

AGREEMENT CONFIRMING ASSIGNMENTS

THIS AGREEMENT CONFIRMING ASSIGNMENTS is made effective the 31st day of July, 2014 (the “**A&R Effective Date**”)

A M O N G :

NALCOR ENERGY, a body corporate existing pursuant to the *Energy Corporation Act* being Chapter E-11.01 of the *Statutes of Newfoundland and Labrador, 2007*, solely in its own right and not as agent of the NL Crown (“**Nalcor**”)

- and -

EMERA INC., a company incorporated under the laws of the Province of Nova Scotia (“**Emera**”)

- and -

BAYSIDE POWER L.P., a limited partnership organized under the laws of the Province of New Brunswick, acting by its general partner, Bayside Power Inc. (“**Bayside**”)

WHEREAS:

- A. on July 31, 2012 Nalcor and Emera entered into the original versions of the Transmission Agreements (the “**Original Transmission Agreements**”);
- B. Nalcor and Emera entered into a Sanction Agreement effective December 17, 2012 (the “**Sanction Agreement**”), which provided for, among other things, certain amendments to the original Maritime Link Joint Development Agreement and related amendments to the Original Transmission Agreements;
- C. pursuant to separate assignment agreements (the “**Assignment Agreements**”) effective January 28, 2013 (the “**Assignment Date**”), Emera assigned all of its right, title and interest in each of the Original Transmission Agreements to Bayside;
- D. immediately before the execution and delivery of this Agreement, Nalcor and Emera have entered into separate agreements (the “**A&R Transmission Agreements**”) amending and restating each of the Original Transmission Agreements and superseding the Sanction Agreement, effective as of the A&R Effective Date; and
- E. the Parties wish to confirm their respective rights and obligations under the Original Transmission Agreements as assigned pursuant to the Assignment Agreements and as amended and restated by the A&R Transmission Agreements;

NOW THEREFORE this Agreement witnesses that in consideration of the mutual covenants and agreements hereinafter contained the Parties, intending to be legally bound, agree as follows:

ARTICLE 1 INTERPRETATION

1.1 **Definitions**

In this Agreement, including the recitals:

“A&R Effective Date” has the meaning set forth in the commencement of this Agreement;

“A&R NBTUA” means the Amended and Restated New Brunswick Transmission Utilization Agreement of even date herewith between Nalcor and Emera;

“A&R Transmission Agreements” has the meaning set forth in the preamble to this Agreement;

“Agreement” means this agreement as it may be modified, amended, supplemented or restated by written agreement between the Parties;

“Applicable Law” means, in relation to any Person, property, transaction or event, all applicable laws, statutes, rules, codes, regulations, treaties, official directives, policies and orders of, and the terms of all judgments, orders and decrees issued by, any Authorized Authority by which such Person is bound or having application to the property, transaction or event in question;

“Assignment Agreements” has the meaning set forth in the preamble to this Agreement;

“Assignment Date” has the meaning set forth in the preamble to this Agreement;

“Assignments” has the meaning set forth in **Section 2.1(a)**;

“Authorized Authority” means, in relation to any Person, property, transaction or event, any (a) federal, provincial, state, territorial, municipal or local governmental body (whether administrative, legislative, executive or otherwise), (b) agency, authority, commission, instrumentality, regulatory body, court or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government, (c) court, arbitrator, commission or body exercising judicial, quasi-judicial, administrative or similar functions, (d) private regulatory entity, self-regulatory organization or other similar Person, or (e) other body or entity created under the authority of or otherwise subject to the jurisdiction of any of the foregoing, including any stock or other securities exchange, in each case having jurisdiction over such Person, property, transaction or event;

“Bayside” has the meaning set forth in the preamble to this Agreement and includes its successors and permitted assigns;

“**Emera**” has the meaning set forth in the preamble to this Agreement and includes its successors and permitted assigns;

“**Emera Obligations**” has the meaning set forth in **Section 2.2**;

“**MEPCO Transmission Rights**” has the meaning set forth in the MEPCO Transmission Rights Agreement;

“**MEPCO Transmission Rights Agreement**” means the agreement dated July 31, 2012 between Nalcor and Emera providing for the use by Nalcor of the MEPCO Transmission Rights;

“**Maritime Link**” has the meaning set forth in the A&R NBTUA;

“**Maritime Link Joint Development Agreement**” means the agreement dated July 31, 2012 between Nalcor and Emera relating to the development of the Maritime Link;

“**NL**” means the Province of Newfoundland and Labrador;

“**NL Crown**” means Her Majesty the Queen in Right of the Province of Newfoundland and Labrador;

“**Nalcor**” has the meaning set forth in the preamble to this Agreement and includes its successors and permitted assigns;

“**New Brunswick Transmission Utilization Agreement**” means the agreement dated July 31, 2012 between Nalcor and Emera providing for the use by Nalcor of Transmission Rights in New Brunswick;

“**Original Transmission Agreements**” has the meaning set forth in the preamble to this Agreement;

“**Parties**” means the parties to this Agreement, and “**Party**” means one of them;

“**Person**” includes an individual, a partnership, a corporation, a company, a trust, a joint venture, an unincorporated organization, a union, a government or any department or agency thereof and the heirs, executors, administrators or other legal representatives of an individual;

“**Sanction Agreement**” has the meaning set forth in the preamble to this Agreement;

“**Transmission Agreements**” means the New Brunswick Transmission Utilization Agreement and the MEPCO Transmission Rights Agreement; and

“**Transmission Rights**” means contractual rights to receive transmission service on specifically identified transmission infrastructure and transmission congestion rights.

1.2 Construction of Agreement

- (a) Interpretation Not Affected by Headings, etc - The division of this Agreement into articles, sections and other subdivisions and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms “**this Agreement**”, “**hereof**”, “**herein**”, “**hereby**”, “**hereunder**” and similar expressions refer to this Agreement and not to any particular Article or Section hereof.
- (b) Singular/Plural; Derivatives - Whenever the singular or masculine or neuter is used in this Agreement, it shall be interpreted as meaning the plural or feminine or body politic or corporate, and vice versa, as the context requires. Where a term is defined herein, a capitalized derivative of such term has a corresponding meaning unless the context otherwise requires.
- (c) “Including” - The word “including”, when used in this Agreement, means “including without limitation”.
- (d) No Drafting Presumption - The Parties acknowledge that their respective legal advisors have reviewed and participated in settling the terms of this Agreement and agree that any rule of construction to the effect that any ambiguity is to be resolved against the drafting Party shall not apply to the interpretation of this Agreement.

1.3 Applicable Law and Submission to Jurisdiction

This Agreement shall be governed by and construed in accordance with the laws of NL and the Federal laws of Canada applicable therein, but excluding all choice-of-law provisions. The Parties irrevocably consent and submit to the exclusive jurisdiction of the courts of NL with respect to all matters relating to this Agreement, subject to any right of appeal to the Supreme Court of Canada. Each Party waives any objection that it may now or hereafter have to the determination of venue of any proceeding in such courts relating to this Agreement or that it may now or hereafter have that such courts are an inconvenient forum.

ARTICLE 2 CONFIRMATION OF ASSIGNMENTS

2.1 Confirmation by Emera

Emera acknowledges, agrees and confirms that:

- (a) Emera has assigned, transferred and set over to Bayside all of Emera’s right, title and interest in each of the A&R Transmission Agreements and all the benefits and advantages derived therefrom for the remainder of the respective terms thereof and any renewals or extensions thereof, including, for greater certainty, all such right, title and interest in and such benefits and advantages under each Original Transmission Agreement, and that each such assignment, transfer and setting over (collectively, the “**Assignments**”) is effective as of the Assignment Date; and

- (b) nothing in any of the Assignment Agreements or A&R Transmission Agreements constitutes a novation and Emera shall remain liable to Nalcor as a primary obligor:
 - (i) under each Original Transmission Agreement for liabilities and obligations under such Original Transmission Agreement existing or arising with respect to occurrences on and after the Assignment Date and prior to the A&R Effective Date; and
 - (ii) under each A&R Transmission Agreement to observe and perform all of the conditions and obligations in such A&R Transmission Agreement on and after the A&R Effective Date which Emera and Bayside are bound to observe and perform.

2.2 Confirmation by Bayside

Bayside acknowledges, agrees and confirms that it has accepted the Assignments and covenants and agrees with Emera and Nalcor:

- (a) to assume the covenants and obligations of Emera; and
- (b) to assume all liabilities for, and in due and proper manner, to pay, satisfy, discharge, perform and fulfill all covenants, obligations and liabilities of Emera arising on and in respect of matters occurring after the Assignment Date,

under each A&R Transmission Agreement, including, for greater certainty, all liabilities and obligations under each Original Transmission Agreement existing or arising with respect to occurrences prior to the A&R Effective Date and all such covenants, liabilities and obligations arising on and after the A&R Effective Date (collectively, the “**Emera Obligations**”) and that such acceptance and assumption of the Emera Obligations are effective as of the Assignment Date.

2.3 Confirmation by Nalcor

Nalcor acknowledges, agrees and confirms that:

- (a) it has acknowledged, consented to and accepted the Assignments and such assumption of the Emera Obligations by Bayside, subject to the terms and conditions herein and in the Assignment Agreements, and that this consent constitutes any prior written consent stipulated in an A&R Transmission Agreement; and
- (b) such acknowledgment, consent and acceptance is effective as of the Assignment Date.

2.4 Assignment Agreements

Except as otherwise provided herein, nothing in this Agreement amends or derogates from the provisions of any of the Assignment Agreements, which remain in full force and effect.

**ARTICLE 3
MISCELLANEOUS PROVISIONS**

3.1 Counterparts

This Agreement may be executed in counterparts, each of which when so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument. Signatures delivered by facsimile or electronic mail shall be deemed for all purposes to be original counterparts of this Agreement.

3.2 Further Assurances

Each of the Parties shall, from time to time, do all such acts and things and execute and deliver, from time to time, all such further documents and assurances as may be reasonably necessary to carry out and give effect to the terms of this Agreement.

3.3 Amendments

No amendment or modification to this Agreement shall be effective unless it is in writing and signed by all Parties.

3.4 Survival

All provisions of this Agreement that expressly or by their nature are intended to survive the termination (however caused) of this Agreement continue as valid and enforceable rights and obligations (as the case may be) of the Parties, notwithstanding any such termination, until they are satisfied in full or by their nature expire.

3.5 Successors and Assigns

This Agreement shall be binding upon and enure to the benefit of the Parties and their respective successors and permitted assigns.

3.6 Waiver of Sovereign Immunity

A Party that now or hereafter has a right to claim sovereign immunity for itself or any of its assets hereby waives any such immunity to the fullest extent permitted by Applicable Law. Each Party acknowledges that its rights and obligations under this Agreement are of a commercial and not a governmental nature.


3.7 Capacity of Nalcor

Nalcor is entering into this Agreement, and Emera and Bayside acknowledge that Nalcor is entering into this Agreement, solely in its own right and not on behalf of or as agent of the NL Crown.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

Executed and delivered by Nalcor Energy,
in the presence of:


Name: James Meaney

Executed and delivered by Emera Inc.,
in the presence of:

Name: Rene Gallant

Executed and delivered by Bayside Power Inc.,
in the presence of:

Name: Rene Gallant

NALCOR ENERGY

By: 
Name: Ed Martin
Title: President and Chief Executive Officer

By: 
Name: Rob Hull
Title: General Manager, Finance

We have authority to bind the corporation.

EMERA INC.

By: _____
Name: Chris Huskilson
Title: President and Chief Executive Officer

By: _____
Name: Nancy Tower
Title: Executive Vice-President, Business
Development

We have authority to bind the company.

**BAYSIDE POWER L.P., by its general partner,
BAYSIDE POWER INC.**

By: _____
Name: Chris Huskilson
Title: Director

By: _____
Name: Stephen D. Aftanas
Title: Corporate Secretary

We have authority to bind the corporation. The
corporation has authority to bind the
partnership.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

Executed and delivered by Nalcor Energy,
in the presence of:

NALCOR ENERGY

By: _____
Name: Ed Martin
Title: President and Chief Executive Officer

Name: James Meaney


By: _____
Name: Rob Hull
Title: General Manager, Finance

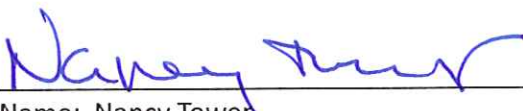
We have authority to bind the corporation.

Executed and delivered by Emera Inc.,
in the presence of:

EMERA INC.

By: 
Name: Chris Huskilson
Title: President and Chief Executive Officer

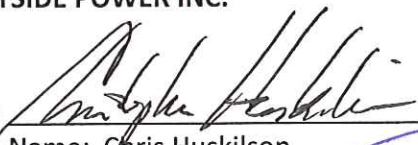

Name: Rene Gallant

By: 
Name: Nancy Tower
Title: Executive Vice-President, Business Development

We have authority to bind the company.

Executed and delivered by Bayside Power Inc.,
in the presence of:

**BAYSIDE POWER L.P., by it general partner,
BAYSIDE POWER INC.**

By: 
Name: Chris Huskilson
Title: Director


Name: Rene Gallant

By: 
Name: Stephen D. Aftanas
Title: Corporate Secretary

We have authority to bind the corporation. The corporation has authority to bind the partnership.