

Residential Bills Lowered 17% (with Tax-Base Funded 15% Rebate)

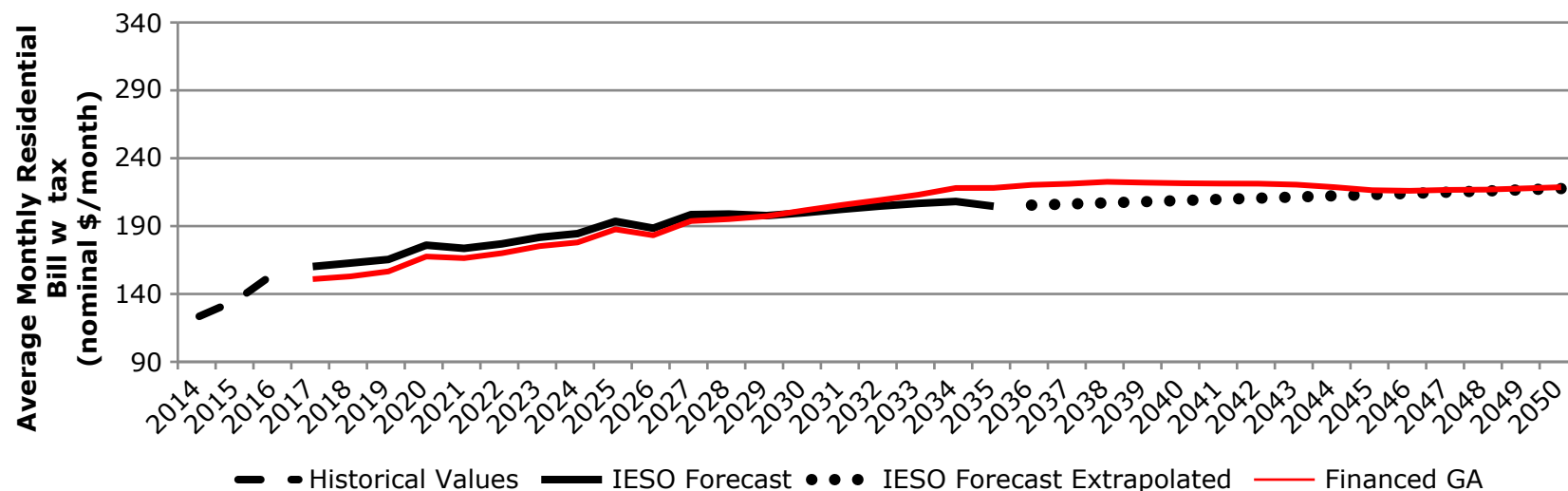
- This option includes amortizing all 20-year generation contracts for an additional 10 years, as well as amortizing conservation costs over 15 years.

Residential (\$/month)	Actual 2016	2017	2018	2019	2020
Total Bill (includes HST)	163	172	175	178	189
Total Bill (excludes HST)	145	153	155	158	168
Impact of GA Smoothing		-8	-9	-8	-7
Subtotal		145	146	150	161
15% rebate		-22	-22	-23	-24
HST		19	19	20	21
Revised Bill (includes HST)		142	143	147	157
Change from Forecast		-17%	-18%	-17%	-17%

Average Class A Consumer (\$/MWh)	Actual 2016	2017	2018	2019	2020
Total (excludes HST)	90	91	93	88	95
Impact of GA Smoothing		-7	-7	-6	-6
Revised Total (excludes HST)	90	84	86	82	89
Change from Forecast		-7%	-8%	-7%	-6%

Notes: Based on IESO's revised OPO forecast as of December 2016. Includes the cancellation of LRP II and EFW, expansion of ICI. Does not include smoothed OPG rates. Above residential bill is based on a 750 kWh per month Toronto Hydro customer. "Social programs" refers to existing RRRP and OESP. While initiatives would take several months to implement, the above estimate for 2017 reflects a full-year impact. The 15% rebate above represents an incremental fiscal impact compared to status quo. Contract costs are based on Ministry analysis, actual costs would need to be provided by IESO.

3. Residential Bills Lowered 17% – Impact of GA Smoothing



— • Historical Values — IESO Forecast • • • IESO Forecast Extrapolated — Financed GA

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048
Average Monthly Residential Bill Impact pre-tax (\$/month)	-8	-9	-8	-7	-6	-6	-6	-6	-5	-5	-4	-3	-0	2	3	4	6	9	12	13	13	14	12	11	10	9	8	6	3	2	2	1
Total Accumulated Debt (\$ billion)	1	3	5	6	8	9	10	12	14	15	17	18	19	20	20	20	20	20	19	17	15	14	12	11	9	8	7	6	6	6	6	6
Total Change in Accumulated Debt (\$ billion)	1	2	2	2	1	1	1	2	2	1	1	1	1	1	0	0	0	-1	-1	-2	-2	-2	-2	-2	-1	-1	-1	-1	0	0	0	0

Notes: This option includes amortizing all 20-year generation contracts for an additional 10 years, as well as amortizing conservation costs over 15 years. IESO forecast is based on IESO's revised OPO forecast as of December 2016. Includes the cancellation of LRP II and EFW, expansion of ICI. Does not include smoothed OPG rates. Above residential bill is based on a 750 kWh per month Toronto Hydro customer.