

## GENERATION AND CONNECTION AGREEMENT

This Generation and Connection Agreement is made with an effective date of [date] (the “**Effective Date**”)

### BY AND BETWEEN

**QULLIQ ENERGY CORPORATION**, a corporation established under the  
*Qulliq Energy Corporation Act*,  
 (“**QEC**”)

AND

[FULL LEGAL NAME],  
(the “**Commercial and Institutional Power Producer**”)

### BACKGROUND

**WHEREAS** QEC has a statutory mandate to generate, transform, transmit, distribute, deliver, purchase, sell and supply energy on a safe, economic, efficient and reliable basis, as well as to plan and provide for Nunavut’s long term needs for affordable energy, and in so doing take into consideration Nunavut’s desire to enhance energy self-reliance.

**AND WHEREAS** QEC serves 25 geographically remote communities across Nunavut (servicing approximately 15,000 customers) with each community having its own independent electricity Power Distribution System.

**AND WHEREAS** Commercial and Institutional Power Producer is an existing institutional/commercial customer of QEC.

**AND WHEREAS** Commercial and Institutional Power Producer and QEC have executed a Power Purchase Agreement effective as of [date] pursuant to QEC’s Commercial and Institutional Power Producer Policy under which Commercial and Institutional Power Producer has agreed to develop, construct, install, commission, own, operate, maintain and decommission the Facility described in **SCHEDULE A** (Commercial and Institutional Power Producer and Facility Description).

**AND WHEREAS** Commercial and Institutional Power Producer has completed and submitted to QEC application documents to connect the Facility to the Power Distribution System, the details of which are set out in **SCHEDULE B** (Single Line Diagram, Point of Interconnection and Location of Facilities) and **SCHEDULE C** (Commissioning Work Plan).

**AND WHEREAS** subject to QEC’s Terms and Conditions of Service and this Agreement, QEC has agreed to offer, and Commercial and Institutional Power Producer has agreed to accept, the connection of the Facility to the Power Distribution System as described in this Agreement.

**NOW THEREFORE** in consideration of the foregoing, and of the mutual covenants, agreements, terms and conditions herein contained, and for other good and valuable consideration, the Parties, intending to be legally bound, hereby agree as follows:

## **1 Schedules**

1.1 The following schedules form part of this Agreement:

SCHEDULE A	Commercial and Institutional Power Producer and Facility Description
SCHEDULE B	Single Line Diagram, Point of Interconnection and Location of Facilities
SCHEDULE C	CIPP Commissioning Work Plan
SCHEDULE D	Cost Recovery Provisions
SCHEDULE E	Lender's Consent
SCHEDULE F	Technical Interconnection Requirements
SCHEDULE G	Billing and Settlement Procedures
SCHEDULE H	Contacts for Notice
SCHEDULE I	Commercial and Institutional Power Producer Connection Work
SCHEDULE J	QEC Connection Work
SCHEDULE K	Transferred Assets

1.2 The following terms, when used herein, shall have the meanings set forth below.

- (a) “**Act**” means the *Qulliq Energy Corporation Act* and all regulations made under it, as it may be amended from time to time.
- (b) “**Actual Cost**” means the actual cost to connect the Facility to Power Distribution System that QEC shall generate within 90 calendar days after successful connection of the Facility to the Power Distribution System, as more fully described in **SCHEDULE D** (Cost Recovery Provisions) of this Agreement.
- (c) “**Agreement**” means this Connection and Cost Recovery Agreement, including the Schedules attached hereto, as it may be amended, restated or replaced from time-to-time.
- (d) “**Applicable Law**” means all federal, provincial, territorial, local and municipal statutes, laws, by-laws, ordinances, rules, orders, regulations, codes, orders in council, policies and other instruments having the effect of imposing a legal requirement, in effect from time to time and made or issued by any Governmental Authority having jurisdiction over the Parties, the obligations of the Parties hereunder, this Agreement or any of them; and specifically including:
  - (i) any applicable rulings, conditions orders, decisions, codes, judgments, injunctions, decrees, awards and writs of any court, tribunal, arbitrator, Governmental Authority or other person having jurisdiction; and

- (ii) the Act;
- (e) “**Application**” means a written request by the Commercial and Institutional Power Producer on the prescribed forms to connect the Facility to the Power Distribution System, the details of which are set out in SCHEDULE B.
- (f) “**ATIPP**” means the *Access to Information and Protection of Privacy Act*, S.N.W.T. 1994, c.20 (Nunavut).
- (g) “**Business Day**” means any day of the year other than any Saturday, Sunday or statutory holiday observed in Nunavut.
- (h) “**Commercial and Institutional Power Producer Policy**” means the Commercial and Institutional Power Producer Policy specified on the QEC Website, as may be amended from time to time by QEC.
- (i) “**Confidential Information**” means (i) information that is in its nature confidential, proprietary or commercially sensitive and (ii) information derived from the information referred to in (i), but excludes the following, except where the Confidential Information is information about identifiable individuals:
  1. information that is in the public domain unless made public by the Receiving Party in a manner not permitted by this Agreement;
  2. information already known to the Receiving Party prior to being furnished by the Disclosing Party;
  3. information that is disclosed to the Receiving Party, provided that it was lawfully obtained from a person under no obligation of confidence in relation to the information; or
  4. information that is independently developed by the Receiving Party.
- (j) “**Connection Cost**” means all costs associated with or related to the connection of the Facility to the Power Distribution System, as more fully described in **SCHEDULE D** (Cost Recovery Provisions) of this Agreement.
- (k) “**Connection Facilities**” means any Power Distribution System assets that are required to be designed, engineered, procured, constructed, installed, modified, or commissioned for purposes of connecting the existing QEC Power Distribution System to the Point of Interconnection for the Project, all as contemplated in the Generation and Connection Agreement.
- (l) “**CSA**” means the Canadian Standards Association.
- (m) “**Days**” means calendar days unless Business Days are specified.

- (n) “**Disclosing Party**” means the Party disclosing Confidential Information to the other Party.
- (o) “**Disconnect Switch**” means a device capable of electrically isolating the Facility from the Power Distribution System, as more fully described or provided for in the Technical Interconnection Requirements (**SCHEDULE F**) of this Agreement.
- (p) “**Effective Date**” means the date when this Agreement shall come into operation, as given in the opening paragraph of this Agreement.
- (q) “**Facility**” means the Facility to be developed, financed, built, owned, operated and maintained by the Commercial and Institutional Power Producer, as more fully described in Schedule 1 of the Power Purchase Agreement and in **SCHEDULE A** (Commercial and Institutional Power Producer and Facility Description) of this Agreement, which includes: in the case of a New Build all Generating Equipment, together with all other equipment and facilities which are necessary to Deliver all Electricity relating to the Contract Capacity to the Point of Interconnection (including any step-up transformer, and any bus work and related equipment located on the low voltage side of such transformer). For clarity, if a Facility has a net metering connection it shall not qualify for the Commercial and Institutional Power Producer program.
- (r) “**Forecasted Cost**” means a non-refundable deposit equal to 100% of the amount reasonably estimated by QEC to be sufficient to cover the Connection Cost, as more fully described in **SCHEDULE D** (Cost Recovery Provisions) of this Agreement.
- (s) “**Governmental Authority**” means any federal, provincial, territorial, regional, municipal or local government, parliament or legislature, or any regulatory authority, agency, organization, tribunal, commission, board, department or political or other subdivision of any such government, parliament or legislature, or any Court or other law, regulation or rule-making entity, having jurisdiction in the relevant circumstances, including any Person acting under the authority of any Governmental Authority;
- (t) “**Liabilities**” means any and all claims, actions, fines, penalties and liabilities in tort, contract, or otherwise.
- (u) “**Losses**” means any loss, injury, damage, expense, charge, cost or liability whatsoever, as more fully described in Section 13 of this Agreement.
- (v) “**New Build**” means the construction of a new Facility.
- (w) “**Notice**” means the form similar to Appendix A of **SCHEDULE D**, that QEC will use to send information to the Commercial and Institutional Power Producer about the actual cost to connect the Facility to the Power Distribution System.
- (x) “**Other Equipment**” means additional isolating, interrupting, load break switches, grounding devices or such other equipment as provided for in the Technical

Interconnection Requirements or as QEC may reasonably deem necessary during the development, construction, installation or operation of the Facility or at any time thereafter.

- (y) **“Party”** means each of QEC or Commercial and Institutional Power Producer, and QEC and Commercial and Institutional Power Producer are collectively referred to as the **“Parties”**.
- (z) **“Person”** means a corporation incorporated under the *Business Corporations Act*; an extra-territorial corporation incorporated in another jurisdiction but registered under the *Business Corporations Act*; a municipal corporation incorporated under the *Hamlets Act*; a society incorporated under the *Societies Act*; or a co-operative association created under the *Co-operative Associations Act*. For clarity, a Person shall exclude any natural persons and any unincorporated joint ventures.
- (aa) **“POI” or “Point of Interconnection”** means the point at which QEC’s facilities are connected to the CIPP’s facilities or conductors, and where any transfer of electric energy between the CIPP and QEC takes place. POI is also commonly referred to as the Point of Common Coupling (PCC) in multiple standards.
- (bb) **“Power Distribution System”** means the distribution, protection, control and communication facilities in Nunavut that are or may be used in connection with, or that otherwise relate to, the transmission, distribution and delivery of electrical energy at 25 kilovolts or less, and includes all additions and modifications thereto and repairs or replacement thereof.
- (cc) **“Power Purchase Agreement”** means an agreement signed between QEC and the Commercial and Institutional Power Producer on the (date to be signed) pursuant to QEC’s Independent Commercial and Institutional Power Producer Policy.
- (dd) **“Commercial and Institutional Power Producer”** means (insert name of Commercial and Institutional Power Producer) and is interchangeable with the term Commercial and Institutional Power Producer “CIPP”.
- (ee) **“Commercial and Institutional Power Producer Connection Work”** means the scope of work to be provided by Commercial and Institutional Power Producer for the connection of the Facility and Connection Facilities, as more fully set out in **SCHEDULE I** (Commercial and Institutional Power Producer Connection Work).
- (ff) **“Commercial and Institutional Power Producer Default”** means material breach of this Agreement by Commercial and Institutional Power Producer as more fully set out in Section 14.3 of this Agreement.
- (gg) **“QEC”** means Qulliq Energy Corporation.
- (hh) **“QEC Connection Work”** means the scope of work to be provided by QEC for the connection of the Facility and Connection Facilities, as more fully set out in **SCHEDULE J** (QEC Connection Work).

- (ii) “**QEC Website**” means QEC’s website at <https://www.qec.nu.ca/> or such other website as QEC may designate from time to time.
- (jj) “**Receiving Party**” means the Party receiving Confidential Information from the other Party, including.
- (kk) “**Technical Interconnection Requirements**” means QEC technical, connection and operating requirements applicable to the Facility which consists of the combination of **SCHEDULE F** of this Agreement and the reference document *CIPP Technical Interconnection Requirements*, as may be amended from time-to-time at QEC’s sole and absolute discretion.
- (ll) “**Term**” means the time from the Effective Date to the date of termination, as provided in Section 14 of this Agreement.
- (mm) “**Terms of Service**” means the Terms and Conditions of Service available on the QEC Website, as may be amended from time to time at QEC’s sole and absolute discretion.
- (nn) “**the QEC Parties**” means QEC’s affiliates, directors, officers, employees, agents, contractors, subcontractors, assigns and successors.

## **2 Incorporation of the Act and Other Requirements**

- 2.1 The following are hereby incorporated by reference into, and form part of, this Agreement:
  - (a) *Qulliq Energy Corporation Act* and all regulations made under such Act, as it may be amended from time to time;
  - (b) The QEC Technical and Interconnection Requirements applicable to the Facility, as may be amended from time-to-time at QEC’s sole and absolute discretion. For convenience of reference only, a copy of the Technical Interconnection Requirements current as of the Effective Date are set out in **SCHEDULE F** (Technical Interconnection Requirements); and
  - (c) QEC’s Terms and Conditions of Service available on the QEC Website, as may be amended from time to time at QEC’s sole and absolute discretion.
- 2.2 Commercial and Institutional Power Producer hereby agrees to be bound by and at all times to comply with the applicable provisions of the Act, the Technical Interconnection Requirements and the Terms of Service, in addition to complying with the other provisions of this Agreement.
- 2.3 In the event of a conflict or an inconsistency between a provision in the main body of this Agreement, the Schedules (except with respect to **SCHEDULE F** (Technical Interconnection Requirements)), the Act, the Technical Interconnection Requirements and the Terms of Service, the following order of precedence will prevail:

- (a) The Act;
- (b) The main body of the Agreement;
- (c) The Technical Interconnection Requirements;
- (d) The Terms of Service; and
- (e) The Schedules (except with respect to **SCHEDULE F** (Technical Interconnection Requirements)).

### **3 Ownership of Power Distribution System**

3.1 QEC is the owner and operator of the Power Distribution System.

### **4 Connection of the Facility to the Power Distribution System**

4.1 Condition Precedent

- (a) Provided that the Facility is successfully connected to the Power Distribution System in accordance with Article 4, the provisions found in Articles 5 to 11 of the Agreement shall apply with respect to the Facility, Connection Facilities and Power Distribution System that are subject to the connection.

4.2 Commercial and Institutional Power Producer Connection Work

- (a) The Parties acknowledge and agree that:
  - (i) Commercial and Institutional Power Producer shall perform its respective obligations as outlined in this Article 4 and **SCHEDULES B** (Single Line Diagram, Point of Interconnection and Location of Facilities), **C** (Commissioning Work Plan), **F** (Technical Interconnection Requirements) and **I** ((i) Commercial and Institutional Power Producer Connection Work), in a manner consistent with good utility practice and the Applicable Laws.
  - (ii) Commercial and Institutional Power Producer shall, at its sole cost, furnish and install a Disconnect Switch, which shall be capable of electrically isolating the Facility from the Power Distribution System, as more fully described or provided for in the Technical Interconnection Requirements.
  - (iii) QEC may require the Commercial and Institutional Power Producer to install, at its own cost such additional isolating, interrupting, load break switches, grounding devices or such other equipment as provided for in the Technical Interconnection Requirements or as QEC may reasonably deem necessary during the development, construction, or installation of the Facility or at any time thereafter.

- (iv) As stipulated in the Technical Interconnection Requirements, the Commercial and Institutional Power Producer shall, at its own cost, be responsible for properly synchronizing the Facility with the QEC Power Distribution System and ensuring that the interconnection protection device settings properly and effectively coordinate with QEC's protective device settings. Protection settings that have been changed after factory testing must be field-verified to show that the device trips at the measured (actual) voltage and frequency.

#### 4.3 QEC Connection Work

- (a) QEC shall use reasonable efforts to complete the QEC Connection Work by the "Ready for Service Date" specified in **SCHEDULE J** (QEC Connection Work) provided that:
  - (i) Commercial and Institutional Power Producer is in compliance with its obligations under this Agreement;
  - (ii) The Commercial and Institutional Power Producer Connection Work is completed in accordance with the terms and conditions of this Agreement;
  - (iii) Any work required to be performed by third parties has been performed in a timely manner and in a manner satisfactory to QEC, acting reasonably;
  - (iv) There are no delays resulting from QEC not being able to obtain outages required for any portion of the QEC Connection Work;
  - (v) QEC does not have to use its employees, agents and contractors performing the QEC Connection Work elsewhere on its Power Distribution System due to an emergency or a force majeure event;
  - (vi) QEC is able to obtain, in time to meet the project schedule, the materials, equipment, and labour required to perform the QEC Connection Work;
  - (vii) QEC has obtained any Governmental Authority approvals, if applicable, under Applicable Laws, in order to perform all or any part of the QEC Connection Work;
  - (viii) QEC is able, using reasonable efforts, to obtain all necessary land rights, as determined by QEC in its sole and absolute discretion, prior to the dates upon which QEC needs to commence construction of the QEC Connection Work in order to meet the Ready for Service Date;
  - (ix) Commercial and Institutional Power Producer executed and returned the Agreement to QEC by no later than [date]; and
  - (x) the Commercial and Institutional Power Producer Connection Work is fully constructed and ready for commissioning by [date].



Commercial and Institutional Power Producer acknowledges and agrees that the Ready for Service Date may be materially affected by difficulties with obtaining or the inability to obtain all necessary Governmental Authority approvals.

#### 4.4 Ownership

- (a) Upon completion of the commissioning process set forth in Sections 4.6 and 4.7:
  - (i) Commercial and Institutional Power Producer shall own, operate and maintain the Connection Facilities specified in **SCHEDULE I** (Commercial and Institutional Power Producer Connection Work) of the Agreement under the heading “Commercial and Institutional Power Producer Ownership”;
  - (ii) At no cost to QEC, Commercial and Institutional Power Producer shall take all such actions and do all such things necessary to effect the transfer and assignment to QEC all right, title and interest in and to the assets and equipment specified in **SCHEDULE K** (Transferred Assets) free and clear of all encumbrances and QEC hereby acquires from Commercial and Institutional Power Producer, all right, title and interest in and to such assets and equipment.
- (b) Commercial and Institutional Power Producer acknowledges that:
  - (i) ownership and title to the equipment referred to in Section 4.4(a)(i) shall throughout the Term and thereafter remain vested in Commercial and Institutional Power Producer and QEC shall have no right of property therein; and
  - (ii) any portion of the equipment referred to in Section 4.4(a)(i) that is located on Commercial and Institutional Power Producer’s property shall be and remain the property of Commercial and Institutional Power Producer and shall not be or become fixtures and/or part of QEC’s property.

#### 4.5 Payment of Charges

- (a) Commercial and Institutional Power Producer shall pay QEC such charges in relation to the connection of the Facility and Connection Facilities to the Power Distribution System, as further detailed in **SCHEDULE D** (Cost Recovery Provisions).

#### 4.6 Commissioning Requirements

- (a) Without limiting any other obligations of Commercial and Institutional Power Producer, the Facility and Connection Facilities shall not be connected to the Power Distribution System until the following commissioning requirements have been met:

- (i) The Facility and Connection Facilities' meet all of the Technical Interconnection Requirements;
- (ii) Full payment of the Forecasted Cost by Commercial and Institutional Power Producer to QEC and remittance of any Actual Cost by the appropriate Party pursuant to the process in **SCHEDULE D** (Cost Recovery Provisions);
- (iii) Completion by Commercial and Institutional Power Producer of its obligations as outlined in Article 4 and **SCHEDULES B** (Single Line Diagram, Point of Interconnection and Location of Facilities), **C** (Commissioning Work Plan), and **I** (Commercial and Institutional Power Producer Connection Work) pursuant to this Agreement; and
- (iv) Completion of the QEC Connection Work by QEC pursuant to this Agreement.

#### 4.7 Facility Commissioning and Testing

- (a) Commercial and Institutional Power Producer shall give QEC at least fifteen (15) Business Days' advance written notice of the date(s) and time(s) on which the Facility and Connection Facilities will be commissioned and tested prior to connection. Commercial and Institutional Power Producer shall give QEC the same notice in relation to the commissioning and testing of any material modification to Commercial and Institutional Power Producer's Facility or Connection Facilities that occurs after connection.
- (b) QEC shall have the right to witness the commissioning and testing activities referred to in Section 4.7(a).

#### 4.8 Facility Final Inspection

- (a) The Prospective CIPP shall, at least two weeks prior to final inspection of its facility, notify QEC that such inspection will be taking place.
- (b) QEC shall have a representative or third party present at the final inspection and verifying that facility is ready to synchronize with QEC Power Distribution System.

### 5 Facility and Connection Facilities Standards

#### 5.1 Commercial and Institutional Power Producer shall ensure that at all times the Facility and the Connection Facilities:

- (a) meet and comply with all Applicable Laws, including, but not limited to, the requirements of the *Canadian Electrical Code* and the *Electrical Protection Act* (Nunavut), as may be amended from time to time;
- (b) conform to all applicable industry standards including, but not limited to, those of the CSA, the *Institute of Electrical and Electronic Engineers*, the *American*

*National Standards Institute and the International Electrotechnical Commission;*  
and

- (c) are installed, constructed, operated and maintained in accordance with this Agreement (including, for clarity, **SCHEDULE A** (Commercial and Institutional Power Producer and Facility Description), **SCHEDULE B** (Single Line Diagram, Point of Interconnection and Location of Facilities), the Technical Interconnection Requirements, the Terms of Service and all applicable reliability standards and good utility practice.

5.2 The Commercial and Institutional Power Producer Connection Work shall be provided honestly, in good faith, in a timely, professional, diligent and competent manner by Commercial and Institutional Power Producer's personnel appropriately trained in its performance, and shall meet or exceed those standards generally observed by reputable and competent members of the same industry providing similar services.

5.3 Commercial and Institutional Power Producer shall hold all permits, licences and other authorizations that may be necessary to enable it to own, develop, construct, install, commission, operate, maintain, and decommission the Facility.

## **6 Charges, Settlement and Billing**

6.1 Provided that the connection of the Facility to the Power Distribution System has been successfully completed pursuant to Article 4, Commercial and Institutional Power Producer shall pay to QEC any charges in relation to the Facility as may be approved under the *Utility Rates Review Council Act* from time-to-time.

6.2 Billing and settlement activities will be conducted in accordance with the procedures set out in **SCHEDULE G** (Billing and Settlement Procedures).

## **7 Representations and Warranties**

7.1 Commercial and Institutional Power Producer represents and warrants to QEC as follows, and acknowledges that QEC is relying on such representations and warranties without independent inquiry in entering into this Agreement:

- (a) the Facility and Connection Facilities are fully and accurately described in **SCHEDULE A** (Commercial and Institutional Power Producer and Facility Description) and **SCHEDULE B** (Single Line Diagram, Point of Interconnection and Location of Facilities);
- (b) all information in the Application is true, complete and correct in all material respects and there is no material information omitted which would make the information in the Application misleading or inaccurate;
- (c) Commercial and Institutional Power Producer is a Person duly incorporated, formed, registered or otherwise qualified to carry on business in the Territory of

Nunavut and for clarity, Commercial and Institutional Power Producer is not a natural person or an unincorporated joint venture;

- (d) Commercial and Institutional Power Producer has all necessary power, authority and capacity to enter into this Agreement and to perform its obligations under this Agreement;
- (e) this Agreement constitutes a legal and binding obligation on Commercial and Institutional Power Producer, enforceable against Commercial and Institutional Power Producer in accordance with its terms; and
- (f) any individual signing this Agreement on behalf of Commercial and Institutional Power Producer has been duly authorized by Commercial and Institutional Power Producer to sign this Agreement and has the full power and authority to bind Commercial and Institutional Power Producer.

7.2 QEC represents and warrants to Commercial and Institutional Power Producer as follows, and acknowledges that Commercial and Institutional Power Producer is relying on such representations and warranties without independent inquiry in entering into this Agreement:

- (a) QEC is duly incorporated under the laws of Nunavut;
- (b) QEC has all necessary power, authority and capacity to enter into this Agreement and to perform its obligations under this Agreement;
- (c) this Agreement constitutes a legal and binding obligation on QEC, enforceable against QEC in accordance with its terms; and
- (d) any individual signing this Agreement on behalf of QEC has been duly authorized by QEC to sign this Agreement and has the full power and authority to bind QEC.

## **8 Modifications to the Facility**

8.1 Commercial and Institutional Power Producer shall not modify the Facility, Connection Facilities or the Power Distribution System except with the prior written consent of QEC. Where Commercial and Institutional Power Producer proposes modifications to the Facility or Connection Facilities, it shall submit a new Application for the connection and identify the specific changes that are being proposed and the rationale for such changes. QEC will review the new Application in accordance with the Technical Interconnection Requirements, the Terms of Service and other policies of QEC. If QEC does grant its consent for such modification, this consent will specify the dates upon which Commercial and Institutional Power Producer may complete its proposed modifications. Under no circumstances shall Commercial and Institutional Power Producer be permitted to modify the Power Distribution System, which will only be completed by QEC at the expense of Commercial and Institutional Power Producer.

- 8.2 Provided that QEC has granted its consent for the modification in accordance with Section 8.1, Commercial and Institutional Power Producer shall submit such Application for a modified Facility, Connection Facilities or Power Distribution System to meet the commissioning and testing process specified under Section 4.7.

## **9 Access to Facility**

- 9.1 Commercial and Institutional Power Producer shall ensure that the Facility is secured at all times.
- 9.2 Commercial and Institutional Power Producer shall permit, or shall cause its landowner or lessor to permit, QEC's employees, contractors or agents to enter the property on which the Facility and Connection Facilities are located at any reasonable time. Such access will be provided for the purposes of, among others, inspecting and/or testing the Facility and Connection Facilities as and when permitted by this Agreement, the Technical Interconnection Requirements or the Terms of Service or as required to ensure the continued safe and satisfactory operation of the Facility, to ensure the accuracy of QEC's meters, to establish work protection, or to perform work.
- 9.3 Any inspecting and/or testing referred to in Section 9.2 shall not relieve Commercial and Institutional Power Producer from its obligation to operate and maintain the Facility, Connection Facilities and any related equipment owned by Commercial and Institutional Power Producer in a safe and satisfactory operating condition and in accordance with this Agreement.
- 9.4 QEC shall have the right to witness any testing done by Commercial and Institutional Power Producer of the Facility and Connection Facilities and, to that end, Commercial and Institutional Power Producer shall provide QEC with at least fifteen (15) Business Days advance notice of the testing.
- 9.5 If Commercial and Institutional Power Producer has been given access to QEC's property, and if Commercial and Institutional Power Producer causes damage to QEC's property as part of that access, Commercial and Institutional Power Producer shall pay to QEC reasonable costs for repairing such property or, if such property cannot be repaired, replacing such property.

## **10 Disconnection of Facility to Permit Maintenance and Repairs**

- 10.1 If Commercial and Institutional Power Producer requests it, QEC will use reasonable efforts to provide Commercial and Institutional Power Producer with advance notice of any planned equipment outages in the Power Distribution System that occur on or after the date of Commercial and Institutional Power Producer's request which will impact the Facility, the Connection Facilities or the connection.
- 10.2 QEC will make reasonable efforts to ensure that the outages referred to in Section 10.1 will be of minimal duration and cause minimal inconvenience to Commercial and Institutional Power Producer.

- 10.3 In connection with any planned equipment outage, either Party may disconnect or isolate, or require the disconnection or isolation of, the Facility and/or the Connection Facilities from the Power Distribution System so that the employees, contractors or agents of the Party may construct, maintain, repair, replace, remove, investigate or inspect its own facility or system (as applicable) in accordance with the terms of this Agreement and good utility practice.
- 10.4 Where practical, Commercial and Institutional Power Producer shall notify QEC prior to temporarily isolating or disconnecting the Facility from the Power Distribution System.

## **11 Disconnection of Facility and Connection Facilities for Other Reasons**

- 11.1 Commercial and Institutional Power Producer shall have the right to discontinue operation of the Facility and/or Connection Facilities and QEC may isolate or disconnect the Facility and/or Connection Facilities from the Power Distribution System, upon any of the following:
  - (a) where QEC reasonably believes that the Facility or Connection Facilities is causing an adverse effect on the Power Distribution System or on other QEC customers;
  - (b) termination of this Agreement in accordance with Section 14;
  - (c) if the Facility or the Connection Facilities is modified by Commercial and Institutional Power Producer in a manner contrary to Article 8;
  - (d) during an emergency or where necessary to prevent or minimize the effects of an emergency, including to protect against harm to life or to property of any person;
  - (e) in accordance with any Applicable Laws, Technical Interconnection Requirements or the Terms of Service;
  - (f) in the event of default by Commercial and Institutional Power Producer under the Power Purchase Agreement that is not cured pursuant to the Power Purchase Agreement; or
  - (g) where required to comply with a decision or order of a court.
- 11.2 In the event of disconnection under Section 11.1(d), QEC will reconnect, or permit the reconnection of the Facility and the Connection Facilities to the Power Distribution System when it is reasonably satisfied that the emergency has ceased and that all other requirements of this Agreement are met.
- 11.3 In the event of disconnection under Section 11.1(a), 11.1(e) or 11.1(g), QEC will reconnect, or permit the reconnection of the Facility and the Connection Facilities to the Power Distribution System when QEC is reasonably satisfied that the reason for the disconnection no longer exists, Commercial and Institutional Power Producer agrees to pay all reconnection costs charged by QEC, and QEC is reasonably satisfied of the following, where applicable:

- (a) Commercial and Institutional Power Producer has taken all necessary steps to prevent the circumstances that caused the disconnection from recurring and has delivered binding undertakings to QEC that such circumstances shall not recur; and
  - (b) any decision or order of a court that requires a Party to take action to ensure that such circumstances shall not recur has been implemented and/or assurances have been given to the satisfaction of the affected Party that such decision or order will be implemented.
- 11.4 Subject to any obligations found under the Power Purchase Agreement and the Terms of Service, where the Facility has been isolated or disconnected, each Party shall be entitled to decommission and remove its assets associated with the connection. Each Party shall, for that purpose, ensure that the other Party has all necessary access to its site at all reasonable times.
- 11.5 Commercial and Institutional Power Producer shall continue to pay for distribution services provided up to the time of isolation or disconnection of its Facility.
- 11.6 Commercial and Institutional Power Producer shall pay all reasonable costs including, but not limited to, the costs of removing any of QEC's equipment from Commercial and Institutional Power Producer's site, that are directly attributable to the isolation or disconnection of the Facility and, where applicable, the subsequent decommissioning of the Facility.
- 11.7 While the Facility is isolated or disconnected, QEC shall not be required to convey electricity to or from the Facility.

## **12 Insurance**

- 12.1 Throughout the Term of this Agreement, Commercial and Institutional Power Producer shall carry and maintain, at its own cost and expense, commercial general liability insurance for third party bodily injury, personal injury, and property damage in an amount of not less than \$2,000,000 per occurrence and in the annual aggregate.
- 12.2 QEC shall be named as additional insured under the policy. It is agreed the insurance afforded such additional insureds shall apply as primary insurance and that any other insurance carried by QEC shall be excess only and shall not contribute with this insurance. All insurance coverages shall include a cross liability and severability of interest clause, and a provision requiring the insurer to give to QEC thirty (30) days prior written notice of any cancellation, non-renewal or material change to the policy or coverage. Prior to the execution of this Agreement, Commercial and Institutional Power Producer shall provide QEC with a valid certificate of insurance which evidences Commercial and Institutional Power Producer's compliance with this Article 12. Commercial and Institutional Power Producer shall provide QEC with prompt notice of any cancellation of Commercial and Institutional Power Producer's insurance by the insurer. Upon request by QEC, Commercial and Institutional Power Producer shall provide QEC with a certified true copy of the insurance policies required in this Article

12 which confirms the relevant coverage, including any renewals or replacements on or before the expiry of any such insurance.

### **13 Liability and Indemnity**

- 13.1 Notwithstanding the liability provision in Section 13.2 of the Terms of Service, QEC shall not be liable, whether based on contract, tort, strict liability or otherwise to Commercial and Institutional Power Producer or any third party for any Losses, including, without limitation, direct, incidental, consequential, punitive, special, exemplary or indirect damages, or for loss of revenue, loss of profits, loss of earnings, loss of production, loss of contract, loss of opportunity, cost of purchased or replacement capacity or energy, cost of capital, business interruption, loss of use of any facilities or property, claims from Commercial and Institutional Power Producer's customers, contractors or other third parties or any other similar damage, expense, cost liability or loss whatsoever arising or resulting from any act or omission in any way associated with this Agreement, the Facility or its connection to the Power Distribution System, including, but not limited to, any act or omission that results in an interruption, deficiency, failure, defect, fluctuation, reduction or imperfection of energy supply, except to the extent that QEC is found liable for any Losses arising out of or related to any physical loss, injury or damage to Commercial and Institutional Power Producer or Commercial and Institutional Power Producer's property resulting directly from the gross negligence or wilful misconduct of QEC, its employees or agents, in which case QEC's liability shall be (i) limited to direct damages and shall exclude any incidental, consequential, punitive, special, exemplary or indirect damages and (ii) limited to the total fees paid by Commercial and Institutional Power Producer under this Agreement in the 12-month period immediately preceding the event giving rise to such a liability.
- 13.2 QEC shall not be liable for damages arising out of services provided by Commercial and Institutional Power Producer under this Agreement, including, but not limited to, any act or omission that results in an interruption, deficiency or imperfection of service occurring as a result of conditions or circumstances resulting from electric system design or operation.
- 13.3 Notwithstanding the above, QEC shall not be liable for any injury, loss or damage to persons or property arising out of, or directly or indirectly resulting from, the supply or use of energy by Commercial and Institutional Power Producer beyond the point of delivery, including without limitation service instability, defectiveness, imperfection, irregularity, failure, curtailment, suspension or reduction of service. QEC does not guarantee or promise uninterrupted or continuous service.
- 13.4 Commercial and Institutional Power Producer shall indemnify and hold harmless, and at the sole option of QEC defend, QEC and the QEC Parties from and against any Liabilities brought against QEC or any of the QEC Parties which arise from, result from or are in connection with any act, omission or failure of Commercial and Institutional Power Producer, including any act, omission or failure of Commercial and Institutional Power Producer arising from, resulting from or in connection with any duty or obligation of Commercial and Institutional Power Producer pursuant to this Agreement.



## 14 Term of Agreement and Termination

- 14.1 This Agreement shall become effective upon execution by the Parties, and shall continue in effect until the earlier of one of the following events occurring: (i) termination of this Agreement in accordance with Section 14.2 or 14.3 or (ii) termination of the Power Purchase Agreement in accordance with its terms and conditions.
- 14.2 Commercial and Institutional Power Producer may, if it is not then in default under this Agreement but subject to its obligations under the Power Purchase Agreement, terminate this Agreement at any time by giving QEC thirty (30) days prior written notice setting out the termination date.
- 14.3 Except as set out in **SCHEDULE E** (Lender's Consent), QEC may terminate this Agreement upon any material breach of this Agreement by Commercial and Institutional Power Producer, if Commercial and Institutional Power Producer fails to remedy the Commercial and Institutional Power Producer Default within the applicable cure period referred to in this Section after receipt of written notice of the Commercial and Institutional Power Producer Default from QEC. Each of the following will constitute a Default by Commercial and Institutional Power Producer:
- (a) Commercial and Institutional Power Producer fails to make any payment when due as required under this Agreement, if such failure is not remedied in accordance with the Terms of Service.
  - (b) Commercial and Institutional Power Producer fails to perform any material covenant or obligation set forth in this Agreement if such failure is not remedied within thirty (30) Business Days after written notice of such failure from QEC.
  - (c) Commercial and Institutional Power Producer modifies the Facility, the Connection Facilities or the Power Distribution System without the prior written consent as required pursuant to this Agreement.
- 14.4 Termination of this Agreement for any reason shall:
- (a) not affect the liabilities of either Party that were incurred or arose under this Agreement prior to the time of termination;
  - (b) not affect the provisions that expressly apply in relation to disconnection of Commercial and Institutional Power Producer's Facility following termination of this Agreement; and
  - (c) be without prejudice to the right of the terminating Party to pursue all legal and equitable remedies that may be available to it including, but not limited to, injunctive relief.
- 14.5 QEC, having given written notice of a breach pursuant to this Agreement, may, without penalty, expense or liability, withhold or holdback, in whole or in part, any payment due to Commercial and Institutional Power Producer if in QEC's reasonable opinion,

Commercial and Institutional Power Producer has failed to comply with or has in any way breached this Agreement. Any such holdback shall continue until the breach has been rectified to QEC's reasonable satisfaction. Additionally, QEC may set-off any payment due to Commercial and Institutional Power Producer against any monies owed by Commercial and Institutional Power Producer to QEC.

- 14.6 The rights and remedies set out in this Agreement are not intended to be exclusive but rather are cumulative and are in addition to any other right or remedy otherwise available to a Party at law or in equity. Nothing in this Section 14.6 shall be interpreted as affecting the limitations of liability arising from Article 13 while this Agreement is in force.
- 14.7 All provisions of this Agreement which are by their nature intended to survive the expiration or termination of this Agreement shall survive such expiration or termination, including without limitation, Sections 13 and 14.4 to 14.7, all terms of this Agreement in favour of QEC and all rights and remedies of QEC, either at law or in equity, subject to any applicable limitation period prescribed by Applicable Law. .

## **15 Confidential Information**

- 15.1 With respect to any Confidential Information the Receiving Party receives from the Disclosing Party, the Receiving Party shall: (i) keep such information confidential; (ii) use the same degree of care to protect the Disclosing Party's Confidential Information as it uses for its own Confidential Information, but in no event less than reasonable care; (iii) not use the Confidential Information other than in connection with the performance of this Agreement; and (iv) not divulge the Confidential Information to Receiving Party's personnel, subcontractors, advisors, secured or prospective lender (and their advisors) or secured or prospective investor (and their advisors), unless such individuals have a need to know and have agreed in writing to abide by confidentiality obligations at least as strict as the terms of this Agreement. Receiving Party agrees to use all reasonable steps to ensure that the Disclosing Party's Confidential Information is not disclosed by Receiving Party's personnel, subcontractors and advisors in violation of this Article 15.
- 15.2 Nothing in Section 15.1 shall prevent the disclosure of Confidential Information by the Receiving Party:
- (a) where required or permitted under this Agreement;
  - (b) where required by law or regulatory requirements;
  - (c) where required by order of a government, government agency, regulatory body or regulatory agency having jurisdiction;
  - (d) if required in connection with legal proceedings, or any expert determination relating to the subject matter of this Agreement, or for the purpose of advising a Party in relation thereto;
  - (e) as may be required to enable QEC to fulfill its obligations to any regulatory body or reliability organization; or

- (f) as may be required during an emergency or to prevent or minimize the effects of an emergency,

provided that the Receiving Party shall promptly notify the Disclosing Party of the disclosure request or requirement so that the Disclosing Party may seek an appropriate protective order or waive compliance with this Agreement. If, in the absence of a protective order or the receipt of a waiver hereunder, the Receiving Party is compelled to disclose the Confidential Information, the Receiving Party may disclose only such of the Confidential Information to the party compelling disclosure as is required by law and only to such person or persons to which the Receiving Party is legally compelled to disclose and, in connection with such compelled disclosure. The Receiving Party shall provide notice to each such recipient (in co-operation with legal counsel for the Disclosing Party) that such Confidential Information is confidential and subject to non-disclosure on terms and conditions equal to those contained in this Agreement and, if possible, shall obtain each recipient's written agreement to receive and use such Confidential Information subject to those terms and conditions.

- 15.3 The Parties agree that the exchange of information, including, but not limited to, Confidential Information, under this Agreement is necessary for maintaining the reliable operation of the Power Distribution System. The Parties further agree that all information, including, but not limited to, Confidential Information, exchanged between them shall be prepared, given and used in good faith and shall be provided in a timely and cooperative manner.
- 15.4 Each Party shall provide the other with such information as the other may reasonably require enabling it to perform its obligations under this Agreement.
- 15.5 Each Party shall, as soon as practicable, notify the other Party upon becoming aware of a material change or error in any information previously disclosed to the other Party under this Agreement and, in the case of Commercial and Institutional Power Producer, in any information contained in its Application. The Party shall provide updated or corrected information as required to ensure that information provided to the other Party is up to date and correct.
- 15.6 Upon written request by the Disclosing Party, Confidential Information provided by the Disclosing Party in printed paper format or electronic format will be returned to the Disclosing Party and Confidential Information transmitted by the Disclosing Party in electronic format will be deleted by the Receiving Party; provided, however, any Confidential Information, (i) found in drafts, notes, studies and other documents prepared by or for the Receiving Party or (ii) found in electronic format as part of the Receiving Party's offsite or on-site data storage/archival process system, will be held by the Receiving Party and kept subject to the terms of this Agreement or destroyed at the Receiving Party's option. Notwithstanding the foregoing, a Receiving Party shall be entitled to make at its own expense and retain one copy of any Confidential Information materials it receives for the limited purpose of discharging any obligation it may have under the Applicable Laws, and shall keep such retained copy subject to the terms of this Article 15.

- 15.7 The Receiving Party acknowledges that breach of any provisions of this Article 15 may cause irreparable harm to the Disclosing Party or to any third-party to whom the Disclosing Party owes a duty of confidentiality, and that the injury to the Disclosing Party or to any third party may be difficult to calculate and inadequately compensable in damages. The Receiving Party agrees that the Disclosing Party is entitled to obtain injunctive relief (without proving any damage sustained by it or by any third party) or any other remedy against any actual or potential breach of the provisions of this Article 15.
- 15.8 Notwithstanding any other provision contained in the Agreement, Commercial and Institutional Power Producer acknowledges that QEC is bound by and subject to the provisions of ATIPP, any information provided to QEC, including without limitation, Commercial and Institutional Power Producer's Confidential Information, may be subject to disclosure by operation of the access to information provisions in the ATIPP. Commercial and Institutional Power Producer acknowledges and agrees that QEC cannot guarantee that the confidentiality of any information that is in its custody or under its control will be preserved if a request is made under ATIPP for access to the information. To the extent permitted or required under ATIPP, QEC will inform Commercial and Institutional Power Producer of any request made under ATIPP for Commercial and Institutional Power Producer's Confidential Information that is labelled as "Confidential Information of Commercial and Institutional Power Producer", and provide Commercial and Institutional Power Producer with an opportunity to make representations with respect to its disclosure.

Commercial and Institutional Power Producer acknowledges and agrees that certain information provided by QEC may be subject to applicable privacy laws, regulations and policies. Commercial and Institutional Power Producer shall at all times comply with, and ensure that all personnel comply with, the privacy obligations.

## **16 Lender's Consent**

Commercial and Institutional Power Producer shall obtain a lender's consent as stipulated under and using substantively the form provided in SCHEDULE E (Lender's Consent).

## **17 Notice**

- 17.1 Any notice, demand, consent, request or other communication required or permitted to be given or made under or in relation to this Agreement shall be given or made: by courier or other personal form of delivery; by registered mail; by facsimile; or electronically. Notices shall be addressed to the applicable representative of the Party identified in **SCHEDULE H** (Contacts for Notice).
- 17.2 A notice, demand, consent, request or other communication referred to in Section 17.1 shall be deemed to have been made as follows:
- (a) where given or made by courier or other form of personal delivery, on the date of receipt;

- (b) where given or made by registered mail, on the sixth (6<sup>th</sup>) day following the date of mailing;
- (c) where given or made by facsimile, on the day and at the time of transmission as indicated on the sender's facsimile transmission report; and
- (d) where given or made electronically, on the day and at the time when the notice, demand, consent, request or other communication is recorded by the sender's electronic communications system as having been received at the destination.

## **18 Interpretation**

- 18.1 The recitals to this Agreement form an integral part of this Agreement.
- 18.2 The division of this Agreement into Articles, Sections, Subsections, Schedules and Paragraphs and the insertion of headings is for convenience of reference only and shall not affect the construction or interpretation of this Agreement.
- 18.3 In this Agreement: (a) the terms "this Agreement", "hereof", "hereunder", and similar expressions refer, unless otherwise specified, to this Agreement taken as a whole and not to any particular Article, Section, Subsection, Schedule, Paragraph or other portion hereof; (b) words importing the singular number only shall include the plural and vice versa and words importing gender shall include both genders; (c) unless something in the subject matter or context is inconsistent therewith, all references in this Agreement to Articles, Sections, Subsections, Paragraphs and Schedules refer to Articles, Sections, Subsections, Paragraphs and Schedules of this Agreement; (d) any reference to a statute shall be deemed to refer to the statute and any regulations made thereunder in force as at the Effective Date, as the same may be subsequently amended or replaced; (e) any reference to knowledge of a Person shall mean the actual knowledge of such Person without inquiry; and (f) unless otherwise specified, all dollar references in this Agreement are deemed to refer to the lawful currency of Canada.

## **19 Force Majeure**

- 19.1 QEC shall not be liable for any delay or failure in the performance of any of its obligations under this Agreement due to any events or causes beyond the reasonable control of QEC, including, without limitation, severe weather, flood, fire, lightning, other forces of nature, acts of animals, epidemic, quarantine restriction, war, sabotage, act of a public enemy, earthquake, insurrection, riot, civil disturbance, strike, action or non-action by or inability to obtain authorization or approval from any Governmental Authority, legal acts of public bodies including federal, provincial or local governments and orders of the court, inability to obtain essential services or transport materials, products or equipment as a result of a force majeure on a supplier, contractor or carrier, or any combination of these causes.

## **20 Assignment, Successors and Assigns**

- 20.1 Except as set out in **SCHEDULE E** (Lender's Consent), Commercial and Institutional Power Producer shall not assign its rights or obligations under this Agreement in whole or in part without the prior written consent of QEC, which consent shall not be unreasonably withheld or unduly delayed. QEC may withhold its consent to any proposed assignment until the proposed assignee assumes, in writing, all of Commercial and Institutional Power Producer's obligations contained in this Agreement.
- 20.2 QEC shall have the right to assign this Agreement in whole upon written notification to Commercial and Institutional Power Producer.
- 20.3 This Agreement shall be binding upon and accrue to the benefit of the Parties and their respective successors and permitted assigns.

## **21 Entire Agreement**

- 21.1 Except as expressly provided herein, this Agreement, together with all Schedules attached hereto, constitutes the entire agreement between the Parties with respect to the subject-matter hereof and supersedes all prior oral or written representations and agreements of any kind whatsoever with respect to the subject matter hereof.

## **22 Invalidity**

- 22.1 If any provision contained in this Agreement shall be held to be invalid or unenforceable under Applicable Laws, the remainder of this Agreement shall not be affected, and each provision of this Agreement shall be separately valid and enforceable to the fullest extent permitted by law. In respect of any provision determined to be invalid or unenforceable under Applicable Laws, the Parties shall negotiate in good faith to replace the unenforceable or invalid provision with a new provision that is enforceable and valid in order to give effect to the business intent of the original provision to the extent permitted under Applicable Laws.

## **23 Further Assurances**

- 23.1 Each of the Parties shall, from time to time, execute and deliver all such further documents and instruments and do all such further acts as the other Party may reasonably require to carry out or better evidence the full intent of this Agreement.

## **24 Joint Drafting**

- 24.1 Although this Agreement was drafted and prepared by QEC, it is the intention of the Parties that the principle of *contra proferentem* shall not apply with respect to the interpretation of such documents.

**25 Transaction Costs**

- 25.1 Each Party shall be responsible for its costs incurred in connection with the preparation, execution and delivery of this Agreement.

**26 No Partnership or Joint Venture**

- 26.1 Nothing contained in this Agreement shall be construed or deemed to create a partnership or joint venture relationship between the Parties and each Party expressly disclaims any intention to create a partnership or a joint venture or, except as expressly indicated otherwise in this Agreement, to designate the other Party as its agent with respect to the subject matter of this Agreement.

**27 Execution**

- 27.1 This Agreement may be executed in counterparts and by facsimile, each of which shall be deemed to be an original. Such counterparts together shall constitute one and the same instrument, notwithstanding that all of the Parties are not signatories to the original or the same counterpart.

**28 Governing Law**

- 28.1 This Agreement shall be governed by and interpreted and construed in accordance with the laws of the Territory of Nunavut and the federal laws of Canada applicable in Nunavut (other than any conflict of laws rules that would result in the choice of laws of another jurisdiction). The Parties agree to submit to the exclusive jurisdiction of the courts of Nunavut. The Parties expressly exclude the application of the United Nations Convention on Contracts for the International Sale of Goods.

**29 Amendments**

- 29.1 This Agreement may not be amended except by written instrument signed by both Parties.

**30 Waiver**

- 30.1 No waiver of any breach of any provision of this Agreement shall be effective or binding unless made in writing and signed by the waiving Party. The waiver by a Party of a breach of any term of this Agreement shall not prevent the enforcement of that term by that Party in the case of a subsequent breach, and shall not be deemed or construed as a waiver of any subsequent breach.

**31 Independent Legal Advice**

- 31.1 The Parties hereto acknowledge and represent that they have been afforded the opportunity to obtain independent legal advice and that they have done so or have knowingly waived this right and are executing this Agreement freely, voluntarily and without duress.

**IN WITNESS WHEREOF**, the Parties hereto, intending to be legally bound, have caused this Agreement to be executed by their duly authorized representatives.

**QULLIQ ENERGY CORPORATION**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)

\_\_\_\_\_  
Name (Print)

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

**[COMMERCIAL AND  
INSTITUTIONAL POWER  
PRODUCER LEGAL NAME]**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)

\_\_\_\_\_  
Name (Print)

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title



## SCHEDULE A

### **Commercial and Institutional Power Producer and Facility Description**

#### **A.1 Commercial and Institutional Power Producer Description**

A.1.1 Commercial and Institutional Power Producer's Address:

Fax #:

Phone #:

Email:

A.1.2 Commercial and Institutional Power Producer Representative name:

#### **A.2 Facility Description**

A.2.1 Geographic location of the Facility

*[To be completed by the Parties]*

A.2.2 Renewable Fuel:

*[To be completed by the Parties]*

A.2.3 The Facility has a name-plate rated capacity of:

*[To be completed by the Parties]*

A.2.4 The Facility is or will be connected [directly to the Power Distribution System or on the load customer side of a Point of Interconnection to the Power Distribution System]:

*[To be completed by the Parties]*

**SCHEDULE B**

**Single Line Diagram, Point of Interconnection and Location of Facilities**

**B.1 Single Line Diagram and Point of Interconnection**

*[To be inserted by the Parties]*

**B.2 List of Facilities**

B.2.1 The following facilities of Commercial and Institutional Power Producer are located on the property of QEC:

*[To be completed by the Parties]*

B.2.2 The following facilities of QEC are located in the property of Commercial and Institutional Power Producer:

*[To be completed by the Parties]*

**B.3 Metering Installation Diagram**

*[To be inserted by the Parties]*

**SCHEDULE C**

**Commissioning Work Plan**

*[Commercial and Institutional Power Producer's completed Commissioning Work Plan attached here.]*

## **SCHEDULE D**

### **Cost Recovery Provisions**

#### **1 Forecasted Cost**

- 1.1 All costs associated with or related to the connection of the Facility to the Power Distribution System shall be solely borne by Commercial and Institutional Power Producer. Connection Costs shall include, but not limited to, review of Commercial and Institutional Power Producer's documents, construction inspection, quality assurance, costs of equipment or devices as set out in the Technical Interconnection Requirements and the Terms of Service.
- 1.2 Commercial and Institutional Power Producer shall pay to QEC a non-refundable deposit equal to 100% of the amount reasonably estimated by QEC to be sufficient to cover the Connection Cost. The calculation of the Forecasted Costs is set out in Appendix A to this Schedule.
- 1.3 Commercial and Institutional Power Producer shall pay the Forecasted Cost to QEC in the manner specified in **SCHEDULE G** (Billing and Settlement Procedures).

#### **2 True Up**

- 2.1 QEC may, in lieu of a deposit, ask Commercial and Institutional Power Producer to provide such other security in form, substance and amount as may be reasonably acceptable to QEC in its sole discretion. Any unused portion of the security shall be returned to Commercial and Institutional Power Producer as stipulated in this Section.
- 2.2 Within 90 calendar days after successful connection of the Facility to the Power Distribution System, QEC shall use reasonable efforts to generate the Actual Cost to connect the Facility to Power Distribution System and to provide to Commercial and Institutional Power Producer Notice of such Actual Cost using a form similar to Appendix A to this Schedule.
- 2.3 If the Forecasted Cost paid by Commercial and Institutional Power Producer exceeds the Actual Cost, QEC shall refund the difference to Commercial and Institutional Power Producer within 30 days following the issuance of the Notice. If the Forecasted Cost paid by Commercial and Institutional Power Producer is less than the Actual Cost, Commercial and Institutional Power Producer shall pay QEC the difference of such amounts within 30 days following the issuance of the Notice.

**APPENDIX A TO SCHEDULE D**

**Forecasted Cost and Actual Cost**

*[To be completed by QEC]*

Scope of Work	Forecasted Cost	Actual Cost	Total Payment Required

## SCHEDULE E

### Lender's Consent

TO: **[FULL LEGAL NAME OF COMMERCIAL AND INSTITUTIONAL POWER PRODUCER]** (the “Commercial and Institutional Power Producer”)

AND TO: **[FULL LEGAL NAME OF LENDER(S)]** (together with its successors and assigns, the “Lender”).

FOR VALUE RECEIVED, the receipt and sufficiency of which is hereby acknowledged, Qulliq Energy Corporation (“QEC”) agrees as follows:

- 3 Acknowledgement. QEC hereby acknowledges that it entered into a Generation and Connection with the Commercial and Institutional Power Producer dated as of \_\_\_ day of \_\_\_\_\_, 20\_\_\_\_(as amended, modified, supplemented, amended and restated or replaced and in effect from time to time, the “**Agreement**”) with respect to the connection of the Facility (as defined therein) to the QEC’s Distribution System (as defined therein).
- 4 Consent. QEC hereby consents to the assignment, by way of security, of the Agreement to the Lender and to the disclosure of a copy of the Agreement by the Commercial and Institutional Power Producer to its lenders from time to time.
- 5 Lender’s Right of Substitution. Where a notice of default has been served on the Commercial and Institutional Power Producer by QEC, an agent or trustee for and on behalf of the Lender, the Lender or a receiver appointed by the Lender (the “Receiver”), shall upon notice to the QEC be entitled (but not obligated) to exercise all of the rights and obligations of the Commercial and Institutional Power Producer under the Agreement and shall be entitled to remedy the Commercial and Institutional Power Producer Default specified in the notice of default within the applicable cure period referred to the Agreement. QEC agrees to accept performance of the Commercial and Institutional Power Producer’s obligations under the Agreement by the Lender, its nominee or transferee, or the Receiver, in lieu of the Commercial and Institutional Power Producer’s performance of such obligations, and will not exercise any right to terminate the Agreement due to a Commercial and Institutional Power Producer Default if the Lender, its nominee or transferee, or the Receiver acknowledges in writing its intention to be bound by the terms of the Agreement, and such acknowledgment is received within thirty (30) days of the date of receipt by the Commercial and Institutional Power Producer of the notice of default.
- 6 **Governing Law.** This Lender’s Consent shall be governed by and interpreted and construed in accordance with the laws of the Territory of Nunavut and the federal laws of Canada applicable in Nunavut (other than any conflict of laws rules that would result in the choice of laws of another jurisdiction).
- 7 **Electronic Delivery.** Transmission of a copy of an executed signature page of this Lender’s Consent by facsimile transmission or e-mail in .pdf format by QEC to the

addressees hereto, shall be as effective as delivery of an original manually executed counterpart hereof to each addressee hereto.

- 8 **Notices.** Any notices or acknowledgements to QEC shall be delivered by hand delivery, fax or registered mail to [insert contact name], [insert address for notice], fax no: ●, email address: ●.

This Lender's Consent dated the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

**QULLIQ ENERGY CORPORATION**

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

Title:

## **SCHEDULE F**

### **Technical Interconnection Requirements**

In addition to the ones contained in the *CIPP Technical Interconnection Requirements* document, the following Technical Interconnection Requirements apply to the Facility:

*[To be completed by the Parties]*



**SCHEDULE G**

**Billing and Settlement Procedures**

The following provisions apply in relation to billing and settlement in relation to the Facility:

*[To be completed by the Parties]*

**SCHEDULE H**

**Contacts for Notice**

*[To be completed by the Parties – different contacts may be listed for different purposes]*

**SCHEDULE I**

**Commercial and Institutional Power Producer Connection Work**

*[To be completed by the Parties]*

I.1 Scope of Work

I.2 Commercial and Institutional Power Producer Ownership

**SCHEDULE J**

**QEC Connection Work**

*[To be completed by the Parties]*

J.1 Scope of Work

J.2 Ready for Service Date

J.3 QEC Ownership

**SCHEDULE K**

**Transferred Assets**

Pursuant to Section 4.4(a)(iii), at no cost to QEC, Commercial and Institutional Power Producer shall take all such actions and do all such things necessary to effect the transfer and assignment to QEC all right, title and interest in and to the following assets and equipment free and clear of all encumbrances and QEC hereby acquires from Commercial and Institutional Power Producer, all right, title and interest in and to such assets and equipment.

*[To be completed by the Parties]*