

**Exhibit C, Tab 1, Schedule 1**  
**Construction and In-Service Schedule**

## **CONSTRUCTION & IN-SERVICE SCHEDULE**

The timing for construction of the Proposed Transmission Facilities will depend in part upon the timing of the Board's decision in this Application and Renewable Energy Approval. It is currently expected that:

- construction of the Cedar Point Transformer Substation will commence in September 2014 and be completed by March 2015;
- construction of the 15 km 115 kV transmission line will commence in September 2014 and be completed by March 2015.

As noted above, Suncor needs the Jericho Substation, the Jericho Shared Transmission Facilities, and the Shared Transmission Facilities to be constructed and in-service in order to convey electricity from the Cedar Point Transmission Line to the IESO Grid.

Suncor understands that Hydro One began construction in May 2013 of the Evergreen Switching Station, which it plans to complete by May 2014.

Suncor estimates that the Proposed Transmission Facilities will go into service by June 2015. A Gantt Chart setting out the planned construction schedule is provided in Figure 1.



Cedar Point Wind Power Project (46 Siemens Turbines 100MW)- Summary Schedule-12Nov2013		2014												2015								
Description	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O
Expected Receipt of NTP						◆																
REA Approved						◆																
Construction Start / Site Access						◆																
Roads and Foundations																						
Procurement of Transmission Line Equipment																						
Installation of Transmission Line																						
Substation and Collector System Installation																						
Turbine Delivery																						
Turbine Erection																						
Backfeed Power Available																						
Testing and Commissioning of Turbines																						
Project Commissioning Completion																						

**Exhibit D, Tab 1, Schedule 1**  
**Physical Design Features**

## **PHYSICAL DESIGN FEATURES**

The Proposed Transmission Facilities are required to connect the Transformer Station to the Jericho Station, which will allow the output of the Cedar Point wind turbines to enter the IESO grid at Hydro One's Evergreen Switching Station, all as described above. To provide context for the descriptions of the physical design features of the Proposed Transmission Facilities, this schedule also includes technical descriptions of the related generation facilities.

### **1. Wind Generation Facilities**

#### **(a) Transformer Station**

As indicated in Exhibit B, Tab 2, Schedule 3, the Transformer Station will be located on Parcel PIN 430310087, Partial Lot 8 Concession 16 Township of Bosanquet, in the Municipality of Lambton Shores. The station will have an area of approximately 23,600 square meters. The site for the Cedar Point Collection Substation was determined based on its proximity to the wind turbines associated with the Cedar Point Project, as well as it being at a reasonable distance from Jericho Station. As noted above, the purpose of the Transformer Station is to collect the electricity from the wind turbines, and step-up the voltage of the 34.5 kV collector system to the 115kV Transmission Line voltage. The two transformers will have a nominal voltage rating of 115 kV/34.5 kV and power ratings of 42/56/70 MVA. Other equipment, including circuit breakers, buswork, outdoor switches, surge arresters, instrument transformers, protection and control equipment, and telecommunication equipment will also be installed at the site. The entire substation will be surrounded by a security fence. The high voltage buswork and equipment will be constructed in an open-air design. An indoor metalclad switchgear will be utilized for the medium voltage bus.

#### **(b) Transmission Line**

A three phase single circuit 115 kV transmission line, approximately 15 km in length will connect the Transformer Station to the Jericho Substation. The Transmission Line will connect to the high voltage side of the Jericho Substation through a 115 kV circuit breaker and related equipment, located within that station. The proposed corridor is shown in Figures 1 and 2 of Exhibit B, Tab 2, Schedule 4. The location of the Transmission Line route was selected as being the most direct feasible route between the Transformer Station and the Jericho Station.

The Transmission Line will have steel, monopole structures with an average pole height of approximately 70 to 100 ft. above ground. Some corner structure poles may require

guying and anchoring. Nominal pole spacing will be approximately 130 m. Approximately 114 poles will be required along the entire length of the Transmission Line. The Transmission Line will be strung with 795 kcmil ACSR (aluminum conductor steel reinforced) phase conductors (the conductor size may change based on optimization of losses, relative to material and construction costs). A 0.530 inch (395 kcmil) diameter Optical Ground Wire for lightning protection and communication will also be placed on the structures. Illustrations of the proposed pole structures and framing designs are provided above at Exhibit B, Tab 2, Schedule 5, Figure 3.

(c) A diagram showing the basic design features of the Transformer Station is found at Exhibit B, Tab 2, Schedule 5, Figure 2.

**Exhibit E, Tab 1, Schedule 1**  
**Operational Details**



## **OPERATIONAL DETAILS**

The Proposed Transmission Facilities will be monitored from the O&M facility as well as remotely from the operator of the Proposed Transmission Facilities. Fault detecting protection systems along with remote control capability of electrical isolation devices will be installed.

The Proposed Transmission Facilities will include maintenance, protection and control systems capable of minimizing the severity and extent of disturbances to the Transmission Line. Visual transmission line inspections will be scheduled at least once every year to ensure continued compliance with all applicable codes and standards. Detailed thermography scans will be conducted on critical connection points after energization. Further, a regular vegetation and right of way management program will be developed in maintaining vegetation proximity to energized components and minimize hazards within the right of way. A maintenance program will also be developed to maintain the health of the major equipment within the Substation. This includes periodic testing of equipment electrical insulation systems as well as other equipment functional tests.

While the metering plan is still under development, it is anticipated that there will be revenue meters located at the transformer station, with the metering points located at the 34.5kV side of each of the two main substation transformers.

**Exhibit E, Tab 2, Schedule 1**  
**Codes, Standards, and Other Regulatory Approvals**

## **CODES, STANDARDS & OTHER REGULATORY APPROVALS**

### **1. Codes and Standards**

The Proposed Transmission Facilities will be constructed in accordance with applicable technical codes and standards, including the Canadian Electrical Code, Part III (which incorporates by reference CSA Standard C22.3), as well as applicable IEEE transmission line design and construction standards. The Proposed Transmission Facilities will also comply with applicable requirements of the Transmission System Code and the Market Rules for the Ontario Electricity Market.

### **2. Renewable Energy Approval**

Renewable energy projects (other than waterpower projects) are no longer subject to the *Environmental Assessment Act*. Rather, the environmental protections of the environmental assessment process have been incorporated into the Renewable Energy Approval (“**REA**”) process. Most renewable energy projects in Ontario therefore require a REA from the Ministry of the Environment. As a Class 4 wind facility (as defined in subsection 6(1) of the REA Regulation, O. Reg. 359/09 under the *Environmental Protection Act*), the Cedar Point Project is no exception. Cedar Point is currently undergoing its REA process, as noted above. Renewable energy projects are no longer subject to land use planning instruments under the *Planning Act*.

### **3. Licences**

Although the Proposed Transmission Facilities are for the transmission of electricity generated by the Cedar Point Project, to the Jericho Station, Ontario Regulation 161/99 to the Ontario Energy Board Act exempts Suncor from the requirement to obtain a licence to own or operate transmission facilities pursuant to Section 57(b) of the Act. The exemption is based on the fact that Suncor will be a transmitter that is also a generator and the Proposed Transmission Facilities will be used exclusively to transmit electricity to the IESO-controlled grid.

Suncor will apply for a generator licence in respect of its generation facility in due course. In accordance with the instructions set out on the Board’s form, Application for an Electricity Generation Licence under the Feed-in Tariff Program, Suncor will file its generator licence application following receipt of the Notice to Proceed from the OPA pursuant to its FIT Contract. Suncor will also provide its "Section 81 Notice" to the Board at the time this Application is filed.

#### 4. Other Permits, Approvals and Authorizations

In addition to the codes, standards and REA requirements set out above, a number of other permits, licenses and approvals from other governmental authorities may be required before the Proposed Transmission Facilities can be constructed and operated. These are set out in Table 1, below.

*Table 1 - Potentially Applicable Permits, Approvals and Authorizations*

Government	Authority	Potentially Required Permit or Approval	Status
Federal	Fisheries and Oceans Canada	Authorization under Subsection 35(2) of the <i>Fisheries Act</i> for watercourse crossings (or Letter of Advice)	Not Required as there is no crossing of a navigable water way.
Provincial	Ministry of Natural Resources	Approval and permitting requirements under the Renewable Energy Approval process	obtained
Provincial	Ministry of Natural Resources	Species at Risk Permit under the <i>Endangered Species Act</i> (if designated species habitat is impacted, which is to be confirmed)	Required for the project to be obtained
Provincial	Conservation Authorities	Generic Regulations Permit for water crossings and works within floodplain	Required to be obtained
Provincial	Ministry of Tourism, Culture and Sport	Archaeological and Cultural Heritage Clearances under the <i>Heritage Act</i>	obtained
Provincial	Ministry of Transportation	Compliance with the <i>Highway Traffic Act</i> and <i>Road Safety Regulations</i> - Highway Entrance Permit, Transportation Permits (e.g. Oversize, Overweight Permit or Special Vehicle Configuration Permit), Crossing Permits	Required to obtain crossing permits of MTO highway 21.

<b>Government</b>	<b>Authority</b>	<b>Potentially Required Permit or Approval</b>	<b>Status</b>
Provincial	Ontario Energy Board	Notice of Proposal under Section 81 of the <i>Ontario Energy Board Act</i>	Required to be obtained
Provincial	Ministry of Labour	Notice of Project prior to commencing construction (to be obtained by contractor)	Required to be obtained
Provincial	Hydro One Networks Inc.	Transmission Connection Agreement (will be obtained by NextEra)	Obtained by Bornish and copies provided to Suncor.
Provincial	Independent Electricity System Operator	Facility Registration	Required to be obtained
Provincial	Independent Electricity System Operator	Metering Registration	Required to be obtained.
Provincial	Independent Electricity System Operator	Connection Assessment Approval (obtained)	SIA completed and obtained. (need to determine if it requires amendment)
Provincial	Electrical Safety Authority	Connection Authorization	To be obtained
Municipal	County and Municipal Governments	Road Use Agreements and/or Building Permits (as applicable)	To be obtained
Provincial	Hydro One Networks Inc.	Customer Impact Assessment (obtained)	complete

**Exhibit F, Tab 1, Schedule 1**  
**Land Matters**

## LAND MATTERS

### 1. Land Area Required and Land Rights Acquired/to be Acquired

The land area required for the Proposed Transmission Facilities consists of (a) the lands required for the Transformer Station, (b) the lands required for the Transmission Line, and (c) the lands required for Suncor's switching and related assets at the Jericho Station. If Suncor owns equipment in the Jericho Station yard, it will lease the required land from Jericho (NextEra). The land requirements for the Transformer Station and the Transmission Line are described below.

#### (a) Transformer Station

As described in Exhibit B, Tab 2, Schedule 3, the Transformer Station will have a footprint of approximately 23,000 square meters and will be situated at Parcel PIN 430310087, Partial Lot 8 Concession 16 Township of Bosanquet, in the Municipality of Lambton Shores, in Lambton County. The land for the Transformer Station is comprised of a single, privately owned parcel. Suncor entered into an Option to Lease Agreement with the owner of the land.

#### (b) Transmission Line

As described in Exhibit B, Tab 2, Schedule 3, the Transmission Line will be approximately 15 km in length and will run from the Transformer Station to the Jericho Station. The Transmission Line will run entirely on private land, as depicted in Figure 2 of Exhibit B, Tab 2, Schedule 4. The Landowners Line List is contained in the Attachment. Final engineering and construction planning may determine that some ROWs may be required, but the need for ROWs is not currently anticipated.

Suncor has options to lease all the land it requires for the Transmission Line. Suncor standard Option for Ontario Ground Leases including the Ontario Ground Lease as a Schedule is attached at Exhibit F, Tab 2, Schedule 1.

The anticipated detailed routing for the Proposed Transmission Line is described in Exhibit B, Tab 4, Schedule 1. Although pursuant to Subsection 41(10) of the *Electricity Act* the Board does not have the authority to determine the specific location of structures, equipment or facilities in public streets and highways where the facilities are also subject to the need for leave to construct pursuant to Section 92 of the *Ontario Energy Board Act*, it is Suncor's understanding that the Board has such authority either ancillary to its powers under Section 92 or pursuant to Section 101 of the *Ontario Energy Board Act*, under which the Board may grant authority to construct works upon, under or over a highway, utility line or ditch.

### 3. **Land Rights Acquisition Process**

Land agents for Suncor have been working in the area since December 2006 to secure the necessary private land rights. Other than exercising the rights it currently has under option, Suncor has now secured all of the permanent, private land rights that it requires in respect of the Proposed Transmission Facilities. Suncor has signed an option to acquire the land rights necessary to construct and operate its transmission line in the form of an Option for Ontario Ground Lease, included in Exhibit F, Tab 2, Schedule 1, with each landowner from whom it requires such rights. It intends to exercise its options and sign an Ontario Ground Lease in the form attached in Exhibit F, Tab 2, Schedule 1, with each of those landowners, once it has obtained the necessary project approvals, including the Leave to Construct.



**ATTACHMENT**

The following Landowner Line List is organized geographically commencing at the Transformer Station and ending at the Jericho Substation. The Landowner Line List includes those parcels upon which the Proposed Transmission Facilities will be situated. [Although not currently anticipated, as a result of final engineering and project planning Suncor may determine that the use of certain municipal road ROWs may be required for construction, access or other purposes.]

The Landowner Line List contains personal information of landowners and has therefore been filed in confidence with the Board pursuant to Rule 9A.01 of the Board's Rules of Practice and Procedure and in accordance with Section 4.3 of the Board's Practice Direction on Confidential Filings.

PIN Number	Legal Description	Suncor File Number	Landowner Names
[Redacted Content]			

**Exhibit F, Tab 2, Schedule 1**  
**Forms of Land Agreements**

## **FORMS OF LAND AGREEMENTS**

This schedule includes copies of the forms of land agreement that the Applicants have used and/or intend to use for the acquisition of the land rights required to construct, own, operate and maintain the Proposed Transmission Facilities. This consists of the following document:

Attachment 1 - Option for Ontario Ground Lease and Ontario Ground Lease

**OPTION FOR ONTARIO GROUND LEASES  
(WIND POWER PROJECT)**

THIS AGREEMENT made the \_\_\_\_\_ day of \_\_\_\_\_, 2012 (hereinafter called the "Effective Date")

BETWEEN:

\_\_\_\_\_, as joint tenants of the \_\_\_\_\_ of \_\_\_\_\_ in the Province of Ontario (hereinafter called the "Owner")

-and-

**SUNCOR ENERGY PRODUCTS INC.,**  
a corporation incorporated under the laws of the Province of Ontario (hereinafter called "SEPI")

WHEREAS the Owner is the registered owner, subject however to the exceptions, conditions and Encumbrances registered on title of and in that certain parcel or tract of land situate, lying and being in the Province of Ontario hereinafter called the "Lands", more particularly described in Schedule "F", attached hereto;

AND WHEREAS SEPI desires to obtain an option to lease from time to time portions of the Lands for the purposes and uses as set out in this Agreement.

THIS AGREEMENT WITNESSES THAT the parties hereto covenant and agree with each other as follows:

**ARTICLE I**

**PURPOSE, DEFINITIONS AND USE**

**1.1 Purpose:**

The purpose of this Agreement is to grant to SEPI an exclusive option over the Lands to allow SEPI the opportunity to assess the wind resources over such Lands and, if suitable for the purposes of SEPI, to lease from the Owner some or all of such Lands either for the installation of anemometers to further measure such wind resources or for the installation of windpower electricity generating facilities including wind driven turbines, substations and the transmission of electricity for use or sale created therefrom. During the Option Period, SEPI will pay to the Owner a fee for the Option for the unrestricted, exclusive use of the Lands to complete any and all testing as required by SEPI in order to determine the suitability of the Lands.

**1.2 Definitions:**

The words and phrases defined in Schedule "A" shall have the meaning in this Agreement as set out in Schedule "A".

**1.3 Use:**

SEPI intends to use the Lands during the Option Period to conduct surveys of the Lands related to the measurement of wind over the Lands by anemometers and any other testing devices required for the generation of electricity by wind turbines and transmission of such electricity for use or sale and for the exercise of other Rights and, in the sole discretion of SEPI, in the event the Lands are suitable, to Lease the Lands or a portion thereof as determined by SEPI for the construction of wind turbines and anemometers and all related equipment and installations. ✓

**ARTICLE II**

**GRANT OF OPTION AND PAYMENT OF OPTION FEE**

**2.1 Grant of Option(s):**

The Owner HEREBY GRANTS to SEPI the sole and exclusive Option, irrevocable for a period of **three ( 3 ) YEARS** from the Effective Date (such period called the "First Option Period"), to acquire at any time or times during the term of this Agreement one or more leases and grants of the Rights to parts or portions of the Lands, whether for any one or more of wind turbine sites, anemometer sites or permanent access roads (such portions called the "Leased Lands") and, if reasonably required by SEPI, to use parts or portions of the Lands for temporary workspace in connection with the Leased Lands (such portions called the "Temporary Workspace"), in each case, subject to the terms of this Agreement, in the form of the Ground Lease annexed hereto as Schedule "B" (hereinafter called the "Ground Lease").

In consideration of the grant of such Option, SEPI will pay to the Owner a basic annual fee in the sum of \_\_\_\_\_00/100 (\$ \_\_\_\_\_ .00) dollars, plus GST, if applicable, (the "Option Fee") payable annually on or before each anniversary date of the Effective Date of this Agreement during the First Option Period, the receipt and sufficiency of which sum for the initial year in the First Option Period is hereby acknowledged. A separate Ground Lease shall be prepared for wind turbines, anemometers or any other surface improvement required for windpower electricity generating, as further provided in subsection 3.1 thereof, as the case may be.

The Optionee (Lessee) agrees that all rent to be paid to the Optionor (Lessor) during the term of this Option or Ground Lease, as the case may be, shall not be less than the maximum rate paid to any other party within the Cedar Point wind farm project.

**2.2 Renewal Option Period:**

If SEPI is not in default in respect of any of the covenants and conditions contained in this Agreement at the date of expiration of the First Option Period, and whether or not SEPI has exercised its option to acquire one or more Ground Leases hereunder, and unless SEPI gives to the Owner notice of termination of this Agreement at least thirty (30) days prior to the end of the First Option Period, then this Agreement and the option herein provided shall be renewed automatically and the term extended for a further term of three (3) YEARS, (hereinafter called the "Renewal Option Period") which renewal (subject to the provisions of Section 6.4) shall include the within automatic renewal provision. Each Renewal Option Period shall commence on the date of the expiration of the previous Option Period.

Notwithstanding anything written herein, the term of this Agreement including all renewals shall not exceed twenty-one (21) years from the Effective Date.

**2.3 Renewal Option Period Fee:**

The Option Fee shall be revised (which revision may result in an increase) effective as of the first day of each Renewal Option Period, by multiplying the Option Fee for the previous Option Period by the percentage increase or decrease in the OCPI on the first day of each Renewal Option Period from the OCPI on the first day of the previous Option Period, such result to be rounded up to the next nearest whole dollar value, and that sum shall become the Option Fee payable for each year of the next Option Period. Such increase or decrease in the OCPI will be determined by comparing (a) the OCPI that was in effect on the first day of the previous Option Period; and (b) the OCPI that was in effect on the first day of the next Option Period. The Option Fee for each Renewal Option Period thereafter and any renewals thereof shall be similarly calculated, based on the Option Fee for the Option Period immediately preceding it.

**2.4 Right of Entry:**

SEPI and its employees, agents and contractors are hereby further granted the additional and non-exclusive right by the Owner to enter onto the Lands, upon providing reasonable prior verbal notice to the Owner, for the purposes of conducting legal, environmental, archeological, engineering, meteorological, soil and property surveys and such other surveys, tests, investigations and other activities as SEPI may deem necessary, and to install temporary fences and construction facilities including mobile trailers, and for ingress to and egress from the Lands or both, all of which shall include the right to use any vehicles or equipment, including monitoring equipment, on the Lands as may be necessary to conduct such surveys, tests, activities or investigations. SEPI and its employees, agents and contractors are granted all rights of ingress to and egress from, on and over the Lands reasonably necessary for those purposes as determined by SEPI.

**2.5 Surveys and Registrations:**

SEPI may file or register any such surveys to legally describe the Leased Lands and Temporary Workspace to be granted under any Ground Lease, on or in respect of title to the Lands at the appropriate Land Registry Office or other public offices, and the Owner shall cooperate in promptly signing or cause all persons whose consent is required to sign such survey plans and executing such related consents or other documents as may be required.

- 2.6 **Exercise of Option:**  
During the First Option Period or any Renewal Option Period, SEPI may, from time to time, exercise its option to acquire a Ground Lease for portions of the Lands by delivering to the Owner an Exercise Notice, in duplicate, which shall be effective from the Exercise Date. SEPI shall have the right to select and determine the location, configuration and area of the Leased Lands and Temporary Workspace to be granted under any Ground Lease, subject to the approval of the Owner, which approval shall not be unreasonably delayed or withheld. Any disputes as to the reasonableness of such approval shall be resolved pursuant to the dispute resolution provisions hereof. SEPI shall seek such approval of the Owner for such location prior to SEPI's exercise of each option to lease, and such approval shall be indicated by the Owner's initials on the survey plan and the sketch.
- 2.7 **Continuing Option:**  
Notwithstanding the exercise by SEPI of its option in respect of portions of the Lands, SEPI's option to acquire a Ground Lease with respect of any portions of the Lands for which a Ground Lease has not yet been acquired shall remain in effect for the balance of any then-existing Option Period and any renewals thereof, subject to the terms of this Agreement.

### ARTICLE III GROUND LEASE

- 3.1 **Preparation of Ground Lease:**  
Any Ground Lease for any part or portion of the Lands shall be prepared by and at the sole cost and expense of SEPI and shall be delivered to the Owner by SEPI upon delivery to the Owner of the Exercise Notice or so soon thereafter as is possible. The form of the Ground Lease shall be in the form of Schedule "B" attached hereto and shall set out:
- (a) whether the use of the Leased Lands will be for wind turbines or permanent access roads thereto or both, or for anemometers with appropriate alterations to the Ground Lease as required;
  - (b) the annual rent as hereinafter described for the Leased Land together with any adjustments for the first year of the Ground Lease to be paid by SEPI from and after the Commencement Date;
  - (c) the consideration to be paid to the Owner by SEPI for the Temporary Workspace;
  - (d) a legal description of the Leased Lands and the Temporary Workspace (if applicable)
  - (e) a copy of a sketch or a plan of survey of the Leased Lands; and
  - (f) a sketch of any anticipated area of Temporary Workspace (if applicable)
- Congruently with the execution of the Ground Lease, SEPI shall also deliver a cheque payable to the Owner for the aggregate amount of the first year rent to be paid to the Owner for the Leased Lands and the consideration for the Temporary Workspace or both as set out in the Ground Lease, payable from the Exercise Date.
- The Owner acknowledges that the Ground Lease is to be executed with the effective date of same being left blank. SEPI will, and is hereby authorized by the Owner to insert the Commencement Date as hereinafter determined, as the effective date of the Ground Lease.
- 3.2 **Execution of Ground Lease by Owner:**  
Upon receipt by the Owner of the completed Ground Lease in quadruplicate and the payment referred to in Section 3.1, the Owner shall promptly execute all copies of the Ground Lease and complete any required consents or certificates in respect thereof and deliver to SEPI three (3) fully executed copies of such Ground Lease, undated, pending determination of the Commencement Date.
- 3.3 **Execution of Ground Lease by SEPI:**  
Subsequent to each exercise of the option as provided in this Agreement, SEPI shall promptly proceed to obtain all necessary approvals, consents, licenses and orders as contemplated in Section 4.6. Upon determination by SEPI of the Commencement Date, SEPI shall:
- (a) insert the Commencement Date of the Ground Lease;
  - (b) execute the three (3) copies of the Ground Lease in its possession; and
  - (c) personally deliver or mail one (1) executed copy of the Ground Lease to the Owner at its address for notices as hereinafter provided;

Once SEPI has personally delivered or mailed one (1) copy of the Ground Lease to the Owner, such Ground Lease shall be effective, valid and binding in accordance with its terms as of the Commencement Date.

Notwithstanding the foregoing, failure by the Owner to promptly execute and return a copy of the Ground Lease to SEPI shall not invalidate or otherwise void or render voidable the grant of the Ground Lease, and failure by SEPI to comply promptly with this Section 3.3 shall not invalidate an otherwise valid exercise of the option granted under this Agreement. With respect to the proposed Leased Lands in the interval between the Exercise Date and the Commencement Date, and with respect to the balance of the Lands, all rights granted to SEPI under this Agreement shall remain in full force and effect.

**3.4 Annual Rental and other Consideration for Ground Lease(s):**

If SEPI exercises its option to acquire a Ground Lease, then where such option is exercised:

- (a) For the Leased Lands, within the First Option Period: the basic annual rental and any other rental payable for the Leased Lands from and after the Commencement Date shall be calculated as provided in Schedule "C" attached hereto as revised from time to time as provided in the Ground Lease;
- (b) For the Leased Lands, in any Renewal Option Period: the basic annual rental payable for the Leased Lands shall be calculated by multiplying the basic annual rental that would have been payable on the Leased Lands if SEPI had leased the Leased Lands within the First Option Period as provided pursuant to subsection 3.4(a) by the percentage increase or decrease in the OCPI (as that term is defined in Schedule "A") as follows. Such increase or decrease in the OCPI will be determined by comparing (a) the OCPI that was in effect on the Effective Date of this Agreement; and (b) the OCPI that was in effect on the date three (3) months prior to the Exercise Notice in order to determine the change in OCPI over the intervening period. That sum will be rounded up to the next nearest whole dollar value, and the rounded up sum shall become the basic annual rental payable for the first five (5) year period of the term of such Ground Lease. Thereafter, the basic annual rental for the Ground Lease shall be revised as provided in the Ground Lease as set out in Schedule "B";
- (c) For the Temporary Workspace, whether during the First Option Period or any Renewal Option Period: the consideration payable for any Temporary Workspace shall be calculated as provided in Schedule "C" attached hereto; and
- (d) Adjustment of first year consideration and basic annual rental: On or before the Commencement Date of any Ground Lease, the first year consideration and basic annual rental to be paid under such Ground Lease and, if applicable, the consideration for the Temporary Workspace, if any, shall be adjusted, settled and paid by SEPI as follows:
  - (i) First year consideration: the payment made to the Owner by SEPI pursuant to Section 3.1 shall be deemed to have been made and applied to the rental due in respect of the first year of the term of the Ground Lease as and from the Commencement Date thereof; and
  - (ii) Payment equivalent to basic annual rental: SEPI shall pay the Owner a sum equivalent to the basic annual rental under the Ground Lease for the Leased Lands prorated on a per diem basis for the period of time between the Exercise Date and the Commencement Date using the respective amounts set forth as basic annual rental in Section 3.4(a) or 3.4(b), as the case may be, calculated by multiplying the number of days between the Exercise Date and the Commencement Date by the basic annual rental and dividing by 365 (Sample calculations using the above formula are provided on Schedule "D" attached hereto).

Upon such adjustments being made and upon the outstanding sum (equivalent to annual rental, as calculated in Section 3.4(d)(ii) above) being paid to the

Owner, SEPI shall be deemed to have timely paid to the Owner all of the consideration under and in respect of the Ground Lease, up to the first anniversary date of the Commencement Date of the Ground Lease. Basic annual rentals for the Leased Lands from and after the first anniversary date of such Commencement Date shall thereafter be paid as provided in Section 2.2 of that Ground Lease.



## ARTICLE (IV)

### THE LANDS

#### 4.1 Title to the Lands:

The Owner warrants that the Owner has good and marketable title to the Lands and has the full power and authority to enter into and execute this Agreement and any Ground Lease to be issued under this Agreement. The Owner warrants that there are no other agreements in or pursuant to which any other person or entity has or may acquire the right to purchase or obtain a transfer of the Lands, or any portion thereof, from the Owner. The Owner further warrants that there are no Encumbrances except as registered on title to the Lands effective as of the Effective Date hereof, and the Owner covenants and agrees that no Encumbrances will be granted, created or suffered to exist without reasonable prior notice to SEPI, and there are no other Encumbrances on the title to the Lands that would prevent SEPI using the Lands for the uses intended by SEPI as set forth in the Ground Lease. Should the Owner propose to charge or encumber title to the Lands, it shall give SEPI prior notice of such intention and shall make it a condition of any such charge or encumbrance that the charging or encumbering Party agrees in writing with SEPI to be bound by and subordinate to all of the terms of this Agreement.

#### 4.2 Covenant Regarding Obstructions:

The Owner hereby grants (on behalf of itself and its successors and permitted assigns) a covenant in favour of SEPI, not to construct or erect, or cause to be constructed or erected, during the term of this Agreement and all renewals thereof, on any of the Lands which were owned or controlled by the Owner as of the Effective Date, in any direction surrounding the Leased Lands from Exercise Date, any above-ground structure of any height located within two hundred (200) meters of the Leased Lands; and (without SEPI's prior written consent, which SEPI may withhold for any reason) any above ground structure having a height greater than twenty (20) meters located outside of the aforementioned two hundred (200) meter boundary but within eight hundred (800) meters of the Leased Lands. This covenant is for the benefit of all or any portion of the Leased Lands which are or will be acquired pursuant to this Agreement (being the dominant tenement) and shall run with and burden every portion of the Lands (as the servient tenement) for the duration of this Agreement and any Ground Lease of the Leased Land. The parties agree that damages will be an insufficient remedy for breach of this covenant by the Owner, and that SEPI may seek an equitable remedy of specific performance or an injunction or both in respect of such covenant, in addition to any other remedies available to it in equity or at law.

#### 4.3 Changes in Property:

During the Option Period and any Renewal Option Period, if the Owner wishes to change the zoning or the land use designation of the Lands or any portion thereof, the Owner shall immediately and prior to initiating any activity to do so notify SEPI in writing. Notwithstanding the foregoing, the Owner shall not, without the prior written consent of SEPI, initiate, impose or consent to any such change or other restriction that would prevent or limit SEPI from using or exercising the Rights in respect of any portions of the Lands or any Leased Lands or Temporary Workspace for the uses intended by SEPI as described in this Agreement and in any Ground Lease.

#### 4.4 Assignment and Disposition; Binding Effect:

(a) The intention of the parties with respect to the covenant contained in Section 4.2 is to ensure that all portions of the original Lands which were subject to this Agreement remain subject to the covenant as if no sale or assignment of the Sold Lands (as hereinafter defined) had occurred. Accordingly, should the Owner propose to sell, assign, transfer, convey or otherwise alienate or dispose of title to all or any portion of the Lands (the "Sold Lands") other than by the grant of the Leased Lands to SEPI under the Ground Lease, the Owner (as vendor or transferor) shall make it a condition of any such sale or transfer that the purchaser or transferee agrees with SEPI in writing under seal to assume the burden of the covenant contained in Section 4.2 in full against the Sold Lands as servient tenement, such that the benefit of this covenant accrues to all or any portion of the Leased Lands (whether located on the Sold Lands or the retained Lands) which are or will be acquired pursuant to this Agreement, as dominant tenement, as if the purchaser or transferee of the Sold Lands were an original party to this Agreement with SEPI. All assignment provisions of this Agreement shall apply to any successor or permitted assign of the Owner or of the above-referenced purchaser or transferee. Similarly, the covenant herein granted by the Owner shall continue to burden the Lands and shall continue to accrue to the benefit of any portion of the Lands to the extent same are comprised, or will be comprised at a future date, of the Leased Lands.

- (b) If the estate and interest of either party in this Agreement or the Lands or both or any portion thereof is sold, assigned, transferred, conveyed or disposed of in any manner (which disposition is hereby expressly allowed, subject to compliance with the provisions of Sections 4.2 and 4.3 hereof) the provisions of this Agreement shall inure to the benefit of and be binding upon the parties hereto and each of them, their respective heirs, executors, administrators, successors and permitted assigns, and shall constitute a grant, interest and covenant in and running with the Lands.
- (c) No such disposition shall be effective or binding on the non-assigning party: (i) until that non-assigning party has received notice thereof, which notice shall include the name and address of the assignee; (ii) with respect to the devolution of all or part of the estate in the Lands to any heir, administrator or executor of a party, until written notice of such devolution and copies of pertinent documents evidencing such devolution is provided to the non-assigning party; and (iii) in all other circumstances except those described in (ii) above, until the assignee of the assigning party has entered into an agreement in writing with the non-assigning party whereby such assignee has agreed to be bound by all of the terms hereof.

**4.5 Transmission and Telecommunication Services:**

During the Option Period and during the term of any Ground Lease, the Owner shall cooperate fully with SEPI, or with such third parties as may be requested by SEPI, in providing access, easements or utility corridors or rights of way as may be deemed necessary or required by SEPI for the conduct of its operations as authorized pursuant to the Ground Lease, by promptly signing such documents, easements or servitudes as are so required. In addition, the Owner hereby agrees to promptly grant such easements, rights of way or other access agreements to a transmitter or purchaser of electricity or telecommunication services as reasonably required by SEPI, either to SEPI or to the distributor, transmitter or purchaser of electricity or such third party as may be designated by SEPI, for use as an access corridor, utility easement or connecting corridor for such services. /

**4.6 Governmental Approvals:**

SEPI shall at its sole cost and expense perform all acts associated with any zoning, land use, subdivision or other process or procedure necessary to obtain any certificate, permit, license, approval, consent, order, exemption or authorization that may be required by any federal, provincial, local or municipal authorities for the use of any portions of the Lands for the purposes contemplated herein or in the Ground Lease, including the *Planning Act*, R.S.O. 1990 c.P13, as amended, and the *Ontario Energy Board Act*, S.O. 1998 c.15 Sch B., as amended. The Owner shall promptly consent to and assist SEPI in performing all such acts, as required.

**ARTICLE V**

**DAMAGES; DISPUTES**

**5.1 Default:**

Notwithstanding anything herein contained to the contrary, SEPI shall not be in default in the performance of any of its covenants or obligations under this Agreement, including the payment of consideration under any of Articles II or III hereof, unless and until the Owner has notified SEPI of such default in writing and SEPI has failed to commence action to remedy the same within forty-five (45) days of receipt of such notice and fails thereafter to diligently continue to complete such remedial action.

**5.2 Indemnity:**

SEPI shall indemnify and hold the Owner harmless against loss or damage or personal injury and physical damage to the Lands or the property or person of third parties resulting from any operations of SEPI on the Lands, Leased Lands or Temporary Workspace, other than through wilful damage or gross negligence by the Owner.

**5.3 Compensation for Damages:**

SEPI shall pay compensation for damage done by it or its servants and agents which, without restricting the generality thereof, shall include growing crops, machinery or other equipment, livestock, fences, buildings, or other improvements of the Owner upon the Lands other than the Leased Lands. In the event the parties are unable to agree upon the compensation, if any, to be paid to the Owner, the liability for any compensation as well as the amount, if any, shall be determined pursuant to the dispute resolution provisions set out in Section 5.5.

**5.4 Temporary Workspace Damage:**

The provisions of Section 5.3 shall apply with respect to damage to the Temporary Workspace, after SEPI has completed its operations therein.

5.5 **Dispute Resolution:**

- (a) Any matter or issue arising under or by virtue of this Agreement which cannot be agreed upon by the Owner and SEPI shall be determined by arbitration pursuant to the provisions of the *Arbitration Act*, 1991 S.O. 1991, as amended from time to time.
- (b) For any arbitration, three (3) disinterested arbitrators shall be appointed, one by the Owner, one by SEPI, and the third to be appointed by the two arbitrators previously appointed. The arbitrators appointed shall be competent and have expertise with respect to the matter in dispute, and shall render their decision in writing within ten (10) days of the conclusion of the submissions. The responsibility for the arbitration costs shall be determined by the appointed arbitrators, whose decision shall be final and binding on the parties hereto.
- (c) The arbitrators or adjudicator shall be required to consider the sums described in Schedule "C" of this Agreement if issues of compensation arise, by considering the equivalent market value of the Leased Lands excluding the value of all chattels, equipment, structures, buildings, and improvements, located on or under the Leased Lands which have been installed by SEPI or are owned by SEPI. ✓

The decision of the Arbitrators shall be final and binding on the parties hereto.

**ARTICLE VI  
MISCELLANEOUS**

6.1 **Notices:**

All notices, communications, payments and deliveries (collectively the "Notices") required or permitted hereunder shall be in writing, unless otherwise expressed herein. All such Notices and all payments to be tendered hereunder may be given personally or by registered letter addressed to the party to whom the Notice is to be given. When delivered personally, such Notice shall be deemed received on the day of delivery, and when mailed, such Notice shall be deemed to be given to, and received by, the addressee four (4) days after the mailing thereof, postage prepaid, provided however that if a Notice is mailed and a disruption of postal services occurs before the date of deemed receipt of such Notice, such Notice shall not be deemed to be received until the expiration of four (4) days following the resumption of postal service.

The respective addresses for service of Notices shall be as follows:

Owner: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Phone # \_\_\_\_\_  
GST # \_\_\_\_\_

Suncor Energy Products Inc: PO Box 2844  
150 6th Avenue S.W.  
Calgary, Alberta T2P 3E3

**Attention: Manager, Contracts – Renewable Energy**

Any party may change its address for service by Notice to the other party. At any time there shall be only one address for service of Notices for each party.

6.2 **Amendment and Waivers:**

Any amendments to the terms and conditions of this Agreement made as of the Effective Date hereof shall be detailed on Schedule "C" attached hereto, under the heading "Amendments to Option Agreement". No other amendment or waiver of any provision of this Agreement shall be binding on any party unless consented to in writing by such party. No waiver of any provision of this Agreement shall constitute a waiver of any other provision, nor shall any waiver constitute a continuing waiver unless otherwise expressly provided.

6.3 **Surrender:**

SEPI shall have the right at any time to surrender this Agreement upon no less than forty-five (45) days written notice to the Owner, provided however that there shall be no refund to SEPI of any annual rental or first year consideration which may have been paid in advance, and provided that SEPI shall have complied with all provisions for abandonment and reclamation in accordance with applicable laws.

- 6.4 Owners Right to Terminate:**  
In the event SEPI has not exercised any option to lease any part or portion of the Lands on or before sixty (60) days prior to the 6<sup>th</sup> anniversary of the Effective Date, the Owner shall have the right at any time within such sixty (60) days to notify SEPI that, unless SEPI exercises its option to lease all or any part or portion of the Lands before the 6<sup>th</sup> anniversary of the Effective Date, this Agreement and all rights of SEPI hereunder shall terminate on the 6<sup>th</sup> anniversary of the Effective Date.
- 6.5 Non-Merger:**  
The rights of SEPI pursuant to this Agreement shall not merge in any Ground Lease.
- 6.6 Severability:**  
If and to the extent that any Court of competent jurisdiction determines that any of the terms or provisions of the within Agreement are void or unenforceable, such determination shall not affect the validity of the other provisions of this Agreement which shall remain in full force and effect.
- 6.7 Headings:**  
The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.
- 6.8 Gender:**  
In this Agreement, words importing the singular number only shall include the plural and vice versa, words importing gender shall include all genders and words importing persons shall include individuals, corporations, partnerships, associations, trusts, unincorporated organizations, governmental bodies and other legal and business entities.
- 6.9 Counterparts:**  
This Agreement may be executed in counterparts, each of which will constitute an original and all of which taken together will constitute one and the same instrument.
- 6.10 Inurement:**  
This Agreement and everything herein contained shall inure to the benefit of and be binding upon the Owner, his/her heirs, executors, administrators, successors and assigns and upon SEPI, its successors and assigns.
- 6.11 Further Acts:**  
The parties shall each do and perform such acts and things and execute and deliver all such instruments, documents or writings and give all such further assurances as may be necessary to give full effect to the provisions and the intent of this Agreement, including but not limited to registration of notice of this Agreement on title to the Lands.
- 6.12 Perpetuities:**  
Notwithstanding anything else hereinbefore contained, the rights of SEPI pursuant to this Agreement (including during any Renewal Option Period) to acquire Rights or a Ground Lease in or in respect of the Lands or for SEPI or any other person to otherwise acquire any interest in the Lands shall not extend beyond twenty-one (21) years as provided in Section 13(3) of the *Perpetuities Act*, R.S.O. 1990 c. P.9.
- 6.13 Planning Act:**  
This Agreement is subject to the provisions of *The Planning Act*, R.S.O. 1990 c.P.13, as amended. If any consent is required it shall be obtained by SEPI with the consent of the Owner and until such consent is obtained any term hereof, including any options to renew, shall be read as not exceeding twenty-one (21) years less one (1) day and in the event such consent is not obtained, the term hereof, including any options to renew, shall not exceed twenty-one (21) years less one (1) day.
- 6.14 Governing Law:**  
This Agreement shall for all purposes be construed according to the laws of the Province of Ontario and the laws of Canada as applicable therein. Any references herein to specific legislation shall be deemed a reference to amending or successor legislation thereto once same is enacted and in force.
- 6.15 Personal Information Consent:**  
By providing personal information to SEPI, the Owner consents to SEPI's collection, use, retention and disclosure of that information for any and all purposes and uses as permitted and contemplated under this Agreement and as needed to comply with any legal requirements.

6.16 **Time of Essence:**  
Time shall be of the essence of this Agreement.

**IN WITNESS WHEREOF** the Owner has executed this Agreement under his/her/their hand(s) and SEPI has executed this Agreement under the hand of its proper officer duly authorized in that behalf, all as of the day and year first above written.

**SIGNED, SEALED AND DELIVERED**  
in the presence of:

_____	_____
Witness	Owner –
	_____
	Date
_____	_____
Witness	Owner –
	_____
	Date
_____	_____
Witness	Owner –
	_____
	Date

**SUNCOR ENERGY PRODUCTS INC.**

Per: \_\_\_\_\_

Name & Title:

I have the authority to bind the corporation.

**CONSENT OF SPOUSE**

I, \_\_\_\_\_ being the spouse of the above named  
\_\_\_\_\_ (Owner) do hereby give my consent to the transaction as set out in this  
Agreement pursuant to section 21 (Matrimonial Home) of the *Family Law Act*, R.S.O. 1990 Chap.F.3.

\_\_\_\_\_  
Spouse of the Owner

## SCHEDULE "A"

### Definitions

- "Commencement Date"** means, with respect to a Ground Lease, that date which is the earlier of either:
- (i) the date upon which SEPI takes possession of the Leased Lands as evidenced by the commencement of construction of the foundations for a wind turbine or anemometer, as the case may be; or
  - (ii) the date upon which SEPI has obtained the last of all necessary approvals and orders contemplated in Section 4.6. If no approvals or orders are required, then the Commencement Date shall be the former date described above.
- "Encumbrances"** means any one or more of the following registered on title to the Lands:
- (i) liens for taxes, assessments or governmental charges or levies not at the time due and delinquent;
  - (ii) restrictions, easements, rights of way, servitudes or other similar rights in land granted to or reserved by other persons which, in the opinion of Counsel to SEPI, in the aggregate do not materially impair the usefulness of the Lands for the business of SEPI subject to such restrictions, easements, right of way, servitudes or other similar rights;
  - (iii) the reservations, limitations, provisos and conditions, if any expressed in any original grants from the Crown and statutory exceptions to title;
  - (iv) title defects or irregularities which, in the opinion of Counsel to SEPI are of a minor nature and in the aggregate will not materially impair the use of the Lands for the purposes of SEPI;
  - (v) any outstanding mortgages, charges or liens upon any of the Lands issued prior to the date hereof provided the holder thereof fully subordinates and postpones all of its interest to SEPI and SEPI has received a non-disturbance agreement from such holder.
- "Exercise Date"** means the date upon which the Exercise Notice is received by the Owner (or is deemed to have been received pursuant to Section 6.1).
- "Exercise Notice"** means notice in writing to the Owner from SEPI in form and content similar to that attached as Schedule "E" pursuant to which SEPI exercises its option to acquire a ground lease for all or a portion of the Lands.
- "First Option Period"** means a period of years set out in Section 2.1 commencing on the Effective Date during which SEPI is granted the option to lease from the Owner all or any parts or portions of the Lands.
- "Ground Lease"** means a lease from the Owner to SEPI of those parts or portions of the Lands described in the Ground Lease in the form attached as Schedule "B".
- "OCPI"** means the Consumer Price Index for Ontario, for all items, published by Statistics Canada (base year 1992 = 100), or by any successor or other governmental agency including a provincial agency, for the Province of Ontario, or if not published for Ontario, then for Canada (or any index published in substitution for the Consumer Price Index or any other replacement index reasonably designated by SEPI if it is no longer published). In the case of any required substitution, SEPI shall be entitled to make all necessary conversions reasonably required for comparison purposes. Similarly, if the base year for the OCPI is changed, SEPI will make the necessary conversions.
- "Option"** means the option granted by the Owner to SEPI pursuant to the terms of this Agreement including both the use of the Lands during the Option Period as permitted hereunder and the option to lease the Lands or any portion thereof as determined by SEPI.
- "Option Fee"** means the annual fee payable by SEPI to the Owner for each year during the Option Period or any renewal, all as calculated as determined pursuant to this Agreement.
- "Option Period"** means a period of time as set out in Article II inclusive of the First Option Period and all Renewal Option Periods.
- "Owner"** means the registered owner or the person entitled to become the registered owner under an agreement for sale or an unregistered transfer or otherwise with an estate in the Lands in fee simple subject only to the exceptions, conditions and Encumbrances acceptable to SEPI.
- "Renewal Option Period"** means a period of years as set out in Section 2.2 commencing upon the expiry of the First Option Period or any Renewal Option Period during which SEPI has the option to lease parts or portions of the Lands.

**“Rights”** means the right, license, liberty and privilege to enter upon, use and occupy portions of the Lands in order to conduct surveys including:

(i) the right to enter into leases granting the aforementioned rights and additional rights to construct, operate, maintain, inspect, control, alter, improve, remove, reconstruct, replace and repair wind turbines and anemometers and all appurtenances thereto (including but not restricted to foundations, concrete pads, footings, wind turbine units, towers, guy wires, support fixtures, anchors, fences, all overhead and underground electrical cables, all overhead and underground telecommunication cables); and

(ii) the use of temporary workspace in respect to all of the aforementioned; and

(iii) all rights of ingress to and egress from, on and over the Lands reasonably necessary for the aforementioned purposes.

**“Temporary Workspace”** means parts or portions of the Lands required by SEPI, as solely determined by SEPI to be used by SEPI to access its equipment and machines and for the purpose of construction, repair, maintenance and decommissioning of SEPI’s wind turbines and any of the appurtenances thereto including temporary access for any equipment associated with or required for such purposes.

**SCHEDULE "B"**

**Ontario Ground Lease**  
**(Wind Power Project)**

THIS INDENTURE OF LEASE made effective the \_\_\_\_ day of \_\_\_\_\_, A.D. 2004 (the "Effective Date")

BETWEEN:

\_\_\_\_\_ of \_\_\_\_\_, in the Province of  
Ontario (hereinafter called the "Lessor")

- and -

**SUNCOR ENERGY PRODUCTS INC, a corporation incorporated under the laws of the Province of Ontario (hereinafter called the "Lessee")**

**WHEREAS** the Lessor is the registered owner of an estate in fee simple, subject, however, to the exceptions, conditions, encumbrances, liens and interests as registered on title of and in that certain parcel or tract of land situate, lying and being in the Province of Ontario hereinafter called the "Lands", particularly described in Schedule "C", attached hereto.

**AND WHEREAS** the Lessor has agreed to lease and grant a certain portion of the Lands to the Lessee for the purposes and upon the terms and conditions hereinafter set forth.

**NOW THEREFORE THIS INDENTURE WITNESSETH THAT**, in consideration of the mutual covenants and agreements hereinafter contained, the parties hereto covenant and agree with each other as follows:

**ARTICLE I**

**THE LANDS**

**LEASE AND GRANT**

**1.1 THE LESSOR**, in consideration of one (\$1.00) dollar (the receipt and sufficiency of which is hereby acknowledged) and at the rental hereinafter set forth, **HEREBY LEASES AND GRANTS** to the Lessee all and singular:

- (a) **Leased Lands:** those parts or portions of the Lands shown outlined in red on the sketch or plan identified as Schedule "A" hereto attached from time to time (hereinafter called the "Leased Lands"), to be held exclusively by the Lessee as tenant for the Term of twenty-one (21) years less one (1) day from the Effective Date hereof (hereinafter called the "Term") and for so long thereafter as it may be renewed in accordance with the provisions hereof, for any and all purposes and uses as may be necessary or useful to assess and evaluate the wind resources over such Lands and, if suitable for the purposes of the Lessee, the installation of either or both of anemometers to further measure such wind resources or windpower electricity generating facilities including wind driven turbines and the transmission of electricity for use or sale created therefrom. Without restricting the generality of the foregoing, these purposes and uses include the right, license, liberty and privilege to enter upon, use and occupy the Leased Lands in order to conduct surveys, construct, operate, maintain, inspect, control, alter, improve, remove, reconstruct, replace and repair any wind turbines and all appurtenances thereto installed by the Lessee (including but not restricted to foundations, concrete pads, footings, wind turbine units, towers, guy wires, support fixtures, anchors, fences, all overhead and underground electrical cables, and all overhead and underground telecommunications cables), all of which, notwithstanding any rule of law or equity, shall at all times remain chattels of and the property of the Lessee even though attached to the Leased Lands. The Leased Lands may or may not initially include a permanent access road, as provided in subsection 1.1(c) below; and



- (b) Temporary Workspace: those parts or portions of the Lands required for:
- (i) the ongoing, non-exclusive and repeated right to enter upon, use, occupy and access additional portions of the Lands surrounding the Leased Lands as a temporary workspace (such areas hereinafter collectively called the "**Temporary Workspace**") being those parts or portions of the Lands shown outlined in green on the sketch or plan identified as Schedule "B" hereto attached, for the purposes of construction, repair, maintenance or decommissioning of any wind turbines and any of the aforesaid appurtenances thereto installed by the Lessee, and including temporary access for any equipment associated with or required for such purposes. The Lessee's use of the Temporary Workspace on the Lands shall be subject to all of the provisions of this Lease, and consideration for such use by the Lessee throughout the Term of this Lease is included in the calculation of the consideration payable to the Lessor under Section 2.3 below;
  - (ii) all rights of ingress to and egress from, on and over the Lands reasonably necessary as determined by SEPI to access the Temporary Workspace. If required by the Lessee, temporary access roads for construction, repair, maintenance and decommissioning purposes will be acquired on the Lands as part of the Temporary Workspace, with the compensation for damages (as calculated under Section 4.6) to be based on crop loss if any; and
  - (c) Access Roads: all rights of ingress to and egress from, on and over the Lands reasonably necessary to access the Leased Lands, if Lessee has not included a permanent access road as part of the Leased Lands. In such case, the provisions of Section 4.6 shall apply, with compensation for damages to the Lands to be based on crop loss, if any. If Lessee subsequently decides, in its sole discretion, that it requires a permanent access road to the Leased Lands, this Lease (including a retroactive adjustment of first year consideration and adjustment of the basic annual rental, commencing with the month of first inclusion of such additional permanent access road as Leased Lands, to compensate for the portion of Leased Lands comprised of the permanent access road) shall be amended in writing to include such permanent access road as part of the Leased Lands including any required rights of way or easements, surface or subterranean or both as may be deemed necessary by SEPI for installation and maintenance of its equipment and services.

## ARTICLE II

### CONSIDERATION AND RENTAL

#### YIELDING AND PAYING UNTO THE LESSOR

**2.1 First Year Consideration for Leased Lands:**

For the first year of the Term, the sum of \_\_\_\_\_ 00/100) (\$ \_\_\_\_\_) Dollars, plus GST, if applicable for the Leased Lands (which without restricting the provisions of subsection 1.1, above, may contain associated electrical cables, telecommunications cables, and all permanent developed and undeveloped access roads, and ingress to and egress from, associated with the wind turbine site), together with any sums or amounts payable to the Lessor as calculated and set out in Schedule "D", if any which sums include initial consideration and basic annual rental and any other rental and compensation in full for adverse effect, market value of land granted, entry fee, capital damage, loss of use, severance, nuisance, noise, inconvenience done or caused to the Leased Lands, and weed control to the extent provided in Section 3.5.

**2.2 Basic Annual Rental:**

For each subsequent year after the first year of the Term, and thereafter during the Term of this Lease and subject to Section 2.3, a basic annual rental payable annually in advance of \_\_\_\_\_ 00/100 (\$ \_\_\_\_\_) Dollars for the Leased Lands, on the first day of each year throughout the Term, which sum includes rental and compensation in full for adverse effect, loss of use, severance, nuisance, noise and inconvenience, and weed control to the extent provided in Section 3.5, for the Leased Lands.

**2.3 Revision of Basic Annual Rental:**

The amount of basic annual rent payable under Section 2.2 in respect of the Leased Land will be revised either upwards or downwards on the first day of each of the 6<sup>th</sup>, 11<sup>th</sup> and 16<sup>th</sup> years of the Term, on the first day of the First Renewal Term and on the first day of the 6<sup>th</sup>, 11<sup>th</sup> and 16<sup>th</sup> years of the First Renewal Term (each called a "Review Date"). On each Review Date the basic annual rent shall be changed by multiplying the basic annual rent for the immediately preceding year by a fraction, the numerator of which will be the OCPI three months prior to the Review Date in question and the denominator of which will be the OCPI in effect three months prior to the immediately previous Review Date (or in the case of the first Review Date, three months prior to the Effective Date) and then rounding-up the result to the next whole dollar value.

"OCPI" means the Consumer Price Index for Ontario, for all items, published by Statistics Canada (base year 1992 = 100), or by any successor or other governmental agency including a provincial agency, for the Province of Ontario, or if not published for Ontario, then for Canada (or any index published in substitution for the Consumer Price Index or any other replacement index reasonably designated by SEPI if it is no longer published). In the case of any required substitution, SEPI shall be entitled to make all necessary conversions reasonably required for comparison purposes. Similarly, if the base year for the OCPI is changed, SEPI will make the necessary conversions.

**2.4 Consideration for Temporary Workspace:**

For the grant of the right of temporary use of the Temporary Workspace, the sum of \_\_\_\_\_ 00/100 (\$ \_\_\_\_\_) to be paid as consideration for each separate grant of the Temporary Workspace.

**2.5 Percentage Rental**

A percentage rental based on a share of the gross revenue received from generation of the metered price of electrical energy as follows:

Years 1 through 10

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The percentage annual rental shall be equal to the Lessor's proportionate share of the percentage of the aggregate payments for gross revenues (before calculation of taxes and deduction of expenses) received by the Lessee from a party (the "Power Purchaser") for the net purchase price of electrical energy for transmission into an electric utility distribution or transmission system, calculated for each calendar year, for electrical energy generated from all of the wind turbine generators operated by the Lessee on the Leased Lands. Such percentage rental shall be payable annually and in arrears, within ninety (90) days following the last day of each such calendar year.

For the purposes of the foregoing, the "Lessor's proportionate share" means the proportion that the number of commissioned wind turbine generators located on the Leased Lands bears to the total number of wind turbine generators commissioned at any particular time in connection with the sale of power to that Power Purchaser from the wind power project comprised in part of the Leased Lands, and "commissioned" means that the pertinent wind turbine generator has been initially certified under applicable law to produce electrical power and is connected to the power transmission system of the Power Purchaser. Such payment shall be retroactively made on a per diem basis for any less than whole calendar year after the Exercise Date, using as its ratio the number of days during which the wind turbine was commissioned in that calendar year divided by 365 days, provided that the Lessor's proportionate share of payments shall be calculated monthly during the initial period while the wind turbine generators are being constructed and commissioned (but paid annually), and calculated and paid annually thereafter.

**ARTICLE III**  
**LESSOR'S COVENANT**

**THE LESSOR HEREBY COVENANTS AND AGREES TO AND WITH THE LESSEE**

**3.1 Taxes Paid by Lessor**

The Lessor will promptly pay and satisfy all taxes, rates and assessments that may be assessed or levied against the Leased Lands during the continuance of this Lease except where such are to be paid by the Lessee. The Lessee shall pay the Proportionate Share of any increase which actually occurs in any such taxes, rates and assessments due to Lessee's use of the Leased Lands for the purposes and uses permitted herein. For the purposes hereof "Proportionate Share" shall mean a fraction the numerator of which is the area of the Leased Lands and the denominator of which shall be the area of the Lands.

**3.2 Quiet Enjoyment**

The Lessor has good title to the Lands as hereinbefore set forth, has good right and full power to grant and lease the Lands and the rights and privileges in manner aforesaid, and the Lessee, upon observing and performing the covenants and conditions on the Lessee's part herein contained, shall and may peaceably possess and enjoy the Leased Lands and Temporary Workspace and the rights and privileges hereby granted during the said Term and any extension thereof without any interruption or disturbance from or by the Lessor or any other person claiming by, through or under the Lessor. Lessor further warrants that there are no deeds or agreements to secure debt, mortgages, liens or judgments or which otherwise encumber the Lands except as registered on title to the Lands effective as of the Effective Date hereof (all of which, if any, have been or will be subordinated and postponed to this Lease and from which the Lessee has received or will receive a non-disturbance agreement), and there are no other encumbrances on the title to the Lands that would prevent Lessee using the Lands for the uses intended by Lessee as set forth herein throughout the entire Term and all renewals thereof.

**3.3 Covenant Regarding Obstructions**

The Lessor hereby grants (on behalf of itself and its successors and permitted assigns) a covenant in favor of the Lessor, not to construct or erect, or cause to be constructed or erected, during the Term of this Lease and all renewals thereof, on any of the Lands which were owned or controlled by the Lessor as of the Effective Date, in any direction surrounding any Leased Lands, any above-ground structure of any height located within two hundred (200) meters of the Leased Lands; and (without Lessee's prior written consent, which Lessee may withhold for any reason) any above ground structure having a height greater than twenty (20) meters located outside of the aforementioned two hundred (200) meter boundary but within eight hundred (800) meters of the Leased Lands. This covenant is for the benefit of all or any portion of the Leased Lands (being the dominant tenement) and shall run with and burden every portion of the Lands (as the servient tenement) for the duration of this Lease. The parties agree that damages will be an insufficient remedy for breach of this covenant by the Lessor, and that the Lessee may seek an equitable remedy of specific performance or an injunction or both in respect of such covenant, in addition to any other remedies available to it in equity or at law.

**3.4 Site Assessments and Restoration**

The Lessee shall have the further right of non-exclusive access to the Lands to conduct soil and water samples on the Lands together with such wind tests as are necessary to ascertain the suitability of the Lands for the erection of wind turbines and connecting corridors thereto for underground electrical cables and underground telecommunication cables, and to condition, maintain, reclaim and restore the surface of the Leased Lands during the Term of the Lease.

**3.5 Weed Control**

During the Term of this Lease the Lessor shall take all necessary precautions to keep down and destroy all noxious weeds on the Leased Lands except with respect to that portion of the Leased Lands located inside Lessee's fenced perimeter, if required, surrounding any anemometer, pad transformer or wind turbine tower, payment for which is part of the first year consideration and annual rental as set out in Sections 2.1 and 2.2 above. The Lessee shall remain responsible for weed control to the same standard, with respect to the excluded portion of the Leased Lands.

**3.6 Renewal of Lease Term**

If the Lessee is not in material default in respect of any of the covenants and conditions contained in this Lease at the date of expiration of the Term, then this Lease shall be renewed automatically and the Term extended for a further period of twenty-one (21) years less one (1) day (hereinafter called the "First Renewal Term").

The basic annual rental payable as of the first day of the First Renewal Term for the Leased Lands (the "Renewal Date") will be calculated by multiplying the basic annual rental which was paid on the final anniversary of the Effective Date of the previous Term by the percentage increase or decrease in the OCPI (as that term is defined in Section 2.3 hereof) as hereinafter provided. Such increase or decrease in the OCPI will be determined by comparing (a) the OCPI that was in effect on the date sixty three (63) months prior to the Renewal Date; and (b) the OCPI that was in effect on the date three (3) months prior to the Renewal Date, to determine the change in the OCPI over the intervening five (5) year period. That sum will be rounded up to the next nearest whole dollar value, and the rounded-up sum shall become the basic annual rental payable for the next succeeding five (5) year period of the First Renewal Term. Thereafter, the basic annual rental shall be subject to revision on each successive Review Date throughout the First Renewal Term and any renewal thereafter in the same manner as the basic annual rental is revised in the initial Term pursuant to Section 2.2.

For ease of managing its records and for the purposes of tendering basic rental payments, the Lessee may continue to describe the Renewal Date for the First Renewal Term of the Lease as being the same as the Effective Date, and may continue to tender its basic annual rental payments on the anniversary of the Effective Date, notwithstanding that the previous original Term of the Lease terminated one (1) day prior to the twenty-first (21<sup>st</sup>) anniversary of the Effective Date and notwithstanding that the anniversary of the Renewal Date for the First Renewal Term will commence one (1) day prior to the anniversary date of the Effective Date.

Such First Renewal Term and every renewal thereof shall be subject to all the provisions hereof including this provision for renewal.

**ARTICLE IV  
LESSEE COVENANTS**

**THE LESSEE HEREBY COVENANTS AND AGREES TO AND WITH THE LESSOR**

**4.1 Rental**

The Lessee shall pay the rental hereinbefore reserved in each and every year during the continuance of this Lease.

**4.2 Permanent Access Roads**

The Lessee shall, if reasonably required by either party, ensure that any permanent access road on the Leased Lands is constructed to a low profile unless topography of the land dictates otherwise.

**4.3 Culverts**

The Lessee shall construct and maintain such culverts and other structures on the Leased Lands as are reasonably required to ensure the unimpeded flow of water through natural drainage courses.

**4.4 Fencing**

During the continuance of this Lease, the Lessee shall erect and put upon or around the boundaries of the wind turbine foundations on the Leased Lands, a good substantial fence if reasonably required by the Lessor or the Lessee, and replace all fences which the Lessee may have removed for its purposes, and repair all fences which it may have damaged, and if and when reasonably required by the Lessor, provide a proper gate at any point of entry upon the Lands used by the Lessee.

**4.5 Taxes Payable by Lessee**

The Lessee shall pay all taxes, rates and assessments that may be assessed or levied in respect of any and all machinery, equipment, structure and works placed by the Lessee, in, on, over or under the Leased Lands.

**4.6 Compensation for Damages**

The Lessee shall pay compensation for damage done by Lessee or its servants or agents to the balance of the Lands excluding the Leased Lands which without restricting the generality thereof shall include damage to growing crops, machinery and other equipment, fences, buildings or other improvements of the Lessor upon the Lands other than the Leased Lands.

**4.7 Indemnity**

The Lessee shall indemnify and save harmless the Lessor from and against all actions, suits, claims and demands by any person in respect of any loss, injury, damage or obligation arising out of or connected with the use, occupancy or operations of the Lessee on the Lands, Leased Lands and Temporary Workspace, other than through willful damage or gross negligence by the Lessor.

**4.8 Reclamation**

The Lessee shall, prior to the surrender of the whole or any portion of the Leased Lands and Temporary Workspace, promptly restore the surface of the surrendered Leased Lands and Temporary Workspace as nearly as possible to its original condition in accordance with the laws and regulations of the Province of Ontario. Within a reasonable time following expiry of the Term of this Lease or earlier termination, Lessee shall at its expense discharge any notice of this Lease registered by the Lessee against title to the Leased Lands.

**4.9 Topsoil**

The Lessee agrees to strip, conserve and preserve the subsoil and topsoil from those portions of the Leased Lands to be excavated by the Lessee, having regard to good soil conservation practices and as soon as reasonably possible having regard to the nature of the Lessee's operations, shall restore the subsoil and topsoil in their original order onto the Leased Lands.

**4.10 Electrical Cables and Telecommunication Cables**

The Lessee shall, where practical or required by law, bury all electrical cables and telecommunication cables under the permanent access road (if any) comprising part of the Leased Lands. Where the Lessee does not acquire a permanent access road as part of the Leased Lands, or where the Lessee's permanent access road and buried cable are not in common, or where it is impractical in the Lessee's opinion to include the right-of-way for the buried cable in the Leased Lands, the Lessor shall promptly grant to the Lessee a right of entry and rights-of- or easements for its buried cables. In the event that the Lessor and Lessee are unable to agree upon any additional compensation which may be appropriate for such further right of entry and rights-of-way or easements, the compensation shall be determined in accordance with the dispute resolution provisions set out in Section 6.2 hereof.

**ARTICLE V****MUTUAL COVENANTS****THE LESSOR AND THE LESSEE DO HEREBY MUTUALLY COVENANT AND AGREE EACH WITH THE OTHER AS FOLLOWS****5.1 Transmission Easements and Rights-of Way**

The Lessor acknowledges, in conjunction with the use and enjoyment of the Leased Lands by the Lessee, that further grants of easements and rights-of way may be necessary to permit the installation and connection of power lines and related apparatus and communication facilities by the distributor, transmitter or the Power Purchaser to the facilities and equipment of the Lessee on the Leased Lands. The Lessor covenants and agrees that it will promptly grant to the distributor, transmitter or the Power Purchaser all appropriate and required easements and rights-of way so as to permit the installation of any and all such power lines and related apparatus and communication facilities by the distributor, transmitter or the Power Purchaser and to permit the required connections to be made to enable the Lessee to conduct its operations on the Leased Lands in furtherance of the Lessee's use and enjoyment of such Leased Lands.

**5.2 Overholding**

If the Lessee remains in possession of the Leased Lands after the termination or expiry of the Term or any renewal of this Lease, and continues to pay monthly rent equivalent to that payable for the month immediately prior to such expiry or termination, such tenancy of the Lessee shall be from month to month only and shall be subject to all the terms, conditions and provisions of this Lease.

**5.3 Perpetuities**

Notwithstanding any of the provisions of this Lease, the rights of the Lessee pursuant to this Lease to acquire any further rights of entry, rights-of-way and Temporary Workspace in or in respect of the Lands or to otherwise acquire any interest in the Lands, shall not extend beyond twenty-one (21) years as provided in Section 13(3) of the *Perpetuities Act* R.S.O. 1990 Chap. P.9.

**5.4 Surrender**

The Lessee shall have the right at any time to surrender this Lease upon no less than forty-five (45) days written notice to the Lessor, provided however that there shall be no refund to the Lessee of any rental which may have been paid in advance, and provided that the Lessee shall have complied with all provisions for abandonment and reclamation in accordance with applicable laws.

**5.5 Reduction of Acreage**

The Lessee may from time to time and at any time surrender any part or portion of the Leased Lands by giving the Lessor a revised plan of the portion or portions thereof retained. Upon the surrender of a portion of the Leased Lands the rental payable hereunder for the subsequent remaining years of the Term and any renewals of this Lease shall be calculated on the proportionate basis of the reduced area of the Leased Lands then remaining subject to this Lease.

**5.6 Removal of Equipment**

The Lessee may at all times during the continuance of this Lease remove or cause to be removed from the Leased Lands all facilities, structures, material and equipment of any kind which it may have placed on or in the Leased Lands or in any area to be surrendered.

**5.7 Discharge of Encumbrances**

7 The Lessee may at its option pay or discharge all or part of any balance owing under any agreement for sale or mortgage, or of any withholding or other tax, charge, lien or encumbrance of any kind or nature whatsoever which may now or hereafter exist on or against or in any way affect the Lands or the Leased Lands, in which event the Lessee shall be subrogated to the rights of the holder or holders thereof, and may in addition thereto, at its option, reimburse itself by applying on account of repayment of the amount so paid by it the rentals or other sums accrued or accruing to the Lessor under the terms of this Lease. Any sums so applied shall, for all purposes of this Lease, be deemed to have been paid to and received by the Lessor in payment of such rentals or other sums accrued or accruing to the Lessor under the terms of this Lease.

**5.8 Assignment by Lessee and Lessor**

(a) The intention of the parties with respect to the covenant contained in Section 3.3 is to ensure that all portions of the original Lands which were subject to this Lease as of the Effective Date remain subject to the covenant as if no sale or assignment of the Sold Lands (as hereinafter defined) had occurred. Accordingly, should the Lessor propose to sell, assign, transfer, convey or otherwise alienate or dispose of title to all or any portion of the Lands (the "Sold Lands") which are burdened by the covenant in Section 3.3, the Lessor (as vendor or transferor) shall make it a condition of any such sale or transfer that the purchaser or transferee agrees with the Lessee in writing under seal to assume the burden of that covenant in full against the Sold Lands as servient tenement; such that benefit of such covenant accrues to all or any portion of the Leased Lands (whether located on the Sold Lands or the retained Lands), as dominant tenement as if the purchaser or transferee of the Sold Lands were an original party to this Lease with the Lessee. All assignment provisions of this Lease shall apply to any successor or permitted assign of the Lessor or of the above-referenced purchaser or transferee. Similarly, the covenant granted by the Lessor shall continue to burden the retained Lands and shall continue to accrue to the benefit of any portion of the Sold Lands to the extent same are comprised, or will be comprised at a future date, of the Leased Lands, as of the date of such sale or transfer.

(b) If the estate and interest of either party in this Lease or the Lands or both or any portion thereof is sold, assigned, transferred, conveyed or disposed of in any manner (which disposition is hereby expressly allowed, subject to compliance with the provisions of Section 3.3 the provisions of this Lease shall inure to the benefit of and be binding upon the parties hereto and each of them, their respective heirs, executors, administrators, successors and permitted assigns, and shall constitute a grant, interest and covenant in and running with the Lands.

- (c) No sale, assignment, transfer, conveyance or disposition shall be effective or binding on the non-assigning party: (i) until that non-assigning party has received notice thereof, which notice shall include the name and address of the assignee; (ii) with respect to the devolution of all or part of the estate in the Lands to the heir, administrator or executor of a party, until written notice of such devolution and copies of pertinent documents evidencing such devolution is provided to the non-assigning party; and (iii) in all other circumstances except those described in (ii) above, until the assignee of the assigning party has entered into an agreement in writing with the non-assigning party whereby such assignee has agreed to be bound by all of the terms hereof.

## ARTICLE VI

### DEFAULT AND DISPUTE RESOLUTION

#### 6.1 Default

Notwithstanding anything herein contained to the contrary, the Lessee shall not be in default in the performance of any of its covenants or obligations under this Lease, including the payment of compensation or rental, unless and until the Lessor has notified the Lessee of such default in writing and the Lessee has failed to commence action to remedy the same within forty-five (45) days of receipt of such notice and thereafter fails to diligently continue to complete such remedial action.

#### 6.2 Dispute Resolution

- (a) Any matter or issue arising under or by virtue of this Agreement which cannot be agreed upon by the Owner and SEPI shall be determined by arbitration pursuant to the provisions of the *Arbitration Act, 1991 S.O. 1991*, as amended from time to time.
- (b) For any arbitration, three (3) disinterested arbitrators shall be appointed, one by the Owner, one by SEPI, and the third to be appointed by the two arbitrators previously appointed. The arbitrators appointed shall be competent and have expertise with respect to the matter in dispute, and shall render their decision in writing within ten (10) days of the conclusion of the submissions. The responsibility for the arbitration costs shall be determined by the appointed arbitrators, whose decision shall be final and binding on the parties hereto.
- (c) The arbitrators or adjudicator shall be required to consider the sums described in Schedule "C" of this Agreement if issues of compensation arise, by considering the equivalent market value of the Leased Lands excluding the value of all chattels, equipment, structures, buildings, and improvements, located on or under the Leased Lands which have been installed by SEPI or are owned by SEPI.

The decision of the Arbitrators shall be final and binding on the parties hereto.

## ARTICLE VII

### MISCELLANEOUS

#### 7.1 Notices:

All notices, communications, payments and deliveries (collectively the "Notices") required or permitted hereunder shall be in writing, unless otherwise expressed herein. All such Notices and all payments to be tendered hereunder may be given personally or by registered letter addressed to the party to whom the Notice is to be given. When delivered personally, such Notice shall be deemed received on the day of delivery, and when mailed, such Notice shall be deemed to be given to, and received by, the addressee four (4) days after the mailing thereof, postage prepaid, provided however that if a Notice is mailed and a disruption of postal services occurs before the date of deemed receipt of such Notice, such Notice shall not be deemed to be received until the expiration of four (4) days following the resumption of postal service.

The respective addresses for service of Notices shall be as follows:

Lessor: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 Phone # \_\_\_\_\_  
 GST # \_\_\_\_\_  
 \_\_\_\_\_

Lessee: Suncor Energy Products Inc.  
 PO Box 2844  
 150 6th Avenue S.W.  
 Calgary, Alberta T2P 3E3

**Attention:** Manager, Contracts – Renewable Energy

Any party may change its address for service by Notice to the other party. At any time there shall be only one address for service of Notices for each party.

- 7.2 **Amendment and Waivers:**  
 No amendment or waiver of any provision of this Agreement shall be binding on any party unless consented to in writing by such party. No waiver of any provision of this Agreement shall constitute a waiver of any other provision, nor shall any waiver constitute a continuing waiver unless otherwise expressly provided.
- 7.3 **Severability**  
 If and to the extent that any Court of competent jurisdiction determines that any of the terms or provisions of the within Lease are void or unenforceable, such determination shall not affect the validity of the other provisions of this Lease which shall remain in full force and effect.
- 7.4 **Headings:**  
 The division of this Lease into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Lease.
- 7.5 **Gender:**  
 In this Lease, words importing the singular number only shall include the plural and vice versa, words importing gender shall include all genders and words importing persons shall include individuals, corporations, partnerships, associations, trusts, unincorporated organizations, governmental bodies and other legal and business entities.
- 7.6 **Counterparts:**  
 This Lease may be executed in counterparts, each of which will constitute an original and all of which taken together will constitute one and the same instrument.
- 7.7 **Inurement:**  
 This Lease and everything herein contained shall inure to the benefit of and be binding upon the Owner, his/her heirs, executors, administrators, successors and assigns and upon SEPI, its successors and assigns.
- 7.8 **Further Acts:**  
 The parties shall each do and perform such acts and things and execute and deliver all such instruments, documents or writings and give all such further assurances as may be necessary to give full effect to the provisions and the intent of this Lease, including but not limited to registration of notice of this Lease on title to the Lands.
- 7.9 **Planning Act**  
 This Lease is subject to the provisions of *The Planning Act*, R.S.O. 1990 c.P.13, as amended. If any consent is required it shall be obtained by the Lessee with the consent of the Lessor and until such consent is obtained any term hereof, including any options to renew, shall be read as not exceeding twenty-one (21) years less one (1) day and in the event such consent is not obtained, the Term hereof, including any options to renew, shall not exceed twenty-one (21) years less one (1) day.



**7.10 Governing Law**

This Lease shall for all purposes be construed according to the laws of the Province of Ontario and the laws of Canada as applicable therein. Any references herein to specific legislation shall be deemed a reference to amending or successor legislation thereto once same is enacted and in force.

**7.11 Personal Information Consent:**

By providing personal information to the Lessee, the Lessor consents to the Lessee's collection, use, retention and disclosure of that information for any and all purposes and uses as permitted and contemplated under this Agreement and as needed to comply with any legal requirements.

**7.12 Time of Essence:**

Time shall be of the essence of this Lease.

IN WITNESS WHEREOF the Lessor has executed this Indenture under his/her/their hand(s) and the Lessee has executed this Indenture under the hand of its proper officer, duly authorized in that behalf, all as of the day and year first above written.

**SIGNED, SEALED AND DELIVERED**

in the presence of )  
)

\_\_\_\_\_  
Owner

\_\_\_\_\_  
Lessor

\_\_\_\_\_  
Owner

\_\_\_\_\_  
Lessor

SUNCOR ENERGY PRODUCTS INC.

Per: \_\_\_\_\_

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

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

**CONSENT OF SPOUSE**

I, \_\_\_\_\_ being the spouse of the above named

\_\_\_\_\_  
\_\_\_\_\_  
(Lessor) do hereby give my consent to the transaction set out in this Agreement pursuant to Section 21 (Matrimonial Home) of the *Family Law Act*, R.S.O. 1990 Chap. F3.

\_\_\_\_\_  
Spouse of the Lessor

**SCHEDULE "A"**

**Plan of Survey or Sketch of Leased Lands**

SCHEDULE "B"

Sketch of Temporary Workspace, including Temporary Access Roads

SCHEDULE "C"

The Lands

SCHEDULE "C"

First Year Consideration and Annual Rental for Leased Lands and Temporary Workspace  
under Ground Lease

Leased Lands under Ground Lease:

A) **For Wind Turbines:**

First Year Consideration

Basic Rental: [REDACTED]

Annual Rental

Basic annual rental: [REDACTED]

Percentage Rental

A percentage rental based on a share of the gross revenue received from generation of the metered price of electrical energy as follows:

Years 1 through 10		
[REDACTED]	[REDACTED]	[REDACTED]
		[REDACTED]

The percentage annual rental shall be equal to the Owner's proportionate share of the percentage of the aggregate payments for gross revenues (before calculation of taxes and deduction of expenses) received by SEPI from a party (the "Power Purchaser") for the gross sale of electrical energy for transmission into an electric utility distribution or transmission system, calculated for each calendar year, for electrical energy generated from all of the wind turbine generators operated by SEPI on the Leased Lands. Such percentage rental shall be payable annually and in arrears, within ninety (90) days following the last day of each such calendar year.

For the purposes of the foregoing, the "Owner's proportionate share" means the proportion that the number of commissioned wind turbine generators located on the Leased Lands bears to the total number of wind turbine generators commissioned at any particular time in connection with the sale of power to that Power Purchaser from the wind power project comprised in part of the Leased Lands, and "commissioned" means that the pertinent wind turbine generator has been initially certified under applicable law to produce electrical power and is connected to the power transmission system of the Power Purchaser. Such payment shall be retroactively made on a per diem basis for any less than whole calendar year after the Exercise Date, using as its ratio the number of days during which the wind turbine was commissioned in that calendar year divided by 365 days, provided that the Owner's proportionate share of payments shall be calculated monthly during the initial period while the wind turbine generators are being constructed and commissioned (but paid annually), and calculated and paid annually thereafter.

B) **For Permanent Access Road (Width of 15 meters):**

First Year Consideration

[REDACTED]/acre, calculated proportionately for fractional acres.

Annual Rental

Basic annual rental: [REDACTED]/acre, calculated proportionately for fractional acres.

C) **For Anemometers:**

Annual Rental

Basic annual rental [REDACTED] per acre per annum

Temporary Workspace under Ground Lease:

**For Wind Turbines:**

[REDACTED] per acre, calculated proportionately for fractional acres.

D) **For Cable Rights-of-Way (separate lease required when cable is unable to be placed in road allowances)(minimum of 3 meters width):**

One time payment of [REDACTED]

Amendments to Option Agreement (Add Only If Required)

- 1/ The Optionee (Lessee) shall, where it appears drainage problems will be encountered as a result of the road construction and/or turbine placement, mitigate these impacts to the extent reasonably possible. The Optionee (Lessee) will repair and restore all field drainage systems and municipal drains impacted by construction as near as reasonably possible to their original performance and will be responsible for the remedy, in consultation with the Optionor (Lessor), of any drainage problem created by the existence of the road(s) and/or turbine(s).
- 2/ The Optionee hereby grants to SEPI the Option as contemplated in section 4.5 of the Option Agreement to acquire easements as required and in its sole discretion by SEPI during the term of the Option Agreement. The granting of this Option Agreement will be exclusively for easements in the form of the "Easement Agreement" annexed hereto as Schedule "G" and in no way shall be Schedule "B" "Ontario Ground Lease" be exercised in any form for the installation of wind turbine(s), access road(s) or anemometer(s).



**SCHEDULE "E"**

**Form of Exercise Notice**

*[method of delivery]*

*[date]*

*[addressed to Owner]*

Re: Exercise of Option under Option for Ontario Ground Leases (Wind Power Projects)  
dated [date of agreement] ; ("Option Agreement"); Owner: [name of  
Owner] ; T R W M: Section [describe all of optioned lands].

For and in consideration of \$1.00 (receipt and sufficiency of which is acknowledged by the Owner) XXX, as SEPI under the Option Agreement, hereby exercises an option to acquire a ground lease (the "Ground Lease") for certain lands (the "Leased Lands") for a *[wind turbine site/anemometer site/permanent access road]* from you as Owner, as follows:

1. The legal description of the lands within which the Ground Lease is to be acquired is as follows:  
\_\_\_\_\_
2. A plan of survey of the Ground Lease is attached, to be initialed by you as Owner to indicate your approval of the location of the Leased Lands.
3. If a Temporary Workspace is required, a sketch of the anticipated area is attached, to be initialed by you as Owner to indicate your approval of the location of the Temporary Workspace.

Please acknowledge your receipt of this letter by signing both copies of it in the manner indicated and returning one copy to the writer. Please also initial the survey land and the sketch (if required) attached to this letter to indicate your consent to the location of the Leased Lands and the Temporary Workspace to be granted by the Ground Lease.

Yours truly,

*[name of SEPI]*

Per: \_\_\_\_\_

Name:

Title:

Receipt of this letter is acknowledged this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ by

\_\_\_\_\_  
Owner

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Owner

\_\_\_\_\_  
Witness



SCHEDULE "F"

Lands



**Exhibit G, Tab 1, Schedule 1**  
**Community and Stakeholder Consultation**

## **COMMUNITY AND STAKEHOLDER CONSULTATION**

Suncor has carried out its public, community, aboriginal, agency, and other stakeholder consultations, in the context of the Renewable Energy Approval (“**REA**”) process.

Suncor has conducted a comprehensive stakeholder consultation program that began in the winter of 2011 under O. Reg. 359/09 and has identified the key issues of interest to the local community and incorporated them into the Project design where possible. This includes a reduction in the total number of proposed turbine locations from 80 to 55 (up to 46 constructed turbines plus 9 alternative locations). The consultation program involved a total of eight public meetings, as well as opportunities for stakeholders, agencies and aboriginal communities to provide comments and concerns including a review of Draft Renewable Energy Approval Reports (released to the public in January 2013). Consultation efforts undertaken by Suncor will continue with Project stakeholders during all phases of the Project including providing Project updates on the Project website and the implementation of a communication plan to continually address stakeholder concerns. With an anticipated presence in the community over the long term, Suncor will continue to develop local relationships and channels of communication, which they anticipate will benefit the local area.

Suncor utilized various communication tools for both disseminating Project information to, and collecting information from, interested parties, including but not limited to, the public, Aboriginal communities, agencies, provincial and federal elected officials and local municipalities and the County.

The communication tools used for the Project included:

- Project notices published in local newspapers (Official REA notices and “reader friendly” advertisements);
- Direct mailings to assessed landowners in the Project Boundary (in excess of 550 m from the Project Location) and to interested stakeholders who had requested to be added to the contact list;
- Issued a renewable energy “In Your Community” newsletter distributed in winter of 2012, another newsletter was issued in the summer of 2013;
- Eight (8) Public Meetings;
- Public Meeting feedback forms (responses to comments were summarized and posted on the website – see below);
- On-site meetings with landowners;

- Landowner appreciation dinners (two);
- Presentations to local Council members and municipal planners;
- A Project website (<http://www.suncor.com/cedarpointwind>);
- A Project e-mail address ([CedarPoint@suncor.com](mailto:CedarPoint@suncor.com));
- A dedicated stakeholder telephone line (1-866-344-0178); Mailing addresses and phone numbers for both Suncor and Stantec key contacts (Stantec was Suncor's consultant for the REA matters);
- Meetings with local community members, Aboriginal communities, municipal staff and meetings with other wind developers in the community; and,
- Engaging in public policy and public outreach and education initiatives (including program funding through Suncor's Energy Foundation, site tours and presentations at universities).

Contact information for Project representatives was provided on all Project communications provided to the public. In addition to the public meetings described below, Suncor staff also met with several landowners and residents in person throughout the development of the Project.

Suncor's consultation activities include (a) public consultations, (b) municipal consultations, (c) agency consultations, and (d) Aboriginal consultations.

Notice of the first public meetings was published in local newspapers in March 2012. The related public meetings were held on April 18 and 19, 2012 in Lambton Shores and Plympton-Wyoming. Once it became clear that one turbine would be erected in Warwick Township, a separate Notice was issued on July 12, 2012, and a public meeting was held there on August 23, 2012. Subsequent Notices advised the public of the release of a Draft Project Description Report and its availability for viewing prior to the public meetings. A second round of public meetings was held on August 21 and 22 in Plympton-Wyoming and Lambton Shores. On August 17, 2012, Suncor published a Notice of Draft Site Plan in the three municipalities. The site plan was posted on the project website and available at the three municipal offices. The Draft Site Plan contained two potential transmission line routes. A revised site plan was released in January 2013, prior to final public meetings held on April 2-4, 2013. The Revised Site Plan showed a primary and secondary route for the overhead transmission line.

Suncor also consulted with the Town of Plympton-Wyoming, Municipality of Lambton Shores, Warwick Township, and Lambton County, throughout the development of the Project.

A Municipal Consultation Form ("MCF") (required as part of the REA process), along with the required corresponding reports, were provided at the following milestones to assist in initiating discussions with all parties:

Date	Provided To	Reports Attached	Project Milestone
March 15, 2012	Plympton-Wyoming, Lambton Shores, Lambton County	Draft Project Description Report	At least 30-days prior to the first public meetings
July 11, 2012	Warwick Township	Draft Project Description Report	At least 30-days prior to the first public meeting in Warwick Township
July 11, 2012	Plympton-Wyoming, Lambton Shores, Lambton County	Updated Draft Project Description Report (to reflect the addition of Warwick Township)	At least 30-days prior to the second round of meetings in Lambton Shores and Plympton-Wyoming
September 10, 2012	All	Draft REA Report package	At least 90-days prior to the final public meetings

Suncor is interested in developing long-term relationships within communities in which they operate. To this end, regular contact was made with the municipal and county staff through emails, telephone calls, and face-to-face meetings. A record of communications can be found at Appendix E of the Cedar Point Wind Power Project Consultation Report ("**Consultation Report**"), which was filed in support of the REA application to the Ministry of the Environment.

With respect to agency consultations, Suncor has consulted with a wide range of governmental authorities having relevant or potentially relevant jurisdiction over permits and approvals potentially required for the planned generation and proposed transmission facilities. This includes consultations related to the heritage, archaeological and natural heritage studies prepared as part of the REA process, the scope of which included the proposed transmission facility locations. No significant feedback specifically related to the proposed transmission facilities was received through agency consultations.

With respect to Aboriginal consultations, Suncor has undertaken a thorough program of consultation with Aboriginal communities. After obtaining the Aboriginal Communities List for the Project from MOE on December 8, 2011, Suncor contacted each of the seven noted First Nations Communities, and has had face-to-face meetings with virtually all of them. Depending on the expressed interest of each aboriginal community, Suncor is continuing to engage and build relationships, and has an openness to participate in events, symposia, joint meetings, and

open houses with other Aboriginal communities. Suncor has conducted site tours for First Nations to link Suncor's operating projects in Ontario, such as the Kent Breeze Wind Power Project, supported and participated in First Nations open houses and First Nations symposia on wind energy. It also invited Walpole Island, Kettle and Stoney Point, and Aamj-wneeng First Nations to participate with Suncor in the 2013 Inspire Awards.

The First Nations consultations are described in detail in Suncor's Consultation Report, to the Ministry of the Environment (part of the REA submissions), at pages 4.1 to 4.3 and Appendix F. A description of the overall Consultation Process is contained in pages 2.1 to 2.11 of that Report. Suncor notes that, as explained in the Board's *Filing Requirements for Transmission and Distribution Applications*, the Board does not consider issues relating to the Crown's duty to consult with Aboriginal peoples in Section 92 applications.