

Question 48: (translated from French)

For community projects, in calculating the capitalization of the wind farm, how will Hydro-Quebec consider a debt, subordinated to a first rank debt, whose amount is lent by one of the financial partners participating with equity voting? Can one of the partners make a loan to the project outside of the shares it holds without this being considered as part of the capitalisation from the partners?

Answer 48:

As mentioned in section 24.7 of the Standard contract (Appendix 11 of the call for tenders document), any participation held by the Owners as loans or advances to the Supplier is deemed to be part of Owners' equity. If the loan comes from one of the shareholders, partners or other owners of the Supplier, Hydro-Québec Distribution will consider such a debt, whether or not it is subordinated to first rank debt, as part of the shareholders' equity.