

Ministry of Energy

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Mr. Mayo Schmidt
President and CEO
Mr. David Denison
Chair
Hydro One
483 Bay Street
8th Floor, South Tower
Toronto ON M5G 2P5

Dear Mr. Schmidt and Mr. Denison:

I would like to thank you for meeting with me on June [X], 2017.

I welcomed the opportunity to discuss issues of mutual concern and to provide further information about the *Fair Hydro Act, 2017*, which received Royal Assent on June 1, 2017. You will be receiving more information in the near future. I appreciate your ongoing co-operation as we work together to fully implement Ontario's Fair Hydro Plan, which includes initiatives that will deliver the single-largest reduction to electricity rates in our province's history.

I was also interested in Hydro One's ongoing discussions related to the completion of the Niagara Reinforcement Project with the Six Nations community. This project would benefit Ontario ratepayers by making our transmission system more efficient and I encourage you to continue to seek a path forward for completing the line.

I would like to express my sincere appreciation for your assistance with the Province's May 2017 secondary offering, which brought the government's initiative to broaden the ownership of Hydro One to a successful completion. The process was a significant undertaking and would not have been possible without the dedication and hard work of you and your team.

I am happy to see your continued commitment to customer service excellence. I commend you for your significant achievements to date, from improving customer billing accuracy to making meaningful changes to customer policies such as eliminating security deposits for residential customers. I understand you are working to ensure this continues to be a strong focus for Hydro One.

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Indigenous engagement along the Lake Superior Corridor within the last few months has been a tremendous success. Thank you for dispatching your staff for dedicated in-community visits.

I would also like to congratulate you on a successful annual general meeting of shareholders this past May, the second one to take place since the initial public offering. I was pleased to see that Hydro One shareholders continue to have strong confidence in the Board of Directors and management. I look forward to continuing to work with you within the framework of the Governance Agreement between the Province and Hydro One.

Please accept my best wishes.

Sincerely,

Glenn Thibeault
Minister