



TOWNSHIP OF MELANCTHON

COMMITTEE OF THE WHOLE - AGENDA

THURSDAY, SEPTEMBER 20, 2018 - 6:30 P.M.

1. **Call to Order**
2. **Additions/Deletions/Approval of Agenda**
3. **Adoption of Draft Minutes - COW Meeting on August 16, 2018**
4. **Business Arising from the Minutes**
5. **General Business**
 1. **Public Works - Monthly Report**
 2. **Dufferin Wind Power - Agreement - Section 94 states that "...the parties agree to review the impact of this Agreement in 2018 and every five years thereafter where they shall use their best efforts to enter into such amending or supplementary agreements as may be reasonably necessary." - Discussion**
 3. **Unfinished Business**
 1. **By-law Enforcement Discussion as County of Dufferin is discontinuing the service - New update from the Town of Shelburne**
 4. **Other**
6. **Delegations**
7. **Adjournment and Date of Next Meeting**

MELANCTHON – DUFFERIN WIND AGREEMENT

Made as of July 31, 2013

BETWEEN:

THE CORPORATION OF THE TOWNSHIP OF MELANCTHON
(Hereinafter referred to as the “Municipality”)

OF THE FIRST PART

- and -

DUFFERIN WIND POWER INC.
(Hereinafter referred to as the “Developer”)

OF THE SECOND PART

WHEREAS the Municipality is the owner of or otherwise exercises jurisdiction over certain public rights-of-way, highways, streets, sidewalks, walkways, driveways, ditches, municipal drains and associated grassy areas and the allowances therefor more particularly identified in Schedule “A” (collectively referred to as the “Road Allowances”);

AND WHEREAS the Developer is the owner of a electricity-generating wind farm, known as Dufferin Wind Power Project, consisting of 49 turbines in Melancthon, with a total nameplate capacity of 99.1 MW, which are individually and collectively referred to in this Agreement as “Development”, with all turbines, collection lines and other infrastructure required for the Development being referred to as the “Development Infrastructure”;

AND WHEREAS the Developer wishes to construct or install poles, lines, underground conduits, cables and other related structures, equipment and facilities, as described in Schedule “B” (the “Works”) for the distribution of electricity on, over, under, within, across and through the Road Allowances;

AND WHEREAS the Developer has entered into lease agreements with owners of private lands on which the wind generating towers and other equipment are to be constructed (“Leases”), granting access to such private lands for the purposes of the Development, and requiring the owners of such private lands to co-operate with the Developer in obtaining various approvals in connection with the Development;

AND WHEREAS in this Agreement the electrical collection system within the Municipality to service the Development is sometimes referred to as the “Collector System”;

AND WHEREAS both parties acknowledge that no rights are being granted by this Agreement to the Developer to distribute or sell electricity to retail users in the Municipality;

NOW THEREFORE, in consideration of the mutual agreements contained herein, the Municipality and the Developer agree as follows:

PERMITTING PART

1. Prior to commencing construction, the Developer shall provide to the Municipality copies of those permits set out in Schedule "C".
2. The Developer has submitted applications or requests for the following permits and approvals, in proper complete form, and accompanied by all applicable fees:
 - (a) all entrance permits required for the Development;
 - (b) all Municipal drain crossing approvals required for the Development; and
 - (c) permits and approvals for the meteorological tower and temporary trailers.collectively, the "Permits".
3. To the best of the knowledge of the Municipality, the Permits are the only permits, approvals, consents, or authority within the jurisdiction of the Municipality required in connection with the Works and the fees to be charged to the Developer for the Permits to be issued by the Municipality in connection with the Works are the only fees payable by the Developer in connection with the Works and do not exceed the usual and customary fees that are generally applicable to the public.
4. The Municipality shall, within three (3) business days following the execution of this Agreement by both parties, deliver written notice to the Chief Building Official for the County of Dufferin (with a copy to the Developer) stating that the Agreement has been entered into.

CONSTRUCTION PART

Drawings, Meetings and Construction Work

5. Prior to commencing construction, the Developer shall provide a complete set of engineering drawings and specifications which are identified in Schedule "B" to the Municipality, together with proof of all legally required approvals and permits for the Works.
6. The Developer will obtain all applicable regulatory and other approvals required as required for the Development from the Province of Ontario and all relevant governmental authorities having jurisdiction.
7. As constructed drawings shall meet the following criteria: **All existing utilities, buildings, and other structures** within the project area shall be shown, including utility type and location. The Collection System circuits shall be shown in their assigned corridors with any deviation clearly marked. Municipal drains shall be shown along with specific details for

crossing of watercourses. Restoration details shall be provided where interference occurs with any drainage culvert.

8. The Developer acknowledges that existing municipal works and services (including Municipality Roads, drainage culverts, etc.) may not meet the requirements of the Developer for the installation of the Works and services proposed to be carried out by the Developer, and the Developer agrees that the improvement or upgrading of the existing municipal works and services to meet the Developer's requirements (including, but not limited to, the Temporary Municipal Intersection Improvements set out in Schedule "A") shall be carried out by and be at the sole expense of the Developer. In the event the Developer requires any additional improvements to the existing municipal works and services not included in Schedule "B" of this Agreement, the Developer shall obtain the written approval of the Municipality prior to making such improvements. All driveway entrance culverts shall have a minimum thickness of 2.0mm. The Developer acknowledges that it has not used engineering designs to obtain the proposed diameter for its driveway culverts. All culverts have been specified to have diameters of 500mm. In the event that the Municipality experiences problems with the capacity of any of these culverts, the Municipality shall notify the Developer of the problem in writing and the Developer shall correct the problem in a timely manner. Upon receiving written notification, if the Developer is unable or unwilling to resolve the matter in a timely manner, then the Municipality, acting reasonably, will have sole discretion regarding the remedy and may order the culvert(s) to be replaced with larger sized culverts at the expense of the Developer. In the sole discretion of the Township Engineer the matter may be treated as an emergency pursuant to the provisions of this Agreement. For greater certainty, the Developer shall be permitted to perform the Temporary Municipal Intersection Improvements set out in Schedule "A", subject to approval by the Municipality in accordance with the terms of this Agreement and subject to the Developer agreeing to restore the intersections within a reasonable period of time following completion of the installation of the Works and services proposed to be carried out by the Developer such restoration to be completed, subject to reasonable delays for inclement weather, no later than ninety (90) days following the date of delivery of the last turbine component to the satisfaction of the Municipality, acting reasonably. Notwithstanding the foregoing, the Developer shall not be required to restore any intersections which are identified by the Municipality or the Township Road Supervisor in writing to the Developer as not requiring restoration.
9. All underground crossings of watercourses, ditches and municipal drains shall be a minimum of either 2.0 m. below the centreline of road elevation, or 1.0 m. below the invert of ditches, drains and watercourses, whichever is deeper.
10. As appropriate the Developer shall provide dust control and clean up all construction refuse and debris in order to prevent dust or refuse problems to traffic or home occupants. The Municipality shall notify the Developer of complaints regarding dust or refuse removal and the Developer shall remedy the problem in a timely manner.
11. At least two (2) business days prior to the start of construction, the Developer shall provide to the Municipality pre-construction road condition reports of the Township roads identified

as transportation and haul routes in Schedule "A". The Developer shall appoint a third party professional engineer, such engineer to be approved by the Municipality, acting reasonably, to draft the pre-construction road condition reports. The Municipality grants the Developer permission to perform the pre-construction assessment of all Road Allowances that will be affected by the construction. The Developer will coordinate this pre-construction inspection with the Township Road Supervisor prior to performing the work.

12. The Developer and its engineer shall attend a pre-construction meeting with the Municipality and the Municipality's engineer to review the project design and construction plan of the Development.
13. Construction work shall be carried out between the hours of 7AM and 7PM, Monday through Saturday and excluding official holidays.

Haul Routes

14. The Developer shall cause its agents and contractors to use only the haul routes within the Municipality that are approved in this Agreement. The approved Municipal haul routes are listed in Schedule "A" or as additionally permitted by the Municipality. The approval of the Municipality shall not be unreasonably withheld, delayed or conditioned, but hauling on roads not included in Schedule "A" shall not be permitted without prior written approval by the Municipality.
15. During construction, traffic control shall be provided in accordance with Provincial and Municipal requirements, and in particular Ontario Traffic Manual - Book 7. In the event that roads have to be temporarily closed, the following provisions shall apply: the Developer shall provide five (5) days' notice to the Municipality and the Municipality shall implement its road closure procedure on or before the 6th day following receipt of the notification. The Developer shall minimize disruption of access to private properties and shall allow local access to driveways at all times.
16. The Municipality shall be deemed to have issued its approval of the removal of excess fill by the Developer provided such removal is in compliance with the Municipal Site Alteration By-law, By-law 29-2004. The dumping of excess fill off-site and within the Municipality shall be subject to the provisions of By-law 29-2004.

Private Access Roads

17. The private access roads shall be constructed, installed and maintained in a manner and in the locations set out in Schedule "A".
18. Except during construction, repair and decommissioning periods, entrances to the private access roads shall be normal and symmetrical in accordance with applicable Provincial standards.

Tree Replacement and Preservation

19. The Municipality grants the Developer permission to trim or remove trees and vegetation in the Road Allowance in accordance with the Vegetation Plan attached to the Developer's Renewable Energy Approval application and otherwise in accordance with the terms of this Agreement. The trimming or removal of any trees, bushes, or other vegetation not identified in the Vegetation Plan shall be subject to the Municipality's prior written approval, acting reasonably. An inventory shall be kept of all trees that are damaged or removed on municipal property. The inventory shall be provided to the Municipality within one (1) week of commencement of construction, and kept up to date by the Developer. On the conclusion of the construction period, the Developer shall submit for the approval of the Municipality a tree replacement plan. The Developer shall replace those trees having a diameter of more than 50 mm and a height of more than 2.25 m in a ratio of three replacement trees to each two trees to be replaced, 100-200mm trees shall be replaced at a ratio of two replacement trees to each tree to be replaced, 200-400mm shall be replaced at a ratio of three replacement trees to each tree to be replaced, and 400+mm shall be replaced at a ratio of four replacement trees to each tree to be replaced in a location as close as possible to the original tree location, thereby maintaining the general configuration of the original grouping of trees. Replacement trees shall be a minimum of 50 mm in diameter and 2.25m to 4m high. Replacement trees shall be maintained by the Developer for two years.

Electrical Collection System

20. The Collection System shall be located on municipal property as set out in Schedule "A". The Collection System located on the Road Allowances may be referred to as the "Collection Infrastructure".
21. All Collection Infrastructure lines shall be placed underground with above ground junction boxes in the locations set out in Schedule "A". Except for road crossings and junction boxes, all underground lines shall be in a corridor 1.0m in width, with the center line 1.0m from the edge of the Road Allowance. Where underground crossings are oriented perpendicular to the road, there shall be an above ground marker placed on both sides of the road. Above ground markers shall be placed at intervals not exceeding 500m, and caution tape shall be placed in the trench above the cables. The above ground markers and junction boxes shall be clearly visible from both directions along the Road Allowance and shall be placed in a manner that shall be visible to snowmobilers.
22. Further provisions regarding the Collector System on municipal roads are set out in the Road Use Part of this Agreement.

Grading

23. All private access roads and construction sites shall be suitably graded and drained. It is the responsibility of the Developer to properly grade all private access roads and construction sites. In cases where access roads disturb underground private or municipal drainage tiles, the underground drainage shall be restored to operate as it did in the predevelopment

condition. There shall be no flooding of adjacent properties, rerouting drainage flows onto adjacent properties, re-grading of slopes on adjacent properties or the creation of any nuisance as a result of grading activities. In the event that the Municipality receives *bona fide* complaints of nuisance, an engineer acting on behalf of the Municipality (the "Municipality's Engineer") will promptly notify the Developer of the complaints and if the Developer is unable or unwilling to expeditiously resolve the matter, then the Municipality's Engineer, acting reasonably, will have sole discretion regarding the remedy. In the sole discretion of the Municipality's Engineer the matter may be treated as an emergency pursuant to the provisions of this Agreement.

Lights

24. The Developer shall not erect, locate, relocate, or otherwise place any sign, light or light standard on any part of the Development unless the sign, light or light standard has been approved in this Agreement. Site illumination shall be designed to minimize the spread of light into adjacent properties, while maintaining the safety and security of the infrastructure and personnel. The requirements of this section do not apply to any navigational lighting or marking requirements that may be imposed by Transport Canada, NAVCanada, or similar federal or provincial agencies, however, such lights and their operation shall, to the extent allowed under the above requirements, be directed skyward so that no light is visible from the ground. In the event that regulatory authorities do not permit light levels to be configured in this fashion, the Developer shall make best efforts to synchronize the turbine lights with each other. The Developer shall also make best efforts to synchronize with lights in Melancthon Phases I and II and the Melancthon Plateau projects in order to minimize the light impact at ground level.

Construction Completion

25. Within one hundred and twenty (120) days following the completion of construction of the Development, the Developer shall provide to the Municipality the following:
- (a) "As constructed" plans of the Works and services;
 - (b) Certificate of the Developer that all Works have been completed.

ROAD USE PART

26. Pursuant to the provisions of the *Electricity Act*, 1998, the Municipality hereby grants and transfers to the Developer for a period of twenty-five (25) years from the date hereof (the "Term"), the right, privilege, interest, benefit and use to enter upon the Road Allowances with such persons, vehicles, equipment and machinery necessary to place, replace, construct, reconstruct, maintain, inspect, remove, operate and repair the Distribution Infrastructure over, along, across, or under such Road Allowances (hereinafter collectively the "Rights") in the locations as specified in Schedule "A". The work shall be done in accordance with the engineering drawings set out in Schedule "B".

27. If the Developer is not then in default under this Agreement in any material respect, the Developer shall have the option to extend the Term of this Agreement for two further ten (10) year periods. The extension shall be upon the same terms and conditions of this Agreement except that there shall be no further right of extension. The Developer shall give prior written notice to the Municipality of its intent to renew this Agreement at least six (6) months prior to the end of the then existing Term.
28. The Developer hereby acknowledges that the Rights shall not be exclusive and further acknowledges that the Municipality may have granted or may otherwise grant similar rights and privileges to another person, party, persons, or parties, at any time during the term of this Agreement. The Developer further acknowledges that nothing in this Agreement shall prohibit or restrict the Municipality from entering upon any of the Road Allowances and conducting work thereon for its own municipal purposes, in respect of which the Municipality shall not be required to provide notice to or seek approval from the Developer provided that such work does not adversely affect the Developer's Rights, the Work or the Collection Infrastructure.
29. The Developer agrees that Schedule "B", as may be amended details the Works to which the Municipality has consented and the Developer agrees to undertake any and all such Works in accordance with such plans and specifications. Notwithstanding the foregoing, the Developer agrees that it shall comply with any and all reasonable directions and orders issued in writing by the Municipality in respect of the Works, regardless of whether such directions and orders are issued before, during or after the commencement or completion of such Works, provided that the Municipality acts promptly and reasonably in respect of such directions and orders.
30. The Developer agrees that, in placing, replacing, constructing, reconstructing, maintaining, inspecting, removing, operating, and/or repairing the Collection Infrastructure on municipal property, or in otherwise undertaking any other work under and/or in conjunction with the Rights, it shall use all due care and diligence to ensure no unnecessary or unavoidable interference with the travelled portion of any of the Road Allowances or any pedestrian, vehicular, or other traffic thereon, or any use or operation thereof or any ditch or drain adjacent thereto. The Developer further agrees that all Works undertaken by the Developer shall be at the Developer's sole cost and expense, including any re-instatement, remediation or restoration of the Road Allowances required to be completed by the Developer pursuant to this Agreement.
31. Notwithstanding and without limiting any other term hereof, the Developer agrees and undertakes that it will place, replace, construct, reconstruct, maintain, inspect, remove, operate, and repair the Collection Infrastructure located on any of the Road Allowances in accordance with and in compliance with good engineering practices and all federal, provincial, and municipal laws and by-laws and in compliance with the reasonable directions as issued by the Municipality in writing.
32. Notwithstanding and without limiting the generality of any term hereof, the Developer further agrees that, where practicable, any of the Collection Infrastructure placed, replaced,

constructed, reconstructed, maintained, removed, or otherwise installed pursuant to the Rights will not be located on, over or under the existing or contemplated travelled portion of any of the Road Allowances except where a road crossing is necessary, but shall be located adjacent to such existing or contemplated travelled portion of such Road Allowances and as far away from the travelled portion as reasonably practicable. In this same regard, the Developer further acknowledges that it shall consult with the Municipality as to the permitted location of any Collection Infrastructure.

33. Except for emergency situations as provided in section 40, the Developer agrees that any access to the Road Allowances and any Works to be undertaken pursuant to the Rights and for which a permit would otherwise be required shall be undertaken and completed at such reasonable time or times as the Municipality may specify in such permit and, without limiting the generality of the foregoing or any other term hereof, all such Work shall be undertaken and completed in such manner as contemplated pursuant to this Agreement so as not to cause unnecessary nuisance or damage to the Municipality or any user of that portion of the Road Allowance where such Works are to be conducted.
34. The Developer further agrees that it shall notify any other person or body operating any equipment, installations, utilities or other facilities, within the Road Allowances or in the vicinity of the Road Allowances where such Works are to be conducted, of the details of the anticipated Works so as to minimize the potential interference with or damage to such existing equipment, installations, utilities, and other facilities by the Works and so as to maintain the integrity and security thereof.
35. The Developer agrees that, in the event that it carries out work, it will in all cases repair, reinstate, restore, or remediate the road, including its surface, drainage works, culverts and associated appurtenances to at least the same condition which existed prior to the commencement of such work. In all areas of disturbed trench, including but not limited to direct buried trenches, boring and splice pits, restoration shall be to preconstruction condition but in no case shall it be with less than 100mm topsoil, mulch and seed. In the event that the Developer shall fail to repair, and reinstate as aforesaid, then in such case, the Municipality will promptly notify the Developer in writing of such failure to repair and if the Developer fails to proceed diligently to carry out the required work prior to the expiration of the Developer's Cure Period, the Municipality may undertake the same and charge the reasonable costs thereof to the Developer. The Municipality shall not be liable for any damage of any nature or kind howsoever caused by reason of such work undertaken by the Municipality as aforesaid, and the Developer hereby agrees to indemnify and save harmless the Municipality and all other concerned parties from any such claims or damages, save and except any direct damage arising from the negligence or wilful misconduct of the Municipality or those for whom it is at law responsible.
36. Notwithstanding the terms of this Agreement, where the Collection Infrastructure interferes with the plans of the Municipality, the Municipality, acting reasonably, shall be entitled to require the Developer, subject to its receipt of any required permitting approvals, to relocate that part of the Collection Infrastructure interfering with such plans, from within any of the Road Allowances to another location within the Road Allowances, within one hundred

eighty (180) days of delivery of written request for such relocation or such longer time as the Developer and the Municipality may determine is appropriate which relocation shall be completed by the Developer, at its sole cost and expense. If the request is made by the Municipality within five (5) years of the date hereof, the Municipality will pay 100% of the costs and expenses of the relocation.

37. In the event the parties secure the required permitting approvals but the Developer fails to remove and/or relocate all or any portion of the Collection Infrastructure in the Road Allowances within one hundred eighty (180) days of the later of (i) receipt of written notice from the Municipality pursuant to the previous section of this Agreement; and (ii) receipt of the required permitting approvals, the Municipality shall have the right to remove and/or relocate such Collection Infrastructure, following completion of which, the Municipality shall deliver an invoice to the Developer detailing the reasonable costs and expenses associated with same and the Developer shall pay the amount of such invoice in accordance with the terms thereof. If the Municipality is required to remove and/or relocate any of the Collection Infrastructure as described above and without limiting the obligation of the Developer to pay the costs and expenses thereof, the Developer further agrees to:
- (a) release the Municipality from any claims for damage to such Collection Infrastructure and/or other damages flowing from such removal and/or relocation;
 - (b) save harmless and indemnify the Municipality of and from any and all claims or damages by any party as against the Municipality in respect of such work; and/or
 - (c) restore and reinstate the road, including its surface, drainage works, culverts and associated appurtenances to at least the same condition that existed prior to the original installation.

The Municipality shall comply with all applicable legislation, regulations and codes in carrying out the work.

38. In the event that the Developer wishes to relocate any of the Collection Infrastructure within the Road Allowances that have been previously approved, installed, placed, or constructed in accordance with the Rights, it shall notify the Municipality of such request, in writing, and such request will thereafter be considered by the Municipality, acting reasonably, in good faith and with diligence, provided that, in considering such request, the Municipality shall be entitled to take into consideration any specific municipal or engineering interests affected by such relocation, including any additional facilities located within the Road Allowances.
39. Without limiting the generality of any other term of this Agreement, the Developer:
- (a) in the event the locations have been changed from the specifications set out in the "as constructed" plans delivered to the Municipality, within one hundred

and twenty (120) days following the completion of the change of the Development shall, at its sole expense, properly and accurately identify the location of any Collection Infrastructure within the Road Allowances in new "as constructed" plans, which shall identify the height or depth of the relevant portion of the Collection Infrastructure provided that the Municipality shall not make such request more than four (4) times in any year; and

- (b) at the expiry of the Term of this Agreement, including any renewal thereof, or upon the early termination of this Agreement (as provided herein), and to the satisfaction of the Municipality, acting reasonably, the Developer, at its own expense, and within one hundred and eighty days (180) thereafter (the "Removal Period"), shall remove any and all Collection Infrastructure as have been constructed, installed, or placed in the Road Allowances pursuant to the Rights, and thereafter, reinstate, restore, and remediate the Road Allowances or municipal lands so affected to at least the same condition that existed prior to the Work. In the event that the Developer fails to remove any of the Collection Infrastructure or otherwise reinstate, restore, or remediate the Road Allowance or municipal lands affected thereby prior to the expiration of the Removal Period, then the Municipality will be at liberty to remove such Collection Infrastructure and thereafter restore, reinstate, or remediate the road, including its surface, drainage works, culverts and associated appurtenances without claim, recourse, or remedy by the Developer, the reasonable cost of which removal and restoration will be invoiced to the Developer and the Developer agrees to pay such invoice in strict accordance with the terms thereof.

40. Notwithstanding the requirement of prior notice to the Municipality to commence any work hereunder, including notice of repair to any Works or to the Collection Infrastructure, and notice to cut, trim, or otherwise interfere with any trees, brush, plants or other vegetation, the Municipality and the Developer agree that, in the event of an emergency in which the Developer requires immediate access to the Collection Infrastructure within the Road Allowances or on municipal lands, and after reasonable efforts to communicate with the Municipality, the Developer may enter upon the Road Allowances and/or municipal lands without prior notice to the Municipality in order to gain access to the Collection Infrastructure in order to effect such repairs, as are required to address such emergency and, in so doing, shall undertake any work to the standards and as are otherwise required by the terms of this Agreement and to thereafter provide written notification and details and specifications of such repair to the Works to the Municipality on the next municipal business day and to thereafter file amended plans and drawings detailing such repairs as is otherwise required by this Agreement. For the purposes of this Agreement, "emergency" shall mean a sudden unexpected occasion or combination of events necessitating immediate action.
41. The Developer acknowledges and agrees that the Rights and the placement, construction, installation, location, and operation of any Collection Infrastructure are subject to the following:

- (a) the right of free use of the Road Allowance by all persons or parties otherwise entitled to such use;
- (b) other than for temporary periods not exceeding one (1) hour in duration and subject to a right of emergency access which the Developer shall ensure is available on an immediate basis, the rights of the owners of the property adjoining any relevant Road Allowance to access to and egress from their property and any adjacent existing right-of-way, highway, street, or walkway and the consequential right of such persons or parties to construct crossings and approaches from their property to any such right-of-way, highway, street, or walkway; and
- (c) the rights and privileges that the Municipality may have previously or subsequently granted to any other person or party to such Road Allowance or lands.

If the Municipality intends to grant rights and privileges to such Road Allowances or lands in favour of owners of the property adjoining any relevant Road Allowance or any other person or party, the Municipality shall consult with the Developer upon the most appropriate location for such rights and privileges to minimize interference with the Collection Infrastructure.

OPERATION AND MAINTENANCE PART

- 42. This Part shall apply so long as any part of this Agreement is still in force.
- 43. The Developer shall maintain the Development in good working order and shall carry out such repairs and maintenance as may be reasonably required by the Municipality. Maintenance shall include keeping the towers and equipment painted.
- 44. All towers and equipment constructed in the Development after the date of this Agreement shall be painted in a colour consistent with the prevailing colour of the other wind farm developments in the Municipality. There shall be no advertising or display, other than manufacturer and safety data, affixed to such towers and equipment, except as set out in Schedule "D" or as otherwise approved by the Municipality.
- 45. The Developer shall supply the Municipality with a copy of the plans of the Works and shall periodically update the Municipality's copies if there have been any material changes.
- 46. In the event that the entrances to the private access roads used by the Developer are secured, the Developer shall at all times provide access keys to the Municipality and emergency service providers.
- 47. Without limiting the generality of the foregoing the Developer shall construct and maintain the private access roads in a condition meeting the requirements of the Municipality, The Corporation of the County of Dufferin and other authorities for emergency access to the Development.

48. Upon the failure of the Developer to maintain the Development in good working order and in accordance with the terms of this Agreement, the Municipality may make an order in writing to the Developer to carry out such maintenance and repairs as may be reasonably required to bring the Works and services in good working order. The Municipality's order shall provide the Developer with a reasonable period of time to carry out the maintenance or repairs, such period to be no less than the expiration of the Developer's Cure Period. Notice shall be given in accordance with the notice provisions of this Agreement.
49. Upon the failure of the Developer to comply with the Municipality's order in accordance with the previous section, the Municipality may cause the order to be carried out and the default provisions of this Agreement shall apply.
50. The Developer shall comply with all applicable governmental regulatory requirements in maintaining the Development. The Developer shall further comply with the recommendations and reports submitted as part of Renewable Energy Application pursuant to the *Environmental Protection Act*, R.S.O., 1990, regulation 395/09 thereunder.
51. Following completion of the installation of the Works and prior to COD (as defined in Section 69) commencing construction of the Development, the Developer shall deliver to the Municipality copies of the following plans with respect to the Development:
 - (a) Spills action plan; and
 - (b) Emergency response plan (which shall include fire safety, fire response and injury response plans).

However, the Developer will provide an emergency response plan for the Developers proposed construction activities prior to construction of the Development.

52. The Developer shall promptly notify the Municipality in writing within two (2) business days of any order or written notice of non-compliance from any regulatory authority received by the Developer in respect of the Development.
53. The Developer shall notify the Municipality in writing forthwith after the Development has been out of commission for a period in excess of 90 days.
54. The Developer shall implement the monitoring programs for the construction and operational phases of the Development in accordance with the requirements of all federal or provincial agencies having jurisdiction. The results of all the Developer monitoring programs, particularly those relating to noise levels at off-site sensitive uses, shall be provided to the Municipality along with any related comments or requirements from all federal or provincial agencies having jurisdiction. These results shall be provided to the Municipality on an annual basis or more frequently as the circumstances warrant. The Developer and the Municipality shall consult with each other every two (2) years to determine if any additional mitigation measures would be appropriate for the Development. The mitigation requirements may be internal or external to the Development. Nothing in this Agreement shall limit the Municipality's authority to implement its own monitoring programs.

55. The Developer shall be solely responsible for Municipality's share of the per-call cost of providing emergency services provided to the Development, including all specialized services.
56. At all times the Developer shall provide the Municipality with the names and contact information (including emergency contact) for all persons designated by the Developer to be responsible for the Development.
57. Nothing in this Agreement requires the Municipality to provide winter maintenance on the Road Allowances. Nothing in this Agreement requires the Municipality to provide any maintenance on any private access roads.
- *58. Nothing in this Agreement requires the Municipality to provide tree or brush removal, or maintenance of any kind on Road Allowances that are not opened or not maintained year round.
59. Where the power lines are underground, the Developer shall maintain the aboveground markers on Road Allowances that are opened or not opened or not maintained year round and shall be liable for any claims in regard to them.
60. The Developer shall participate in joint emergency response training sessions with the Municipality and appropriate agencies every other year, and the Developer shall contribute \$1,000 towards the Municipality's costs of each such training session.

DECOMMISSIONING PART

61. Decommissioning of the Development Infrastructure shall take place in accordance with the decommissioning plan forming part of the Developer's Renewable Energy Approval issued by the Ministry of Environment for the Development as that plan may be amended, supplemented or replaced from time to time (the "REA Decommissioning Plan") at the Developer's sole cost.
62. If the Development has been Abandoned and the Developer has not decommissioned or commenced the decommissioning of the Development in accordance with the REA Decommissioning Plan, the Municipality may cause the decommissioning to be carried out in accordance with the REA Decommissioning Plan. For the purposes of this Agreement, "Abandonment" shall mean either:
 - (a) a failure by the Developer to pay to the Municipality the Community Development Contribution payment; and
 - (b) a failure by the Developer to operate or generate electricity from the Development for a period of not less than 365 consecutive days (unless such failure is due to repairs or maintenance of the Development or events of *force majeure*).

63. Notwithstanding the foregoing and prior to any decommissioning of the Development by the Municipality, the Municipality shall first provide the Developer with written notice which shall provide the Developer with not less than:
 - (a) thirty (30) days to cure the failure by the Developer to pay to the Municipality the Community Development Contribution payment; and
 - (b) one hundred and eighty days (180) following receipt of such written notice to cure the failure to operate or generate electricity from the Development, or such longer period as is reasonable in the circumstances as determined by the Municipality provided that the Developer is proceeding diligently to remedy its failure to operate or generate electricity from the Development or decommission the Development.
64. Entire or partial abandonment of the Distribution Infrastructure shall be in accordance with good engineering practice and applicable standards in force at the time of abandonment. Abandonment shall be at the Developer's sole cost.
65. In addition to the preceding provisions, upon prior written notification to the Municipality, the Developer may decommission the Development or any parts thereof.
66. For greater certainty, nothing in this Agreement obliges the Municipality to decommission the Development.
67. This part shall survive the expiration or earlier termination of this Agreement.

COMMUNITY DEVELOPMENT CONTRIBUTION PART

68. The Municipality hereby acknowledges receipt of payment by the Developer on July 5, 2013 of the Municipality Development Charges pursuant to the Municipality's By-law No. 22-2009 in the amount of \$101,264.38. In addition, the Developer will be responsible to pay the Municipality the required permit fees for, *inter alia*, the entrance permits required by the Developer as part of the Development.
69. Within thirty (30) days of the first anniversary of the Development's commercial operations date ("COD") when electrical power is sold in the electrical grid pursuant to its agreement with the Ontario Power Authority, the Developer shall pay the Municipality the sum of \$2,666.00 per year per wind turbine nameplate capacity in MW. For example, (1) for a wind turbine with a name plate capacity of 1.6MW, the Developer would pay the annual amount of $\$2,666.00 \times 1.6 = \$4,266.00$; (2) for a wind turbine with a name plate capacity of 2.75MW, the Developer would pay the annual amount of $\$2,666.00 \times 2.75 = \$7,333.00$. and thereafter within thirty (30) days of each subsequent anniversary of COD. Following the first anniversary of the COD and upon each subsequent anniversary thereafter,) the Developer shall pay the Municipality the aforesaid sums, increased by two percent (2%), so long as this Agreement is in force. In no event, however, shall these amounts be adjusted below the amounts set out herein.

70. The Municipality shall use the moneys paid pursuant to this Part ("Community Development Contribution") for community betterment projects and/or services. The Municipality shall use reasonable efforts to publicly recognize the economic benefits provided by the Developer's Community Development Contributions.

GENERAL PROVISIONS

71. The Developer hereby irrevocably grants to the Municipality a licence to provide access to the Development, over, along and upon those private access roads constructed by the Developer on private lands:
- (a) for the purposes of emergency access;
 - (b) for the purposes of decommissioning the Development in accordance with the REA Decommissioning Plan and otherwise in accordance with the terms of this Agreement;
 - (c) otherwise in accordance with the terms of this Agreement; or
 - (d) from and after the date of completion of all decommissioning milestones,

in each case, subject to the same limitations and restrictions as the Developer is bound pursuant to the terms of the Leases.

72. The Developer shall not be liable for any breaches of the Leases by the Municipality and access to the private lands shall at all times be at sole risk of the Municipality. The Municipality has no right of action for any loss or injury sustained by the Municipality, its servants and agents in exercising its rights of access as aforesaid and the Municipality shall indemnify and save the Developer harmless from any claims, losses, damages and costs suffered by the Developer or any landowner arising from such access.

Insurance

73. The Developer shall insure against legal liability arising, directly or indirectly, out of the design, installation or construction of the Development and the operations of the Developer, with a policy or policies from an insurance company satisfactory to the Treasurer of the Municipality, acting reasonably. Such policy or policies shall be comprised of primary and/or umbrella coverage and shall include the Municipality, its servants and agents and the Municipality's engineers as additional insureds and shall remain in the custody of the Developer and shall be retained in full effect during the life of this Agreement, including any decommissioning period. Annually, the Developer shall provide a certificate of insurance, certified by the insurer, to the Municipality.
74. The insurance policies required to be maintained by the Developer shall comply with the following conditions:

- (a) The minimum limits shall be \$5,000,000 all inclusive for each incident;
- (b) The minimum period of insurance policy coverage shall be one year or as otherwise approved;
- (c) The policy shall specify that the policy shall not be cancelled or allowed to expire unless prior notice by registered letter has been received by the Municipality from the Insurance Company, or its agent, thirty (30) days in advance of the expiry date.

On the fifth anniversary of the date of this Agreement and every five (5) years thereafter, the figures referred to in subsection 74(a) shall be increased by an amount equal to the difference between the December 31, 2013 Ontario – All Items Consumer Price Index (or its equivalent) and the then most recent December 31 Ontario – All Items Consumer Price Index (or its equivalent). In no event, however, shall these amounts be adjusted below the amounts set out herein.

- 75. The Developer shall be responsible for all adjustment service costs and shall maintain on deposit with the Municipality throughout the term of this Agreement after the first loss claim on the policy the amount of the deductible in excess of \$25,000.
- 76. The insurance policies may contain an exclusion for blasting. If they do, and blasting is found to be necessary, the Developer shall not do any blasting until a blasting insurance endorsement is added.
- 77. The issuance of such policies of insurance shall not be construed as relieving the Developer from such responsibility for claims which exceed the policy limits, for which they may be held responsible.
- 78. Should the Developer fail to maintain the proper insurance coverage for the Term of this Agreement, the Municipality shall, after providing adequate notice subject to the Developer's Cure Period, have the authority to draw on the Security to pay any and all costs related to maintaining insurance coverage.
- 79. Upon the request of the Municipality, the Developer shall provide to the satisfaction of the Municipality proof that all premiums on such policy or policies of insurance have been paid and that the insurance is in full force and effect.

Liability

- 80. The Developer shall indemnify and save harmless the Municipality and its representatives from all actions, causes of action, suits, claims, costs, interest and demands whatsoever which may arise either directly or indirectly by reason of this Agreement, save and except for any loss or injury resulting from the gross negligence or intentional acts of the Municipality, its servants and agents.
- 81. The Municipality shall have no liability to the Developer for any damage or loss as a result of the disrepair of the Road Allowances or municipal drains, nor for damages caused by

this Agreement relating to the construction, installation and maintenance of the Development Infrastructure or to otherwise permit the Municipality to enforce the terms of this Agreement.

89. The Construction and Maintenance Security shall be released to the Developer forthwith and in any event no later than thirty (30) days of the date of receipt by the Municipality of the Construction Completion Certificate in accordance with section 25(b).
90. At least thirty (30) days prior to COD, the Developer shall deposit letters of credit or cash in the sum of \$750,000.00 (the "Decommissioning Security", individually and collectively with the Construction Security, the "Security") with the Municipality to guarantee compliance with the decommissioning terms of this Agreement or to otherwise permit the Municipality to enforce the decommissioning terms of this Agreement until the termination of this Agreement. Upon the fifth anniversary of COD, and upon every fifth anniversary thereafter, the Developer shall increase the Decommissioning Security by an amount equal to \$416,666.66. Notwithstanding anything in this Agreement to the contrary, the maximum Decommissioning Security to be deposited with the Municipality shall be \$2,000,000.
91. The Decommissioning Security shall be released to the Developer forthwith after the complete decommissioning of the Development and in any event no later than thirty (30) days following the date of receipt by the Municipality of a certificate from the Developer that all decommissioning works have been completed.
92. Sections 87 to 922 inclusive shall survive the expiration or earlier termination of this Agreement.

Alterations and Amending Agreements

93. The Municipality may require and may permit minor alterations to the Works and any work done in conformity with any such alterations, as approved by the Municipality, shall be deemed to be in compliance with the Agreement.
94. The parties acknowledge that regardless of their efforts to reasonably foresee the requirements of the parties for the expected lifetime of this Agreement, it is expected that changes in technology, governmental regulations, general area development and other factors may reasonably necessitate amendments to this Agreement, which may increase the burden on the Developer and or the Municipality. The parties acknowledge that their intent is to make the Works successful and operational and in full compliance with the prevailing requirements and municipal objectives at all times, and to that end the parties agree to review the impact of this Agreement in 2018 and every five years thereafter where they shall use their best efforts to enter into such amending or supplementary agreements as may be reasonably necessary. The parties will act in good faith and insofar as is reasonable without impairing (more than minimally) the feasibility or economic performance of the Development and to maintain the compatibility of the Development with general development of the area.

falling trees, nor for any action or inaction, except direct intentional damage, or inaction amounting to gross negligence.

82. The Municipality shall have no liability to the Developer arising from the actions or inactions of other users of the Road Allowances. The Municipality shall have no liability to the Developer for any damage or interruption in service arising from repairs or other work to the Road Allowances, performed in accordance with applicable laws.

Municipal Expenses

83. The Developer shall pay and reimburse (as the case may be) the Municipality for all reasonable charges and expenses incurred by the Municipality in connection with the negotiation, preparation, approval, maintenance and enforcement of this Agreement (the "Municipality's Expenses") and without restricting the generality of the foregoing shall also be responsible for the reasonable engineering, planning, legal, internal administrative and related expenses incurred by the Municipality in relation to this Agreement both before and after its execution.
84. The Developer shall pay to the Municipality the accounts invoiced to the Developer for payment or reimbursement within thirty (30) days.
85. All of the Municipality's Expenses shall be a charge against the Security. In the event that the Municipality, acting reasonably draws upon the Security in accordance with its rights under this Agreement, the Municipality shall deliver written notice to the Developer within three (3) business days of such draw (the "Draw Notice") and the amount of the Security shall be restored by the Developer to the amount required pursuant to this Agreement within thirty (30) days following receipt of the Draw Notice.

Security

86. Security shall be in the form of cash or letters of credit. Letters of credit shall be irrevocable letters of credit issued on reasonably accepted terms from a Canadian Chartered Bank or other institution approved by or otherwise satisfactory to the Municipality, and they shall provide that, if in the sole reasonable opinion of the Municipality an event of default under the terms of this Agreement has taken place which is continuing unremedied, the letters of credit thereupon may be drawn in whole or in part. The letters of credit shall be in force for not less than a period of one year and shall provide for automatic renewals, unless three (3) months' prior written notice is given to the Municipality.
87. Interest generated by cash deposits, less the Municipality's charges to administer the accounts, shall be added to the Security and be dealt with as provided elsewhere in this Agreement.
88. The Security may be reduced from time to time at the sole reasonable discretion of the Municipality. Prior to the Developer commencing construction of the Works the Developer shall deposit a letter of credit or cash in the sum of \$1,000,000.00 (the "Construction and Maintenance Security") with the Municipality to guarantee compliance with the terms of

95. The parties agree, however, that no amending or supplementary agreement shall impose any additional responsibility or burden on the Municipality.

Termination of Agreement

96. In any event if the Works and the buildings are not completed within three (3) years, subject to extension by any events of *force majeure*, this Agreement may be terminated by the Municipality. No termination shall affect the Developer's liability to the Municipality to the date of termination.
97. The Developer may, by notice in writing, terminate this Agreement at any time prior to commencement of construction of the Works, and this Agreement shall be at an end and the Developer shall have no further obligation hereunder, but the termination shall not affect the Developer's liability to the Municipality to the date of termination. After payment of the Municipality's expenses and such other items as are appropriately charged against the Security by the terms of this Agreement, the balance of the Security shall be returned to the Developer forthwith.
98. If this Agreement is terminated, the Municipality is deemed to have withdrawn its consent to the proposed development. No liability or other duty of any kind shall be imposed on the Municipality requiring it to carry out any part of this Agreement that the Municipality is required to carry out herein that has not been completed at the time of termination. With the exception of the reimbursement of the Security in accordance with the previous section the Municipality is under no obligation to return any money paid under this Agreement. All money owing to the Municipality by the Developer and the Owners to the date of termination shall be paid forthwith on demand.
99. Notwithstanding anything contained herein to the contrary, if the Developer is delayed in substantially completing the construction of any Works or facility required by this Agreement, or in the operation, repair or maintenance of such work or facility by an act beyond the Developer's reasonable control and without limiting the generality of the foregoing ("*events of force majeure*") including unavailability of a building permit, adverse weather conditions, unavailability of parts and supplies, material or labour shortages, labour disputes, strikes and lockouts, national shortages, acts of God or the Queen's enemies, riots, insurrection, civil commotion or damage by fire, lightning, flood earthquake, tempest, or other casualty, a curtailment order from the Independent Electricity System Operator, the Ontario Power Authority or Hydro One Networks Inc., or an appeal which may be filed as part of the Developer's Renewable Energy Approval application process or similar litigation or other delays due to regulatory requirements, so long as such impediment exists, the Developer will be relieved from the fulfillment of the obligation and the time for completion shall be extended by a period of time equal to such delay.
100. Unless earlier terminated under other provisions of this Agreement, this Agreement shall be terminated upon the completion of the decommissioning of the Development.

Repair Obligation

101. The Developer shall repair, or at its option, be responsible to pay for the repair of, all damage caused by or on behalf of the Developer to the existing Road Allowances, other municipal roads, works and services of the Municipality, whether during construction, hauling, operation and maintenance or decommissioning. This covenant extends to damage caused by hauling fill for dumping. In all cases the obligation to repair shall be to repair to the condition existing prior to the damage occurring.
102. Nothing herein shall constitute an assumption by the Developer of the obligation and responsibility of the Municipality to maintain public highways, Road Allowances or municipal roads. Where the Developer has performed repair work on municipal roads at the request or direction of the Municipality, then upon such work being inspected and approved by the Municipality, the Municipality shall, in the event of any claims, costs or damages arising from such work, indemnify and save harmless the Developer from any claims, costs or damages arising from such work on the public highways, Road Allowances or municipal roads.

Notice

103. All notices which may or are required to be given under this Agreement shall be in writing and shall be delivered personally or sent by registered mail or couriered or faxed to the parties at their respective addresses as set out as follows:

The Corporation of the Township of Melancthon
157101 Highway 10
Melancthon, Ontario
L9V 2E6
Fax: (519) 925-1110

Dufferin Wind Power Inc.
161 Bay Street, Suite 4550
TD Canada Trust Tower
Toronto, Ontario M5J 2S1
Fax: 416-551-3617

104. Notices which are delivered or sent in the manner set out shall conclusively be deemed to be received for all purposes hereof, in the case of those faxed or delivered personally or by courier on the date of such faxing or delivery, and in the case of those given by registered mail, on the fourth business day following that upon which the notice was mailed. If at the time of mailing and there is an actual or threatened postal disruption, the notice shall not be mailed, but faxed, delivered personally or by courier.

Default and Enforcement

105. In the event of default by the Developer in respect of any material obligation created hereunder, and provided that the Developer: (i) has received prior written notice of such default from the Municipality and, (ii) has been given a reasonable period of time thereafter to cure such default (such period of time to be not less than (a) thirty (30) days for a monetary default; and (b) sixty (60) days for a non-monetary default or if such non-monetary default is not curable within sixty (60) days, such longer period as is reasonable provided that the Developer is proceeding diligently to remedy same (the "Developer's Cure Period")) and has failed to cure such default, or, in the event such default is not curable within a reasonable time, the Developer has ceased proceeding diligently to remedy same, the Municipality at all times maintains the discretion, acting reasonably, to terminate this Agreement and require the Developer to comply with the provisions of section 39(b). For the purposes of this section, "default" shall be the following,
- (a) any material breach of any covenant or obligation of the Developer pursuant to this Agreement;
 - (b) Abandonment of the Development or the Distribution Infrastructure installed, constructed, or maintained within any of the Road Allowances save and except where such cessation arises as a result of *force majeure* (as defined in section 100), or the performance by the Developer of its obligations pursuant to this Agreement, including in respect of any repair and maintenance obligations pursuant hereto;
 - (c) any assignment of rights and obligations hereunder without the prior written consent of the Municipality except as otherwise permitted pursuant to this Agreement;
 - (d) the Developer becoming insolvent, bankrupt, or making an authorized assignment or compromise with its creditors; and/or
 - (e) the Developer ceasing to be a "transmitter" or "distributor" within the meaning of the Electricity Act, 1998.
106. Notwithstanding any agreement between the Developer and any other party, or any rule of law, in the event of default by the Developer, the Municipality may deal with and dispose of the assets of Development located on municipal lands as the unencumbered owner of the same, accounting only for the surplus to the Developer and any encumbrancers.
107. Upon default, the Municipality shall have all of the powers of the Developer pursuant to the provisions of the Leases to enter the private lands and carry out such works at the Developer's expense as the Municipality deems appropriate for the safety of the Municipality, property and residents.
108. If the Developer fails to complete any requirements set out in this Agreement or fails to maintain the Development in accordance with the terms of this Agreement, then the Municipality may upon seven business days' notice to the Developer or in an emergency situation, being one which the Municipality considers to pose an imminent risk to the safety

of any persons or property, may upon 24 hours' notice (if practicable, or without notice if the emergency so dictates) undertake the completion of the requirements of this Agreement including such maintenance works as the Municipality deems necessary. The total cost of such work including all engineering, planning, legal and administrative fees shall be borne by the Developer. The Municipality shall, from time to time, render accounts to the Developer and the accounts shall bear interest in the same manner and at the same interest as municipal tax instalments at the time of the rendering of the account. If the Developer fails to pay the Municipality any such amounts within thirty (30) days of the date of billing, then the money owing may be collected pursuant to the security provided therein and/or be added to the tax bill of the Lands whereupon such amount shall be conclusively deemed as tax arrears and may be collected in the same manner as tax arrears.

109. In the event of default by the Developer of any obligations, the provisions of the *Municipal Act*, 2001, ss. 442 and 446, as amended from time to time, shall apply in addition to any other rights of enforcement that may be available to the Municipality against the Developer.
110. In all matters of opinion, the reasonable determination by the Municipality, its officials, professional engineers, planners, lawyers and agents shall be final and conclusive, unless submitted to arbitration in accordance with this Agreement. The Developer shall have no right to dispute any of the accounts in any respect until the amount in dispute shall have been fully paid or the Developer has posted security satisfactory to the Municipality in the amount of such account in cash or by way of a letter of credit. If the Developer shall have first either paid the amount in dispute or posted security as aforesaid, the Owners and the Developer may refer the matter to arbitration. All other matters may be referred by any party to arbitration.

Arbitration

111. For the purpose of this part of the Agreement, the Developer and the Municipality are collectively called the "Parties". Each of them is called the "Party" as the context requires.
112. Any and all disputes, claims or controversies arising out of or in any way connected with or arising from this Agreement, its negotiation, performance, breach, enforcement, existence of validity, any failure of the Parties to reach agreement with respect to matters provided for in this Agreement and all matters in dispute relating to the rights and obligations of the Parties, which cannot be amicably resolved, even if only one of the Parties declares that there is a difference ("Dispute"), will be referred to and finally settled by the Ontario Energy Board, pursuant to the *Electricity Act*, 1998, s. 41(9), to the extent applicable, or to the extent not within the jurisdiction of the Ontario Energy Board, or where both parties agree in writing, private and confidential binding arbitration. The arbitration shall be governed by the *Arbitration Act*, 1991 (Ontario) as amended and supplemented by the arbitration sections of this Agreement, and shall constitute a submission for the purposes of the *Arbitration Act*, 1991. The arbitration shall be held in Ontario in English and governed by Ontario law.
113. Any arbitration shall be resolved in the following manner:

- (a) If the Parties can agree upon a single arbitrator, such arbitrator shall conduct the arbitration alone. If they cannot agree on a single arbitrator, then each shall appoint an arbitrator and the two so appointed shall appoint a third arbitrator who shall be chairman. If either Party appoints an arbitrator and gives notice of the appointment to the other, the other shall appoint an arbitrator within five business days. If such appointment is not made within such period, the arbitrator appointed by the first Party shall be deemed to be a single arbitrator approved by the both of them. The two arbitrators shall appoint a third arbitrator within five business days of the appointment of the second arbitrator.
- (b) Depending on the nature of the dispute, the arbitrator or arbitrators shall, to the extent appropriate, be practicing professional engineers, planners, lawyers, or the holders of other appropriate qualifications for the subject matter of the Dispute.
- (c) The arbitrator or arbitrators shall set a date for the hearing of the matters in dispute (“Hearing”) not later than six weeks from the date of appointment of the last arbitrator to be appointed.
- (d) The Party seeking the arbitration (“Claimant”) shall deliver to the other Party (“Respondent”) and the arbitrators, at least four weeks before the hearing, a written statement (“Complaint”), including the allegations of fact and statements of legal principles it admits and which it denies. Within ten days of the receipt of the Complaint, the Respondent shall send to the Claimant and the arbitrators a response (“Response”) stating, in detail, which of the Claimant’s allegations of fact and statements of legal principles it admits and which it denies, on what grounds and on what other facts and principles of law it relies.
- (e) At the time of the delivery of the Complaint the Claimant shall provide to the Respondent copies of all documents on which it intends to rely. At the time of the delivery of the Response, the Respondent shall deliver to the Claimant copies of all documents on which it intends to rely.
- (f) If the Respondent fails to deliver a Response within the time limit referred to above, the Respondent shall be deemed to have admitted the Complaint.
- (g) Within ten days of receipt of the Response the Complainant may deliver to the Respondent and the arbitrators a written reply to the Response.
- (h) Any Party may at any time at least two weeks in advance of the Hearing make a motion to the arbitrator in the event there is a single arbitrator, or the chairman in the event of multiple arbitrators for an order for directions regarding the further conduct of the arbitration and the Hearing, including orders respecting the production of records and documents that are in their possession and power.
- (i) The time limits referred to above may be waived by the Parties on consent, or the arbitrator or arbitrators on motion by one of the Parties, should consent not be given.

- (j) At the Hearing each Party may adduce whatever evidence it deems advisable. In addition the arbitrator or arbitrators may view the site in his or their consideration of the matters complained about.
- (k) The arbitrator or arbitrators shall make their decision as soon as possible after completion of the Hearing and viewing the site. The decision (or the majority decision as the case may be) is final and binding upon the Claimant and the Respondent, and is not to be subject to review or appeal by any Court or other body.
- (l) If the result of the arbitration is in favour, or largely in favour of one Party, the cost of the arbitration, including the expenses of that Party, shall be paid by the other. If the result is mixed, each Party shall pay its own expenses and the fees of the arbitrators shall be divided equally between them. The arbitrator or arbitrators shall make the decision as to whether the result is in favour or largely in favour of one Party, or if the result is mixed.
- (m) The arbitration shall be kept confidential and its existence and any element of it (including submissions and any evidence or documents presented or exchanged) shall not be disclosed beyond the arbitrators, the Parties (including their shareholders, auditors and insurers), their counsel and any person necessary to the conduct of the arbitration, except as required by law or the rules or requirements of any stock exchange. No individual shall be appointed as an arbitrator unless he or she agrees in writing to be bound by this confidentiality provision.

General

- 114. The Developer shall be entitled to assign this Agreement, with the consent of the Municipality, which shall not be unreasonably delayed, withheld or conditioned, provided that the Municipality is reasonably satisfied as to the financial responsibility of the assignee, the assignee posts replacement securities provided for in this Agreement and the assignee enters into an assumption agreement with the Municipality substantially in the form attached hereto as Schedule "G". Upon all of the foregoing taking place, the Developer shall be released from its obligations under this Agreement, and the balance of any securities posted by the Developer with the Municipality shall be promptly returned. In the event the Developer assigns its interest in the Development Infrastructure or the Works it shall require the assignee to enter into an assumption agreement with the Municipality substantially in the form attached hereto as Schedule "G", whereby the assignee agrees to assume all the obligations of the Developer under this Agreement.
- 115. The Developer shall be entitled to assign this Agreement, and to charge the Development Infrastructure and Works, without the consent of the Municipality and without having to comply with Section 114, to the Developer's lenders as security for the Developer's obligations to such lenders who shall be further entitled to assign this Agreement in connection with an enforcement of their security. No such assignments shall in any way diminish or eliminate the Developer's obligations, nor shall the Municipality be subjected to any new obligations to the Developer or the assignees. The Municipality agrees to execute

and deliver an Acknowledgment and Consent Agreement in favour of any applicable lender, collateral agent or security trustee for the lenders or any assignees, substantially in the form attached hereto as Schedule "E".

116. The Developer covenants that it shall not contest the authority of the Municipality to enter into this Agreement and enforce it. The parties conclusively stipulate that the Municipality has the authority to enter into this Agreement and to enforce it. The parties covenant not to contest the legality of this Agreement.
117. Every provision of this Agreement by which the Developer is obligated in any way shall be deemed to include the words "at the expense of the Developer" and "to the Municipality's reasonable satisfaction in its sole reasonable discretion" unless specifically stated otherwise. Whenever the provisions of this Agreement require an approval or consent to be given, unless this Agreement expressly states to the contrary, the following rules shall apply:
 - (a) such approval or consent shall be in writing;
 - (b) such approval or consent shall not be unreasonably withheld, delayed or conditioned;
 - (c) the party whose approval or consent is required shall, within 10 days after the request for approval or consent is received, advise the party requesting such approval or consent in writing that it consents or approves, or that it wishes to withhold its consent or approval in which case such party shall set forth, in reasonable detail, its reasons for withholding its consent or approval; and
 - (d) any dispute as to whether or not such consent or approval has been unreasonably withheld shall be resolved by arbitration.
118. The parties hereto agree that this Agreement may be registered against the title of the lands and premises of the Developer at the cost of the Developer. The execution of this Agreement by a party is conclusive Acknowledgement and Direction by that party to the Solicitors for the Municipality and the Developer to register this Agreement on behalf of the party. The registration of this Agreement shall be deleted upon the sole application of the Municipality upon the termination of this Agreement.
119. The invalidity or unenforceability of any provision or covenant contained in this Agreement shall affect the validity and enforceability of such provision or covenant only and any such invalid provision or covenant shall be severed from the balance of this Agreement, which shall be enforced to the greatest extent permitted by law.
120. No supplement, modification, amendment or waiver of this Agreement shall be binding unless executed in writing by the parties.
121. Each of the parties covenants and agrees with the other that it will at all times hereafter execute and deliver, at the request of the other, all such further documents, deeds and instruments and will do and perform all such acts as may be necessary to give full effect to the intent and meaning of this Agreement.

122. In this Agreement, words importing the singular number include the plural and vice versa and words importing one gender include the other two genders as well.
123. This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors and permitted assigns.
124. The following Schedules attached hereto form part of this Agreement. For registration purposes the Schedules may be omitted. This Agreement and all the Schedules are available for viewing at the offices of the Municipality during regular office hours.


Schedule "A"	Description of Road Allowances, Transport and Haul Routes, Collector System Crossings, and Temporary Municipal Intersection Improvements
Schedule "B"	Dufferin Wind Power Site Plans and Technical Drawings
Schedule "C"	Permits
Schedule "D"	Permitted Advertising
Schedule "E"	Form of Acknowledgement and Consent Agreement
Error! Reference source not found.	Form of Lease
<u>Schedule "G"</u>	Form of Assumption Agreement

[Signature page to follow]

IN WITNESS WHEREOF the parties hereto affix their hands and seal or corporate seals, attested to by the hand of their authorized officers, as the case may be, as of the effective date first above noted

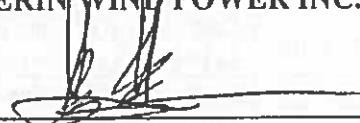
**THE CORPORATION OF THE TOWNSHIP
OF MELANCTHON**


Per: 
Name: Bill Hill
Title: Mayor

Per: 
Name: Denise B. Holmes
Title: CAO

We have the authority to bind the Corporation.

DUFFERIN WIND POWER INC.

Per: 
Name: Hao Wu
Title: President

Per: 
Name: Jeff Hammond
Title: Senior Vice-President
We have the authority to bind the Corporation.

Schedule "A"

**DESCRIPTION OF ROAD ALLOWANCES, COLLECTOR SYSTEM CROSSINGS,
AND TEMPORARY MUNICIPAL INTERSECTION IMPROVEMENTS**

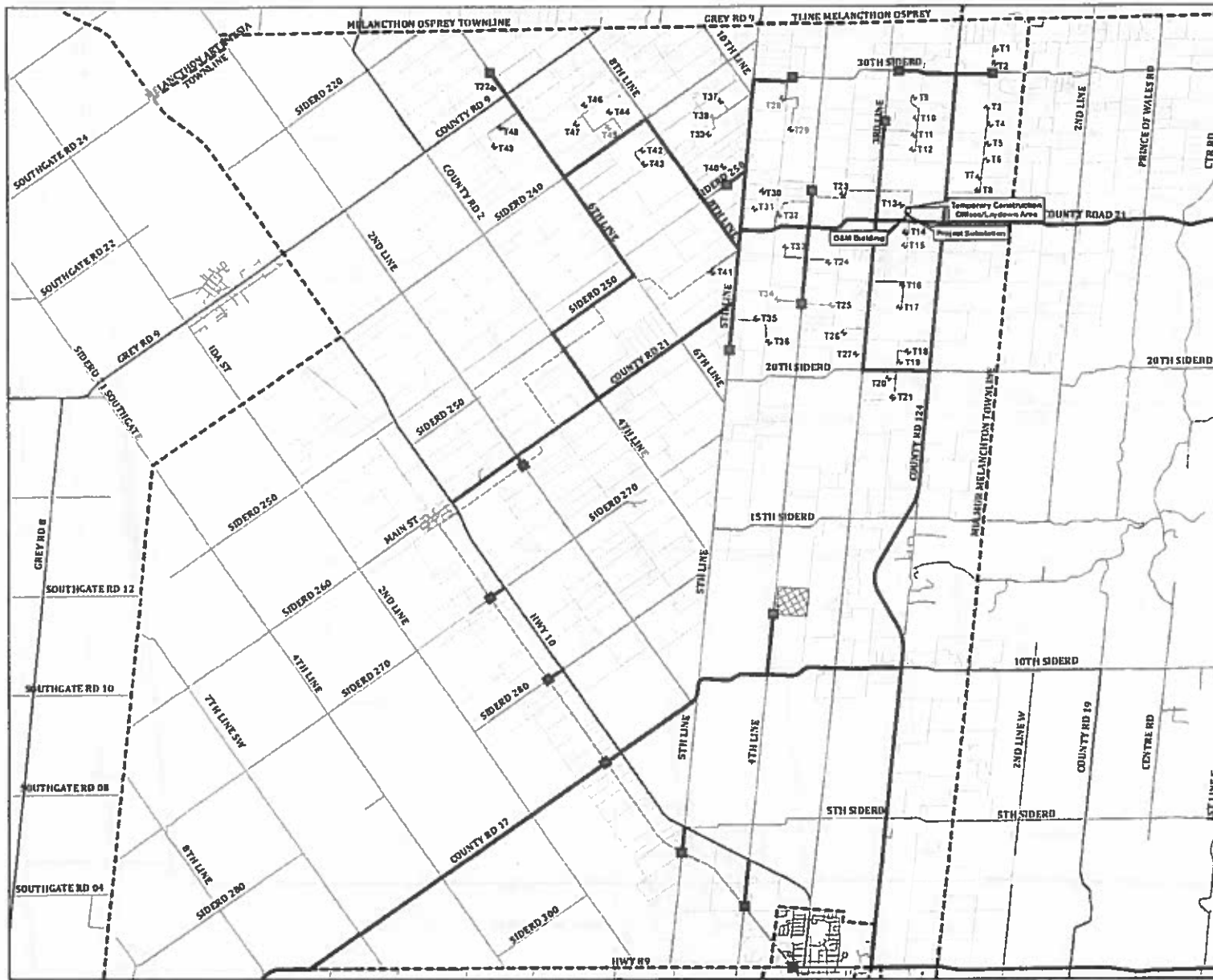
Collector System Lines Within Municipal Road Allowance		
Municipal ROW Use Map Identifier	Infrastructure	Location
R-1	Collector Line	East Side of County Road 124 being part of PIN 341420005 between PINs 341420089 and 341420084
R-2	Collector Line	East Side of 3rd Line being part of PIN 341420004 between PINs 341420064 and 341420056
R-3	Collector Line	West side of 3rd Line being part of PIN 341420004 and PIN 341410005 between PINs 341420039 and 341410080
R-4	Collector Line	East side of 3 rd Line being part of PIN 341410005 between PINs 341410050 and 341410046
R-5	Collector Line	South East side of Sideroad 240 being part of PINs 341430004 and 341430054 between PINs 341430056 and 341430037
R-6	Collector Line	East side of 3 rd Line being part of PIN 341410005 between PINs 341410046 and 341410045
R-7	Collector Line	West side of 3 rd Line being part of PIN 341410005 between 341400002 and 341400141
R-8	Collector Line	East side of 4th Line being part of PIN 341420003 between PINs 341420040 and 341420038
R-9	Collector Line	South side of 30 th Sideroad between PINs 341420097 and 341420130

Municipal ROW Crossings		
Municipal ROW Crossing Map Identifier	Infrastructure	Location
F-1	Collector Line	30th Sideroad being part of PIN 341420009 and 341420118 between PINs 341420119 and 341420130
F-2	Collector Line	County Road 124 being part of PIN 341420005 between PINs 341420084 and 341420057
F-3	Collector Line	3rd Line being part of PIN 341420004 between PINs 341420064 and 341420045
F-4	Collector Line	3rd Line being part of PIN 341420004 between PINs 341420056 and 341420039
F-5	Collector Line	3rd Line being part of PIN 341420004 between PINs 341420056 and 341420039
F-6	Collector Line	County Road 21 being part of PIN 341420002 between PINs 341420056 and 341410050

F-7	Collector Line	3rd Line being part of PIN 341410005 between PINs 341410045 and 341410029
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Municipal ROW Crossings (Continued)		
Municipal ROW Crossing Map Identifier	Infrastructure	Location
F-8a	Collector Line	20 th Sideroad being part of PIN 341410112 between PIN 341410080 and 341400141
F-8b	Collector Line	3rd Line being part of PIN 341410005 between PINs 341400056 and 341400141
F-9	Collector Line	20th Sideroad being part of PIN 341420112 between PINs 341410044 and 341400056
F-10	Collector Line	4th Line being part of PIN 341420003 between PINs 341420040 and 341420017
F-11	Collector Line	4th Line being part of PIN 341420003 between PINs 341420038 and 341420013
F-12	Collector Line	4th Line being part of PIN 341410004 between PINs 341410020 and 341410089
F-13	Collector Line	4th Line being part of PIN 341410004 between PINs 341410014 and 341410031
F-14	Collector Line	County Road 21 being part of PIN 341420002 between PINs 341420011 and 341410086
F-15	Collector Line	5th Line being part of PIN 341420001 between PINs 341420011 and 341430008
F-16	Collector Line	8th Line being part of PIN 341430001 between PINs 341430008 and 341450034
F-17	Collector Line	5th Line being part of PIN 341420001 between PINs 341420014 and 341430051
F-18	Collector Line	5th Line being part of PIN 341420001 between PINs 341430011 and 341420014
F-19	Collector Line	250 Sideroad being part of PIN 341430005 between PINs 341430011 and 341430051
F-20	Collector Line	5th Line being part of PIN 341420001 between PINs 341420025 and 341430019
F-21	Collector Line	10 th Line NE being part of PIN 341430007 between PINs 341430042 and 341430034
F-22	Collector Line	10 th Line NE being part of PIN 341430007 between PINs 341430042 and 341430037
F-23	Collector Line	8 th Line NE being part of PINs 341430001 and 341430054 between PINs 341430056 and 341450039
F-24	Collector Line	Sideroad 240 as being part of PIN 341440002 between PINs 341440051 and 341450039
F-25	Collector Line	6th Line NE being part of PIN 341440008 between PINs 341440041 and 341440030
F-26	Collector Line	County Road 9 being part of PIN 341440006 between PINs 341440033

		and 341440032
F-27	Collector Line	6th Line NE being part of PIN 341440008 between PINs 341440033 and 341440045
Temporary Municipal Intersection Improvements		
Intersection Improvement Map Identifier	Infrastructure	Location
DWP-CIN-001	Fill & Grade	CR 124 & SR 20
DWP-CIN-002	Fill & Grade	CR 124 & CR 21
DWP-CIN-003	Fill & Grade	CR 124 & SR 30
DWP-CIN-004	Fill & Grade	SR 30 & 5 th Line
DWP-CIN-005	Fill & Grade	CR 21 & 3rd Line
DWP-CIN-006	Fill & Grade	CR 21 & 4th Line
DWP-CIN-007	Fill & Grade	CR 21 & 5th Line
DWP-CIN-008	Fill & Grade	5th Line & SR 250
DWP-CIN-009	Fill & Grade	5 th Line (CR 21) & 8 th Line NE
DWP-CIN-010	Fill & Grade	8th Line NE & SR 240
DWP-CIN-011	Fill & Grade	SR 240 & 6th Line NE
DWP-CIN-017	Fill & Grade	CR 17 & 4 th Line
DWPP-T-HR-1 R1	Fill & Grade	3 rd Line
DWPP-T-HR-2 R1	Fill & Grade	CR 21 & 3rd Line
DWPP-T-HR-3 R1	Fill & Grade	CR 21 & 4 th Line
DWPP-T-HR-4A R1	Fill & Grade	4 th Line
DWPP-T-HR-4B R1	Fill & Grade	CR 21 & 5 th Line
DWPP-T-HR-5 R1	Fill & Grade	CR 21
DWPP-T-HR-6 R1	Fill & Grade	SR 250 & 6 th Line
DWPP-T-HR-7 R1	Fill & Grade	SR 250
DWPP-T-HR-7A R1	Fill & Grade	SR 250 & 4 th Line
DWPP-T-HR-8 R1	Fill & Grade	4 th Line
DWPP-T-HR-9A R1	Fill & Grade	CR 21 East
DWPP-T-HR-10 R1	Fill & Grade	2 nd Line
DWPP-T-HR-12 R1	Fill & Grade	SR 270
DWPP-T-HR-13 R1	Fill & Grade	SR 280
DWPP-T-HR-14 R1	Fill & Grade	CR 17
DWPP-T-HR-15 R1	Fill & Grade	5 th Line
DWPP-T-HR-16 R1	Fill, Grade & Culvert	4 th Line



Dufferin Wind Power Project

Wind Facility Haul Routes

Drawing Number:
DHR 1000 - 2012 A

Legend

- Murkenon Haul Route
- K-Line Haul Route
- Major Roads
- Local Roads
- ▭ Parcels
- ▭ Lots/Concessions
- - - Municipalities

Project Components

- ⚡ GE 1.6 MW Turbine
- ⚡ GE 2.75 MW Turbine
- ⚡ MET Tower
- ⚡ MET Station
- Substation
- ▣ Operations and Maintenance Building
- ▣ Temporary Construction Offices/Laydown Area
- 230 KV Line Power Line
- Access Roads
- ▨ Temporary Storage Area



DILLON
CONSULTING

Created By: SPG
 Checked By: DM
 Date Created: 08/01/13
 Date Modified: 07/05/13
 File Path: I:\GIS\115199 - Dufferin Wind\2013\Mapping
 \Infrastructure\DHR 1000 - 2012 (230 KV) A.dwg



Dufferin Wind Power Project

Wind Facility Haul Routes

**Drawing Number:
DHR 1000 - 2012 B**

Legend

- K-Line Haul Route
- Major Roads
- Local Roads
- Parcels
- Lo by/Concessions
- Municipalities

Project Components

- Orangeville Transmission Station
- ▲ Switching Station
- Laydown Area
- 230kV Power Line
- Directional Drilling



DILLON
CORPORATE DESIGN

Created by: SFC
Checked by: DR
Date Created: 08/01/11
Date Modified: 06/28/12
File Path: \\GIS\115199 - Dufferin Wind\2012\11 Mapping
\\structure\DHR 1000 - 2012 (230 kV) 0.dwg

Schedule "B"

SITE PLANS AND TECHNICAL DRAWINGS

- DWP, Project Site Plan, Dwg. DSP 1000 - 2012 A - 12 July 2013
- DWP, Project Site Plan, Dwg. DSP 1000 - 2012 B - 12 July 2013
- DWP, Municipal Crossing Plans (Collector System) - 25 July 2013
- DWP, Haul Route Map, Dwg. DHR 1000 - 2012 A - 25 July 2013
- DWP, Haul Route Map, Dwg. DHR 1000 - 2012 B - 25 July 2013
- DWP, Cross Section of 34.5 kV Underground Segment
- DWP, Cross Section of Typical Entrance Plan
- DWP, Temporary Municipal Intersection Improvements, DWG. DWP-CIN-HR - 25 July 2013

Schedule "C"

PERMITS TO BE DELIVERED TO MUNICIPALITY

1. Renewable Energy Approval (REA), Ministry of Environment
2. Notice to Proceed (NTP), Ontario Power Authority
3. Leave to Construct (LTC), Ontario Energy Board

Schedule "D"

PERMITTED ADVERTISING

The Municipality and Developer agree to limit advertising within the project area to the following approved advertising:

1. A lighted, outdoor, landmark, project sign located adjacent to the entrance of, or on, the Dufferin Wind Operations & Maintenance Facility located on County Rd 21, PIN 34142-0065.
2. Corporate name and logo (DWG LP-DWP 1000-2012) located on project vehicles
3. Corporate name and logo (DWG LP-DWP 1000-2012) located on staff uniforms
4. Corporate name and logo (DWG LP-DWP 1000-2012) on access/security signs at the entrance to maintenance yards, electrical substations, primary and secondary access roads, wind turbines, and each meteorological tower site
5. The corporate name and logo (DWG LP-DWP 1000-2012) mounted on each side of the nacelle on the following wind turbines:

Wind Turbine	Location (PIN)
T1	34142-0119
T4	34142-0096
T8	34142-0089
T11	34142-0065
T13	34142-0065
T14	34141-0050
T15	34141-0050
T17	34141-0046
T21	34140-0056
T31	34142-0011
T32	34142-0012
T33	34141-0022
T35	34141-0018
T37	34143-0034
T41	34145-0032
T43	34145-0039
T48	34144-0030

Drawings:

1. DWP, Corporate Logo DWG LP-DWP 1000-2012
2. DWP, Permitted Advertising Map (WTGs)

Schedule "E"

ACKNOWLEDGMENT AND CONSENT AGREEMENT FORM

BETWEEN:

THE CORPORATION OF THE TOWNSHIP OF MELANCTHON
("Owner")

and

("Agent")

ACKNOWLEDGEMENT AND CONSENT AGREEMENT

This Owner's Acknowledgement and Consent Agreement ("Acknowledgement") made as of the ■ day of ■, 2012 by and between THE CORPORATION OF THE TOWNSHIP OF MELANCTHON (the "Owner") and ■, as agent (the "Agent") pursuant to a credit agreement dated ■, 2012 (as amended, supplemented, restated, extended, renewed or replaced from time to time, the "Credit Agreement") between, Dufferin Wind Power Inc. *inter alia*, _____ the Agent, ■ and the other financial institutions from time to time party thereto, as lenders (collectively, the "Lenders") and ■, in its capacity as collateral agent under the Agreement made as of ■, 2012 (as amended, supplemented, restated, extended, renewed or replaced from time to time, the "Collateral Agency Agreement") between Dufferin Wind Power Inc., the persons who are, and from time to time become, parties thereto as guarantors (including ■) and ■ (the "Collateral Agent"), as agent for the Secured Creditors (as defined therein).

WHEREAS:

A. Dufferin Wind Power Inc. (the "Developer") entered into an Agreement and Transfer and Grant of Easement dated ■ registered against title to the lands described in the Agreement (the "Lands") on ■ as Instrument No. ■ (the "Agreement"), pursuant to which the Owner has granted to the Developer, *inter alia*, certain rights in connection with access to municipal roads (the "Rights") on the terms and conditions set out in the Agreement.

B. Pursuant to, respectively, the Credit Agreement and the Collateral Agency Agreement (and documentation delivered in connection therewith), the Agent and Collateral Agent, respectively, have been granted charges, mortgages, assignments and security interests (collectively, the "Security Interests") in all of the property, undertaking, assets, interests, rights and benefits of the Developer, including without limitation, all of the Developer's right title, estate, interest and equity in the Lands, the Agreement, the Easement, all rights, privileges, benefits, agreements and interests therein, and all improvements, equipment, structures, chattels,

personal property and appurtenance thereto in, on, under or appurtenant to the Lands (collectively, the "Collateral").

C. The Owner has agreed to execute and deliver this Acknowledgement to the Agent and the Collateral Agent pursuant to the provisions of the Agreement.

NOW THEREFORE in consideration of the sum of Two Dollars (\$2) paid by each of the Agent and the Collateral Agent to the Owner and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Owner hereby acknowledges, covenants and confirms to each of the Agent and the Collateral Agent, as follows:

1. The Owner consents to the creation of the Security Interests and the registration thereof on the title to the Lands in the applicable land registry office(s).
125. The Owner acknowledges that, following an event of default by the Developer under the Credit Agreement or an event of default as defined in the Collateral Agency Agreement (each, and "Event of Default"), the Collateral Agent, the Lenders, the Collateral Agent or the Secured Creditors or any nominee or designee thereof or any receiver or receiver-manager (collectively, an "Agent Party") shall have the right to enforce the Security Interests, including, without limitation, the right to enjoy and enforce the rights of the Developer under the Agreement and, in the course of the enforcement of such rights, shall be entitled to sell, assign, transfer, negotiate or otherwise dispose of the Agreement, provided that in exercising such rights the Agent Party shall assume all of the liabilities and obligations of the Developer under or in connection with the Agreement.
126. The Owner agrees:
 - (a) to give each of the Agent and the Collateral Agent written notice (at the addresses below) of any default by the Developer under the Agreement, concurrent with the delivery of such notice to the Developer;
 - (b) that if the Developer fails to cure the breach or default identified in such notice, the Agent, the Collateral Agent or any other Agent Party may, but in no way shall be obligated to, cure such default and the Owner shall not terminate the Agreement or exercise any other remedy under the Agreement if the Agent, the Collateral Agent or any other Agent Party, within 90 days of the date of the Collateral Agent's receipt of the written notice referred to in section 126(a) above, is diligently proceeding to cure such breach or default;
 - (c) that if any default by the Developer the Agreement is not of a curable nature, it will not exercise any right to terminate if the Agent, Collateral Agent or any other Agent Party or nominee thereof agrees to assume the rights and obligations of Plateau under the Agreement, including its obligations under the Operation and Maintenance Part, to the extent that it is capable of capable of assuming and correcting the default by the Developer, so long the Collection Infrastructure is still operating and the Agent, Collateral Agent, Agent Party or nominee promptly

and diligently commences and pursues the curing of all other outstanding defaults under the Agreement;

- (d) that if the Agreement is terminated or surrendered for any reason prior to the expiry of the term thereof, whether as a result of a default by the Developer thereunder or otherwise, the Owner shall give notice of such termination to each of the Agent and the Collateral Agent and shall offer to enter into a new or replacement agreement (the "Replacement Agreement") with the Agent, the Collateral Agent or another Agent Party or other person designated by, as applicable, the Agent, the Collateral Agent or other Agent Party, which Replacement Agreement shall be upon the same terms and conditions as the Agreement;
- (e) that if within 30 days of receipt of the notice referred to in item section 126(d) above, the Collateral Agent or other Agent Party requests a Replacement Agreement, the Owner shall enter into such Replacement Agreement with, as applicable, the Collateral Agent or other Agent Party or other person designated by the Collateral Agent or other Agent Party. Notwithstanding any of the foregoing, the Agent Party confirms and acknowledges that the Owner shall not be liable to the Agent Party for the non-delivery of any notice pursuant to section 126(a) above;
- (f) that although the Owner and the Developer may modify the Agreement from time to time between themselves, the Collateral Agent will not be bound by any material adverse modifications made without the Collateral Agent's prior written consent; and
- (g) the Owner will, at any time and from time to time, upon not less than five business days' prior request by the Collateral Agent and the payment of the Owner's reasonable fees, deliver to the Collateral Agent a statement in writing certifying that: (i) the Agreement is in full force and full effect unamended (or setting out any such amendments), (ii) all amounts owing and payable under the Agreement have been paid (or setting out any unpaid amounts), and (iii) to the Owner's knowledge, the Developer is not in default of its obligations under the Agreement in any material respect (or setting out any such defaults).

127. The Agent covenants and agrees with the Owner that during any period the Agent exercises its Security Interests and takes possession of the Developer's interest in the Lands (either directly or indirectly through an Agent Party) or takes control of or manages the Developer's interest in the Lands or the Collateral or any part thereof, or forecloses upon the Agreement, or succeeds to the interest of the Developer under the Agreement, it will assume all of the obligations of the Developer under or in connection with the Agreement during such period to the extent that they may be performed by the Collateral Agent, and thereafter observe and perform all of the Developer's obligations under the Agreement to the extent that they may be performed by the Collateral Agent.

128. The Collateral Agent covenants and agrees with the Owner that during any period the Collateral Agent exercises its Security Interests and takes possession of the Developer's interest in the Lands (either directly or indirectly through an Agent Party) or takes control of or manages the Developer's interest in the Lands or the Collateral or any part thereof, or forecloses upon the Agreement, or succeeds to the interest of the Developer under the Agreement, it will assume all of the obligations of the Developer under or in connection with the Agreement during such period to the extent that they may be performed by the Collateral Agent, and thereafter observe and perform all of the Developer's obligations under the Agreement.
129. The Owner confirms and acknowledges that in the event that the Collateral Agent or any other Agent Party assigns, transfers or otherwise disposes of its interest in the Agreement pursuant to its Security Interests (a "Transfer"), it will not unreasonably withhold, delay or condition its consent to the Transfer, and, upon such assignee or transferee covenanting and agreeing in writing with the Owner to assume and perform all of the covenants and obligations of the Developer pursuant to the Agreement, each of the Collateral Agent and the other Agent Party shall, thereupon and without further agreement, be freed and relieved of all liability with respect to the Agreement from and after the effective date of such Transfer.
130. All notices hereunder shall be in writing, sent by registered mail, return receipt requested or by fax, to the respective parties and the addresses set forth on the signature page or at such other address as the receiving party shall designate in writing.
131. This Acknowledgement may be executed in any number of counterparts, shall be governed by the laws of the Province of Ontario and binds and inures to the benefit of the Collateral Agent, and its successors and assigns and shall be binding upon the heirs, personal representatives, successors and assigns of the Owner.
132. Each of the parties hereto agrees to do, make and execute all such further documents, agreements, assurances, acts, matters and things and take such further action as may be reasonably required by any other party hereto in order to more effectively carry out the true intent of this Acknowledgement.

The provisions of this Acknowledgement shall continue in effect until the Owner shall have received the written certification of the Collateral Agent that all amounts advanced, and obligations arising, under the Credit Agreement and all Obligations (as defined in the Collateral Agency Agreement) have been paid and performed in full.

IN WITNESS WHEREOF, this Acknowledgement is executed by the parties.

**THE CORPORATION OF THE TOWNSHIP OF
MELANCTHON**

per:

***, Mayor

***, CAO

We have authority to bind the Corporation

Address for Notice:

per:

***, Title

***, Title

We have authority to bind the Corporation

Address for Notice:

Schedule "G"

ASSUMPTION AGREEMENT FORM

ASSUMPTION AGREEMENT

THIS AGREEMENT (the "Assumption Agreement") is made as of the ____ day of _____, 201█.

BETWEEN:

THE CORPORATION OF THE TOWNSHIP OF
MELANCTHON

("Melancthon")

- and -

DUFFERIN WIND POWER INC.

(the "Assignor")

- and -

█

(the "Assignee")

RECITALS:

- A. The Assignor and Melancthon are parties to the Melancthon-Dufferin Wind Agreement dated as of the █ day of July, 2013 (as the same may be amended, supplemented or restated from time to time, the "Agreement").
- B. The Assignor proposes to assign to the Assignee its interest in the Agreement, Development Infrastructure and Works (as those terms are defined in the Agreement) (the "Proposed Transfer").

NOW THEREFORE THIS ASSUMPTION AGREEMENT WITNESSES that, in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereto covenant and agree as follows:

1. Consent

Melancthon hereby consents to the Proposed Transfer.

2. Assumption of Obligations

The Assignee hereby assumes responsibility for the performance of all of the Assignor's obligations pursuant to the Agreement with effect from completion of the Proposed Transfer.

3. Release

Upon posting the replacement securities provided for in the Agreement, the Assignor shall be released from its duties, obligations and liabilities to Melancthon under the Agreement from and after completion of the Proposed Transfer.

4. Further Assurance

Melancthon agrees to do and perform or cause to be done and performed all such further acts and things and shall execute and deliver all such other agreements, certificates, instruments and documents as may reasonably be requested in order to carry out the intent and accomplish the purposes of this Assumption Agreement and the consummation of the Proposed Transfer.

5. Execution and Delivery

This Assumption Agreement may be executed and delivered in any number of counterparts, each of which when so executed and delivered shall be an original but all of which taken together shall constitute one and the same document. A party's transmission by facsimile or electronic mail of this Assumption Agreement duly executed by that party shall constitute effective delivery by that party of an executed copy of this Assumption Agreement.

6. Governing Law

This Assumption Agreement shall be governed by and interpreted in accordance with the laws of the Province of Ontario, and the federal laws of Canada applicable therein.

July 30, 2013

IN WITNESS WHEREOF the parties hereto have executed this agreement on the date first above written.

**THE CORPORATION OF THE TOWNSHIP OF
MELANCTHON**

by: _____
Name:
Title:

by: _____
Name:
Title:

DUFFERIN WIND POWER INC.

by: _____
Name:
Title:

by: _____
Name:
Title:

[ASSIGNEE]

by: _____
Name:
Title: