

RES I & II – HYDROELECTRIC, BIOGAS AND LANDFILL GAS FACILITIES**MRP CONTRACT AMENDMENT TERM SHEET**

Heading	Provisions
1. Applicability	<p>(a) This Term Sheet has been drafted with reference to the RES I and II Contracts as issued for RFP in respect of hydroelectric, biogas and landfill gas facilities (the “Contract”).</p> <p>(b) Capitalized terms used in this Term Sheet not otherwise defined herein have the meaning given to such terms in the Contract.</p>
2. Context	<p>(a) In connection with the IESO’s Market Renewal Program (“MRP”), in 2019 the IESO has published high-level designs (“HLDs”) for the Day-Ahead Market (“DAM”), Single Schedule Market (“SSM”) and Enhanced Real-time Unit Commitment (“ERUC”) projects. The IESO has now published detailed design documents for the energy-stream of market renewal (the “Detailed Design Documents”), which addresses a number of subjects including in respect of Grid and Market Operations Integration and Market Settlement.</p> <p>(b) The MRP does not affect payment amounts due to Suppliers under the Contract for Monthly Delivered Energy, and nothing in this Term Sheet proposes any amendment to the Contract in respect of Monthly Delivered Energy. Proposed changes set out in this Term Sheet relate only to Supplier’s Energy, Above-Cap Energy, and the Performance Incentive Payment.</p> <p>(c) Based on the Detailed Design Documents references in the Contract to HOEP will need to be updated to their successor, the Applicable Real-Time Locational Marginal Price (as defined in Schedule “A” to this Term Sheet). This update is required to reflect the implementation of the SSM and will apply to all affected contracts. It may be necessary to identify the particular price node applicable to each distribution-connected Facility.</p> <p>(d) Although the Applicable Real-Time Locational Marginal Price will in accordance with the definition of Market Price become the Market Price under the Contract, for additional clarity this has been expressly addressed in the proposed amendments.</p> <p>(e) Under MRP, the market settlement for energy delivered by self-scheduling generators will be based on interval-metered quantities and prices, not on hourly values, as is presently the case. The proposed amendment therefore reflects this change.</p> <p>(f) With respect to the DAM, given that the Detailed Design Document does not require the Facility as a non-dispatchable facility to participate in the DAM, no amendments to the Contract are required. Any participation in the DAM would be solely to the Supplier’s risk and reward.</p>

3. Timing & Process	<p>(a) Negotiations of this Term Sheet are being done on a without prejudice basis. The Term Sheet is non-binding on either Party.</p> <p>(b) The Term Sheet will remain as a working draft while MRP continues to be developed. As more details are published about MRP (e.g. through the publication of draft IESO Market Rule amendments) and as discussions with Suppliers progress, the Term Sheet will be updated on an ongoing basis to reflect the updated design of MRP and ongoing discussions.</p> <p>(c) On or about the same time as final or near-final IESO Market Rules for MRP are published, amending agreements based on the Term Sheet can be finalized. If a Secured Lender Consent and Acknowledgement Agreement has been entered into in respect of a contract, the amendments will require the consent of the Secured Lender.</p> <p>(d) The amendments will be made effective from and after the date LMP is implemented.</p> <p>(e) The generic Term Sheet and any comments on it are generally <u>not</u> considered to be confidential. As the Parties move to contract-specific discussions, it may be necessary to switch to confidential discussions to protect the confidentiality of the agreements.</p>
4. Proposed Amendments	<p>(a) Schedule “A” to this Term Sheet sets out the proposed amendments to the Contract.</p>
5. Further Evolution	<p>(a) In entering into the amendments, the Parties will agree that the amendments satisfy any and all obligations each Party has to the other under the applicable Contract in connection with the IESO Market Rule amendments implementing MRP. Any further new or amended IESO Market Rules will be addressed in accordance with relevant provisions of the Contract.</p>

Schedule “A” – Proposed Amendments

1. The following new defined terms are added:
 - (a) **“Applicable Real-Time Locational Marginal Price”** or **“ARTLMP”** means, with respect to any Dispatch Interval, the locational marginal price applicable to the Facility’s Delivery Point in the real-time IESO-Administered Market for Electricity for that Dispatch Interval.
 - (b) **“Dispatch Interval”** means a “dispatch interval” as defined in the IESO Market Rules.
 - (c) **“Dispatch Interval Delivered Electricity”** means:
 - (i) the Electricity generated and delivered by the Facility during any Dispatch Interval; and
 - (ii) in each case, provided such Electricity is delivered to the Delivery Point and either (i) successfully injected into a Local Distribution System or the IESO-Controlled Grid directly.

[NTD: Defined term to be finalized to align with the terminology used in final market rules.]

2. The definition of Market Price is deleted and replaced with the following:

“Market Price” means the Applicable Real-Time Locational Marginal Price.
3. In case of RES I only, the following changes are made to the last paragraph in Section 3.4 of the Contract:

For the purposes of this Section, **“Production-Weighted Average Price”** means an amount expressed in dollars and calculated by dividing (i) the aggregate sum for all ~~hours~~ **Dispatch Intervals** in the month of the value of the ~~Hourly Delivered Electricity~~ **Dispatch Interval Delivered Electricity** for each ~~hour~~ **Dispatch Interval** in the month multiplied by the corresponding ~~HOEP~~ **ARTLMP** for such ~~hour~~ **Dispatch Interval**, subject to a maximum \$150.00 per MWh in each such ~~hour~~ **Dispatch Interval**, by (ii) the Monthly Delivered Electricity; and the **“Time-Average Price”** means an amount expressed in dollars and calculated by dividing (i) the aggregate sum of the ~~HOEP~~ **ARTLMP** for all ~~hours~~ **Dispatch Intervals** of a given month, subject to a maximum of \$150.00 per MWh in each such ~~hour~~ **Dispatch Interval**, by (ii) the total number of ~~hours~~ **Dispatch Intervals** in such month.

4. In case of RES II only, the following definitions are amended as follows:

“Production-Weighted Average Price” means an amount expressed in dollars and calculated by dividing (i) the aggregate sum for all ~~hours~~ **Dispatch Intervals** in the month of the amount of the ~~Hourly Delivered Electricity~~ **Dispatch Interval Delivered Electricity** for each ~~hour~~ **Dispatch Interval** in the month multiplied by the corresponding ~~HOEP~~ **ARTLMP** for such ~~hour~~ **Dispatch Interval**, subject to a maximum \$150.00 per MWh in each such ~~hour~~ **Dispatch Interval**, by (ii) the Monthly Delivered Electricity.

“Time-Average Price” means an amount expressed in dollars and calculated by dividing (i) the aggregate sum of the ~~HOEP~~ **ARTLMP** for all ~~hours~~ **Dispatch Intervals** of a given month, subject to a maximum of \$150.00 per MWh in each such ~~hour~~ **Dispatch Interval**, by (ii) the total number of ~~hours~~ **Dispatch Intervals** in such month.