OFHP Reference Documentation

January 12, 2018

MO Edits / Comments

Page 4, Paragraph 3 line 9: Date is incomplete. I assume it is TBD

Page 12 - Paragraph 1 lines 4-6: Is this appropriate language for this piece?

Page 12 - Paragraph 2 lines 1-7: similar flag as previous. Line 1 is poorly worded

Page 32: A "Post-Suspension Refinancing" means a Funding Obligation that is an Obligation Secured and that is incurred on or after the occurrence of a Suspension Event in compliance with the requirements of the Change of Law Protection Agreement, as a Refinancing of one or more Series of Approved Obligations (including any Pre-Approved Refinancing incurred on or after the occurrence of a Suspension Event), in each case the proceeds of which, together with any other funds that may be available, are used solely for the purpose of paying in full such Series of Approved Obligations and any costs and expenses associated with such Refinancing.

- **Q:** What is the likelihood of this type of event, and what could realistically be the cost of this refinancing? Who would ultimately be responsible for the refinancing (i.e. could it somehow end up on electricity bills?)

Page 40: During the Moratorium Period and extending to July 31, 2021, the IESO, which is rated A(high) by DBRS and Aa2 by Moody's is required under the Regulations to pay and remit to the Issuer amounts charged to the IESO by the Issuer in respect of its Carrying Costs. Under the Regulations, Carrying Costs include all funding costs, such as interest on the Senior Notes, and other expenses of the Issuer, other than repayment of principal on any debt obligations of the Issuer, including repayment of principal on the Senior Notes.4749 Pursuant to the Master Transfer and Servicing Agreement, on or before the fourth business day of each calendar month, the Issuer will submit a carrying costs statement to the IESO certifying the amount of Carrying Costs estimated to be incurred by the Issuer in the following month. On or before the 14th business day following receipt of the Issuer's carry costs statement, the IESO is required to deliver the amount specified therein to the Issuer. The IESO has a $2 billion unsecured credit facility provided by the Ontario Financing Authority, expiring n, 20n, which is permitted to be used to pay the Issuer's Carrying Costs.

- **Q:** What are the risks associated with using this unsecured credit facility? What are the risks associated with a credit downgrade of any of the involved institutions, and what kind of costs could that add to the refinancing program?

Page 60: what does the term Collateral encompass/imply in its use here? (first bullet at bottom and is mentioned on page 61 as well) Page 61: what does the term Extraordinary Resolution encompass/imply in its use here?

Page 62: MO would like Q&A on what would bring about defaults (events mentioned on this page and subsequent pages) in plain language and why this is extremely unlikely to happen.

Page 63: already specified from Q&A request above

Page 64: already specified from Q&A request above

Page 65: already specified from Q&A request above

Page 66: Bullet 8 (begins with "each Interest Payment Date") MO requesting Q&A on how often these payments will be made; these are payments made by OPG directly or the Province or the IESO?

Page 68: A Q&A to explain what it means and what's involved in the process to redeem a senior note and how this either impacts or doesn't impact Province/OPG/IESO

Page 69: A Q&A to explain role of entities mentioned on this page (DTC, Euroclear and Clearstream) and why they're specifically involved and not others

Page 70: MO requesting Q&A for understanding and breakdown of the fees payable to agents under Plan of Distribution; MO also looking for plain language information on where/who debt can be sold to in terms of jurisdictional context (sold only to Canadians/in Canada?)

Page 76: MO requesting Q&A on why payments on the Senior Notes depend on the performance of Electricity Vendors and the IESO.

Page 76: MO requesting Q&A on why payments on the Senior Notes depend on the performance of OPG as Financial Services Manager and as Manager of the Issuer.

Page 101: "depository" should be capitalized

Page 104: In the definition of "Funding obligation agreement," the phrase "any liquidity agreement" appears twice in a row