

FACT SHEET

Ontario's Fair Hydro Plan Initial Debt Offering:

Amount:

Rating (DBRS / Moodys):

Maturity date:

Yield:

INSERT PIE CHART ON INVESTOR TYPE

INSERT PIE CHART ON GEOGRAPHY

- ➔ Strong appetite resulted in lowest cost of financing in Canadian energy sector
- ➔ Investors include **[two]** green funds, reflecting the program's role in financing green energy projects

Fair Hydro Plan

- Ontario's Fair Hydro Plan (OFHP) has lowered bills by 25 per cent on average for residential consumers. As many as half a million farms and small businesses are also benefitting.
- The full reduction came into effect on July 1, 2017, and includes the 8 per cent rebate equivalent to the provincial portion of the HST introduced in January 2017.
- OPG is the Financial Services Manager for the Fair Hydro Trust, which is responsible for managing the financing of the deferred costs under the OFHP.

Commented [AL1]: I've reorganized this in order to avoid saying that the policy intent is to provide rate relief rather than fair allocation, but we can revert back if we want a lighter touch.

OPG's experience as a financial manager:

- In addition to executing more than \$2 billion in multiple project financing initiatives over the past number of years, OPG completed its first bond offering in the Canadian public market with \$500 million unsecured 10-year bonds in October 2017.
- OPG currently manages approximately \$22 billion in nuclear funds through the Decommissioning Segregated Fund and the Used Fuel Segregated Fund.
- OPG manages approximately \$15 billion in pension funds.
- OPG has developed solid investor relationships and has a large investor base in the structured finance space that is the target market for financing Ontario's Fair Hydro Plan (OFHP) initiative.

Looking forward:

- The Fair Hydro Trust will continue to purchase investment assets from the Independent Electricity System Operator (IESO) on an ongoing basis.
- Debt offerings to finance these assets will continue, up to two to three times a year as needed.
- OPG will report on the status of the Fair Hydro Trust through its quarterly financial statements.