

Mr. Bernard Lord
Chair
Ontario Power Generation

Dear Mr. Lord,

Thank you for your letter dated XXX, providing additional context on Ontario Power Generation's (OPG's) Executive Compensation Program. We appreciate the OPG Board making this matter a priority.

As outlined in your letter, OPG's Board has implemented controls that limit actual executive compensation well below the regulated caps established by the Executive Compensation Framework Regulation (O. Reg. 304/16) under the *Broader Public Sector Executive Compensation Act, 2014*. I am satisfied that these controls are consistent with government policy direction on compensation restraint and expect the OPG Board to continue to exercise its decision-making authority on final incentive compensation accordingly.

I expect that the OPG Board will continue its oversight over key OPG priorities. This includes delivery of the Darlington Refurbishment project in accordance with the schedule and budget contained in the Release Quality Estimate, and working with the Independent Electricity System Operator (IESO) on refinancing related to the global adjustment under Ontario's Fair Hydro Plan, assuming legislation government intends to introduce is passed. Furthermore, I expect OPG to continue its focus on improving reliability, increasing output and generating electricity safely and cost-effectively while maximizing returns to the Province.

Sincerely,

Glenn Thibeault
Minister of Energy

c. Liz Sandals
President of the Treasury Board