

CONFIDENTIAL

Schedule 1

Power System Planning

This Schedule is a schedule to the Master Services Agreement dated April 3, 2006 between the Ontario Power Authority and the Independent Electricity System Operator and incorporates all of the provisions thereof.

1. Service

The OPA has a requirement for Power System Planning support in the form of system studies encompassing both Generation and Transmission. The IESO can effectively provide this support given the infrastructure, process, and people currently in place to perform assessments for its own purposes and those of the marketplace in general. The IESO is willing to undertake additional assessment activities under the terms of this Schedule.

2. Primary Contacts

The Primary Contacts for administration of this Schedule are:

Bing Young
Director - Mid Term Planning
Ontario Power Authority

Don Tench
Director - Planning and Assessments
Independent Electricity System Operator

3. Scope of Work

This Schedule includes all work which is mutually agreed to by the Primary Contacts and, more specifically includes those deliverables identified in Annex 1 (the "Services" and the "Deliverables");

The parties agree that the description of the Services and the Deliverables may be modified as required under section 2.1.5(c) of the Master Services Agreement.

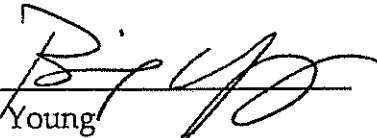
4. Term

This Schedule shall remain in effect for a minimum of one year from date of signing. Either the IESO or the OPA may terminate this Schedule on at least 60 days written notice provided, however, that the OPA will be liable to reimburse the IESO for any costs incurred to the date of termination.

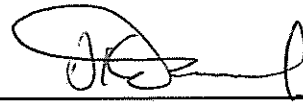
5. Calculation of Service Charges

The OPA will reimburse the IESO for all reasonable costs incurred by the IESO in providing the Services and the Deliverables (including costs for any requests subsequently withdrawn by the OPA). The payment terms and method of calculating reasonable costs will be consistent with those applied to connection applicants under the Connection Assessment and Approval process described in Market Manual 2, Part 2.10, except that no deposit shall be required. The IESO will invoice the OPA on a monthly basis for the costs of providing the Services and the Deliverables.

Signed:



Bing Young
Director – Mid Term Planning
Ontario Power Authority



Don Tench
Director – Planning & Assessments
Independent Electricity System Operator

Dated and signed this 3rd day of April, 2006.

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Annex 1

Scope of Work

The Scope of Work includes all work which is mutually agreed to by the Primary Contacts and, more specifically includes the Services and Deliverables identified below:

- (a) Studies to assess the adequacy and/or performance of the existing generation and transmission system including committed facilities, for scenarios defined by the OPA which would not otherwise have been studied by the IESO. Maximum use will be made of existing assessments done for the IESO's purposes. This does not include studies associated with demonstrating compliance with NPCC or NERC reliability standards;
- (b) Studies to assess the adequacy and/or performance of generation and transmission configurations and scenarios defined by the OPA;
- (c) Development of required data, models and information in support of the work identified in (a) and (b);
- (d) Analysis of actual versus forecast and proposed system conditions as requested by the OPA;
- (e) Data collection and data analysis requested by the OPA where this collection and analysis does not already exist in a suitable form; and
- (f) Documentation of work to the extent required by the OPA.