

FOUNDATIONAL HYDROGEN INFRASTRUCTURE STEERING COMMITTEE (the “Committee”)

TERMS OF REFERENCE

1. Vision

A significant opportunity exists for Bruce County to produce clean hydrogen from off-peak nuclear and renewable electricity generation sources, and in doing so, position the region to contribute to, but also benefit from, the transition to a lower-carbon economy. To take advantage of this opportunity, Bruce County and Saugeen First Nation (“**SFN**”), together the “**Founding Partners**”), have launched an initiative called “Bruce Innovates: Foundational Hydrogen Infrastructure Project” (“**Bruce Innovates**”). Bruce Innovates goal is to illustrate, by deploying transformational technologies such as hydrogen production that Bruce County intends to become the clean energy capital of Canada by establishing a leading region for collaboration and training in clean technology development and energy innovation.

Bruce Innovates also plans to establish a platform for creating unique commercial partnerships with key strategic partners (a “**Project Partner**”). An example of this approach is the Power-to-Gas pilot project (the “**P2G Project**”) currently under consideration by the Founding Partners. The P2G Project aims to develop of a 2 MW electrolyser and fueling station to create hydrogen from low-carbon electricity and through a methanation process to create synthetic natural gas. As Bruce Innovates progresses in its mandate, other commercial ventures will be developed to further the hydrogen economy.

Bruce Innovates provides Project Partners with a collaborative platform to bring economic opportunities to the participants, the Bruce region and SFN territory while contributing meaningfully to de-carbonization goals within Canada.

These terms of reference outline the governance of the Committee and its oversight of Bruce Innovates.

2. Purpose

To oversee the development, management and oversight of the Bruce Innovates mandate.

At the core is the establishment of Bruce Innovates as a leading region for collaboration and training in clean technology and energy innovation. Bruce Innovates represents a platform located within Bruce region to:

1. Develop, test and scale-up hydrogen production and storage viability;
2. Diversify and boost the economy through investments in hydrogen and clean energy innovation;
3. Support SON and other First Nation communities in building capacity towards greater energy self-sufficiency through hydrogen-based solutions; and
4. Accelerate the commercial deployment of Canadian-based hydrogen technologies both nationally and abroad.

These actions will help unlock the potential for a hydrogen economy in the Bruce region.

As part of this core mandate, a secondary focus of Bruce Innovates will be to work with strategic partners to develop commercial enterprise using hydrogen-based technologies. The P2G Project is an example of one such venture currently underway.

3. Responsibilities

The Committee is the core group representing the Founding Partners that meet on a regular basis to move Bruce Innovates forward. It is the point of contact for each of the Bruce County council and the SFN band council (the “**Councils**”). As Bruce Innovates progresses in its mandate, Project Partners will be invited to join the Committee as sitting members as appropriate.

The Committee’s primary role is the development of the activities noted below and to recommend for approval the recommendations of the Committee to the Councils and the boards/management committees of Project Partners.

Responsibilities shall include, without limitation:

- Establishing a work plan and schedule;
- Overseeing the process, including government relations activities, to obtain corporate, regulatory and contractual approvals to effect Bruce Innovates;
- Overseeing the preparation and execution of agreements with strategic partners such as the Federation of Canadian Municipalities, the Ontario government, the Canadian government and the Independent Electricity System Operator;
- Reviewing the results of legal and financial due diligence;
- Regularly updating each Council, board and management committee (as the case may be) on progress, and soliciting input and feedback as required;
- Overseeing ongoing stakeholder and community engagement and communication activities related to Bruce Innovates;
- Overseeing process to engage stakeholders and the community for ideas and feedback related to Bruce Innovates;
- Liaising with other organizations to clarify information, test planning assumptions and receive feedback on proposed actions/measures;
- Receiving, reviewing and finalizing key deliverables from legal counsel and supporting consultants;

- Overseeing the development and implementation of a shared communication and community engagement plan; and
- Establishing and receiving recommendations from supporting working groups and work streams as may be required.

The Committee may create the following working groups and work streams to assist the Committee in discharging its responsibilities:

- i. Power-to-Gas Working Group;
- ii. Foundational Large Scale Infrastructure Working Group; and
- iii. Innovation Centre Working Group.

Other working groups may be established as necessary.

4. Principles

The following principles guide the work of the Committee:

Communication: The Committee will speak with one voice. Key messages for appropriate stakeholders will be developed after each meeting. Discussions will be kept confidential at meetings until a decision is made by the Committee that information can be shared beyond members of the Committee. Each Project Partner will follow their own processes for internal communication through their respective organizations.

Collaborative: Consensus-based decision-making. Consensus decision making strives to synthesize many diverse elements rather than focus on binary options. It focuses on process and is concerned with understanding and mitigating minority objections. Consensus decision making appreciates that it is in the organizations' best interests to understand all of the options, to debate and be open to a new and better option. On that basis, the Committee will value respectful disagreement to advance the purposes of the Committee and its purpose.

Open, respectful dialogue: The Committee believes that the different perspectives of the Committee members will fundamentally produce better outcomes that have buy-in from a broad range of stakeholders. These perspectives can only be properly shared with respectful dialogue between members.

Active Participation: All members of the Committee are expected to attend all meetings in-person or by teleconference. Each Committee member is an active participant in Bruce Innovates. In order to ensure continuity among members, apart from a new individual replacing another in the organization (such as a newly elected Chief, CAO, etc.) alternates (or proxies) will only be permitted on an exceptional basis.

Transparency: All relevant information will be shared between the Project Partners.

5. Authority

Once a decision has been reached by the Committee on a certain matter, each Project Partner will be permitted to present the recommendation as a Committee-backed recommendation to its respective council, board, management committee or other decision-making body for approval.

In addition to the foregoing, the Committee has the following authority:

- to share information about their organizations' services, governance, management and operations;
- to recommend, on behalf of their organizations, plans and actions associated with the planning activities;
- to establish working groups, work streams and sub-committees, as required, to explore specific issues related to Bruce Innovates; and
- to recommend the scope and approach of the financial and legal due diligence work, to be presented to the Councils for approval.

The Committee does not have the authority to approve the implementation of Bruce Innovates or specific projects, as this authority is reserved to the Councils, and where applicable, the approval bodies of the Project Partners.

6. Founding Partners and other Committee Members

The Committee will be composed of the following members:

<u>Title</u>	<u>Name</u>
Chief of Saugeen First Nation, Founding Partner	Chief Lester Anoquot
Warden of Bruce County, Founding Partner	Mitch Twolan
Director of Planning and Development, Bruce County	Kara Van Myall
Consultant and Legal Counsel	Mark Rodger
Industry Expert	Jason Van Geel
Industry Representative	Ron Oberth, OCNI
Project Partner	Kim Brown, Bruce Power
Project Partner	David Haberman, Canadian Tire

Additional members can be proposed by either of the Founding Partners and presented to the Committee for its consideration. Bruce and SFN members will not be compensated for their attendance at Committee meetings; however, the Committee will reimburse reasonable costs and expenses to the members for travel costs reasonably incurred to attend the meetings.

7. Decision-making process

- a. Frequency of meetings: monthly, with additional meetings as required.
- b. Quorum: Two-thirds (2/3) of the members must be in attendance for quorum, and each of the Founding Partners' representatives (which can include a designate appointed by the Founding Partner) must attend.
- c. Votes: Except for the decision to dissolve the Committee, which decision shall be made exclusively by the Founding Partners, acting jointly, decisions and recommendations of the Committee will be made on a consensus basis. The Committee members commit to supporting a consensus-based decision even if they do not support all elements of it.
- d. Meeting agenda items and materials: Every effort will be made to prepare and distribute meeting agendas and related materials no less than two days in advance of Committee meetings.
- e. Confidentiality: In order to maintain the integrity of the process, all the Committee members are expected to, unless otherwise agreed upon, keep discussions conducted at meetings and all materials prepared for use by the Committee and its sub-committees as confidential. For certainty, the Committee information can be shared with each Board in the Board's in-camera sessions throughout the process to keep the Board informed.

8. Conflicts of Interest

Full transparency is required to effectively support and inform Bruce Innovates. Therefore, all Committee members are asked to identify and declare potential, perceived and/or actual conflicts of interest. When decision-making arises, members must declare their conflicts and immediately remove themselves from decision-making.

When any Committee Member becomes aware that they (or their respective organization) may become involved in a hydrogen-related project that could compete, directly or indirectly, with the goals and objectives of Bruce Innovates, that Member shall identify and describe the potential conflicting project with the Committee. Thereafter the Committee may determine how to proceed with respect to such matters, including directing the Member to establish ethical walls within its organization or requiring that the Member resign from the Committee.

9. Amendment

Amendment to these terms of reference can only be made by the Founding Partners, acting jointly.

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