide and maintain certain letters of credit as security for costs.

Termination for Default

This Agreement includes standard events of default for both Owner and the Contractor, including the winding up of the Contractor and the commencement of liquidation or bankruptcy proceedings. If the Contractor defaults, OPG will be entitled to immediately terminate the Agreement upon notice and to exercise a number of remedies, including directing the Contractor to stop performing the work. In the event of default, the Contractor will be liable to OPG for the amount of all costs incurred by OPG to complete the work and to correct or replace defects, and all other losses suffered (subject to the terms of the Agreement). The Contractor's liability is limited to 20% of the sum of the applicable target cost and fixed fee, subject to certain exceptions for safety, environment, confidentiality and insurance, among others.

Termination for Convenience

The Agreement permits OPG to terminate for convenience from time to time. If OPG terminates the Contractor for convenience, OPG will pay the Contractor (i) amounts due and payable for work performed up to the date of termination; (ii) an equitable portion of the fixed fee that would otherwise have been paid to the Contractor; and (iii) reasonable extra direct damages suffered by the Contractor due to the termination. OPG will not be liable for any consequential damages and severance costs related to the termination of the Contractor's personnel will only constitute direct damages if agreed to in writing by OPG.

Suspension of the Work

OPG may, upon notice to the Contractor, suspend the work at any time. Except in the event of default or negligence, certain types of reasonable direct damages will be payable by OPG to the Contractor upon suspension of the work. Indirect or consequential losses, including loss of profit, will not be recoverable. Severance costs respecting termination of the Contractor's personnel are only recoverable if OPG agrees in writing. Once OPG issues a notice of resumption, the Contractor must resume performance of work, subject to a reasonable ramp-up period.

Dispute Resolution

The Agreement provides for a tiered dispute resolution process. Disputes must first refer to the project representatives of each party, then to senior management representatives, and then to the steering committee. Any dispute not resolved by the steering committee will then be referred to binding arbitration conducted pursuant to the Arbitration Rules of the ADR Institute of Canada in Toronto, Ontario.

Assignment

The Agreement prohibits either party from assigning the Agreement, in whole or in part, without prior written consent of the other party, except that OPG may assign the Agreement to a successor operator and either party may assign the Agreement as security to its lenders, with the prior written consent of the other party.

Engineering, Procurement and Construction Agreement for the Turbine Generators Refurbishment Project (Units 5 to 8)

Pickering Nuclear Generating Station Refurbishment Program

Summary of Key Terms

Date of Agreement: February 14, 2025

The following is a summary of the key terms and conditions of the Engineering, Procurement and Construction Agreement for the Turbine Generators Refurbishment Project (Units 5 to 8) (Pickering Nuclear Generating Station Refurbishment Project (Units 5 to 8)) dated as of February 14, 2025 (the “**Agreement**”) between Ontario Power Generation Inc., (“**OPG**”), as the owner, and Siemens Energy Canada Limited (“**SECL**”) and Aecon Nuclear (“**Aecon**”) (collectively, the “**Contractor**”), as the contractor. Capitalized terms used but not defined in this summary have the meanings set out in the Agreement.[1]

The form of agreement is an engineering, procurement and construction contract, and the form of agreement reflects extensive feedback from the entire OPG project team, external legal counsel (Blake, Cassels & Graydon LLP) and the Contractor.

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[1] The objective of this summary is to summarize certain provisions of the Agreement and does not purport to give a complete and accurate summary of all provisions of the Agreement. This summary reflects the state of the Agreement as at the date noted above and does not address any changes following such date.

Phased Approach to Refurbishment Work

The Agreement divides the Contractor's work on the Turbine Generators Refurbishment Project into the definition phase and the execution phase. The Agreement further divides the Contractor's work between work that each of SECL individually (engineering, manufacturing, transporting and providing technical field advice support for commissioning turbine generator hardware, performance testing of the hardware) and Aecon and SECL collectively (procuring, receiving, storing and installing turbine generator equipment, providing related field engineering services and providing support for the commissioning of such equipment) with the latter being on a joint and several basis.

- The definition phase commenced February 3, 2025 and will end when each of the Contractor's submittals have been received and approved by OPG and the Contractor has delivered the requisite notice to OPG. During the definition phase, the parties will collaboratively plan and prepare for the execution phase work.
- The execution phase begins when OPG issues the a notice to proceed for the execution phase and ends upon final completion. If the Contractor achieves definition phase completion prior to the date on which OPG issues the notice to proceed for the execution phase, then the parties may agree to performance by the Contractor of execution phase work in advance of the receipt of the notice to proceed upon OPG's approval of a "Standby Plan" submitted by the Contractor. OPG can also change the start date for the execution phase work on each unit upon notice to the Contractor, in which case the Contractor will be entitled to compensation for reimbursable standby and demobilization and remobilization costs upon approval by OPG.

Schedules

The definition phase and execution phase are both governed by a milestone schedule, a target schedule, and a submittal schedule. For both phases, the milestone schedules set out high-level milestones for the work and fix the dates for which the Contractor commits to complete defined aspects of the work. The target schedules establish a detailed project schedule for completion of the work, indicating the dates for starting and entirely completing each component of the work, including references to each milestone. The submittal schedules set out the dates and/or time periods for delivery of required submittals.

The definition phase schedules were agreed upon by the parties and are appended to the Agreement. The execution phase schedules are developed collaboratively by the parties during the definition phase and must be approved by OPG to be final. Once finalized, the milestone schedules, target schedules and submittal schedules may only be changed by an amendment.

Payment of the Contract Price

OPG will pay the Contractor, on a monthly basis and subject to an approved application for payment: (i) its reimbursable costs incurred in connection with the work, plus profit and overhead at set percentages for labour; (ii) its reimbursable costs, plus a mark-up for goods and non-hardware turbine components (e.g., moisture separator reheaters) purchased; (iii) a set mark-up percentage for unionized labour (OPG bears the cost otherwise); and (iv) actual and substantiated costs for transportation of the hardware with a set mark-up. Reimbursable costs are the Contractor's actual costs incurred in the performance of its work and calculated in accordance with the cost allocation table. Reimbursable costs do not include disallowed costs (as per the cost allocation table), any firm price or fixed price costs or any cost that is compensated for through a fixed fee or mark-up. The hardware firm price is excluded from the reimbursable costs and will be paid to the Contractor on a monthly basis for milestones achieved. OPG will also pay AECON on a monthly basis for payroll burden costs according to a pre-determined multiplier. Certain target costs, fees and other pricing elements are subject to escalation.

The Agreement further provides that OPG will pay the Contractor a fixed price or firm price, as applicable, for any work agreed to by the parties through an amendment, and OPG will pay the Contractor annually a fee to maintain its letters of credit. A 5% reimbursable holdback applies to each application for payment submitted by the Contractor. Upon the achievement of the applicable quarterly milestones as specified in the Agreement, the corresponding reimbursable holdback amounts withheld by OPG will be released.

The Contractor may receive a monthly advance reflecting the forecast costs for the upcoming two months. Any outstanding advance will be deducted in full by OPG from payments to the Contractor or repaid by the Contractor on a monthly basis or upon early termination.

<u>Rework</u>

To account for typical rework on a project of this nature, each of the definition phase target cost and execution phase target cost include an allowance equal to 3% of the labour portion of each target cost. Any costs incurred by the Contractor for rework in excess of such allowance will be reimbursable by OPG, but target costs will not be adjusted. Any cost related to rework for work performed on a fixed/firm price basis such as the provision of hardware and any cost related to rework performed by a Subcontractor under a reimbursable work fixed/firm price subcontract is not reimbursable by OPG.

<u>Completion Milestones</u>

The Agreement establishes a process for completion of four major milestones: “Definition Phase Completion”, “Unit Substantial Completion”, “Unit Completion” and “Final Completion”.

Definition Phase Completion – Definition Phase Completion occurs when each of the Contractor’s submittals has been submitted and has received a “Reviewed” or “Reviewed as Noted” comment from OPG and the Contractor has delivered a notice of Definition Phase Completion, following which OPG has delivered a certificate of Definition Phase Completion.

Unit Substantial Completion – Unit Substantial Completion occurs when, in respect of a Unit: (i) all relevant work has been completed; (ii) all required construction completion declaration documentation has been submitted to and accepted by OPG; (iii) the Contractor has provided a punch list approved by OPG; (iv) all submittals referenced in the scope of work have been delivered to, and accepted by, OPG; and (v) the Contractor has delivered a notice of Unit Substantial Completion, following which OPG has delivered a certificate of Unit Substantial Completion. Upon achievement of Unit Substantial Completion for a Unit, OPG will hold back payment equal to $500,000. Such holdback will be released when all Unit punch list items have been completed or corrected.

Unit Completion – Unit Completion occurs when, in respect of a Unit, (i) all work and unit punch list items have been completed; (ii) unit provisional completion has been achieved (i.e., all commissioning work has been completed and such unit is available for service); (iii) all performance tests have been completed demonstrating successful completion of the performance guarantees; (iv) all performance liquidated damages have been received or set-off by OPG; (v) all vendor and manufacturer documentation has been delivered to, and accepted by, OPG; (vi) the applicable parts of the sites are free of all waste materials or rubbish caused by the Contractor; and (vii) the Contractor has delivered a notice of unit completion, following which OPG has delivered a certificate of Unit Completion.

Final Completion – Final Completion occurs when (i) Unit Completion has been achieved for all Units; (ii) all work has been completed; (iii) the Contractor has delivered to OPG all submittals; (iv) all other documentation has been delivered to, and accepted by, OPG; and (v) the Contractor has delivered a notice of Final Completion. Upon issuance of the certificate of Final Completion by OPG, the Contractor may make a final application for payment, subject to any adjustments or set-off, in accordance with the terms of the Agreement.

<u>Incentives and Disincentives – Costs, Schedule and Performance</u>

This Agreement includes financial incentives and disincentives for the Contractor's ability to meet the target costs and schedules set forth in the Agreement during the definition phase and the execution phase.

Definition Phase – Cost and Schedule Incentives and Disincentives

The Agreement establishes a neutral band [redacted] If the actual amount of reimbursable costs incurred in respect of the definition phase work falls below the neutral band, OPG will pay the Contractor a cost incentive amount calculated based on an incentive factor of [redacted] of the definition phase target cost.

If the actual amount of reimbursable costs incurred in respect of the definition phase work exceeds the definition phase target cost and exceeds the neutral band, the Contractor will pay OPG cost disincentives which are calculated based on two incentive factors. Band two applies after the actual costs exceed the definition phase target cost plus [redacted]. The definition phase cost disincentives are payable on a monthly basis for the invoiced costs of that month one the neutral band has been exceeded.

If the Contractor completes all definition phase work before the scheduled date for Definition Phase Completion, OPG will pay the Contractor an incentive amount per day up to a maximum aggregate incentive amount. If the Contractor completes all definition phase work more than 30 days late, the Contractor must pay OPG a disincentive amount per day late, up to a maximum aggregate disincentive amount.

Execution Phase – Cost and Schedule Incentives and Disincentives

The Agreement establishes a neutral band between the execution phase target cost (4-Unit aggregate) and the execution phase target cost plus [redacted]. If the actual amount of reimbursable costs incurred in respect of the execution phase work falls below the neutral band, OPG will pay the Contractor a cost incentive amount calculated based on an incentive factor of [redacted] up to a maximum cost incentive of [redacted] of the execution phase target cost.

If the actual amount of reimbursable costs incurred in respect of the execution phase work exceeds the neutral band, the Contractor owes OPG cost disincentives which are calculated based on four incentive factors. The execution phase cost disincentives are payable on a monthly basis for the invoiced costs of that month one the neutral band has been exceeded. Additionally, if the actual amount of reimbursable costs exceed [redacted] of the execution phase target cost, OPG has a right to terminate the Agreement.

The schedule incentive and disincentive regime differs for Unit 5, Units 6 and 7, and Unit 8. In each case, OPG will pay the Contractor schedule incentive amounts if the Contractor completes Unit Substantial Completion before the applicable guaranteed date, calculated up to a maximum amount based on a maximum of 50 days early. Unit 5 has a 60 day neutral band (later than the guaranteed date) and the remaining units have a 50 day neutral band. In all cases, if Unit Substantial Completion exceeds the neutral band, the Contractor will pay OPG the applicable schedule disincentive amounts up to a maximum amount of [redacted] (Units 5 and 8) or [redacted] (Units 6 and 7) of the execution phase target cost.

Static Commissioning Schedule Incentives

In order to ensure seamless and timely support through the OPG-led commissioning phase, if the parties collectively complete static commissioning on or before the guaranteed date, OPG will pay the Contractor a fixed incentive amount for a given Unit. If the parties collectively complete static commissioning for a given Unit late, OPG will pay the Contractor an amount equal to the fixed incentive amount less a fixed amount for each full calendar day late (such reductions not to exceed an amount equal to the fixed incentive amount). Additionally, there is no potential for relief (e.g. Excusable Delays) on the static commissioning schedule incentives.

Performance Tests

The Agreement provides a regime for performance testing and guaranteed turbine generator output for certain Units. If a tested Unit fails to achieve the guaranteed output, SECL will pay OPG liquidated damages per kW (net) for the electrical output deficiency, up to a specified maximum amount. If a tested Unit fails to achieve a specified minimum output either SECL will correct the Unit until the minimum output is achieved or OPG can accept payment of the maximum liquidated damages in lieu. If a tested Unit exceeds the guaranteed output, OPG will pay SECL an incentive per kW (net) for the excess electrical output, up to a specified maximum amount.

<u>Project Change Directives, Excusable Delays and Force Majeure</u>

The Agreement permits OPG to issue a project change directive and direct the Contractor to make changes to the scope of work and/or milestone schedules for an enumerated list of circumstances, including excusable delay, changes in law, force majeure delays and concealed conditions. The Contractor may request that OPG issue a project change directive for the same circumstances to change the target cost, the fixed or firm prices or the milestone schedules. In certain cases, OPG is not obliged to accept such request and will not issue a project change directive if certain cost and schedule thresholds are not met. If OPG issues a project change directive, the Contractor is entitled to cost and schedule relief, subject to certain exceptions. Once the changes resulting from a project change directive have been agreed to by the parties, OPG and the Contractor must execute and amendment evidencing any such changes to the work, target cost, any fixed or firm price, and/or milestone schedules.

An "excusable delay" is a delay that is caused by an OPG breach or stop work order, an emergency or hazardous condition for which OPG is responsible, and which extends the critical path of the definition phase milestone schedule or the execution phase milestone schedule by more than three days.

Neither party will be responsible for material delays caused by "force majeure" events for fire, flood, tidal wave, lightening, earthquake, cyclone, tornado, hurricane, explosion, severe ice storm, epidemic or pandemic disease, legal strike or lock-out (other than those caused by the Contractor, a subcontractor, or their employees, or work to rule activities), war, riot, sabotage or other acts of public enemies, including terrorists, or site-related blockades (other than labour-related events), or the inability of Contractor to obtain or delay in the obtaining of any approval required by the scope of work (unless caused by the Contractor). The Agreement also takes a standard approach to scope changes resulting from "concealed conditions" at the site and within the turbine generators. The Contactor is not able to examine all of these areas prior to commencement of the execution phase work.

An "excusable delay" or a "force majeure" event entitles the applicable party to schedule and/or cost relief depending on the type of work (i.e., fixed price, firm price or reimbursable work) impacted by the delay or the event.

<u>Tariff Mitigation Plan</u>

The Agreement sets out that no later than four months following execution, SECL must submit and implement a mitigation plan detailing SECL's strategy to avoid and mitigate any potential or actual change in hardware customs duties after January 1, 2025. As part of the plan, the Contractor must develop a strategy and working group with OPG and/or the Canadian Nuclear Association to participate in any government consultation processes to advocate for any proposed change in hardware customs duties to have the least potential impact on the Project, and to apply for any available exemptions to any change in hardware customs duties. The Agreement holds that on a quarterly basis, SECL and OPG will meet to discuss tariff-related strategies. Following such meetings, the parties may mutually agree to changes to the specifications of the hardware and adjusting Project schedules and arranging for cost effective alternatives in order to accommodate importation of hardware prior to any potential change in hardware customs duties.

In order for the Contractor to be eligible to receive cost relief pursuant to a project change directive for changes in hardware customs duties, the Contractor must substantiate it costs and comply with and implement the tariff mitigation plan and other above stated requirements. OPG will receive a dollar-for-dollar credit from SECL, up to a maximum credit amount, that OPG can apply towards ordering of spare parts or technical specification exclusions, for any increased customs duties OPG pays to SECL as a result of changes in hardware customs duties imposed on hardware imports by the USA.

Subcontractors

The Agreement permits the use of subcontractors, for whom the Contractor is solely responsible. The Contractor agrees to enter into a written contract with each subcontractor performing any of the work and to flow down all applicable terms and conditions of the Agreement. Except for Affiliates listed in Exhibit 2.15(d) to the Agreement or an Indigenous Joint Venture, none of the Contractor, its key subcontractors or any successor thereto will, without the prior written consent of OPG, enter into any agreement or arrangement in respect of the Work with a subcontractor that is an Affiliate of any one of them or in which any one of them or their Affiliates has a direct or indirect beneficial interest of 10% or greater.

Scientific Research and Experimental Development (“SR&ED”) Tax Credit

This Agreement provides that OPG is entitled to claim all SRED tax credits generated by Work on the project.

Clean Technology Investment Tax Credits (“ITCs”)

The Agreement provides that OPG is entitled to claim ITCs in respect of eligible equipment on the Project and makes provision for certain prevailing wage, apprenticeship and reporting requirements to be followed by the Contractor.

Performance Security

The Agreement requires SECL and AECON to post one or more letters of credit to support their respective obligations under the Agreement. SECL must provide one or more letter of credit, initially in the aggregate amount of $25,000,000 for its hardware obligations, which may be replaced upon the achievement of Unit Provisional Completion for the applicable Unit for a letter of credit in the amount of $12,500,000, which shall be maintained until the end of the Unit hardware warranty period for the applicable Unit, subject to any extension thereof. The Contractor must provide one or more letters of credit to OPG in an aggregate amount equal to $10,000,000 for all other obligations under the Agreement, which must be increased to $20,000,000 within 30 days of executing the execution phase amendment. Upon Unit Substantial Completion for each Unit, such amount will be reduced by $2,500,000 per Unit, and thereafter upon expiry of the Unit work warranty period, subject to any extension thereof, such amount will be further reduced by $2,500,000 per Unit, until the expiry of the Unit work warranty period for the last Unit to achieve Unit Substantial Completion.

SECL and AECON each provided a parental guarantee in support of all the Contractor's obligations under the Agreement. The Agreement contains ratings-based and/or tangible net worth based tests of ongoing creditworthiness of the parent guarantors.

<u>Intellectual Property</u>

The Agreement requires the Contractor to or cause its subcontractors to assign to OPG the intellectual property ("**IP**") that exists in connection with the scope of work, the submittals, and other deliverables under the Agreement, other than the intellectual property in the hardware and certain Contractor retained intellectual property for which the Contractor grants to OPG a broad license to use for listed permitted purposes.

<u>Warranty</u>

The Agreement provides for a work warranty and hardware warranty (including a software warranty), warranting that the work, goods and hardware will be free from defects and conform to the applicable standards (excluding to the extent that any breach of such warranty is due to (i) maintenance, operation or storage or lay-up by OPG contrary to prudent practices; (ii) conditions of operation outside of those specified by prudent practices; (iii) accidental damage by a force majeure event; (iv) reasonable wear and tear; (v) modifications contrary to prudent practice; or (vi) the use of free-issued materials accepted on as "as is" and "without warranty" basis).

During the applicable warranty period, the Contractor must correct any defects subject to a warranty correction plan provided to OPG. The correction costs are borne by the Contractor for the work warranty and by SECL for the hardware warranty.

The warranty period for hardware warranties relating to a Unit expires on the earlier of (i) six years following Unit Hardware Delivery Completion for the applicable Unit; or (ii) three years following the applicable Unit Provisional Completion Date for such Unit, subject to extensions. The warranty period for work warranties relating to a Unit, exclusive of software and non-hardware turbine components ("**NHTC**s") expires on the earlier of: (i) three months after the actual end date of the first planned outage (excluding a forced outage) where inspections take place for the applicable Unit, and (ii) three years from the date of Unit Substantial Completion Date for such Unit. With respect to NHTCs (and exclusive of software), the warranty period is the same as the warranty period for Hardware.

The warranty period for software warranties expires on the earlier of: (i) four and a half years following Unit Hardware Delivery Completion for the applicable Unit; or (ii) one and a half years from the Unit Provisional Completion Date for such Unit.

Where there has been a correction or replacement of any defect, the applicable warranty will continue for the longer of (i) the remainder of the original applicable Unit warranty period or (ii) 12 months following the date that such correction or replacement is completed, but no later than 12 months following the original expiry of the applicable warranty period.

<u>Termination for Default</u>

The Agreement includes standard events of default for OPG and the Contractor. If the Contractor defaults, OPG is entitled to immediately terminate the Agreement by delivering notice to the Contractor and to exercise a number of other remedies, including directing the Contractor to stop performing the work. In the event of a default, the Contractor will be liable to OPG for the amount of all costs incurred by OPG to complete the work and to correct or replace defects, subject to the Contractor's limitation of liability, calculated as a percentage of the applicable target cost or firm price (subject to certain exceptions for insurance, willful misconduct by the Contractor, indemnity obligations and losses for failure to provide clear title to OPG).

Termination for Convenience

The Agreement permits OPG to immediately terminate for convenience from time to time upon notice to the Contractor. If OPG terminates the Agreement for convenience, OPG will pay the Contractor (i) amounts due and payable for work performed up to the date of termination and (ii) reasonable extra direct costs and expenses incurred by the Contractor due to the termination. OPG will not be liable for any consequential damages and severance costs related to the termination of the Contractor's personnel will only constitute direct damages if agreed to in writing by OPG.

Suspension of the Work

The Agreement permits OPG to suspend the performance of the scope of work at any time, provided that OPG gives no less than three business days' notice to the Contractor. Except in the event of default or negligence, certain types of reasonable direct damages will be payable by OPG to the Contractor upon suspension of the work. Indirect or consequential damages, including loss of profit, will not be recoverable. Severance costs respecting termination of the Contractor's personnel are only recoverable if OPG agrees in writing.

If the suspension continues for more than 30 days, the Contractor can remove its employees from the Project site. If the suspension continues for more than 60 days, the Contractor will postpone all hardware and NHTC production.

Once OPG issues a notice of resumption, the Contractor must resume performance of work, subject to a reasonable ramp-up period.

Dispute Resolution

The Agreement provides for both informal and formal resolution of disputes. The informal procedure, which must be attempted first, contemplates a staged escalation of disputes within

OPG's and the Contractor's management structure with a view to achieving a consensual resolution of the dispute. The formal mechanism is binding arbitration under commercial arbitration rules, which can be utilized should the informal procedure not resolve the dispute.

<u>Assignment</u>

The Agreement prohibits either party from assigning the Agreement, in whole or in part, without prior written consent of the other party, except that OPG may assign the Agreement to a successor operator and either party may assign the Agreement as security to its lenders, with the prior written consent of the other party.

Engineering, Procurement and Construction Agreement

Deep Water Intake Tunnel for Pickering Nuclear Generating Station Refurbishment

Summary of Key Terms

Date of Agreement: July 24, 2025

The following is a brief summary of the key terms and conditions of the Engineering, Procurement and Construction Agreement for the Deep Water Intake Tunnel Project (Pickering Nuclear Generating Station Refurbishment) dated as of July 24, 2025 (the "**Agreement**") between Ontario Power Generation Inc. ("**OPG**"), as the owner, and Deep-Water Intake Group General Partnership, a general partnership between Bessac Canada Ltd., Dodin Quebec Inc. and Janin Atlas Inc. ("**Contractor**"), as the contractor. Capitalized terms used but not defined in this summary have the meanings set out in the Agreement.[1]

The form of the Agreement is based on an engineering, procurement and construction contract, and the form of agreement reflects extensive feedback from the entire OPG project team,

[1] The objective of this summary is to summarize certain provisions of the Agreement and does not purport to give a complete and accurate summary of all provisions of the Agreement. This summary reflects the state of the Agreement as at the date noted above and does not address any changes following such date.

external legal counsel (Blake, Cassels & Graydon LLP), the Contractor and other proponents during a competitive procurement process.

Phased Approach to Contractor Work

The Agreement divides the work on the Deep Water Intake Tunnel Project (the "**Project**") into a definition phase and an execution phase.

- The definition phase commenced on July 24, 2025 and will end when OPG issues the final notice to proceed for the execution phase work and the execution phase amendment is executed. During the definition phase, the parties will collaboratively plan and prepare for the execution phase work, including development of the geotechnical baseline report ("**GBR**") and an environmental management plan.
- The execution phase will commence when the definition phase ends and ends upon final completion. OPG may issue one or more notices to proceed for the execution phase work for complete work packages before the beginning of the execution phase and change the start date of the execution phase work. If OPG accelerates or delays the start date, the Contractor is entitled to any incremental additional allowed costs with applicable profit and overhead. OPG must issue a change directive reflecting the required adjustments to the execution phase target cost and/or execution phase milestone schedule, if applicable. If OPG and the Contractor do not reach an agreement on all components of the execution phase plan by the specified date, OPG may extend the specified date by no more than 12 months or terminate the Agreement for convenience, or the Contractor may terminate the Agreement upon notice to OPG if no extension is provided.

Schedules

The definition phase and execution phase are both governed by a milestone schedule, a target schedule, and a submittal schedule. For both phases, the milestone schedules set out high-level milestones for the work and fix the dates for which the Contractor commits to complete defined aspects of the definition phase work and execution phase work. The target schedules establish a detailed project schedule for completion of the applicable work, including references to milestones and submittals. The submittal schedules set out the dates for the Contractor to submit and finalize each submittal required under the Agreement.

the definition phase schedules were submitted by the Contractor during the request for proposals (“**RFP**”) in-market period for the Project and are appended to the Agreement. The preliminary execution phase schedules were also submitted during the RFP in-market period. The final execution phase schedules will be developed collaboratively by the parties during the definition phase and must be approved by OPG to be final. Once finalized, the milestone schedules, target schedules and submittal schedules may only be changed by an Amendment.

Payment of the Contract Price

OPG will pay the Contractor, on a monthly basis and subject to an approved application for payment: (i) its allowed costs and pass-through costs incurred in the previous month; (ii) the monthly portion of the applicable fixed fee (50% of the total fixed fee divided by the applicable number of months in the definition phase or execution phase); (iii) the milestone fixed fee amount associated with any milestones completed; and (iv) any change order fixed fees.

The Contractor may receive a monthly advance reflecting the forecast costs for the upcoming two months. Any outstanding advance will be deducted in full by OPG from payments to the Contractor or repaid by the Contractor.

OPG will hold back 10% of the total amount of each application for payment pursuant to *the Construction Act* (Ontario) and release holdbacks annually, provided the Contractor is not in default and there are no preserved or perfected liens, unless the Contractor elects to deliver to OPG a letter of credit equal to 10% of the Contractor’s forecasted annual spend for the applicable contract year.

Substantial and Final Completion

The Agreement establishes a process for completion of two major milestones: “Substantial Completion” and “Final Completion”.

Substantial Completion – Substantial Completion will be achieved when (i) “substantial performance” has occurred (as defined in the *Construction Act* (Ontario)); (ii) the Contractor has delivered to OPG the required approvals; (iii) the Project has been commissioned and meets all specified tests; (iv) the Project is operating materially in accordance with the specifications for a period of at least 72 hours; (v) the Contractor has delivered all required submittals and copies of all reports of performance tests; and (vi) the Contractor has delivered a notice of Substantial Completion to OPG and OPG has delivered a certificate of Substantial Completion to the Contractor.

Final Completion – Final Completion will be achieved when (i) the Contractor has entirely finished or corrected all items on the final punch list and (ii) the Contractor has delivered a notice of Final Completion to OPG and OPG has delivered a certificate of Final Completion to the Contractor. OPG is entitled to hold back $500,000 from the final payments to the Contractor until OPG has determined all goods, work and submittals required under the Agreement have been submitted.

<u>Incentives and Disincentives – Costs, Schedule and Performance</u>

Definition Phase – Cost Incentives and Disincentives

The Agreement establishes a neutral band [redacted] a definition phase target cost. If the actual amount of allowed costs incurred in respect of the definition phase work falls below the neutral band, OPG will pay the Contractor [redacted] of its cost savings up to a maximum amount equal to [redacted] of the definition phase fixed fee. if the actual amount of allowed costs incurred exceeds the neutral band, the Contractor will pay OPG [redacted] of its cost overruns up to a maximum amount equal to [redacted] of the definition phase fixed fee. Cost incentives and disincentives will be payable on the earlier of (i) the effective date of the execution phase amendment and (ii) the date on which the aggregate amount of cost disincentives exceeds the overall limit, subject to early termination.

Execution Phase – Cost Incentives and Disincentives

The Agreement establishes a neutral band [redacted] an execution phase target cost. If the actual amount of allowed costs incurred in respect of the execution phase work falls below the neutral band, OPG will pay the Contractor a percentage of its cost savings up to a maximum amount equal to [redacted] of the execution phase fixed fee. If the actual amount of allowed costs incurred exceeds the neutral band, the Contractor will pay OPG a percentage of its cost overruns up to a maximum amount equal to [redacted] of the execution phase fixed fee. Cost incentives and disincentives will be payable on the earlier of (i) the Final Completion date and (ii) the date on which the aggregate amount of cost disincentives exceeds the overall limit, subject to early termination.

Milestone Schedule Incentives and Disincentives

If the Contractor achieves Substantial Completion more than 20 days earlier than the guaranteed Substantial Completion date, OPG will pay the Contractor an amount determined in accordance with the Agreement (as a percentage of the execution phase fixed fee) up to a maximum amount equal to [redacted] of the execution phase fixed fee. If the Contractor achieves Substantial Completion by more than 20 days later than the guaranteed Substantial Completion date, the Contractor will pay OPG an amount determined in accordance with the Agreement (as a percentage of the execution phase fixed fee) up to a maximum amount equal to [redacted] of the execution phase fixed fee. Schedule incentives or disincentives are payable on the earlier of (i) Substantial Completion or (ii) the date on which the aggregate amount of disincentives exceeds the overall limit, subject to early termination.

<u>Project Change Directives, Excusable Delays and Force Majeure</u>

The Agreement permits OPG to issue change directives to direct the Contractor to make changes in the work, goods, project, milestone or target schedules, including the suspension of the work. The Agreement restricts the ability of the Contractor to initiate change directives except in specified circumstances and with the prior written consent of OPG, such as claims made upon the occurrence of an “excusable delay” or a “force majeure” event.

If OPG determines a change is required, or if the Contractor notifies OPG that a change order is required, OPG will issue a draft change order for review by the Contractor. After OPG receives the Contractor’s comments on the draft change order, the parties will negotiate a mutually acceptable change order to be executed by both parties.

An “excusable delay” is a delay that is caused by (i) OPG for a stop work order or similar notice, or as requested under the *Nuclear Safety and Control Act* (Canada), a state of emergency, a hazardous condition for which OPG is responsible; (ii) any error or omission in the reliance Information not waived by the Contractor; (iii) unforeseen subsurface conditions or other specified site conditions; (iv) any suspension, termination, interruption, denial, failure or any delays to issue any necessary approval or permit by any governmental authority; (v) the failure of other OPG contractors or OPG personnel to comply with the agreed access protocol; (vi) suspension by the Contractor of all or any of the work; or (vii) OPG's failure to perform certain obligations under the Agreement.

Neither party will be responsible for material delays caused by "force majeure" events for fire, flood, tidal wave, lightening, earthquake, cyclone, tornado, hurricane, explosion, severe ice storm, epidemic or pandemic disease, legal strike or lock-out (other than those caused by the contractor, a subcontractor, or their employees, or work to rule activities), war, riot, sabotage or other acts of public enemies, including terrorists, or site-related blockades (other than labour-related events), an event beyond the reasonable control of the party claiming relief or that could not have been prevented or avoided by the affected party exercising due diligence and acting in accordance with good industry practice, and the event is not the result of a breach of its obligations under the Agreement.

The Contractor is entitled to receive cost and schedule relief for an "excusable delay" and schedule relief for a "force majeure" event, in proportion to the delay and provided the Contractor did not cause or contribute to the delay.

Customs Duties Mitigation Plan

The Agreement sets out that no later than two months following execution, the Contractor must submit and implement a mitigation plan detailing the Contractor's strategy to avoid and mitigate any potential or actual change in customs duties. The plan will include (i) assessing the reasonable forecast of known and potential tariff risks based on the supply chain proposed to source equipment and materials for the Project with the objective of mitigating cost impacts prior to selecting and contracting with suppliers, (ii) actively identifying alternate manufacturing and sourcing supply chain options for equipment and materials, while still ensuring compliance with the requirements of the Agreement, and (iii) considering adjustments to project schedules to accelerate or expedite the importation of any equipment or materials required for the work or the Project prior to the effective date of any such potential change in customs duties. The Contractor will provide quarterly progress reports. The Contractor will use commercially reasonable efforts (individually or together with OPG) to avoid and mitigate any potential or actual impact of a change in customs duties on the Project, including, without limitation: (1) participating in any government consultation processes to advocate for any proposed change in customs duties to have the least potential impact on the Project and (2) applying for any available exemptions to or remissions from any change in customs duties.

In order for the Contractor to be eligible to receive cost relief pursuant to a change order for changes in customs duties for import into Canada, the Contractor must substantiate it costs and comply with and implement the customs duties mitigation plan and other above stated requirements.

Subcontractors

The Agreement permits subcontractors for whom the Contractor is solely responsible for. The Agreement lists major subcontractors providing or expected to provide any of the work pursuant to a subcontract. OPG is entitled to review and agree or reject to any such major subcontract and certain other subcontracts.

Scientific Research and Experimental Development (“SR&ED”) Tax Credit

The Agreement entitles OPG to claim all SR&ED tax credits generated by the Work and the Contractor agrees to perform the Work relater to the SR&ED on behalf of OPG and agrees that OPG will be entitled to claim all “investment tax credits” arising from the activities of the Contractor under the Agreement.

Performance Security

The Agreement requires the Contractor to provide a letter of credit to support its obligations under the Agreement, initially in an amount equal to [redacted] of the definition phase target price. Following the execution of the execution phase amendment, the Contractor must deliver a replacement or amendment to the letter of credit evidencing an increased amount equal to [redacted] of the Contract Price. Upon the achievement of Substantial Completion, such amount can be reduced to [redacted] of the Contract Price plus an amount equal to the sum of (i) the amount estimated by OPG that would be required for correction or replacement of defective parts of the work, goods or project and (ii) the value of any outstanding claims, up to a maximum of 10% of the Contract Price. Such warranty letter of credit will remain in place following the expiration of the warranty period (including any extension thereof) until all the Contractor's obligations to correct or replace defective parts has been completed in full and all outstanding claims have been resolved. In the event the Contract Price is adjusted by more than $50,000,000, the Contractor will increase or decrease the amount of the performance letter of credit.

The Contractor provided two parental guarantees in support of all the Contractor's obligations under the Agreement. The obligations of each guarantor under the Agreement are joint and several through its respective Contractor general partner that are each jointly and severally liable for the obligations of the Contractor under the Agreement.

<u>Intellectual Property</u>

The Agreement requires the Contractor to, or to cause its subcontractors to, assign all intellectual property rights created in connection with the work, goods, project, submittals and other deliverables required to be provided under the Agreement to OPG, including confidential information, patents, trademarks, copyrights, and any other intellectual property developed in the course of performing the work. The Contractor and each subcontractor retain ownership rights of any pre-existing intellectual property if they can establish that such intellectual property existed before the earlier of the date of the Agreement or the date that the Contractor commenced the work. In such cases, the Contractor must notify OPG in writing and grant OPG a license to use this retained intellectual property.

<u>Warranty</u>

The Contractor provides a warranty that all Work and Goods will be free from all defects and conform with all specifications and meet or exceed industry standard. The Contractor is required to correct any defective part of the work, goods or project at its own cost. The warranty period for the Agreement is the greater of: (i) two years following the date of Substantial Completion, subject to any extension; (ii) the warranty period specified in any warranty from a Subcontractor for any specific part of the work, goods and project; and (iii) the warranty period specified in the Agreement for any specific part of the work, goods and project (excluding to the extent that any breach of the warranty is due to (i) maintenance or operation by OPG contrary to instructions; (ii) conditions of operation materially more severe than those specified for the Project; (iii) negligence of OPG or any person providing services to OPG; or (iv) reasonable wear and tear for normal usage).

If there is any correction or replacement of the defective part of the work, goods or Project, then the warranty period will: (1) be extended for an additional 2 years following the correction/replacement of the defective part; and (2) for any part of work that ceases to be used in commercial operations because of the defective part, be suspended at the date that the work is taken out of commercial operation and will be extended for an additional 2 years following the date the work re-enters commercial operation. The warranty period will not extend more than 4 years from the date of Substantial Completion.

Termination for Default

The Agreement includes standard events of default for OPG and the Contractor. If the Contractor defaults, OPG will be entitled to terminate the agreement and to exercise a number of other remedies, including ejecting persons from the site, directing the Contractor to stop performing the Work and correcting defective parts of the work, among others. In the event of a default, the Contractor will be liable to OPG for all costs incurred by OPG to finish the work and correct or replace defects and any other losses suffered by OPG as a result of the default, subject to the Contractor’s limitation of liability.

Termination for Convenience

The Agreement permits OPG to immediately terminate the Agreement for convenience at any time, by providing notice to Contractor. Certain types of direct damages (and reasonable extra direct damages) will be payable by OPG to the Contractor in such circumstances.

If the Agreement is terminated before the execution phase, or upon termination during the execution phase, the contractor will transfer title and deliver all unfinished work to OPG and OPG will indemnify the Contractor from all losses suffered as a result of continued use of the definition phase work in the event of any changes to the work, use of unfinished work and use on a different project

Termination for Force Majeure

If a Force Majeure Event lasts longer than 180 days from the date that a party claiming relief due to such Force Majeure Event gives Notice, the party not seeking relief is entitled to terminate the Agreement upon ten Business Days prior Notice.

Suspension of the Work

The Agreement permits OPG to suspend Work at any time. Certain compensation will be payable by OPG to the Contractor in such circumstances.

Dispute Resolution

The Agreement provides for both informal and formal resolution of disputes. The informal procedure utilizes a dispute resolution board made up of impartial members who hear disputes from parties. The formal procedure is binding arbitration under commercial arbitration rules. Parties can choose to proceed by either the informal or formal mechanism, with the option to choose the formal procedure should the informal process not succeed.

Assignment

The Agreement restricts the Contractor from assigning the Agreement without the prior consent of OPG, which may be withheld in OPG's sole and absolute discretion. OPG may, without the consent of the Contractor, assign the Agreement.

Extended Services Master Services Agreements with

E.S. Fox Limited

Date of Agreement: February 12, 2012

Date of Amendment 1: June 28, 2013

Date of Amendment 2: July 1, 2015

Date of Amendment 3: August 1, 2016

Date of Amendment and Restatement: September 27, 2019

Date of Amendment and Restatement: July 31, 2025

Black & McDonald Limited

Date of Agreement: February 12, 2012

Date of Amendment 1: June 28, 2013

Date of Amendment 2: December 16, 2015

Date of Amendment 3: August 1, 2016

Date of Amendment and Restatement: September 27, 2019

Date of Amendment and Restatement: August 22, 2025

SLN-AECON JV

(AECON Construction Group Inc. & SNC-Lavalin Nuclear Inc.)

Date of Agreement: December 19, 2014

Date of Amendment 1: July 7, 2015

Date of Amendment 2: January 1, 2017

Date of Amendment and Restatement: December 23, 2019

Date of Termination: February 15, 2027

Replaced by

AECON Construction Group Inc.

Date of Agreement: August 21, 2025

Summary of Key Terms

Date of Summary: October 21, 2025

The following is a brief summary of the key terms and conditions of the Extended Services Master Services Agreements that were entered into between: (1) Black & McDonald Limited and OPG as of February 12, 2012, as amended by Amendment 1 dated as of June 28, 2013, Amendment 2 dated as of December 16, 2015, Amendment 3 dated as of August 1, 2016, as amended and restated by an Amended and Restated Extended Services Master Services Agreement dated as of September 27, 2019 and as amended and restated by an Amended and Restated Extended Services Master Services Agreement dated as of August 22, 2025; (2) E.S. Fox Limited and OPG as of February 12, 2012, as amended by Amendment 1 dated as of June 28, 2013, Amendment 2 dated as of July 1, 2015, Amendment 3 dated as of August 1, 2016, as amended and restated by an Amended and Restated Extended Services Master Services Agreement dated as of September 27, 2019 and as amended and restated by an Amended and Restated Extended Services Master Services Agreement dated as of July 31, 2025; and (3) AECON Construction Group Inc. ("AECON") and OPG dated as of August 21, 2025.

The form of agreement was developed as an engineering, procurement and construction contract and was intended to serve as a general framework applying to work in support of OPG's nuclear generating stations and related facilities. The agreements reflect extensive feedback from the entire OPG project team, external legal counsel (Torys LLP (as to the original agreements with E.S. Fox Limited and Black & McDonald Limited) and Blake, Cassels & Graydon LLP (as to the original agreement with SNC-Lavalin Nuclear Inc. and AECON acting jointly and severally doing business as a contractual joint venture (the "SNC/AECON JV"), on which the subsequent agreement with AECON was based)), and the contractors.

<u>Contracting Strategy for Extended Services Master Services Agreement</u>

In February of 2012, OPG entered into Extended Services Master Services Agreements ("ESMSAs") with two contractors, Black & McDonald Limited and E.S. Fox Limited, as a result of a competitive process. In order to increase competition between contractors and to mitigate capacity risks, OPG entered into an ESMSA with the SNC/AECON JV, which had also participated in the earlier RFP process for the ESMSAs. The SNC/AECON JV ESMSA was subsequently terminated and OPG entered into a new ESMSA with only AECON. The current agreements with all three contractors benefited from clarifications and adjustments based on OPG's experience with the work conducted under the ESMSAs.

Performance of Work

The agreement is intended to apply to any work requested by OPG to be performed by the contractor during the term, which extends to August 22, 2030 for Black & McDonald Limited, July 31, 2030 for E.S. Fox Limited and August 22, 2030 for AECON (with an option in the Black & McDonald Limited and E.S. Fox Limited ESMSAs for OPG to renew the agreement for up to five additional years), unless earlier terminated in accordance with the agreement. The contractor is not guaranteed any specific amount of work under the agreement.

When OPG requires work to be performed in relation to its nuclear generating stations and other related facilities, it may issue a work request under the agreement. The work request will include a worksheet listing any relevant OPG specifications, the pricing model applicable to the work, an indication of which of the interface requirements contained in a schedule to the agreement may apply to the work and any other relevant information. OPG has the option, in its sole discretion, of issuing the work request to the contractor alone, or to any other contractors. The contractor must then respond to the work request with the information requested by OPG, including an estimated schedule and cost for performing the work. If OPG accepts the contractor's response, OPG will issue a purchase order for the work, and the contractor will be required to perform all of the work so awarded. Relief from the schedule and cost set forth in the contractor's work request response is strictly controlled under the agreement, as the contractor is expected to have taken into account the relevant aspects of OPG's ongoing nuclear operations in its preparation of the response.

Depending on the type of work requested in the purchase order, specific terms and conditions set out in the appendices to the agreement will apply. The work performed by the contractor under the agreement could consist of (1) engineering, procurement and construction work where OPG is both the owner and the constructor, (2) engineering, procurement and construction work where OPG is the owner and the contractor is the constructor, (3) any combination of engineering, procurement, and construction work or (4) any of these types of work individually. OPG also reserves the right to impose additional terms and conditions as may be set out in a work request, and to request that any work be performed on a phased basis.

In the event OPG determines certain work to be an emergency, the contractor may be authorized by OPG to proceed with the work without a purchase order, pursuant to the protocols set out in the agreement for "rapid response work". The contractor is responsible for keeping a list of emergency contacts up to date for the purpose of responding to rapid response work requests as soon as practicable.

<u>Personnel</u>

The agreement requires the contractor to provide an organizational chart identifying personnel who will be involved in the work in any material way by name, title and contact information. OPG may require the contractor to provide résumés for any personnel. Personnel that are named on a purchase order are "key personnel" whose replacement are subject to certain restrictions, such as prior written approval of OPG, and penalties.

The agreement requires that the contractor use its personnel in the most cost-effective and efficient manner to perform the work, taking into account the appropriate experience and qualifications required for each task.

<u>Master Status Report and Schedules</u>

The contractor is required to develop and maintain a master status report for all work performed under the agreement in a form approved by OPG, and to update the report at least once a month for the purposes of providing OPG with the information it requires. Among other things, the master status report should provide an integrated schedule, capacity metrics and forecasting for all purchase orders, show the workloading of all of the contractor's personnel and track all corrective action.

Additionally, the contractor is required to complete and submit a draft project schedule in respect of the work under each purchase order, which must incorporate and be consistent with the milestones set out in the purchase order, if any. OPG will have the opportunity to review and provide comments on any proposed project schedule, and once approved, the schedule will be final. The contractor will be entitled to schedule relief only in the event of a project change authorization (or may request schedule relief in the event of an “excusable delay”).

Incentives and Disincentives

The agreement includes financial incentives and disincentives for the contractor’s ability to meet the target costs and schedules.

For target price work, OPG will share cost savings and cost overruns with the contractor based on how the aggregate reimbursable costs compares to the target reimbursable cost. Outside a [redacted] neutral band, OPG will pay the contractor a specified cost incentive amount (as a percentage of cost savings) or the contractor will pay OPG a specified disincentive amount (as a percentage of cost overruns). The applicable percentages increase as the applicable cost savings or cost overruns, as the case may be, exceed specified thresholds.

OPG may include in purchase orders a schedule incentive or schedule disincentive that results in an additional payment from OPG to contractor for early milestone completion or requires contractor to pay OPG for late milestone completion, respectively, subject to limits as set out in the purchase order.

Other Components of the Contract Price

The contract price for projects to be performed under this agreement will be set out in the applicable purchase order, subject to amendments contained in any “project change authorization” (as described below). The work may be provided on a fixed price basis, where the total compensation payable to the contractor for the work under the applicable purchase order is reflected in a fixed price, or on a reimbursable cost basis. Reimbursable costs consist of: (i) labour incurred by the contractor, and (ii) non-labour costs incurred and actually paid by the contractor, and which are calculated in accordance with the applicable reimbursable cost table set out in a schedule to the agreement.

For rapid response work, OPG will pay to the contractor its reimbursable costs (including both labour and non-labour costs) and overhead and profit amounts calculated by multiplying the estimated reimbursable labour costs by fixed percentages [redacted]

Goods will be supplied at the contractor's actual cost plus an agreed administration fee set out in the worksheet to the purchase order, [redacted]. Rented equipment with a book value of greater than $2,000-$4000, depending on the contractor, will be treated as reimbursable non-labour costs at the contractor's cost plus an agreed administration fee [redacted]

Subcontracts will be priced at the contractor's actual cost plus an agreed administration fee of [redacted] for "first tier contractors".

The contractor is entitled to be reimbursed (without a mark-up) for business expenses in accordance with the business expense reimbursement schedule attached to the agreement.

<u>"Open Book" Approach and Audit Rights</u>

All estimates, costs incurred, contingencies (where applicable) and other pricing, whether in respect of rapid response work, time and material work or target price work, will be developed by the contractor on a fully open book and transparent basis, allowing OPG full review of labour and other quantities, unit prices, rates, quotations, allowances, internal costs and charges and contingencies, as applicable. For fixed price work, OPG may request from the contractor a breakdown of their estimate to enable OPG to evaluate the basis of such estimate.

The agreement requires the contractor to provide OPG with full access to all financial and other records relating to the work performed under the agreement. The agreement also provides OPG with extensive audit rights for all financial and other records that relate to work that is performed on a reimbursable costs basis, with few restrictions on the lookback periods for audits and readjustment of contractor cost claims. OPG is not entitled to dispute or audit any profit, overhead or contingency amounts forming part of the contract price payable in respect of fixed price work.

Performance Security, Insurance and Indemnities

The agreement obliges the contractor to post a letter of credit in the amount of [redacted]. OPG may require that the amount of the letter of credit be increased or decreased at any time in the event OPG reasonably determines there is a material change in the current estimated quarterly spend. In addition, OPG may stipulate in a purchase order that a project-specific letter of credit is required in an amount not to exceed 10% of the contract price of the purchase order. If a project-specific letter of credit is required, the estimated quarterly spend under such purchase order will not be included for the purposes of calculating the amount of the general letter of credit. The contractor must maintain the letter of credit in force until 60 days after all of its obligations under the agreement and any outstanding purchase orders have been satisfied in full, including all warranty obligations.

The Black & McDonald Limited and E.S. Fox Limited ESMSAs contain standard holdback provisions, while the AECON ESMSA does not and instead requires the contractor to provide an additional letter of credit.

In the case of AECON, the contractor provides guarantees from the ultimate parent companies of the contractor in support of all of the contractor’s obligations under the agreement. These guarantees contain ratings-based and/or covenant based tests of the ongoing creditworthiness of the parent guarantors.

The agreement contains insurance requirements set out in a schedule to the agreement. The agreement also contains contractor indemnity provisions and limits of liability consistent with general industry standards.

Project Change Authorizations and Excusable Delays

The agreement tightly restricts changes to “project change authorizations”, being project change directives issued by OPG (including deemed project change directives for changes in applicable laws, codes and standards) and project change orders agreed by OPG.

The contractor may request a time extension for an “excusable delay” that affects the critical path of the relevant project schedule set out in the purchase order. An “excusable delay” is a delay that is caused by a stop work order, a state of emergency requiring the contractor to leave the site, a corrective action plan regarding a “hazardous condition”, OPG’s failure to perform certain obligations and severe and unusual weather conditions at the site which could not have been anticipated by an experienced contractor and which exceed the 50 year severity for that weather condition in the applicable area of Ontario.

Under the AECON ESMSA and the Black & McDonald ESMSA, project change authorizations for target price work that result in adjustments to price and schedule shall result in corresponding changes to the target cost and schedule if the project change authorization is required as a result of: (1) a change in applicable laws (not related to taxes) or if there are new Canadian federal or provincial sales, use or excise taxes, duties or any changes in the rates or applicability of such taxes and duties; (2) a force majeure event or excusable delay (discussed below) for the AECON ESMSA or a force majeure event only for the Black & McDonald Limited ESMSA; (3) an amendment to OPG specifications; (4) a suspension of work; (5) a project change directive issued by OPG which has a mutually agreed upon cost and/or schedule impact; (6) an annual escalation when the project schedule is extended by OPG; (7) changes in OPG policies and procedures that directly impact the work; or (8) changes resulting from amendments to certain labour agreements.

Neither party will be responsible for delays caused by a “force majeure event”, which are restricted to fire, flood, tidal wave, lightning, earthquake, cyclone, tornado, hurricane, explosion, severe ice-storm, epidemic or pandemic disease, embargo, sanction, boycott, legal strike or lockout by persons working at the applicable site (excluding lockouts initiated solely by contractor or the subcontractor or its employees, or work to rule activities), war, riot or act of public enemies, including terrorists, or site related blockades (other than labour related events).

<u>Subcontractors</u>

The agreement permits the use of subcontractors, provided OPG does not object to any such subcontractor. Certain “first tier subcontractors” are identified on a schedule to the agreement, and OPG must be notified immediately if there are any changes to the identity of the first tier subcontractors, or to the work to be performed by them. Any such changes to the first tier subcontractors must be approved by OPG.

Intellectual Property

The agreement requires the contractor to transfer to OPG, or to license to OPG, all intellectual property required for the performance of the work.

Warranty

The warranties in respect of the work are determined on a project by project basis and are set out in the terms and conditions applicable to the type of work set out in the relevant purchase order.

Scientific Research and Experimental Development ("SRED") Tax Credit

The agreement provides that OPG is entitled to claim all SRED tax credits generated by the work under the agreement.

Termination for Default

The agreement includes standard events of default. If the contactor defaults, OPG will be entitled to terminate the agreement and to exercise a number of self-help remedies.

If an event of default occurs under a specific purchase order that does not permit OPG to terminate the entire agreement for cause, OPG has several self-help remedies available to it in respect of the remaining work under the relevant purchase order.

Termination for default would permit OPG to make a claim against the contractor for full contractual damages (subject to a percentage cap formula that is linked to the total contract price and certain other amounts).

Termination for Convenience

The agreement permits OPG to terminate the agreement or any purchase order for convenience at any time. Certain types of direct damages (but not full contractual damages) will be payable by OPG to the contractor in such circumstances.

Suspension of Work

The agreement permits OPG to suspend the work under any purchase order, in whole or in part, at any time. Reasonable incremental direct costs (but not full contractual damages) will be payable by OPG to the contractor in such circumstances, provided that the contractor takes all commercially reasonable steps to mitigate such costs, including redeploying its personnel.

OPG may also order the contractor to suspend the work as a result of a situation that puts such work, any part of the work site or any people at risk (a “stand down order”), for example in the case of a human performance error, or a procedural or environmental issue. If the stand down order is not caused by the contractor, its subcontractors or its personnel, OPG will compensate the contractor for the direct costs and expenses resulting from the stand down order, unless the stand down order results from an “excusable delay”.

Dispute Resolution

The agreement provides for both informal and formal resolution of disputes. The informal procedure contemplates a staged escalation of disputes within OPG’s and the contractor’s management structure with a view to achieving a consensual resolution of the dispute. The formal mechanism is binding arbitration under commercial arbitration rules. The agreement limits the recourse of the contractor and OPG to the ordinary courts.

Project Title:			
OPG Organization:			
Worksheet Number:		**Revision:**	000
Purchase Order & Line #:	TBD	**Revision:**	000
Unit #:			
Contractor:	TBD		

APPROVALS:			
OPG Representative:	______________________________ Name & title	Date:	
Contractor Representative:	______________________________ *[Name & title]*	Date:	

The purpose of this Worksheet is to document the Project specific details for a specific Project awarded under the ES MSA. Once finalized the approved Worksheet will be included in the Purchase Order awarded to the Contractor.

As specified in the ES MSA, the Agreement between OPG and the Contractor in respect of the Project consists of the ES MSA, the applicable Appendix, schedules, exhibits and the terms and conditions set out in the Worksheet which is included in the Purchase Order. This Worksheet cannot amend terms in the ES MSA except as expressly provided in the ES MSA.

This Worksheet is not to be used for Rapid Response Work or Augmented Staff Purchase Orders. Contact the MSA Representative for the form of the Worksheet to be used for these types of Work.

Capitalized terms have the meanings given to those terms in the ES MSA and the applicable Appendix.

For certainty, in cases of conflict the requirements of section 1.9 of the ES MSA apply.

Information to aid the preparer in filling in the Worksheet is attached at the end of this document.

A copy of all communications regarding the Worksheet should be sent the following:

- For Refurbishment Project Worksheets send a copy to NR.ESMSA.COMMERCIAL@opg.com
- For Projects and Modifications Worksheets send a copy to ESMSA.REPRESENTATIVE@opg.com

#	Item	Applicable ES MSA Section	Details of Required Information
DESCRIPTION OF WORK:			
1.1	Type of Work	2.3	☐ Engineering, procurement, and construction – OPG owner and constructor (Appendix 1) ☐ Engineering, procurement, and construction – OPG as owner only (Appendix 2) ☐ Engineering (Appendix 3) ☐ Procurement (Appendix 4) ☐ Construction (Appendix 5) ☐ Engineering and procurement (Appendix 6) ☐ Engineering and construction (Appendix 7) ☐ Procurement and construction (Appendix 8) **Additional information**
1.2	OPG Specifications	1.1(zz) and 3.9(g)	OPG Specifications, including any scopes of work, are attached as **Attachment 1** of this Worksheet. **Additional information**
1.3	Interface Requirements	1.1(nn) 1.1(xxxx) and Schedule 6	The Interface Requirements ☐ DO ☐ DO NOT apply to the Work. The applicable Interface Requirements and project specific deviations for this Work are attached as OPG Specifications in **Attachment 1** to this Worksheet. **Additional information**
1.4	OPG's Quality Assurance Program	3.10(f)	The quality assurance program for the Work is ☐ CONTRACTOR ☐ OPG Project specific requirements for the quality program are documented in the OPG Specifications in **Attachment 1** to this Worksheet. **Additional Information**

#	Item	Applicable ES MSA Section	Details of Required Information
1.5	Maintenance Services	6.10 of Appendix 1 5.10 of Appendix 2 6.10 of Appendix 5 or 6.10 of Appendix 8	Maintenance services are ☐ REQUIRED ☐ NOT REQUIRED as part of the Work and are specified in the OPG Specifications in **Attachment 1** to this Worksheet. **Additional Information**
1.6	Inspections, Tests and Approvals	6.3 of Appendix 1 5.3 of Appendix 2 3.3 of Appendix 4 6.3 of Appendix 5 3.3 of Appendix 6 or 6.3 of Appendix 8	The Contractor is responsible for all inspections, tests and approvals required as part of the Work, including any additional inspections, tests, and approvals specified in the OPG Specifications in **Attachment 1** to this Worksheet. **Additional Information**
1.7	Other Project Meetings	3.3(g) and 2.2 of Appendix 1 2.2 of Appendix 2 2.2 of Appendix 3 2.2 of Appendix 4 2.2 of Appendix 5 2.2 of Appendix 6 or 2.2 of Appendix 8	Additional project meeting requirements for the Work are specified in the OPG Specifications in **Attachment 1** to this Worksheet. It is understood that the frequency of project meetings may change based on the phase of the Project. **Additional Information**
1.8	Cyber Security	3.7 Schedule 3.7	Cyber Assets included in the Work are: - Priority One Cyber Assets are: - Priority One Cyber Services are: - **Additional Information**
PRICING:			
2.1	Pricing	8.1	The pricing model for this Work is: ☐ Performance Fee Work (not applicable) ☐ Fixed Price Work

<table>
<tr><th>#</th><th>Item</th><th>Applicable ES MSA Section</th><th>Details of Required Information</th></tr>
<tr><td></td><td></td><td></td><td>☐ Non-Performance Fee Work

The agreed to Contract Price pricing for the Work is:
<table>
<tr><td>Performance Fee Work:</td><td>$ ****</td></tr>
<tr><td>Performance Fee Work Consent to Proceed (In accordance with 8.1(c)(2) of the ES MSA, OPG has provided consent to proceed Notice(s) for this amount permitting the Contractor to proceed with the Performance Fee Work.)</td><td>$ ****</td></tr>
<tr><td>Fixed Price Work:</td><td>$ ****</td></tr>
<tr><td>Non-Performance Fee Work:</td><td>$ ****</td></tr>
<tr><td>Total Contract Price:</td><td>$ ****</td></tr>
</table>
The Work included in the non-Performance Fee Work is documented in section 2.6 of this Worksheet. Additional details of the Contract Price are outlined in Attachment 2 to this Worksheet.

*The non-Performance Fee Work of $XXX includes EPSCA ($XXX) and Training ($XXX).

Additional details of the funding release are provided in Attachment 2 to this Worksheet.

NOTE: This revision incorporates all previously agreed to changes to the Contract Price, including all signed PCAs, CTPs and release memos.</td></tr>
<tr><td>2.2</td><td>Goods</td><td>8.1(f)</td><td>The administration fee for all Goods is as per the ES MSA.

TBD %</td></tr>
<tr><td>2.3</td><td>Business Expenses</td><td>8.1(j)
<u>and</u>
Schedule 8</td><td>The Contractor

☒ WILL ☐ WILL NOT

be reimbursed for business expenses in accordance with the OPG Business Expense Reimbursement Schedule for the following project roles:

- ****

The Contractor will notify OPG in advance and in a timely manner of any upcoming business expenses.</td></tr>
</table>

#	Item	Applicable ES MSA Section	Details of Required Information
2.4	Specialty Work	8.1(p) and 8.1(q)	The Work ☐ DOES ☐ DOES NOT include specialty work. Any specialty work is defined in the OPG Specifications in **Attachment 1** to this Worksheet. The amount of specialty work is 0%. Adjustments to the Reimbursable Labour Costs Table for non-trades are: - none **Additional Information**
2.5	Reimbursable Non-Labour Costs	1.1 (ffff) and Schedule 5	Disallowed costs will be in accordance with Schedule 5 of the ES MSA with the following project specific deviations: - none **Additional Information**
2.6	Non-Performance Fee Work		Work that is included in the Contract as non-Performance Fee Work is: - Small Tools - Consumables - In-Processing and Training - Contractor Business Expenses / EPSCA **Additional Information**
SCHEDULE:			
3.1	Key Milestone Dates	3.8(b)	A list of Key Milestones are specified in **Attachment 3** of this Worksheet. **Additional Information**
3.2	Development of Project Schedule	3.8(b)	The Contractor must submit its draft Project Schedule **TEN** Business Days after the date of issue of the Purchase Order. The finalized Project Schedule must be approved by **OPG**. **Additional Information**
3.3	Requirements for Project Schedule	3.8(c)	The Project Schedule will meet the ES MSA requirements with the following exceptions: - none

#	Item	Applicable ES MSA Section	Details of Required Information
			Any additional requirements for the Project Schedule are specified in the OPG Specifications in **Attachment 1** to this Worksheet. **Additional Information**
3.4	Adherence to Project Schedule	3.8(d)	The Contractor will adhere to the OPG approved Project Schedule. **Additional Information**
3.5	Progress Updates	3.8(e)	The Contractor will provide a **WEEKLY** (e.g. Weekly) report indicating the status and progress of the Work that meets the requirements specified in the ES MSA. Project specific deviations are specified in the OPG Specifications in **Attachment 1** of this Worksheet. **Additional Information**
LOCATION:			
4.1	Site	1.1(kkkk)	All Work will be performed at **TBD Nuclear Generating Station** **Additional Information**
4.2	Designated Areas	3.4(a)	The Contractor will ensure that Work is restricted to the designated areas specified in the OPG Specifications in **Attachment 1** of this Worksheet. **Additional Information**
4.3	Access by Other OPG Contractors	3.4(h)	The provisions of Section 3.4 (h) ☒ DO ☐ DO NOT apply. The Contractor will comply with the Access Request Protocol, N-FORM-11584. **Additional Information**
PERSONNEL:			
5.1	OPG's Project Representative	1.1(ccc) and 4.2	OPG's Project Representative is: Name: Title: Contact Information: Phone:

#	Item	Applicable ES MSA Section	Details of Required Information
			Email: **OPG's Designated Delegates is:** **OPG's Designated Delegate's scope of authority includes decisions regarding scope, schedule, quality and commercial issues for the Work and changes to the Contract Price up to $250,000 in the aggregate. Changes greater than $250,000 require approval from OPG's Project Representative.** Designated Delegate's Contact Information: Name: Phone: Email:
5.2	Contractor's Project Representative	1.1(t) <u>and</u> 3.1(g)	The Contractor's Project Representative is: Name: **** Title: **** Contact Information: **** **Additional Information**
5.3	Contractor's Key Personnel	1.1(oo) <u>and</u> 3.2(e)	Key Personnel are: **** **Additional Information**
5.4	List of Subcontractors	3.12(a)	The Contractor ☐ WILL ☐ WILL NOT be using Subcontractors to perform the Work. A list of Subcontractors proposed for this Project are listed in **Attachment 4** to this Worksheet. All Subcontractors which will perform Work in OPG Nuclear shall have a standing of "C" or better in ISN. If an exception is required the Contractor must obtain OPG approval to use the Subcontractor prior to any Work being performed.

#	Item	Applicable ES MSA Section	Details of Required Information
			OPG reserves the right to reject and ask the Contractor to replace, any such Subcontractors which do not meet the criteria for working on Site. **Additional Information**
5.5	Management of Subcontractors	3.12(e)	As specified in the OPG Specifications in **Attachment 1** to this Worksheet, a Subcontractor Management Plan ☐ IS ☐ IS NOT required. If required, the Subcontractor Management Plan is included as **Attachment 5** to this Worksheet. **Additional Information**
SUBMITTALS:			
6.1	Submittals	1.1(rrrr) and 3.7(a)	Requirements for Submittals are listed in the OPG Specifications in **Attachment 1** to this Worksheet. **Additional Information**
6.2	Submittal Schedule	3.9(b)	Requirements as per the ES MSA with the following deviations: - none **Additional Information**
6.3	OPG Review Period	3.9(c)	The Project Schedule will allow for an OPG review period of **TEN** Business Days for all Submittals. **Additional Information**
6.4	Review of Submittals by Contractor	3.9(d)	Requirements as per ES MSA with the following deviations: - none **Additional Information**
6.5	Return of Submittals	3.9(e)	Requirements as per ES MSA with the following deviations: - none **Additional Information**
PROCUREMENT:			
7.1	Goods	2.7(a) of Appendix 1 2.7(a) of Appendix 2	Contractor is responsible for procurement of all Goods consistent with the ES MSA and as specified in the OPG

#	Item	Applicable ES MSA Section	Details of Required Information
		2.7(a) of Appendix 5 or 2.7(a) of Appendix 8	Specifications in **Attachment 1** to this Worksheet with the following deviations: All scaffolding materials will be supplied by: ☐ OPG ☐ CONTRACTOR Welding consumables, if required, will be managed in accordance with **Attachment 6** to this Worksheet. **Free Issue Materials listed in Attachment 7 will be provided by OPG as per item #7.3 of this Worksheet. All small tools and consumables will be provided by OPG as Free Issue Materials.**
7.2	Procurement Plan	2.7(c) of Appendix 1 2.7(c) of Appendix 2 2.6(b) of Appendix 4 2.7(c) of Appendix 5 2.8(b) of Appendix 6 or 2.7(c) of Appendix 8	A Procurement Plan is ☐ REQUIRED ☐ NOT REQUIRED **Additional Information**
7.3	Free Issue Materials	3.8(d) and Schedule 13	Free Issue Materials ☐ WILL ☐ WILL NOT be provided by OPG. A list of Free Issue Materials is provided in **Attachment 7** to this Worksheet. The Contractor will identify when Free Issue Materials are required from OPG in the Project Schedule. **Additional Information**
APPLICATION FOR PAYMENT:			
8.1	Applications for Payment	8.3(a)	The Contractor will submit an Application for Payment on a **WEEKLY** basis. Milestone payments and fixed fee payments, if required, will be paid to the Contractor in accordance with **Attachment 8** to this Worksheet. **The Contractor shall provide a weekly cost report in a digital format. The weekly cost report will be broken down per Oncore Activity with details including but are not limited to: Original Budget, Approved Change Requests, Current Contract Values, Released Funds, LTD Oncore invoices, LTD Cost Accrued, LTD Actual, % Spend on current contract price, % Complete, LTD Earned Value, and Forecast at Complete. No**

#	Item	Applicable ES MSA Section	Details of Required Information
			Invoice will be required to be paid if it is not submitted to OPG within 180 days of the performance of the work to which the invoice relates.
DELAYS:			
9.1	Notice of Delay	7.2(b)	The Contractor will provide Notice to OPG within **SEVEN** Business Days about the commencement of a Delay using the 'Notice of Delay' form, a copy of which is included as **Attachment 9** to this Worksheet. **Additional Information.**
PERFORMANCE INDICATORS:			
10.1	Project Specific Performance Indicators	5.1(h)	Contractor performance ☐ WILL ☐ WILL NOT be measured using Project-specific Performance Indicators on a stand-alone basis using the Project-specific score card in **Attachment 10** to this Worksheet. **Additional Information**
APPROVALS:			
11.1	Approvals	3.5(b) <u>and</u> 4.1(c)	Requirements as per the ES MSA with the following exceptions: - none **Additional Information**
SUBSTANTIAL AND FINAL COMPLETION:			
12.1	Substantial Completion	1.1(ssss) <u>and</u> 3.4(b) <u>and</u> 5.1 of Appendix 1 4.1 of Appendix 2 5.1 of Appendix 5 <u>or</u> 5.1 of Appendix 8	Requirements for Substantial Completion include all requirements specified in the ES MSA and the following additional requirements: - none **Additional Information**
12.2	Final Completion	1.1(dd) <u>and</u> 3.4(b) <u>and</u>	Requirements for Final Completion include all requirements specified in the ES MSA and the following additional requirements:

#	Item	Applicable ES MSA Section	Details of Required Information
		5.2 of Appendix 1 4.2 of Appendix 2 5.1 of Appendix 5 or 5.1 of Appendix 8	- Support post window lessons learned meeting held with representatives from each of the execution groups and lessons learned are documented. - HDOCs accepted as per N-GUID-00120-10128 for construction and N-GUID-00680-10000 for materials. **Additional Information**
INSURANCE:			
13.1	Insurance Requirements	6.3 Schedule 12	☐ Schedule 12, Part A applies. ☒ Schedule 12, Part B applies. Deviations from these requirements are not permitted.
WARRANTY:			
14.1	Warranty Provisions	6.1(a) of Appendix 1 5.1(a) of Appendix 2 3.1(a) of Appendix 3 3.1(a) of Appendix 4 6.1(a) of Appendix 5 3.1(a) or Appendix 6 or 6.1(a) of Appendix 8	The warranty provisions are as defined in the ES MSA including the following project specific additional warranties: - none **Additional Information**
14.2	Warranty Period	6.8(a) of Appendix 1 5.8(a) of Appendix 2 1.1(j) or Appendix 3 1.1(m) or Appendix 4 6.8(a) of Appendix 5 1.1(o) or Appendix 6 or 6.8(a) of Appendix 8	The Warranty Period is as defined in the ES MSA with the following project specific deviations: - none **Additional Information**
MANAGEMENT PLANS:			
15.1	Project Site Specific Safety Plan	2.3(h)(1) of Appendix 1 2.3(h)(1) of Appendix 2 2.3(h)(1) of Appendix 5	A project site specific safety plan is ☐ REQUIRED ☐ NOT REQUIRED **Additional Information**

#	Item	Applicable ES MSA Section	Details of Required Information
		or 2.3(h)(1) of Appendix 8	
15.2	Job Safety Analysis	2.3(h)(2) of Appendix 1 2.3(h)(2) of Appendix 2 2.3(h)(2) of Appendix 5 or 2.3(h)(2) of Appendix 8	A job safety analysis is ☐ REQUIRED ☐ NOT REQUIRED **Additional Information**
15.3	Safety Program	2.3(c)(2) of Appendix 1 2.3(c)(2) of Appendix 2 2.3(c)(2) of Appendix 5 or 2.3(c)(2) of Appendix 8	The Contractor's safety program is ☐ REQUIRED ☐ NOT REQUIRED and is attached as **Attachment 11** to this Worksheet. **Additional Information**
15.4	Environment Management and Protection Plan	2.4(a) of Appendix 1 2.4(a) of Appendix 2 2.4(a) of Appendix 5 or 2.4(a) of Appendix 8	Contractor's environmental management and protection program and plan is ☐ REQUIRED ☐ NOT REQUIRED and is attached as **Attachment 12** to this Worksheet. **Additional Information**
INFORMATION WAIVER:			
16.1	Information Waiver	3.1(j)	The Contractor must satisfy itself with respect to the accuracy and/or completeness of any information, assumptions or representations provided or made available by any member of the OPG Group except for: - none **Additional Information**
OTHER TERMS AND CONDITIONS:			
17.1	Contractor's Risk Register		The Contractor is

#	Item	Applicable ES MSA Section	Details of Required Information
			☒ REQUIRED ☐ NOT REQUIRED to submit a risk register as part of the Work Request Response as **Attachment 13** to this Worksheet. **Additional Information**

ATTACHMENT 1: OPG SPECIFICATIONS *[MANDATORY]*

Document #	Title	Revision	Embedded File
N-COI-00120-00001	Contractor / Owner Interface Requirements for Nuclear	R000	N-COI-00120-00001.pdf
		R000	
		R000	

Additional Information

ATTACHMENT 2: PRICING *[MANDATORY]*

PO Line	Description	Pricing Model	Holdback	Value
0001	Construction	Non-Performance Fee	No	
0001	Construction – EPSCA	Non-Performance Fee	No	
0001	Construction – Training	Non-Performance Fee	No	
			TOTAL CONTRACT PRICE	

PO Line 0001 - Construction

PO Line Summary	Released	PCA	CTP	EPSCA	Training	Total

PO Line Summary	Released	PCA	CTP	EPSCA	Training	Total
Contract Value						

ATTACHMENT 3: KEY MILESTONES *[MANDATORY]*

Milestone Title	Accountability	Date	Completion Criteria
Design Complete	OPG		
All Construction Work Packages Completed and Issued	Contractor		
Installation Phase 1 Completion	Contractor		
Partial Available for Service	OPG		
Substantial Completion	Contractor		
Installation Phase 2 Completion	Contractor		
Available for Service	OPG		
Final Completion	Contractor		

Additional Information

OPTIONAL ATTACHMENTS:

Attachment	Required (Y/N)	Document #, Title, & Revision	Embedded File
ATTACHMENT 4: List of Subcontractors	Yes		
ATTACHMENT 5: Subcontractor Management Plan	Yes		

Attachment	Required (Y/N)	Document #, Title, & Revision	Embedded File
ATTACHMENT 6: Welding Consumables	Yes		
ATTACHMENT 7: Free Issue Materials	Yes		
ATTACHMENT 8: Applications for Payment	No		
ATTACHMENT 9: Notice of Delay Template	Yes	Notice of Delay	Notice of Delay Template.docx
ATTACHMENT 10: Project Specific Score Card	No		
ATTACHMENT 11: Safety Program	Yes		
ATTACHMENT 12: Environmental Management and Protection Plan	Yes		
ATTACHMENT 13: Risk Register	Yes		
ATTACHMENT 14: Procurement Plan	Yes		
ATTACHMENT 15: Site Specific Safety Plan	Yes		

CHANGE HISTORY

Incorporated Changes	Change Date	Details

Additional Information

REVISION HISTORY:

Revision	Date	Changes Made
000	TBD	Initial release

INSTRUCTIONS FOR FILLING IN THE WORKSHEET

The following information is provided to aid in completing the Worksheet. This information is for reference only and does not need to be included in the Purchase Order.

The information in this table is organized in the same format at the main table in the Worksheet.

#	Item	Instructions
1.1	Type of Work	*OPG to specify the applicable appendix as part of the Work Request. Once specified, the terms and conditions in the applicable Appendix apply in addition to the provisions in the overall Agreement.*
1.2	OPG Specifications	*OPG to attach all OPG Specifications as part of the Work Request in Attachment 1. OPG Specifications may need to be updated prior to Purchase Order award to incorporate any assumptions and/or clarifications identified by the Contractor as part of their Work Request Response and/or negotiations.*
1.3	Interface Requirements	*OPG to specify if COIR applies to the Work. OPG to attach Project specific deviations, using N-FORM-11583, as part of the Work Request.*
1.4	OPG's Quality Assurance Program	*OPG to specify as part of the Work Request if OPG's QA program applies to any part of the Work. Specific details of the quality program needs to be spelt out in the scope of work.*
1.5	Maintenance Services	*OPG to specify in the scope of work attached to the Work Request any maintenance Services and related Goods required for the Project.*
1.6	Inspections, Tests and Approvals	*OPG to specify in the scope of work attached to the Work Request any additional inspections, tests, and/or approvals required for the Project.*
1.7	Other Project Meetings	*OPG to specify in the scope of work attached to the Work Request any meeting requirements (type and/or frequency) that exceed the requirements in the ES MSA (refer to the applicable appendix).*
1.8	Cyber Security	*NEW IN TEMPLATE REVISION 003* *OPG to specify if the Contractor is providing any Cyber Assets, Priority One Cyber Assets, or Priority One Cyber Services as defined in Schedule 3.7 of the ES MSA as part of the Work. OPG is also to specify if any computing hardware, software, firmware or other computing or information technology is not considered a Cyber Asset.*
2.1	Pricing	*OPG to specify as part of the Work Request all clauses of 8.1 which apply. Contractor to update as required as part of the Work Request Response. Agreed to Contract Price to be inserted prior to PO award.* *All Work where it has been determined that the Performance Fee will not be withheld is considered non-Performance Fee Work. Possible examples include Business Expenses, Goods, or training.* *NOTE: Rapid Response Work does not use a Worksheet and must be documented in accordance with the ES MSA. An alternate Worksheet template is available for Augmented Staff Work.*
2.2	Goods	*Administration fee to be finalized prior to PO award. Administration fee shall not exceed the amount agreed to in the ES MSA.*
2.3	Business Expenses	*OPG to specify as part of the Work Request if business expenses will be reimbursed. Contractor to add names as part of the Work Request Response.*
2.4	Specialty Work	*Specialty work needs to be agreed to by both Parties.*

#	Item	Instructions
2.5	Reimbursable Non-Labour Costs	*Schedule 5 requires OPG consent for the Contractor to charge costs related to the following categories of staff:* - *Directors above the level of project director;* - *Secretaries and clerks;* - *Personnel staff;* - *General management and departmental management;* - *Legal staff and/or legal advisors;* - *General accountancy staff;* - *Administrative staff; and* - *Procurement and purchasing staff.* *The name and role of every individual from the above categories needs to be included in order to be considered a Reimbursable Labour Cost.*
2.6	Non-Performance Fee Work	*All Work where it has been determined that the Performance Fee will not be withheld is considered non-Performance Fee Work. Possible examples include Business Expenses, Goods, or training.* *A list of all Work included in this pricing model to be included prior to finalizing the Contract.*
3.1	Key Milestone Dates	*OPG to provide a list of Key Milestones for the Project in the Attachment, including the requirements that need to be met to prove the milestone has been achieved.*
3.2	Development of Project Schedule	*OPG to document as part of the Work Request the date by which the Contractor must submit its draft Project Schedule. The requirement in the ES MSA is five days from the date of issue of the Purchase Order. OPG to add any requirements for finalization / approval of the Project Schedule. The approved Project Schedule is required for enforcement of 3.6(d)*
3.3	Requirements for Project Schedule	*OPG to specify if there are any exceptions to the requirements in 3.6(c) as part of the Work Request. Any additional requirements should be specified in the scope of work.*
3.4	Adherence to Project Schedule	*See notes under 'Development of Project Schedule.'*
3.5	Progress Updates	*OPG to specify if the requirement deviates from the weekly requirement specified in the ES MSA as part of the Work Request. Any specific details for the status report need to be included in the scope of work.*
4.1	Site	*OPG to specify as part of the Work Request the Site where the Work is to be performed.*
4.2	Designated Areas	*OPG to specify the designated areas and any site specific requirements for the designated areas in the scope of work that is attached as part of the Work Request.*
4.3	Access by Other OPG Contractors	*OPG to specify as part of the Work Request. NOTE: The ES MSA refers to N-FORM-11594 however the correct reference is N-FORM-11584.*
5.1	OPG's Project Representative	*OPG to insert the name, title, and contact information as part of the Work Request. OPG's Project Representative is the individual designated to act as OPG's representative in dealings with the Contractor in respect to the Project.*
5.2	Contractor's Project Representative	*Contractor to insert the name, title, and contact information as part of the Work Request Response. The Contractor's Project Representative is the individual designated by the Contractor to act as the Contractor's representative in dealings with OPG for this Project.*
5.3	Contractor's Key Personnel	*Contractor to insert the name(s), title, and contact information as part of the Work Request Response. The Contractor <u>will not</u> replace any Key Personnel without the prior written consent of OPG's Project Representative, except as allowed in 3.2(e)]*

#	Item	Instructions
5.4	List of Subcontractors	*Contractor to confirm if Subcontractors will be used and attach list as part of the Work Request Response including name, address and/or resume for all Subcontractors.*
5.5	Management of Subcontractors	*OPG to specify as part of the Work Request if a Subcontractor Management Plan is required. Contractor to attach the Subcontractor Management Plan as part of Work Request Response.*
6.1	Submittals	*OPG to include Submittal requirements in the scope of work, including submission method.*
6.2	Submittal Schedule	*OPG to specify as part of the Work Request if there are any deviations from the ES MSA requirement for the Contractor to provide a progressive, timely, and orderly flow of Submittals to OPG's Project Representative.*
6.3	OPG Review Period	*OPG to specify as part of the Work Request. The default ES MSA requirement is 10 Business Days however this can be modified as part of the Work Request.*
6.4	Review of Submittals by Contractor	*OPG to specify as part of the Work Request if there is any deviations from the ES MSA requirement that the Contractor review all Submittals prior to submission to OPG's Project Representative.*
6.5	Return of Submittals	*OPG to specify as part of the Work Request if there are any modifications to the ES MSA requirements that OPG's Project Representative will return Submittals to the Contractor indicating if any revisions are required and requirements regarding the extent of OPG's review of Submittals.*
7.1	Goods	*OPG to specify in the Work Request any deviations from requirements specified in the ES MSA and applicable Appendix. OPG to remove requirements for welding consumables, and the applicable attachment, if not required for the Work.*
7.2	Procurement Plan	*OPG to specify as part of the Work Request if a Procurement Plan is required. Requirements for the Procurement Plan are specified in the COIR.*
7.3	Free Issue Materials	*OPG to specify as part of the Work Request any Free Issue Materials that will be provided to perform the Work.*
8.1	Applications for Payment	*OPG to specify as part of the Work Request if the application for payment frequency is other than monthly and attach a payment schedule for milestones and/or the fixed fee.*
9.1	Notice of Delay	*OPG to specify as part of the Work Request if there is any deviation from the ES MSA requirement to provide Notice within seven Business Days.*
10.1	Project Specific Performance Indicators	*OPG to specify in the Work Request if Project-specific Performance Indicators and score card will be used. A Project-specific score card replaces Schedule 11 of the ES MSA and needs to be attached to this Worksheet.*
11.1	Approvals	*OPG to document as part of the Work Request if there are any exceptions to the Contractor's obligations to obtain and pay for all Approvals required in respect to the Work, except for any Approvals from the CNSC.*
12.1	Substantial Completion	*OPG to include as part of the Work Request any additional requirements that the Contractor must satisfy in order for Substantial Completion to have occurred. Substantial Completion is significant since it defines the start of the Warranty Period. It should be considered a Key Milestone and identified in Attachment 3 to this Worksheet. Substantial Completion must be documented in accordance with the applicable Appendix.*

#	Item	Instructions
12.2	Final Completion	*OPG to include as part of the Work Request any additional requirements that the Contractor must satisfy in order for Final Completion to have occurred. Final Completion should be considered a Key Milestone and identified in Attachment 3 to this Worksheet. Final Completion must be documented in accordance with the applicable Appendix.*
13.1	Insurance Requirements	*OPG to specify if Part A or B of Schedule 12 applies. Part B applies to all Work performed at the Darlington Site during Refurbishment. Modifications to the applicable insurance provisions are not permitted.*
14.1	Warranty Provisions	*OPG to specify as part of the Work Request any additional warranties that are required over and above the requirements specified in the ES MSA.*
14.2	Warranty Period	*OPG to specify as part of the Work Request any changes from the standard Warranty Period defined in the ES MSA (two years). The Warranty Period cannot be extended for more than eight years from Substantial Completion for a Darlington Refurbishment Project.*
15.1	Project Site Specific Safety Plan	*As part of the Work Request OPG to specify if a Project Site Specific Safety Plan is required as part of the Project. Plan to be provided to OPG at least 90 days prior to commencement of Work at the Site.*
15.2	Job Safety Analysis	*As part of the Work Request OPG to specify if a Job Safety Analysis is required as part of the Project. Plan to be provided to OPG at least 90 days prior provision of any work to which the Job Safety Analysis relates.*
15.3	Safety Program	*If required the Contractor is to attach as part of the Work Request Response.*
15.4	Environment Management and Protection Plan	*If required the Contractor is to attach as part of the Work Request Response.*
16.1	Information Waiver	*OPG to provide a list of exceptions as part of the Work Request and/or Contractor may add as part of the Work Request Response. List to be finalized prior to Purchase Order award. This list modifies the Contractor's obligations under section 2.1(a)(4) of the applicable Appendix.*
17.1	Contractor's Risk Register	*OPG to specify if a risk register is required as part of the Work Request. Contractor to include their risk register as part of the Work Request Response.*
ATTACHMENTS:		
ATTACHMENT 1: OPG Specifications		*Mandatory attachment required by Worksheet section 1.2, OPG Specifications.* *OPG to attach any applicable specifications, including but not limited to the scope of work and COIR list of deviations (N-FORM-11583).*
ATTACHMENT 2: Pricing		*Mandatory attachment required by Worksheet section 2.1, Pricing.* *Contractor to attach as part of the Work Request Response. Attachment to be finalized (price and format) prior to Purchase Order award.*
ATTACHMENT 3: Key Milestones		*Mandatory attachment required by Worksheet section 3.1, Key Milestone Dates.* *OPG to attach a list of Key Milestones, including acceptance criteria.* *NOTE: These are contractual milestones and may not directly align with milestones in the working schedule. Examples of Key Milestones include:* - *Purchase Order award date* - *OPG engineering complete*

#	Item	Instructions
		- *Long lead materials ordered* - *Installation planning complete* - *OPG delivery of Free Issue Materials* - *Readiness to execute* - *Procurement complete* - *Start of installation* - *Field work complete* - *Substantial Completion* - *Final Completion*
ATTACHMENT 4: List of Subcontractors		*Optional attachment required by Worksheet section 5.5, List of Subcontractors.* *Attachment to be added by Contractor if Subcontractors will be used as part of the Contract.*
ATTACHMENT 5: Subcontractor Management Plan		*Optional attachment required by Worksheet section 5.6, Management of Subcontractors.* *Contractor to attach if requested by OPG.*
ATTACHMENT 6: Welding Consumables		*Optional attachment required by Worksheet section 7.1, Goods.* *OPG may remove if welding consumables are not required for the Work.*
ATTACHMENT 7: Free Issue Materials		*Optional attachment required by Worksheet section 7.3, Free Issue Materials.* *OPG to attach a list if providing Free Issue Materials.*
ATTACHMENT 8: Applications for Payment		*Optional attachment required by Worksheet section 8.1, Applications for Payment.* *Payment schedule for milestones and/or the fixed fee, if applicable.*
ATTACHMENT 9: Notice of Delay		*Template to be used for providing Notice when a Delay occurs.*
ATTACHMENT 10: Project Specific Score Card		*Optional attachment required by Worksheet section 10.1, Project Specific Performance Indicators.* *Project specific score card if project specific Performance Indicators are being used.*
ATTACHMENT 11: Safety Program		*Optional attachment required by Worksheet section 15.3, Safety Program, depending on the type of work specified in Worksheet section 1.1, Type of Work.* *Contractor to attach.*
ATTACHMENT 12: Environmental Management and Protection Plan		*Optional attachment required by Worksheet section 15.4, Environmental Management and Protection Plan, depending on the type of work specified in Worksheet section 1.1, Type of Work.* *Contractor to attach.*
ATTACHMENT 13: Risk Register		*Optional attachment required by Worksheet section 17.1, Contractor's Risk Register.* *Contractor to attach.*

TEMPLATE REVISION HISTORY

Rev	Date	Comments
0	Mar. 5, 2019	Initial Release
1	Mar. 20, 2019	Fixed formatting issues.
2	Nov. 7, 2019	Updated first page header to include date CanAtom signed the ES MSA.

3	Feb. 10, 2020	Updated first page header to reference the new amended and restated version of the ES MSA. Added section 1.8, Cyber Security. Fixed formatting issues.
4	Oct. 14, 2020	Section 2.1, Pricing, updated to include a line for Performance Fee Work consent to proceed and clarifying note 1 added. Clarification of what is non-Performance Fee Work added to section 2.1. Page header updated to clarify ‘Worksheet revision’.