DARLINGTON NEW NUCLEAR PROGRAM CONTRACTS

1.0 OVERVIEW

This exhibit describes how OPG developed the distinct contracting approaches that it is using to execute the Darlington New Nuclear Program ("DNNP") Unit 1 / Common Scope Facilities ("Unit 1").

2.0 CONTRACTING STRUCTURE OVERVIEW

The DNNP is a large, complex, first-of-a-kind ("FOAK") project that will be conducted in phases over a decade. Unit 1 scope includes design, engineering, licensing support, procurement, construction, installation, testing, commissioning, completion and turnover of the Unit 1 facility, including related infrastructure and ancillary buildings. The scope of the program is described in Ex. D2-4-5. A detailed description of DNNP's phases is provided in Ex. D2-4-4, Attachment 1.

Given the size, complexity and inherent uncertainty associated with the design and construction of a FOAK nuclear facility, and the high cost of risk transfer, OPG selected the Integrated Project Delivery ("IPD") model as the primary commercial model to deliver Unit 1. An overview of why OPG selected this model, its key principles, and the expected benefits are provided in Ex. D2-4-2. The details of the associated Integrated Project Agreement ("IPA") contract are provided in Section 4 of this exhibit.

Prior to the start of the IPD commercial arrangement, OPG entered into a separate agreement to progress the BWRX-300 design (and therefore scope definition). It also used existing, standard commercial arrangements to progress small site preparation projects during the Initiation Phase. An overview of these Initiation Phase contracts is provided in Section 3.0.

3.0 INITIATION PHASE CONTRACTS

On November 10, 2021, the OPG Board of Directors approved OPG proceeding with the Initiation Phase of a Small Modular Reactor ("SMR") capital project at the DNNP site. This

approval recognized the GE-Hitachi BWRX-300 design as the preferred technology, and as such, GE-Hitachi as the preferred technology Designer. Additional details on the SMR technology selection were provided in EB-2023-0336, Ex. H1-1-1, Section 5.15.

Following technology selection, the scope of the Initiation Phase was to progress engineering and project development with the preferred technology designer, GE-Hitachi; submit an application for a Licence to Construct ("LTC") to the Canadian Nuclear Safety Commission ("CNSC"); and to commence initial site preparation work. This resulted in several agreements including the Technology Collaboration Agreement ("TCA") and contracts for site preparation work which are described below.

3.1 Technology Collaboration Agreement

The TCA is the primary agreement with GE-Hitachi for development of the BWRX-300 Standard Plant Design.[1] The agreement is between GE-Hitachi (the "Designer") and three "Contributors" – OPG, Tennessee Valley Authority, and BWRX TCA (registered in Warsaw, Poland). The agreement is premised on the following:

- The Contributors intend to work with the Designer to advance the development of the BWRX-300 reactor plant technology.
- The Contributors are willing to fund a portion of the cost associated with the development of the Standard Plant Design.

The TCA provides the commercial framework under which OPG and the other Contributors are to collaborate with GE-Hitachi on development of the Standard Plant Design and monitor progress of the design.

The TCA establishes a shared pricing model for development of Standard Plant Design where the costs are shared between the Designer and the Contributors.

[1] The Standard Plant Design refers to all the engineering design that is intended to be common across all BWRX-300 reactors. Site Specific Design refers to the design adaptations, additional work, and documentation required to tailor the Standard Design to the unique characteristics, regulatory requirements, and physical constraints of a particular site.

Overall, the TCA facilitates early engagement by OPG into Standard Plant Design, influencing the design plan and technology design decisions. The TCA also allowed OPG to share the costs associated with developing the first-of-a-kind Standard Plant Design with the Designer and other parties interested in constructing a SMR after OPG.

3.2 Site Preparation Contracts

Site Preparation is one of the DNNP's eight Major Work Bundles. It consists of early works, site preparation and geotechnical work. Advancement of these work scopes within the Initiation Phase informed engineering design, scoping and licensing activities, and progressed site preparation activities under the Licence to Prepare Site originally issued by the CNSC in 2012 and renewed in 2021. A description of the Major Work Bundle scopes, including details of the Site Preparation bundle scope is provided in Ex. D2-4-5.

In general, these discrete work scopes are well-defined, relatively small (representing approximately 1% of the Unit 1 cost), and considered low risk. OPG leveraged its existing and proven Extended Services Master Service Agreement and contractor pool to execute these scopes.

4.0 INTEGRATED PROJECT AGREEMENT

OPG has selected the IPD model as the primary commercial tool to deliver Unit 1 and has entered into an associated IPA contract to formalise this arrangement. An overview of why OPG selected the IPD model, key principles of the model, and expected benefits of this model are provided in Ex. D2-4-2. A summary of the IPA is provided in Attachment 2.

4.1 Contract Overview

The initial IPA was executed on January 1, 2023. The scope of the IPA provides for a stand-alone BWRX-300 nuclear power plant (Unit 1), including design, engineering, licensing support, procurement, construction, installation, testing, commissioning, completion and turnover of the facility, including related training, infrastructure and ancillary buildings. The IPA recognizes the roles and responsibilities set out in the TCA and the Standard Plant Design which forms part of the overall scope of the IPA (excluding the funding of the costs).

The original parties to the IPA were:

- **Owner:** OPG
- **Designer:** GE-Hitachi Nuclear Energy Americas LLC / GE-Hitachi SMR Technologies Canada Ltd. (together "GE-Hitachi") (now known as GE Vernova Hitachi Nuclear Energy Americas LLC / GE Vernova Hitachi SMR Technologies Canada, Ltd (together "GVH"))
- **Architect and Engineering ("A&E") Firm:** Candu Energy Inc. ("Candu") or AtkinsRéalis Group Inc. ("AtkinsRéalis")[2]
- **Constructor:** AECON Construction Group Inc ("AECON")

Cumulatively, the Designer, A&E Firm and Constructor, along with the later addition of Kiewit Nuclear Canada Corp. (discussed below) are referred to as Non-Owner Parties ("NOPs").

Given the FOAK nature of this nuclear facility, along with the size, complexity and uncertainty associated with its design and construction, selection of the NOPs via a traditional procurement process would have been infeasible. Specifically, the limitations of a formal request for proposal process did not permit the necessary iterative discussions and bespoke agreements that were required to develop the options for the project. For example,

- the technical and commercial complexity of the DNNP facility and the magnitude of the associated commercial risk do not lend itself to imposing the same commercial contract and technical specifications on each potential partner;
- OPG sought partners that were willing to invest in building the DNNP in a collaborative manner which does not align with traditional procurement practices;
- the length of time that the licensing, construction and commissioning of the DNNP facility will take presents unique pricing challenges not usually seen in traditional procurement processes (for example, construction will begin several years after the agreement is entered into with the NOPs); and
- the significant differences in commercial risk tolerance and capability among potential partners means that the "apples to apples" comparison required by most traditional procurement approaches is not feasible (for example, it may be advisable to segregate

[2] Candu Energy Inc. is a wholly owned subsidiary of AtkinsRéalis Group Inc.

scopes of work in different ways depending on the selected vendors and their respective capabilities).

The selection of the Designer was tied to the competitive technology selection process which occurred in 2021.[3] Based on learning from discussions with the potential technology Designers, and OPG's assessment of the Canadian construction services market, it was deemed essential that the chosen Designer take an active and potentially leading role in selecting the Constructor and A&E Firm due to the need for strong working relationships and a high degree of trust between the parties, as well as early Constructor and A&E Firm involvement.

Accordingly, OPG developed the following objectives for IPD partner selection:

- Demonstrated capability and experience in taking on large, complex projects that include both nuclear and conventional scopes of work. This included appropriate qualifications, experienced staff, and knowledge of local labour markets and requirements. This also included the ability to deploy a fit-for-purpose strategy that aligns nuclear and conventional quality requirements with an appropriate approach to execution.
- Financial capacity and willingness to take on risk, including non-traditional approaches to partnership that demonstrate a commitment to the success of the DNNP.
- Alignment with a "One Team"[4] integrated approach to partnership and project management, including co-location, with a drive to trust and transparency.
- Alignment of corporate objectives around elements such as net zero emissions, Indigenous partnership, supplier and employment objectives, and local spending.

The Designer performed a due diligence process on potential Constructor and A&E firms and made a recommendation to OPG based on this process. After an evaluation and review process, OPG accepted the recommended firms. As part of this acceptance, OPG ensured that the selected Constructor had appropriate qualifications to meet the project objectives, and that the contractual arrangement with the Constructor and A&E Firm demonstrated use of best

[3] Additional details on the SMR technology selection were provided in EB-2023-0336, Ex. H1-1-1, Section 5.15.
[4] Refer to D2-4-2, Section 2.0 for a description of the "One Team" approach.

industry practices and value-for-money and included appropriate incentive mechanisms and levels of risk allocation.

OPG's acceptance of AtkinsRéalis and AECON also reflected its extensive knowledge of these companies based on previous commercial relationships between OPG and the proponents, as well as their recent successful experience executing Darlington Refurbishment Program ("DRP") scope and their understanding and adoption of the "One Team" collaborative approach.

On May 7, 2025, a planned amendment to the IPA (the "Validation Amendment") was executed. The period between signing the IPA and the Validation Amendment was the Definition Phase (also referred to as the Validation Phase). The purpose of this phase was to align the four parties regarding the project scope and design, schedule, cost, and quality, ultimately improving the definition and maturity of the project. This approach is consistent with recommended best practices and guidance received from Howard W. Ashcraft, a construction lawyer with extensive experience in major infrastructure projects and an IPD expert. Specifically, the scope of this phase included the following:

- development of the design by the Designer and A&E Firm;
- support for the Owner and Licence Holder in obtaining the CNSC LTC and other permits, licence and approvals;
- development of the project schedule;
- greater project definition through confirmation, refinement and enhancement of the Owner's requirements, as required, as design was further developed; and
- finalization of the Target Cost, pricing and compensation details, and the incentive/disincentive mechanism.

This work informed the Unit 1 Release Quality Estimate ("RQE") and the terms of the IPA, including the Target Cost for the IPA work associated with Unit 1, and an incentive/disincentive system to drive "best for project" behaviours by all parties. Details on the scope of the project allocated to each NOP are provided in Ex. D2-4-5. Details on the Target Cost and the incentive/disincentive system are described in Section 4.4 below.

The Validation Amendment also added Kiewit Nuclear Canada Corp. ("Kiewit") to the IPA to assist with the construction of the DNNP facility. The addition of Kiewit at this stage allows them to fully participate in the construction of the Unit 1. This early involvement is also beneficial to DNNP should Kiewit be involved with the construction of Units 2, 3, and 4, allowing it to embed experience and lessons learned to deliver unit-over-unit efficiencies. Recognizing their shared accountability for construction of the facility, AECON and Kiewit formed AECON Kiewit Nuclear Partners ("AECON Kiewit"), a general partnership between AECON Construction Group and Kiewit Nuclear Canada Corp.

Consistent with the IPD model and associated best practices discussed in Ex. D2-4-2, the following key principles were incorporated into the IPA:

- A shared governance structure between the parties for joint management and decision making (further described in Section 4.2 below);
- A flexible allocation of work to the party, or parties, best suited to perform the work (further described in Section 4.3 below); and
- A shared risk model to motivate cost, schedule and project performance by all parties (further described in Section 4.4 below).

The following sections describe the key elements of the IPD contractual model and how the Owner will use this model to successfully deliver the DNNP.

4.2 Governance

The IPA reflects the collaborative principles of an IPD model and adopts a tiered approach to governance and decisions making. The IPA defines four levels of governing bodies, specifically (1) Executive Board, (2) Project Leadership Team ("PLT"), (3) Unit 1 Execution Director, and the (4) Project Management Teams. A description of the governing bodies, decision-making approach and the associated organizational model are provided in Ex. D2-4-2.

Generally, the framework supports collaborative decision-making as close to the workface as possible, with larger, more strategic decisions escalated to the PLT and/or the Executive Board as appropriate. Decisions escalated to the Executive Board are approved via majority vote;

however, the Owner has the ability in most cases to overrule any Executive Board decision, ensuring that the Owner's objectives and priorities are achieved, and that the Owner maintains control and oversight of all strategic decisions.

4.3 Allocation of Work

A Division of Responsibilities ("DOR") was established within the IPA, clarifying the lead and support responsibilities of each of the parties. The DOR was jointly refined during the Validation Phase to allow for the flexible assignment of work to the party or parties best suited to perform the work. The PLT has the authority to amend the DOR by reallocating responsibility for aspects of the project to another party, and/or including additional responsibilities and their party assignment. The project change control process, used to make changes in work allocation, is described in Ex. D2-4-9.

4.4 Pricing and Risk and Reward Framework

4.4.1 Pricing

Under the IPA, the NOPs are compensated monthly for all allowed, direct, DNNP-specific costs incurred (Allowed Costs) as well as a portion of their overhead calculated as a specified percentage for categories of costs (Monthly Overhead). The remaining portion of their overhead and profit is held by the Owner as a Fixed Fee that funds the Risk Pool.

OPG's approval of AtkinsRéalis and AECON Kiewit's Allowed Costs, associated rates, monthly overheads, and profit held-at-risk was based on OPG's extensive knowledge of these companies from previous commercial relationships. OPG was satisfied that the agreed to pricing model and rates are comparable to those in projects that have been awarded following competitive bids and are therefore appropriate and reasonable.

OPG's evaluation of GE-Hitachi's overhead rates was based upon their actual incurred indirect costs. Through a third-party review of the costs, GE-Hitachi's overhead rates were validated and concluded to be appropriate and reasonable.

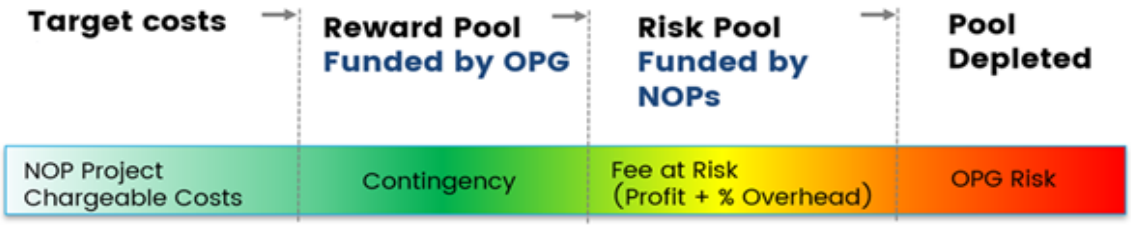
The monthly invoiced costs are reviewed by the Owner prior to payment. For disputed invoices, an expedited cost dispute resolution procedure is available using a cost adjudicator retained for the project. In addition, the Owner has broad audit rights which are described in Section 4.5.3 below.

4.4.2 Risk and Reward Framework

Aligned with the key principles of the IPD Model described in Ex. D2-4-2, the IPA uses a shared Risk and Reward framework to motivate cost, schedule and project performance by all parties through to the completion of the project. Under this framework, all parties' financial incentives/disincentives are tied to project success, and each other's performance, reinforcing "best for project" decisions, and collaboration to expeditiously resolve issues and effectively manage project risks.

The basic structure of the financial incentives under the agreed IPA is provided in Figure 1 below.

Figure 1 - Illustration of the IPA Risk and Reward Framework



The Risk and Reward framework considers the following:

- **Target Cost:** Reflects the Class 3 estimate to complete the IPA scope, excluding contingency. The Target Cost was refined during the Validation Phase and was extensively challenged by OPG during the development of the Unit 1 RQE. Details on the development of the scope, schedule and associated cost of the Unit 1 RQE are described in Ex D2-4-5, Ex. D2-4-6 and Ex. D2-4-8, respectively.
- **Reward Pool:** Reflects the estimated amount of contingency determined necessary to address the cost uncertainty, schedule uncertainty and discrete risks that are associated with executing the scope included in the IPA. This was informed by a quantitative risk

assessment. As with any project, contingency refers to amounts that are expected to be expended because there are risk items and uncertainties that will occur and cannot be entirely mitigated or avoided. Details on how contingency is developed and challenged is described in Ex. D2-4-7.

- **Risk Pool:** The Risk Pool is a sum of each NOP's agreed Fixed Fee (based on the projected costs of each NOP). This Fixed Fee reflects each NOP's portion of overhead that is not being compensated monthly, and profit for the project that is held by the Owner until certain project objectives are achieved. This Fixed Fee is placed at risk under the Risk Pool.

Both the Risk Pool and Reward Pool are broken down into two sub-pools: (1) Execution sub-pool and (2) Warranty / Unplanned Capability Loss Factor ("UCLF") sub-pool. When targets in respect of execution cost/schedule or Warranty / UCLF are missed, amounts in the applicable sub-pools are used to cover the cost of delays or additional work. The value of the Warranty / UCLF sub-pools are designed to provide sufficient incentive to the NOPs to focus on quality during installation and recover a portion of costs in the event defects are discovered during the warranty period.

When actual costs exceed the Target Cost, amounts are taken first from the Reward Pool portion of each sub-pool, and then, if the Reward sub-pool is fully depleted, from the Risk Pool portion of each sub-pool[5]. In the event that the actual costs exceed the Target Cost such that both the Reward Pool and the Risk Pool are depleted, the remaining cost to complete the project would reside with the Owner.

A summary of the Reward Pool and Risk Pool amounts, by sub-pool, are provided in Chart 1.

[5] Depletion of the Risk Pool will occur at 70% of the cost incurred, with the remaining 30% of the cost incurred funded by the Owner via non-IPA scope contingency.

Chart 1 - IPA Reward Pool and Risk Pool Funded Amounts ($M)

	Execution Sub-Pool	Warranty / UCLF Sub-Pool	Total
Reward Pool	547	68	**615**
Risk Pool	385	48	**432**
Total*	**932**	**115**	**1,047**

* All amounts exclude escalation.

4.4.3 Execution Sub-Pool Depletion and Release of Funds

To incentivize project performance throughout project execution, any remaining non-depleted Execution Sub-Pool funds may be released to the NOPs in accordance with the following:

- **Achievement of Project Critical Milestones**: The NOPs may receive a small portion of the total Execution Sub-Pool from the Reward Pool based on the achievement of certain Project Critical Milestones, and adequate project health (considering program cost, program schedule, quality, safety and collaboration). These potential payouts are designed to reward performance as the project progresses while leaving sufficient contingency to manage remaining risks. This is based on lessons learned from past projects where incentives are most effective when they are balanced between near-term, interim milestones as well as success at completion. The agreed to Project Critical Milestones are as follows:
  - Baseline 3 Design Complete by December 2025
  - Reactor Building Basemat Ready by January 2026
  - CNSC Operating License Application Submitted by March 2026
  - Centerline Install Commenced by December 2027
  - Reactor Pressure Vessel Placed by November 2027
  - Mechanical Completion by October 2029

To demonstrate critical milestone achievement, the project teams must provide the PLT with all documents, records and other evidence necessary to support such a determination. If the PLT unanimously endorses that all requirements have been satisfied, the Owner will perform an independent determination and if satisfied, calculate payment amount for each

NOP. A description of the governing bodies, decision-making approach and the associated organizational model are provided in Ex. D2-4-2.

- **At Final Completion of the Project:**[6] Following Final Completion, the Owner will pay out and/or retain the remaining amount in the Execution Sub-Pool, as follows:
  - Any remaining amount within the Reward Pool Execution Sub-Pool is distributed 70% to the NOPs and 30% to the Owner. Since this sub-pool addresses project risk which is expected to be expended based on quantitative risk analysis, payout of any remaining amount from this sub-pool would be a result of successful risk mitigation and effective resolution of issues jointly between all parties. The distribution of any remaining payout between the NOPs and the Owner is designed to motivate all parties, including the Owner, to consume contingency only if it is essential to project success.
  - Any remaining amount within the Risk Pool Execution Sub-Pool following Final Completion is distributed to the NOPs.

The Risk and Reward Framework and associated release of funds are designed to drive "best for project" behaviours throughout the lifecycle of the project, with an emphasis on final completion of the project. The largest portion of the maximum Execution Sub-Pool payouts that the NOPs could receive over time is tied to the Final Completion of the project, signifying the importance of that milestone. In addition, the milestones and success criteria are not NOP specific, driving collaboration across NOPs.

A demonstration of the Risk and Reward Framework and associated NOP payouts under various scenarios is provided in Attachment 1. The correlation of the Risk and Reward Framework to project contingency is provided in Ex. D2-4-7.

4.4.4 Warranty / UCLF Sub-Pool Depletion and Release of Funds

The Warranty / UCLF Sub-Pools provide an incentive related to the achievement of key operational objectives and performance measures. To incentivize project performance, any remaining non-depleted Warranty / UCLF Sub-Pool funds would be released to the NOPs at

[6] Final Completion is defined as the point in time when all Punchlist Items are resolved and the Final Completion Certificate is issued per the terms in the IPA.

the end of the warranty period, which extends until 36 months after the date of Mechanical Completion[7] of the facility. Details on the warranty and UCLF are provided in Section 4.5.

4.5 Other Key IPA Contract Terms

4.5.1 Allowed Schedule and Cost Adjustments

The approved high confidence schedule for Unit 1 has an October 17, 2030 completion date, for a total duration of 66 months (See Ex. D2-4-6 for further information on the DNNP schedule). This high confidence schedule includes contingency for certain schedule risks that may be encountered during construction or commissioning.

The IPA tightly restricts any adjustments to the Target Cost and to the program schedule. During the Execution Phase, only specified events or circumstances will permit the NOPs to an extension of time to achieve the Project Critical Milestones, delaying deductions from the Execution Sub-Pool or to an adjustment in the Target Cost. These specified events or circumstances are for developments beyond the control of the NOPs, allowing them to remain focused on things within their control. For example, these specified events or circumstances include suspension of the project by the Owner or an unforeseen regulatory development. For a more complete list of specified events, refer to the IPA contract summary in Attachment 2. The list of specified events and circumstances in the IPA is typical for major nuclear projects and reflects OPG's experience from the development of the nuclear refurbishment contracts.

Any extension of time will be limited to delays in the critical path and the NOPs are incentivized to mitigate the impact of any delay. Similarly, any increase to the Target Cost is limited to the increase in Allowed Costs and monthly overhead directly caused by the event or circumstance, with the NOPs having a duty to mitigate the cost increase.

[7] Mechanical Completion is defined as the point in construction whereby the principles of mechanical completion, based on Prudent Industry Practice (excluding any agreed upon Punchlist Items not required to achieve Mechanical Completion), have been satisfied (through the appropriate static and preoperational testing and as substantiated in documents, records and certificates) and that the Project is ready for Turnover and Fuel Assembly loading.

The NOPs are not entitled to a schedule delay or a Target Cost adjustment if the cost exceedance or schedule delay is due to a failure of a NOP to discharge an adequate "Standard of Care" (i.e., generally accepted practices in the North American nuclear power industry, amongst other criteria).

4.5.2 Sub-Contractors

The NOPs are fully responsible for the performance of their subcontractors. They must ensure that the specified terms of the IPA are flowed down as appropriate to all subcontractors, including the provisions relating to health, safety, security, environmental, quality management, transfer of title, site access, intellectual property, audit, records and information management requirements, cybersecurity, and others.

All subcontracts must be entered into in accordance with a Subcontractor Management Plan approved by the PLT. The plan sets out minimum requirements for competitive subcontracting, interface obligations and other matters, with the selection of key subcontractors (i.e., subcontracts above a specified dollar threshold or containing key work scope) requiring PLT approval.

4.5.3 Audit

Under the IPA, the Owner has broad audit rights to monitor the performance and quality of the work. Any time, until two years after the project, the Owner may give notice to an NOP requiring an audit by the Owner or a designated third-party auditor in respect of the work performed by the NOP.

The Owner may also audit all records in respect of invoices submitted by the NOP for a period of two years after final completion of the project (and any payment made by the Owner is subject to readjustment based on any such audit).

OPG conducted its first post-payment audit in Q3 2023. It covered the first seven months of work under the IPA (January 1, 2023-July 31, 2023). The audit found small variances (less than 1.2%) in the total invoiced amounts across all NOPs. The variances were mostly due to

incorrect overtime billings, the incorrect application of monthly overhead rates, and unsubstantiated expenses. In all cases, OPG had already identified these issues through its own invoice reviews and was working with the applicable NOPs to resolve the inaccurate billings.

4.5.4 Fuel Assemblies

GE-Hitachi's obligations to design the fuel assemblies (the physical entity of fuel elements and related appurtenances) and the assemblies' core components (permanent or replaceable components of the ore of the reactor) are part of the IPA. GE-Hitachi is also obligated to ensure that the fuel design is compatible with the facility and the core loading pattern for the first cycle. Fuel assemblies required for commissioning and operating the unit form part of the fuel costs discussed in Ex. F2-5-1.

4.5.5 Warranties

There are several types of warranties with respect to capacity and operations of the DNNP facilities' Unit 1. For example, the net capacity target is 309 MWe for the BWRX-300, adjusted for water intake flows, lake temperature, condenser performance and house loads, as appropriate. Unlike other warranties described below, this is tied specifically to GE-Hitachi as the core reactor design is the critical driver of output. This net capacity guarantee target aligns with expected output of the unit, demonstrating GE-Hitachi's commitment to the success of its design.

If this net capacity is not achieved, the Owner is entitled to receive liquidated damages that are calculated based on the net capacity deficiency. These damages are designed to ensure GE-Hitachi delivers a quality design, and if necessary, remedies any deficiencies.

The NOPs have also guaranteed a UCLF for the facility for unplanned losses due to defective work, to be calculated at two intervals: (1) at the end of the first year, and (2) the second period (which commences following the end of the first year and ends at the later of (i) 90 days following the return to service of the Unit following the first refueling outage, and (ii) the one-year anniversary of the end of the first year). The UCLF will be calculated in accordance with

the formula described in the IPA. If the UCLF is greater than the guarantee percentage, a deduction will be made from the Warranty / UCLF Sub-Pool for each MWh below the committed output.

In general, the warranties extend for 36 months after Mechanical Completion of the facility, and function in such a way that any defect identified after Mechanical Completion is funded through the Warranty / UCLF pools, such that all parties have an incentive to promptly resolve any defect in order to minimize warranty costs and UCLF deductions to protect the Warranty / UCLF pools.

4.5.6 Change Orders

The project objective of the IPA can be broadly defined as the Owner and NOPs collectively delivering a finished and fully functional facility in accordance with the IPA. Under an IPD model, changes at the initiative of the NOPs are limited to very specific events, such as force majeure or change in regulation or laws. However, the Owner may issue a change order (or Change Directive) if it desires a change to be implemented. The PLT will prepare an estimate of the impact of the change on the cost and schedule (including the Target Cost, Fixed Fee of each Party, etc.). After the estimate is prepared and approved by the Owner (or the matter is determined pursuant to the Dispute Resolution Procedure), the PLT will issue a Change Confirmation, and the Parties will implement the Change.

LIST OF ATTACHMENTS

Attachment 1: Illustrative Incentive/Disincentive Scenarios

Attachment 2: Integrated Project Agreement Summary

Attachment 1 – Illustrative Incentive/Disincentive Scenarios

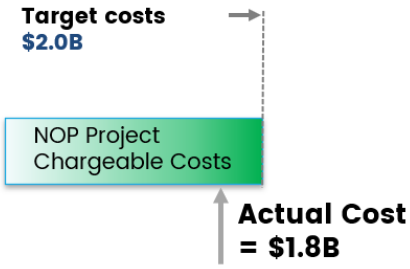
Illustrative Risk/Reward Pool Scenarios – Paid at Final Completion

General Assumptions:

- Below scenarios are for illustrative purposes only
- Risk and Reward Warranty Sub Pools will not be used for cost overruns during Execution Phase
- Incentive milestone payments (which will be drawn from the Reward Pool, if achieved) are not considered in these scenarios
- Illustrative Target Cost = $2.0B
- Illustrative Reward Pool = $250M
  - Illustrative Execution Reward Sub pool (80%) = $200M
  - Illustrative NOPs/OPG split for Reward Pool retained: 70% NOPs / 30% OPG
- Illustrative Risk Pool = $250M
  - Illustrative Execution Risk Sub pool (80%) = $200M
  - Risk Pool is depleted at 70% of the cost incurred, with the remaining 30% funded by OPG scope contingency (not shown in the scenario's below).

Scenario 1: Total Actual Costs = $1.8B ($200M under Target Cost)

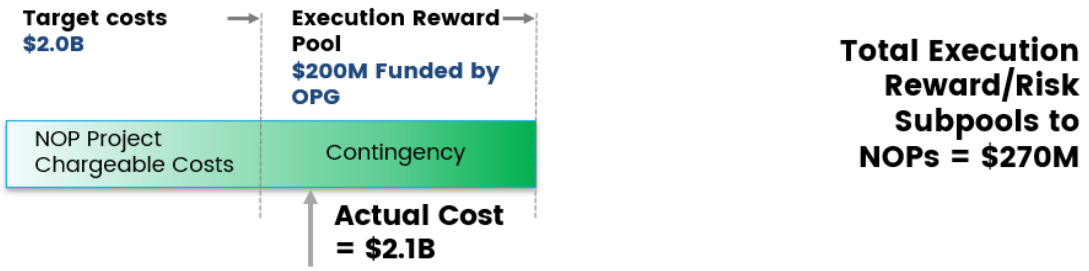
- Amount by which Actual Cost < Target Cost = $200M
  - 70% of which will be shared by the NOPs ($140M)
  - 30% is retained by OPG ($60M)
- Execution Reward Pool = $200M remaining ($200M - $0), 70% of which will be shared by the NOPs ($140M)
- Execution Risk Pool = $200M remaining ($200M - $0), to be paid to each NOP based on proportionate share



Total Execution Reward/Risk Subpools to NOPs = $480M

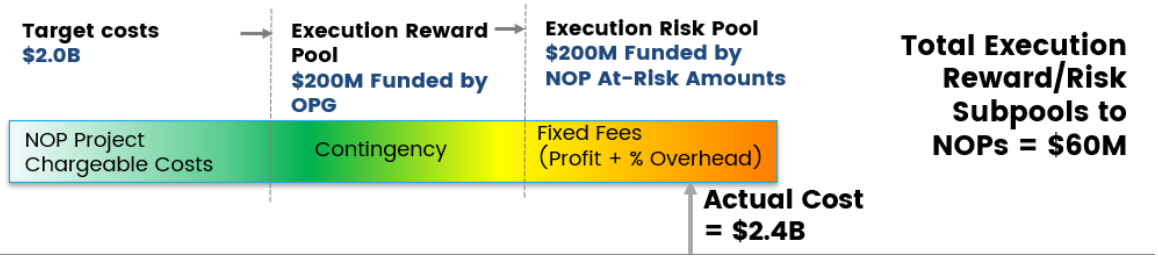
Scenario 2: Total Actual Costs = $2.1B ($100M over Target Cost)

- Execution Reward Pool = $100M remaining ($200M - $100M), 70% of which will be shared by the NOPs ($70M)
- Execution Risk Pool = $200M remaining ($200M - $0), to be paid to each NOP based on proportionate share



Scenario 3: Total Actual Costs = $2.4B (400M over Target Cost)

- Execution Reward Pool = $0 (FULLY DEPLETED)
  - $200M in Costs Exceeding Execution Reward Pool Contingency
  - Execution Risk Pool to be Accessed
- Execution Risk Pool = 70% of $200M = $140M of Execution Risk Pool utilized
  - $60M ($200M - $140M) remaining, to be paid to each NOP based on proportionate share



Scenario 4: Total Actual Costs = $2.7B ($700M over Target Cost)

- Execution Reward Pool = $0 (FULLY DEPLETED)
  - $500M in Costs Exceeding Execution Reward Pool Contingency – Execution Risk Pool to be Accessed
- Execution Risk Pool Amounts used = 70% of $500M = $350M
  - Execution Risk Pool Fully Depleted +$300M in costs to be funded by OPG.
- All costs in excess of the Risk Pool are funded by OPG (EXECUTION RISK/REWARD POOLS FULLY DEPLETED)

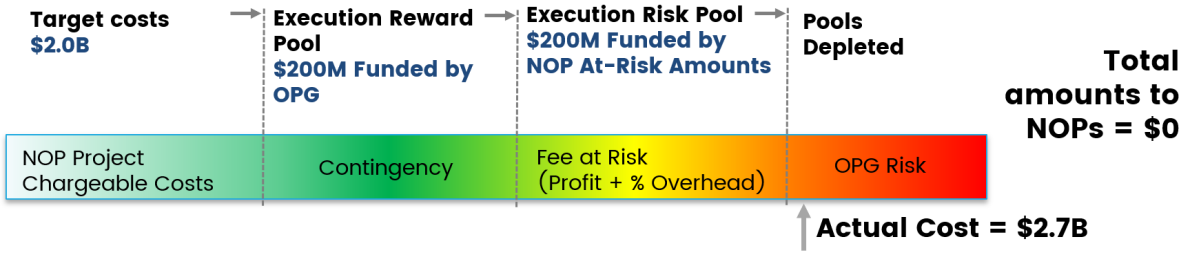


Exhibit D2-4-3, Attachment 2

Integrated Project Agreement Summary

This Attachment was filed as confidential information in its entirety.