# DBRS comments on electricity rate reduction plan

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| **Attachments:** | Ontario Electricity Prices Comment PR FINAL March 3.pdf (61.64 kB); Credit Rating CIN - DBRS Response to the Fair Hydro Plan March 3 2017 (0....docx (37.18 kB) |

Hi Jordan and Blane,

FYI – DBRS says that it “views the proposed changes as credit neutral. The Province has the ability to absorb the fiscal impact of the proposed policy changes, while still restoring budgetary balance in 2017–2018.”

DBRS notes that the financing program is yet to be developed, and has this to say about OPG’s role: “Ontario Power Generation Inc. (rated A (low) with a Stable trend by DBRS) will play a role in managing the financing program, but the exact legal structure for the financing program has yet to be determined. It is not clear who will issue debt, where it will reside or to what extent it may benefit from explicit Provincial support. Provided the debt continues to be fully supported by the electricity rate base, DBRS will treat it as self-supported and exclude it from the calculation of tax-supported debt. DBRS will re-evaluate once more information becomes available.”

Finance’s note and the release are attached.

Jonathan