

Appendix – Assumptions (cont'd)

Initial Ontario's Fair Hydro Plan (OFHP) Analysis 2017

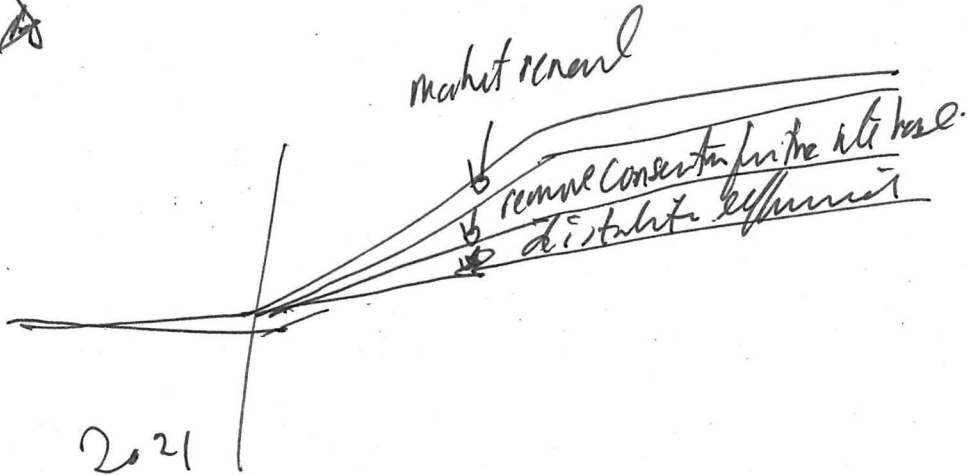
- Residential price forecast based on a household consuming 750 kWh per month and connected to Toronto Hydro.
- Price forecasts reflects IESO's Outlook B demand forecast in the OPO, along with impacts of:
 - Expanding the Industrial Conservation Initiative (ICI) to 1 MW;
 - Shifting funding of electricity support programs to provincial revenues;
 - Expanding the Rural or Remote Rate Protection (RRRP) program; and
 - Rebating the provincial portion of the HST (8%) on the amount before tax as of January 1, 2017.
- Includes the following changes in supply assumptions from OPO 2016:
 - Suspending the second round of the LRP process and the Energy-from-Waste Standard Offer Program, which is expected to save up to \$3.8 billion in costs; and
 - Ontario's electricity trade agreement with Quebec (purchase of 14 TWh from 2017 to 2023) which is expected to reduce electricity system costs for consumers by about \$70 million from previous forecasts.

~~2017 GTFP~~ →
① Allow for additional cost credit
② 0.8 credit per unit - for the energy @ 3 to \$5 billion in
for Jan
③ distribution efficiency - \$1 billion net
④ shift costs to the GDF → \$2.3 billion over
6 years

Aug - 12

May 24th

June 31
release



Cost reduction
- market demand (+)
- distribution sector
- constraints shift to
the LOF

→ small CPI

→ freeze all payments