

FINANCING TRUST – PERFORMANCE FEE TO OPG

BACKGROUND

Ontario Power Generation Inc. (OPG) has been appointed the Financial Services Manager under the Fair Hydro Plan Act, 2017 to, among other things evaluate whether funding obligations should be incurred by the Trust for the purpose of acquiring and financing an investment interest. A performance fee relating to the funding obligations will be meaningful and allow OPG to make decisions that will significantly impact its return. The Act as drafted enables OPG to achieve its accounting objective of consolidation of the Trust with OPG, and the ability to earn a return and take on risk, through its control of the Trust.. The objective therefore is to recommend a reasonable variable performance fee structure for OPG to earn a return from the Trust, and meet the accounting requirement.

ANALYSIS OF ACCOUNTING REQUIREMENT

To support the accounting consolidation, OPG's variable performance return will be accomplished through the followings:

- a. The cash flow from the investment asset shall include interest determined based on a relevant benchmark that is appropriate relative to the investment asset, plus an appropriate margin consistent with the relevant market and other risks
- b. OPG shall have the authority to determine the financing strategy, which will vary the financing costs with the objective of enabling the Trust to achieve a more favorable return compared to the benchmark for interest on the investment asset
- c. The Trust shall establish different classes of debt (senior, subordinated and the most subordinated). The classes would allow the Trust to delineate financing of lower risk investment and investment that would bear higher residual risk. The delineation would limit OPG's self-funded investment to a reasonable level in order to allow OPG to remain a self-sustaining entity.
- d. OPG shall, through its ownership of the most subordinated liability, be able to capture and retain the pricing difference between cost of financing and benchmark for interest on the investment asset, or any residual risk of investment asset. The targeted return of the subordinated debt should be reflective of the underlying risks and compensate holders for active management that would be required.

PERFORMANCE FEE ANALYSIS

Based on the accounting requirements, the recommendation is for OPG to establish a variable performance fee structure as follows:

As the Trust may issue both long term bonds and medium term notes, benchmarks based on various terms, will be established on an annual basis, subject to the following methodology:

- Benchmarks will be established as the sum of (1) reference rate, and (2) spread
 - o Both reference rate and spread will be term dependant

- o For bond/note issuance, reference rate will be GOC rate of equivalent term
- o Reference rate will be based on consensus forecast provided by various financial institutions
- Benchmarks will be established based on the weighted average rate of incremental debt issuance at the Trust level
- If the actual weighted average rate is lower than the corresponding benchmark, OPG will realize a gain, otherwise a loss
- Variable performance fee, i.e. gain/loss, is applicable only to OPG's investment in the Trust (5% of the funding requirement), and is capped at benchmark weighted average rate +/-1%

An example illustrating this structure is detailed in Appendix 1

APPENDIX 1

The illustration is based on the expected Trust debt structure as follows:

	Risk Profile	Source	% of Total Funding Requirement
Tranche A Senior Debt	the least risky	Capital Markets	51%
Tranche B Sub Debt	In between A&C	OPG via OEFC	39%
Tranche C Sub Debt	the most risky	OPG via OEFC	5%
		OPG via Capital Markets	5%

1. Benchmark is to be established at each year end for Trust issuance next year. In this example, assuming the following benchmark is established as of end of Yr 1

Benchmark		
Tranche A	51%	4.25%
Tranche B Sub Debt	39%	5.50%
Tranche C Sub Debt	10%	6.50%
Weighted Average Rate		5.0%

2. By the end of Yr 2, OPG will calculate the actual weighted average rate for all incremental issuance for the year. If the actual weighted average rate is lower than the corresponding benchmark, OPG will realize a gain, otherwise a loss.

	Allocation	Benchmark	Actual
Tranche A	51%	4.25%	5.0%
Tranche B Sub Debt	39%	5.50%	5.60%
Tranche C Sub Debt	10%	6.50%	6.60%
Weighted Average Rate		5.0%	5.4%

	Loss	0.4%

3. Variable management fee, i.e. gain/loss, is applicable only to OPG's investment (5% of the Trust funding requirement), and is capped at benchmark weighted average rate +/-1%.

Based on the example above and assume incremental Trust issuance is \$2B, OPG will realize loss of variable performance fee of 0.4M ($\$2B \times 5\% \times 0.4\%$)

FINANCING TRUST – PERFORMANCE FEE TO OPG

BACKGROUND

Ontario Power Generation Inc. (OPG) has been appointed the Financial Services Manager under the Fair Hydro Plan Act, 2017 to, among other things evaluate whether funding obligations should be incurred by the Trust for the purpose of acquiring and financing an investment interest. A performance fee relating to the funding obligations will be meaningful and allow OPG to make decisions that will significantly impact its return. The Act as drafted enables OPG to achieve its accounting objective of consolidation of the Trust with OPG, and the ability to earn a return and take on risk, through its control of the Trust.. The objective therefore is to recommend a reasonable variable performance fee structure for OPG to earn a return from the Trust, and meet the accounting requirement.

ANALYSIS OF ACCOUNTING REQUIREMENT

To support the accounting consolidation, OPG's variable performance return will be accomplished through the followings:

- a. The cash flow from the investment asset shall include interest determined based on a relevant benchmark that is appropriate relative to the investment asset, plus an appropriate margin consistent with the relevant market and other risks
- b. OPG shall have the authority to determine the financing strategy, which will vary the financing costs with the objective of enabling the Trust to achieve a more favorable return compared to the benchmark for interest on the investment asset
- c. The Trust shall establish different classes of debt (senior, subordinated and the most subordinated). The classes would allow the Trust to delineate financing of lower risk investment and investment that would bear higher residual risk. The delineation would limit OPG's self-funded investment to a reasonable level in order to allow OPG to remain a self-sustaining entity.
- d. OPG shall, through its ownership of the most subordinated liability, be able to capture and retain the pricing difference between cost of financing and benchmark for interest on the investment asset, or any residual risk of investment asset. The targeted return of the subordinated debt should be reflective of the underlying risks and compensate holders for active management that would be required.

PERFORMANCE FEE ANALYSIS

Based on the accounting requirements, the recommendation is for OPG to establish a variable performance fee structure as follows:

As the Trust may issue both long term bonds and medium term notes, benchmarks based on various terms, will be established on an annual basis, subject to the following methodology:

- Benchmarks will be established as the sum of (1) reference rate, and (2) spread
 - o Both reference rate and spread will be term dependant

- o For bond/note issuance, reference rate will be GOC rate of equivalent term
- o Reference rate will be based on consensus forecast provided by various financial institutions
- Benchmarks will be established based on the weighted average rate of incremental debt issuance at the Trust level
- If the actual weighted average rate is lower than the corresponding benchmark, OPG will realize a gain, otherwise a loss
- Variable performance fee, i.e. gain/loss, is applicable only to OPG's investment in the Trust (5% of the funding requirement), and is capped at benchmark weighted average rate +/-1%

An example illustrating this structure is detailed in Appendix 1

APPENDIX 1

The illustration is based on the expected Trust debt structure as follows:

	Risk Profile	Source	% of Total Funding Requirement
Tranche A Senior Debt	the least risky	Capital Markets	51%
Tranche B Sub Debt	In between A&C	OPG via OEFC	39%
Tranche C Sub Debt	the most risky	OPG via OEFC	5%
		OPG via Capital Markets	5%

1. Benchmark is to be established at each year end for Trust issuance next year. In this example, assuming the following benchmark is established as of end of Yr 1

Benchmark		
Tranche A	51%	4.25%
Tranche B Sub Debt	39%	5.50%
Tranche C Sub Debt	10%	6.50%
Weighted Average Rate		5.0%

2. By the end of Yr 2, OPG will calculate the actual weighted average rate for all incremental issuance for the year. If the actual weighted average rate is lower than the corresponding benchmark, OPG will realize a gain, otherwise a loss.

	Allocation	Benchmark	Actual
Tranche A	51%	4.25%	5.0%
Tranche B Sub Debt	39%	5.50%	5.60%
Tranche C Sub Debt	10%	6.50%	6.60%
Weighted Average Rate		5.0%	5.4%
		Loss	0.4%

3. Variable management fee, i.e. gain/loss, is applicable only to OPG's investment (5% of the Trust funding requirement), and is capped at benchmark weighted average rate +/-1%.

Based on the example above and assume incremental Trust issuance is \$2B, OPG will realize loss of variable performance fee of 0.4M ($\$2B * 5\% * 0.4\%$)

Fair Hydro Trust Investor Presentation

January [xx], 2018



Disclaimers

This presentation and its contents are being supplied for informational purposes only by Fair Hydro Trust (the “**Issuer**”) and are not an offer to buy or sell or a solicitation of an offer to buy or sell any securities of the Issuer.

This presentation does not, and does not purport to, contain all information that may be material to an investment decision in respect of the Issuer’s Notes. It is only a summary of certain information in respect of the Issuer. Prior to making an investment decision with respect to the Issuer’s Notes, prospective investors should carefully review the Confidential Shelf Offering Memorandum, including the related Term Sheet, pursuant to which such Notes are offered (the “**Offering Memorandum**”). The information and opinions contained in this presentation are qualified in their entirety by reference to the Offering Memorandum. In particular, reference should be made to the risks of any investment in the Issuer’s Notes offered and the statutory rights of rescission or rights to damages available to purchasers of such Notes described in the Offering Memorandum. No representation or warranty, express or implied, is given by or on behalf of the Issuer, the Agents or any other person as to the accuracy or completeness of the information or opinions contained in this presentation.

Some of the statements contained in this presentation, including those relating to the Issuer’s expectations, forecasts, strategic and other statements, are forward-looking information within the meaning of securities laws. The forward-looking information contained in this presentation is presented for the purposes of assisting prospective purchasers in making an investment decision regarding the Notes and may not be appropriate for other circumstances. The Issuer does not intend, or assume any obligation, to update any forward-looking information except as may be required by applicable law. Reference should be made to the information under the headings “Caution Regarding Forward-Looking Information” and “Risk Factors” in the Offering Memorandum.

The information presented herein is only current as of the date on the cover of this presentation. Except as required by law, neither the Issuer nor Ontario Power Generation (“**OPG**”) intends, or assumes any obligation, to revise or update any information in this presentation. Prospective purchasers should consult the Offering Memorandum for more current information.

By attending this presentation, or accepting a copy of this presentation, each prospective purchaser agrees that all information contained herein, all documents delivered in connection herewith and all other information obtained by such prospective purchaser in relation to the Issuer or OPG (collectively, the “**Confidential Information**”) is confidential, that none of the Confidential Information will be copied, transcribed, recorded or transmitted by the recipient for any reason or used for any purpose other than evaluating an investment in the Issuer’s Notes, and that the recipient will hold all of the Confidential Information in confidence and will not provide any of it to third parties other than persons retained to advise the recipient with respect to the purchase of the Issuer’s Notes (so long as they advise such persons of the confidential nature of such Confidential Information), without the prior written consent of the Issuer and OPG.

Presenters



Ken Hartwick

**Chief Financial Officer &
Senior Vice President - Finance**

John Lee

Vice President, Treasurer

Table of Contents

- I. Introduction and Transaction Overview
- II. Ontario Electricity Market
- III. Legislative and Regulatory Framework
- IV. Contractual Framework
- V. Financing Program
- VI. Summary of the Offering
- VII. Key Risks and Mitigants
- VIII. Investment Highlights



I. Introduction and Transaction Overview

Introduction

Ontario's Fair Hydro Plan

- The Province of Ontario announced its Fair Hydro Plan ("FHP") on March 2nd, 2017, which proposed to lower the average electricity bill for eligible customers¹ (referred to as "Specified Consumers") by 25% (the "Fair Adjustment")
- The 25% reduction includes an 8% rebate in the provincial portion of the HST granted by the Ontario government in January 2017
- It is expected that the rate reduction will be in effect to April 30, 2021, with any rate increases over that period limited to the rate of inflation in Ontario

Legislation

- On June 1, 2017, the Ontario government passed the *Ontario Fair Hydro Plan Act, 2017* (the "FHPA" or "Act"), legislation that reallocates certain electricity costs over time and provides immediate rate relief to Specified Consumers
- The FHPA imposes an irrevocable and non-bypassable charge referred to as the Clean Energy Adjustment ("CEA") that will be determined by Ontario Power Generation ("OPG") in its role as Financial Services Manager under the Act
- The CEA will be determined for each six month reference period and converted by the Ontario Energy Board ("OEB") into a \$/kWh rate and added to electricity invoices sent to Specified Consumers commencing on May 1, 2021
- From July 1, 2017 until April 30, 2021 (the "Moratorium Period"), no CEA will be collected; during this period the Independent Electricity System Operator ("IESO") is obligated to pay all funding costs (excluding principal) under the Regulations

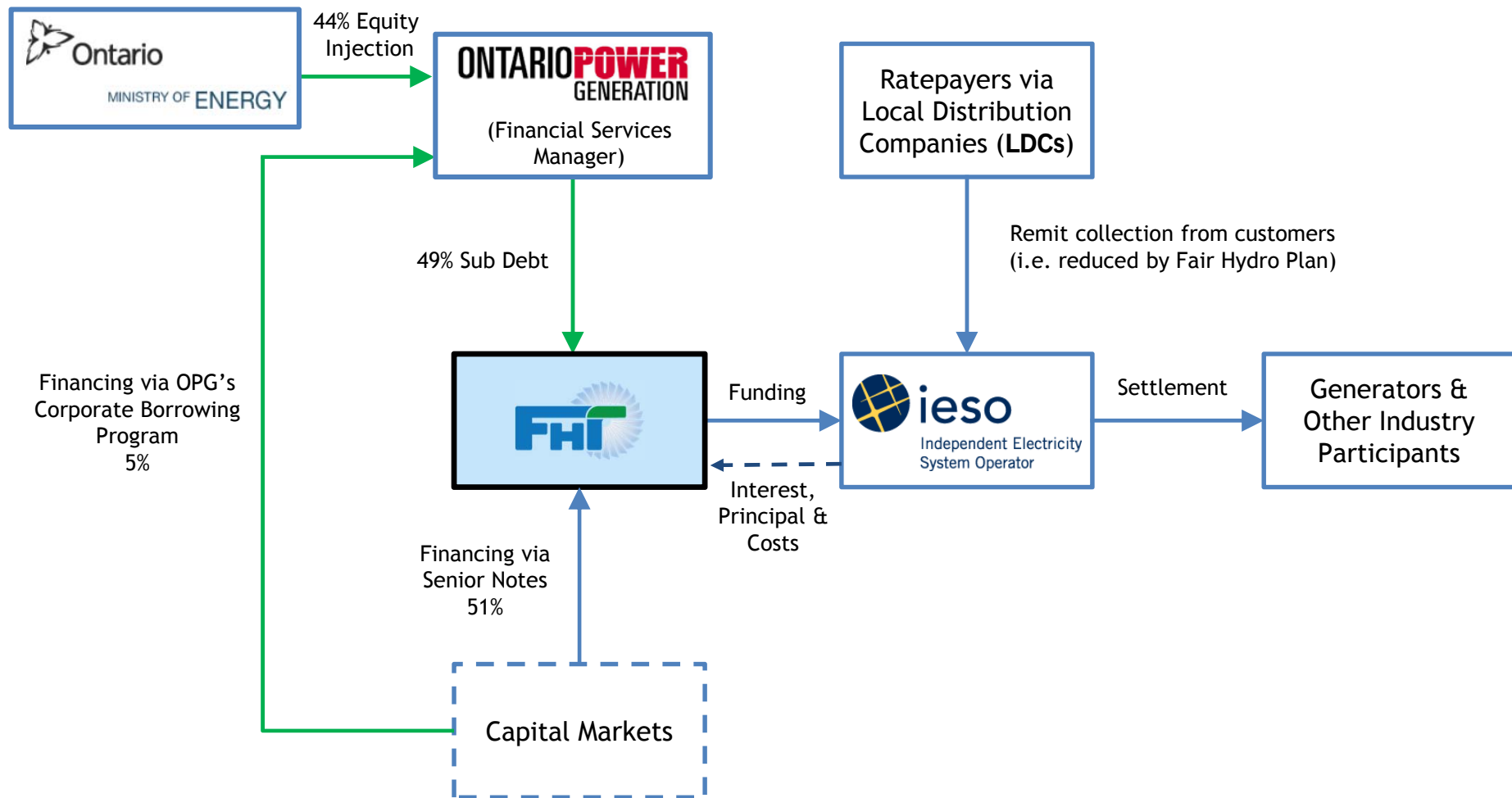
Fair Hydro Trust ("FHT")

- The implementation of the Fair Hydro Plan will be financed by the Fair Hydro Trust ("FHT", the "Trust" or the "Issuer") through the issuance of senior and subordinated notes
- Structured to be bankruptcy remote and ring fenced from OPG

¹ Primarily Regulated Price Plan-eligible customers.

Transaction Structure

- Concurrent with every issuance of senior notes, it is expected that OPG will purchase subordinated debt of the Trust in an amount not to exceed 49% of all outstanding debt

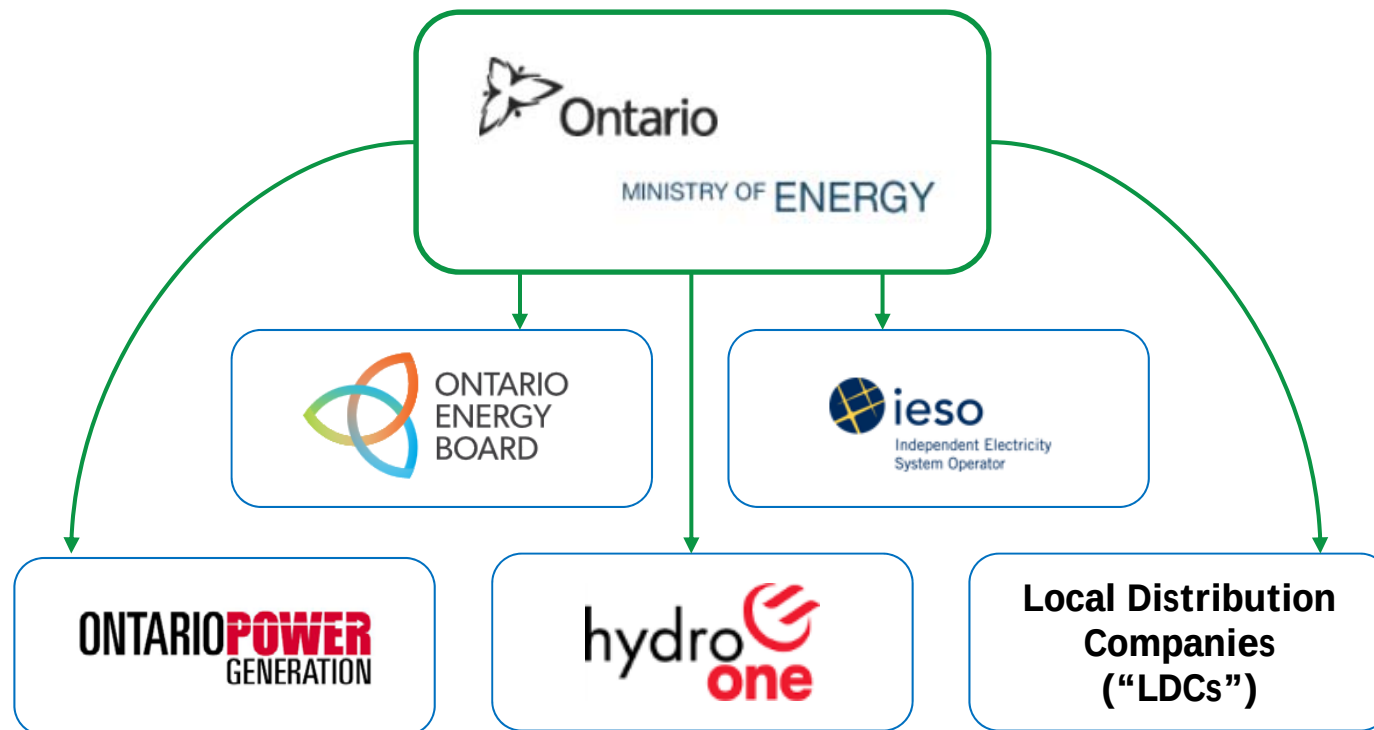


Note: The assets and liabilities of the Trust are deemed, under the *Electricity Act, 1998* to not include the assets and liabilities of OPG, and vice versa

II. Ontario Electricity Market

Overview of Ontario's Electricity Market

- Highly regulated electricity market comprised primarily of three components: generation, transmission and distribution; ~\$22 billion in annual cash flows
- Transmission rates, distribution rates, and OPG's regulated rates are set by the Ontario Energy Board
- Rates for the majority of the remaining generation supply are set by direct contracts with the IESO (e.g. wind, solar, hydroelectric)



Key Industry Participants

Participant	Rating (DBRS / S&P / Moody's)	Description
	--	- The OEB is an independent public regulatory agency established under the Ontario Energy Board Act, 1998 - The Ontario Energy Board Act, 1998 provides the OEB with the authority to regulate Ontario's electricity market, including the activities of transmitters and distributors - The OEB sets the regulated price for the commodity cost charged to most residential electricity customers via the Regulated Price Plan ("RPP"); RPP rates are set twice a year (May and November) - RPP prices are set for: time-of-use (On-peak, Mid-peak, and Off-peak); and tiered (Tier 1 and Tier 2), to recover the forecast commodity cost of electricity
	A(h) / -- / Aa2	- The Independent Electricity System Operator (the "IESO") is a not-for-profit corporation established under the Electricity Act, 1998 - The IESO manages the operation and reliability of Ontario's bulk power system and administers the wholesale electricity market
	A(l) / BBB+ / --	- OPG is a corporation formed under the Business Corporation Act (Ontario), whose sole shareholder is the Province of Ontario - OPG's principal business is the generation and sale of electricity in Ontario - OPG is Ontario's largest electricity generator, providing approximately half of Ontario's electricity
	A(h) / A / A3	Hydro One is Ontario's largest electricity transmission and distribution company; Hydro One delivers electricity to over 1.3 million customers across the Province of Ontario, and to large industrial customers and municipal utilities

Key Industry Participants – LDC Overview

- As part of the restructuring of Ontario's electricity industry, the province's municipally-owned electricity distributors were reorganized into separate business corporations
 - These distributors are typically referred to in Ontario as local distribution companies, or "LDCs"
- An LDC is responsible for distributing electricity to customers in its OEB-licensed service territory, and in some cases to other distributors
 - A service territory may cover large portions of all of a particular municipality, or an otherwise-defined geographic area
 - Distribution customers include residential, commercial and industrial end-users, such as governments, schools and hospitals

Select Aggregate Market Stats¹

Number of LDCs	65
Residential & Small Commercial ² Revenue	\$18.89 billion
Residential & Small Commercial ² Metered Usage (kWh)	52.39 billion
Residential Customers	4.61 million
Small Commercial ² Usage Customers	0.44 million
Total Residential & Small Commercial ² Customers	5.05 million

¹ Source: OEB 2016 Yearbook of Electricity Distributors

² Small Commercial includes General Service <50kW Customers

³ Most recent rating reports from S&P, DBRS and Moody's

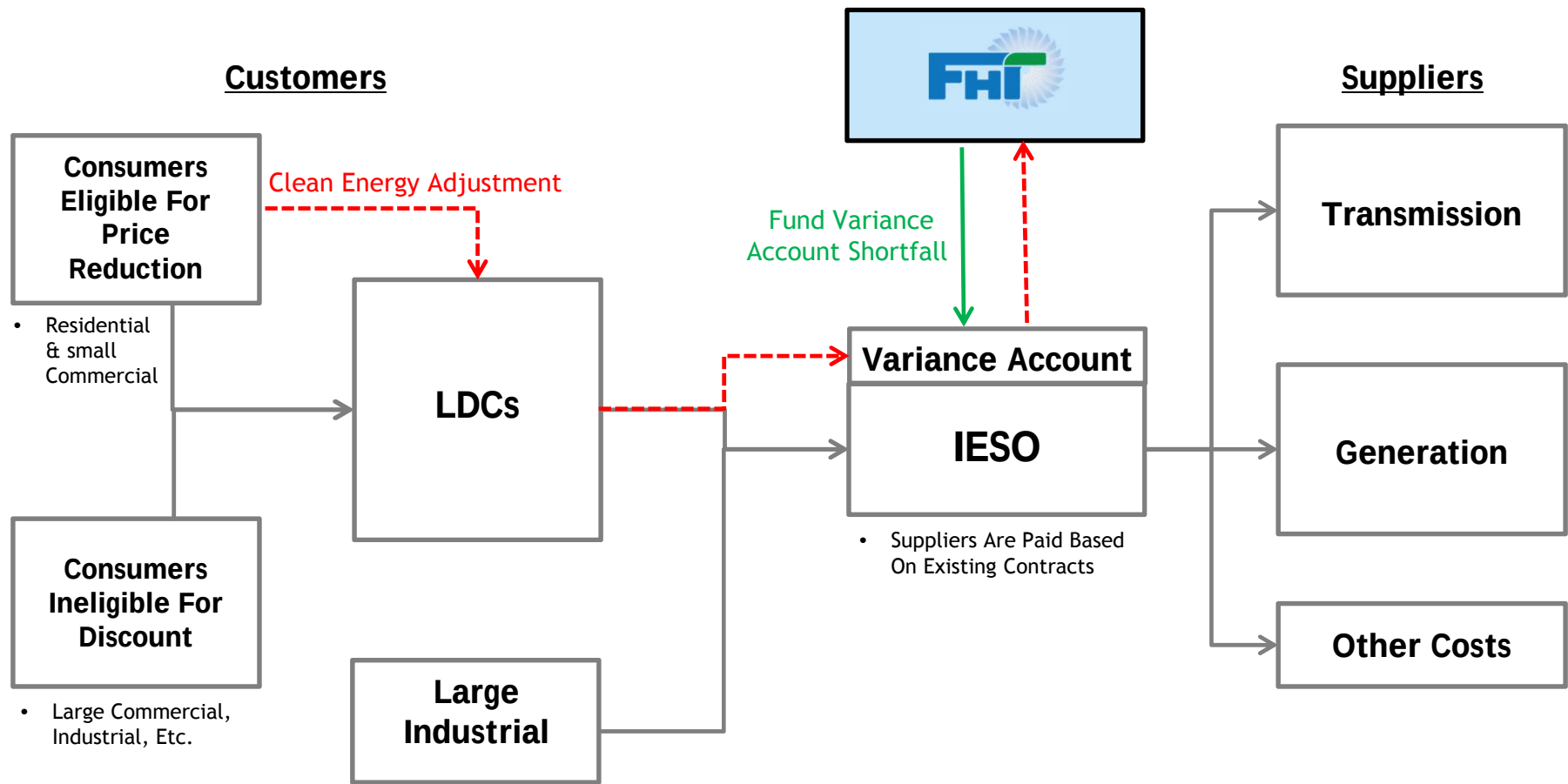
⁴ Residential and Small Commercial customers

Top 5 LDCs by Customer Base¹

	Rating ³ (S&P/DBRS/Moody's)	Customers ⁴ (MM)	Revenue ⁴ (C\$MM)
 hydro one	A / A(h) / A3	1.30	\$4,533
 alectra utilities	A / A / --	0.96	\$3,642
 TORONTO HYDRO	A / A / --	0.75	\$3,886
 HydroOttawa	BBB+ / A / --	0.32	\$1,130
 London Hydro	A / -- / --	0.15	\$488
		3.49	\$13,680

Electricity Market with FHT

- Under the FHPA, each month the IESO determines the shortfall that results from the Fair Adjustment and records this amount, together with financing costs, in a variance account
- FHT will finance the shortfall and is entitled to recover its costs through CEAs from Specified Consumers



III. Legislative and Regulatory Framework

Legislation Overview

Purpose

- The FHPA was enacted to ensure that clean energy costs and clean energy benefits are fairly allocated among present and future Specified Consumers
- Clean energy costs are costs allocated to consumers as a result of Ontario's clean energy initiative; clean energy benefits are benefits that accrue to both present and future electricity consumers

Specified Consumers

- A category of consumers that generally is comprised of residential consumers, small businesses and farms
- Includes consumers with a demand for electricity of 50 kW or less or those that use not more than 250,000 kWh of electricity annually

Rate Reduction Period

- *July 1, 2017 – April 30, 2018* - Specified Consumers charged an invoice amount that is 25% less than the regulated rate that would otherwise have been determined by the OEB (referred to as the “Fair Adjustment”)
- *May 1, 2018 – April 30, 2019* - previously established regulated rate anticipated to increase by the rate of inflation in Ontario
- *May 1, 2019 – April 30, 2021* - rate reductions will be established by regulation but anticipated to increase by the rate of inflation in Ontario

Legislation Overview

Regulatory Asset

- Each month the IESO determines the shortfall that results from the Fair Adjustment and records this amount, together with the costs of financing the shortfall, in a variance account
- The IESO has the right to recover the balance recorded in the variance account from Specified Consumers (such right, the “Regulatory Asset”)
- The IESO may transfer a specified portion of the Regulatory Asset to the Trust for a cash purchase price equal to the amount recorded in the variance account in respect of such specified portion of the Regulatory Asset

Investment Asset

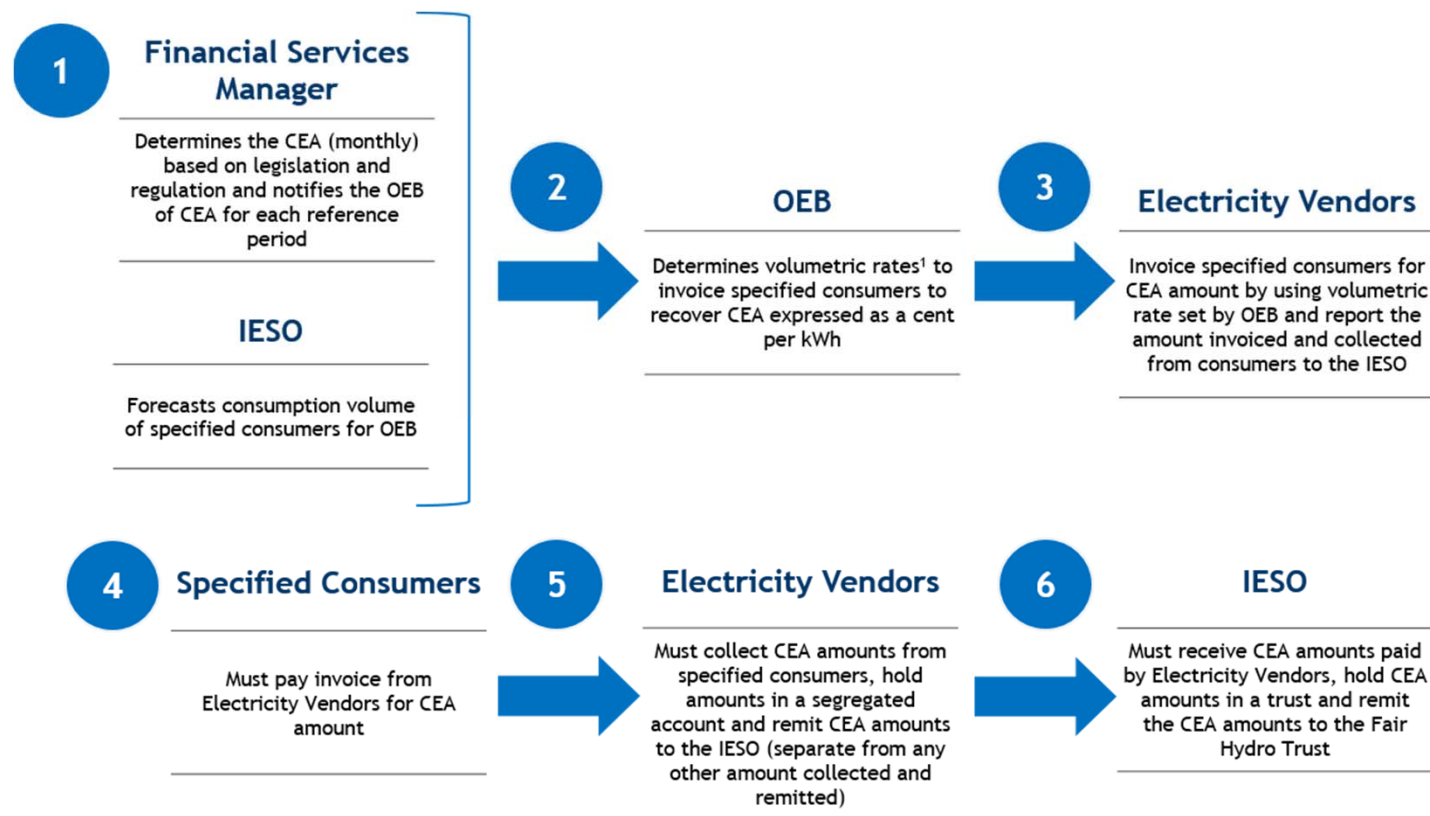
- If the IESO and the Trust agree to the transfer of a specified portion of the Regulatory Asset, such transfer results in the creation of a current and irrevocable property right that is immediately vested in the Trust (such right, an “Investment Interest”)
- By acquiring an Investment Interest, the Trust will be entitled to recover all of its costs of such financing and will acquire the right to impose, invoice, collect, receive and recover CEAs from Specified Consumers
- The Trust is not obligated to purchase Regulatory Assets from the IESO

Moratorium Period

- From July 1, 2017 to April 30, 2021, CEAs are not permitted to be collected from Specified Consumers (“Moratorium Period”)
- The IESO is obligated to pay all funding and other expenses of the Trust (referred to as Carrying Costs), excluding principal, during the Moratorium Period up to July 31, 2021
- The IESO has a \$2 billion credit facility from the Ontario Electricity Financing Corporation (“OEFC”) to pay Carrying Costs. As security for the performance of its obligations, the IESO has granted a first-priority security interest in all of its accounts receivables

Billing and Collection of CEAs

- CEA amounts for billing and collection purposes will be managed outside of the IESO's current settlement processes set out in the Market Rules for electricity invoice amounts
- Collection risk for CEA amounts are dealt with through statutory rights in the Act, the collection obligations of the IESO under the Master Transfer & Servicing Agreement ("MTSA") and the ability to include amounts into the true up mechanism

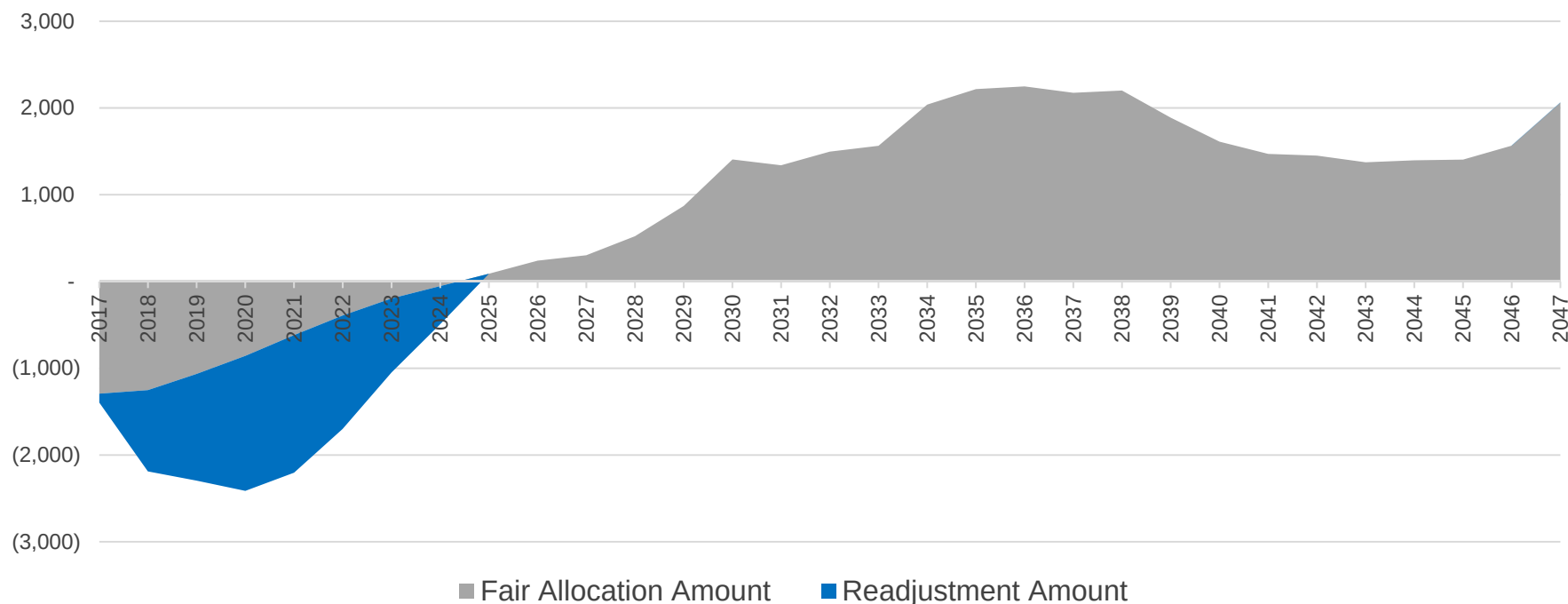


¹ The rates will be determined by dividing the CEA amount by the forecasted energy consumption in the reference period by Specified Consumers

Fair Allocation Amount

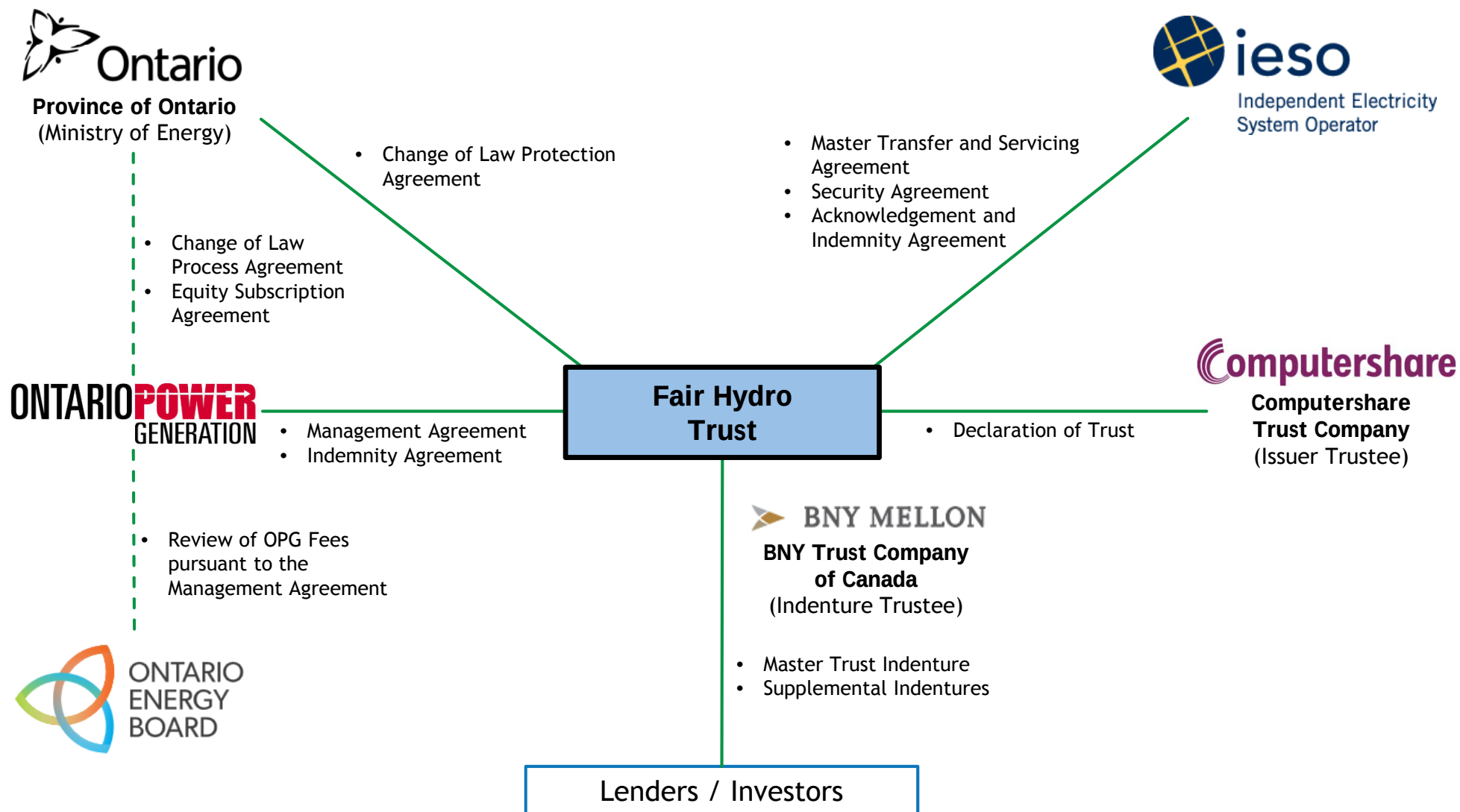
- The Fair Allocation Amount (“FAA”) is the estimated clean energy costs without consideration of the FHP compared to these same costs reallocated on the basis of estimated clean energy benefits to Specified Consumers in respect of each reference period and includes operating and financing costs of the FHT
- If the FAA is negative, this means that the Minister of Energy has determined that current Specified Consumers have borne more than their fair share of Clean Energy Costs (with the consequent rate reduction for current Specified Consumers); the FAA is expected to be negative until at least May 2024
- The Ministry of Energy will provide updated FAAs to OPG from time-to-time

Fair Allocation Amount (\$ million)



IV. Contractual Framework

Simplified Contractual Structure



Key Agreements

Change of Law Protection Agreement

Parties	(1) Province of Ontario as Obligor and (2) Indenture Trustee, on behalf of Specified Creditors¹, as Beneficiaries and (3) OPG as Financial Services Manager (“FSM”)
Purpose	Provides assurance to investors that upon the occurrence of a Protection Event, the Province of Ontario will have an obligation to make payments on behalf of the Trust
Key Terms	Term: Continues for as long as any obligations of the Trust that are secured under the Master Trust Indenture (MTI) remain outstanding Mandatory Payment: Upon the occurrence of a Protection Event, the Indenture Trustee has the right to require the Province to pay all obligations when due and payable Priority of Payments: The priority of payments is governed by the waterfall provision under the MTI Adherence Conditions: OPG as FSM is required to comply with certain conditions, including the delivery of an Adherence Compliance Certificate, prior to the issuance of debt which is to benefit from change in law protection from the Province Suspension Notice: The Province may deliver a suspension notice, after which date funding obligations incurred will not have the benefit of the Change of Law Protection, upon the occurrence of a program breach, a default in performance, or misrepresentation by OPG as FSM

¹ **Specified Creditors** are any other Person that is owed a payment obligation by the Issuer that gives rise to a Finance Amount in respect of the Issuer

Key Agreements

Change of Law Protection Agreement (cont'd)

Protection Events

The occurrence of any of the following events:

- The Legislature repeals (and does not replace on an equivalent basis) or amends the Act or any portion thereof as in effect on the date hereof
- The Legislature enacts or amends any other statute
- The Lieutenant Governor in Council repeals (and does not replace on an equivalent basis) the regulations made under the Act or any portion thereof as in effect on the date hereof
- The Lieutenant Governor in Council amends any “regulation” (as defined in Part III of the Legislation Act, 2006) as in effect on the date hereof
- The implementation of a change in the organization or structure of the IESO or Ontario’s electricity market undertaken at the initiative of the Province
- A court of competent jurisdiction determines that all or a portion of the Act or the regulations made under the Act, is ultra vires or invalid in a way that adversely affects the ability of the Trust to pay its obligations

in each case that adversely affects the ability of the Trust to pay its obligations when due and payable, taking into account any funds available in reserve accounts and any reasonably expected potential effect of a true-up amount

Key Agreements (cont'd)

Master Transfer and Servicing Agreement

Parties	(1) the IESO, as transferor and servicer; (2) the Trust
Purpose	Provides for the transfer, by the IESO to the Trust of the regulatory asset, and upon such transfer the Trust acquires an investment interest
Key Terms	Transfer of Regulatory Asset: The IESO may offer, no more frequently than monthly, to transfer the regulatory asset to the Trust. The Trust has the right, but not the obligation, to accept IESO's offer. Servicing Duties: The IESO will be responsible for servicing the investment interest under the Regulations, including collecting clean energy adjustment amounts from electricity vendors and remitting the same to the Trust, including: - Establishing a segregated account for collecting CEAs and use reasonable efforts to cause electricity vendors to do the same - Collect CEAs from electricity vendors - Remit CEAs monthly to the Trust - Prepare monthly servicer reports - Forecast electricity consumption of Specified Consumers Moratorium Period: During Moratorium Period (until May 1, 2021), the IESO will be required by regulation to fund all interest and other expenses of the Trust, which will be offered, as regulatory assets, for transfer to the Trust in a subsequent period. IESO Letter of Credit: After the Moratorium Period, the IESO will provide the Trust, a letter of credit or other form of security, for the obligation of non-rated or non-investment grade rated electricity vendors.

Key Agreements (cont'd)

Management Agreement

Parties	• Issuer Trustee, on behalf of the Trust, and OPG, as Manager
Purpose	• Issuer Trustee delegates to the Manager all powers and duties of managing the Trust
Key Terms	• Duties Include: – Negotiating and executing program agreements; – Preparing, in accordance with applicable securities laws, any offering documents to be furnished by the Trust to prospective purchasers of funding obligations; – Review or caused to be reviewed, records of electricity vendors on an annual basis with respect to CEAs – Preparing financial statements; and – Paying taxes on behalf of the Trust • Incurrence of Funding Obligations: Manager will determine how and when to incur funding obligations to acquire investment interests • Standard of Care: Manager will perform its duties diligently and in conformity with the Trust's obligations under the program agreements • Resignation/ Termination: Manager may not resign from its duties or terminate the Management Agreement as long as funding obligations of the Trust are outstanding

Key Agreements (cont'd)

Other Key Agreements

Security Agreement	As security for the performance of its obligations under the Regulation to pay the Trust's carrying cost during the Moratorium Period, IESO has granted the Trust a first priority security interest in all of its accounts receivable
Acknowledgement and Indemnity Agreement (IESO)	IESO, as servicer under the MTSA, acknowledges that a security interest has been granted to the Indenture Trustee thereby assigning as security the rights and benefits of the Issuer under the MTSA to the Indenture Trustee and provides certain indemnities with respect to its duties and obligations under the MTSA
Indemnity Agreement (OPG)	OPG, as manager under the Management Agreement, provides certain indemnities to the Indenture Trustee with respect to its duties and obligations under the Management Agreement
Change of Law Process Agreement	- Outlines procedural requirements between the Province and OPG with respect to issuing debt that benefits from the Change of Law Protection Agreement - Among other things, OPG is required to deliver to the Province a process certificate, outlining the material terms of a proposed debt issues and confirm such debt offerings will not cause the protection agreement maximum (as updated from time to time) to be exceeded
Equity Subscription Agreement	Specifies the terms and conditions upon which the Province provides equity injections to OPG to purchase subordinated debt issued by the Trust
Declaration of Trust	- Establishes FHT to carry out activities for the benefit of its beneficiary unitholders - Specifies the rights and powers of the Issuer Trustee (Computershare)

Allocation of Servicing Role and Responsibilities

The shared responsibilities of servicing and management roles are summarized below

	OPG	IESO	LDC
Annually Review Records of LDCs with Respect to CEAs	✓		
Determination of True-Up Amount	✓		
Ongoing Filings for Trustee and Rating Agencies	✓		
Management of Ongoing Debt Issuances	✓		
Cash Management		✓	
Preparation of Monthly Service Reports		✓	
Remittance of CEA to IESO and to the Trust		✓	✓
Responding to inquiries by customers if practicable, or forwarding such inquiries to OPG		✓	✓
Customer Billing			✓
Customer Collections			✓
Customer Meter Reading			✓

V. Financing Program

Financing Plan / Strategy

- OPG is responsible for administering the FHT financing program
- Given the size (~\$20 billion) and longevity (~10 years) of the FHT financing program, the funding strategy has been designed to provide flexibility
- Warehouse financing (ABCP conduit) and OPG subordinated debt will be used to fund monthly regulatory asset purchases from the IESO
 - Periodically refinance the warehouse facility through the issuance of term debt (likely access the market 2-3 times per year)
- Term debt can take the form of bullet bonds or could be issued as amortizing bonds

ABCP Conduit

- ABCP conduit and OPG subordinated debt will be used to fund monthly regulatory asset purchases from the IESO

Term Debt

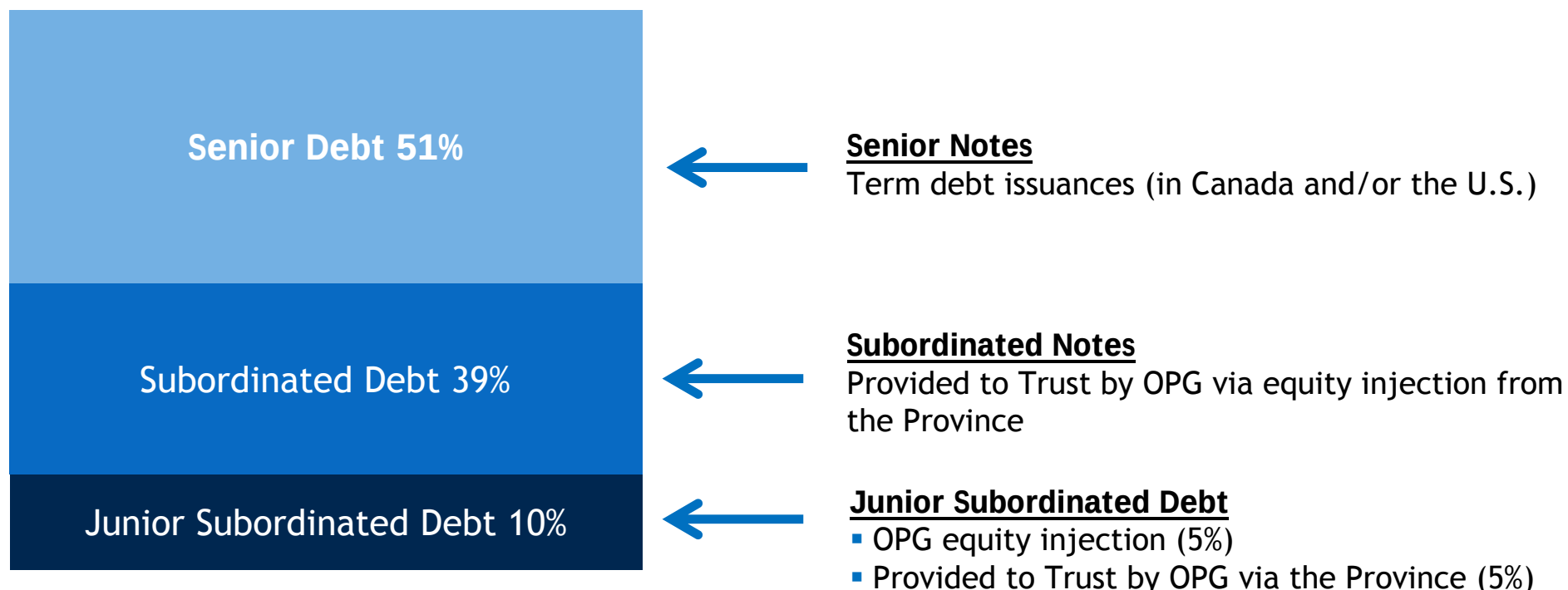
- Term debt issuances will be used to refinance short term debt financing provided by ABCP conduit and OPG subordinated debt
- Both Canadian term debt and U.S. term debt market will be considered
- Maturity profiles will be structured to fit under the fair allocation curve (bullet bonds with synthetic amortization or amortizing bonds)

Subordinated Debt

- Subordinated debt provides credit enhancement for senior debt (ranks behind senior debt in cash flow waterfall)

Financing Structure

- The Trust will fund regulatory asset purchases through the issuance of senior, subordinated and junior subordinated secured debt
- Senior debt (51%) will be sourced monthly from committed warehouse facilities, and the periodic issuance of term debt
- Subordinated debt (49% anticipated; minimum of 35% required) will be purchased by OPG, primarily with equity injections from the Province (44%) and the remaining 5% from OPG

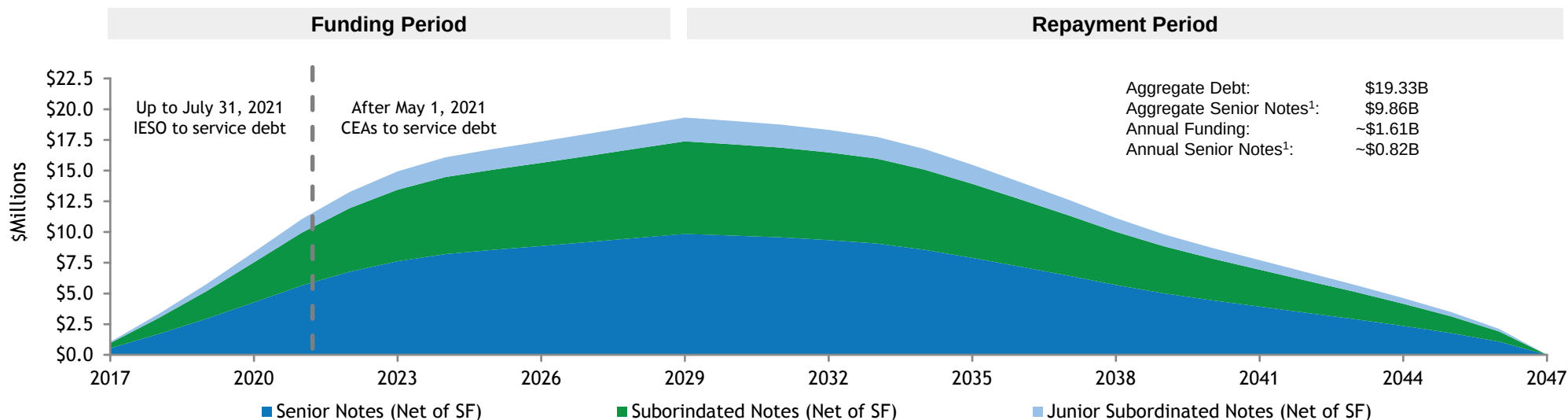


Aggregate Financing Program

Illustrative Debt Summary - Funding & Repayment Period (Annual)

- Based on the Fair Allocation Amount and the Province's electricity bill reduction targets, the following debt profile for the program is expected, peaking at just under \$20 billion by 2029
- Various tranches of debts will be issued periodically during the period of 2017 - 2028, which will mature over a period after 2029

Illustrative Aggregate Funding and Repayment Profile (Annual; Net of Sinking Fund ("SF") Payments)

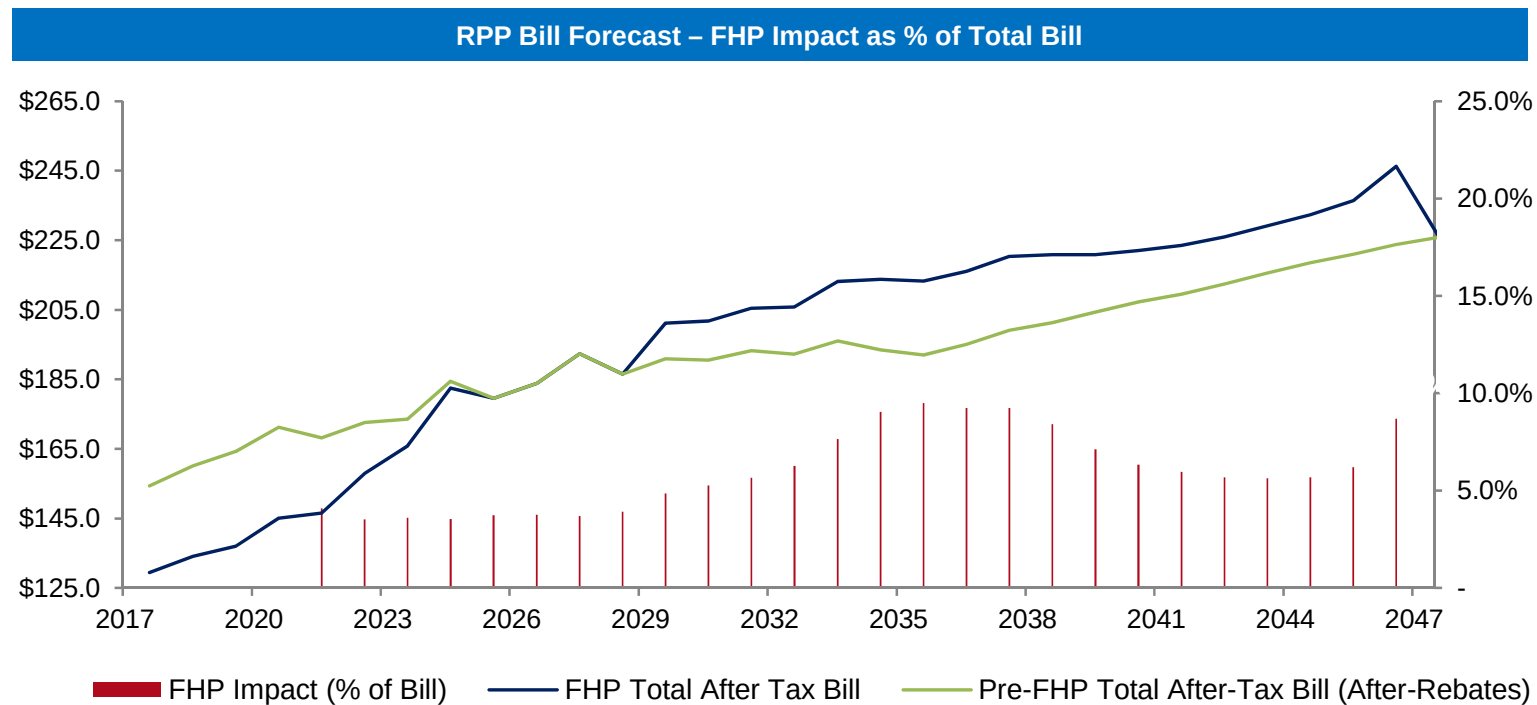


¹ Assumes 51% Senior Notes

Consumer Bill Forecast with FHP

RPP Bill Forecast - FHP Impact % of Total Bill (C\$ per Month)

- Over the duration of the Fair Hydro program, the clean energy adjustment for the average residential customer is anticipated to remain below 10% of the total electricity bill
- Max CEA as a percent of the total bill is forecast to be 10.1%
- Average CEA as a percent of the total bill is forecast to be 6.9%



Capital Markets Platform

Master Trust Indenture

Parties	(1) Computershare Trust Company (Issuer Trustee), on behalf of the Trust, acting through OPG as the Manager; (2) BNY Trust Company (Indenture Trustee) on behalf of Specified Creditors
Purpose	All Specified Creditors are required to be bound by the terms of the MTI including the priority provisions and to limit recourse to the assets of the Trust

Key Terms

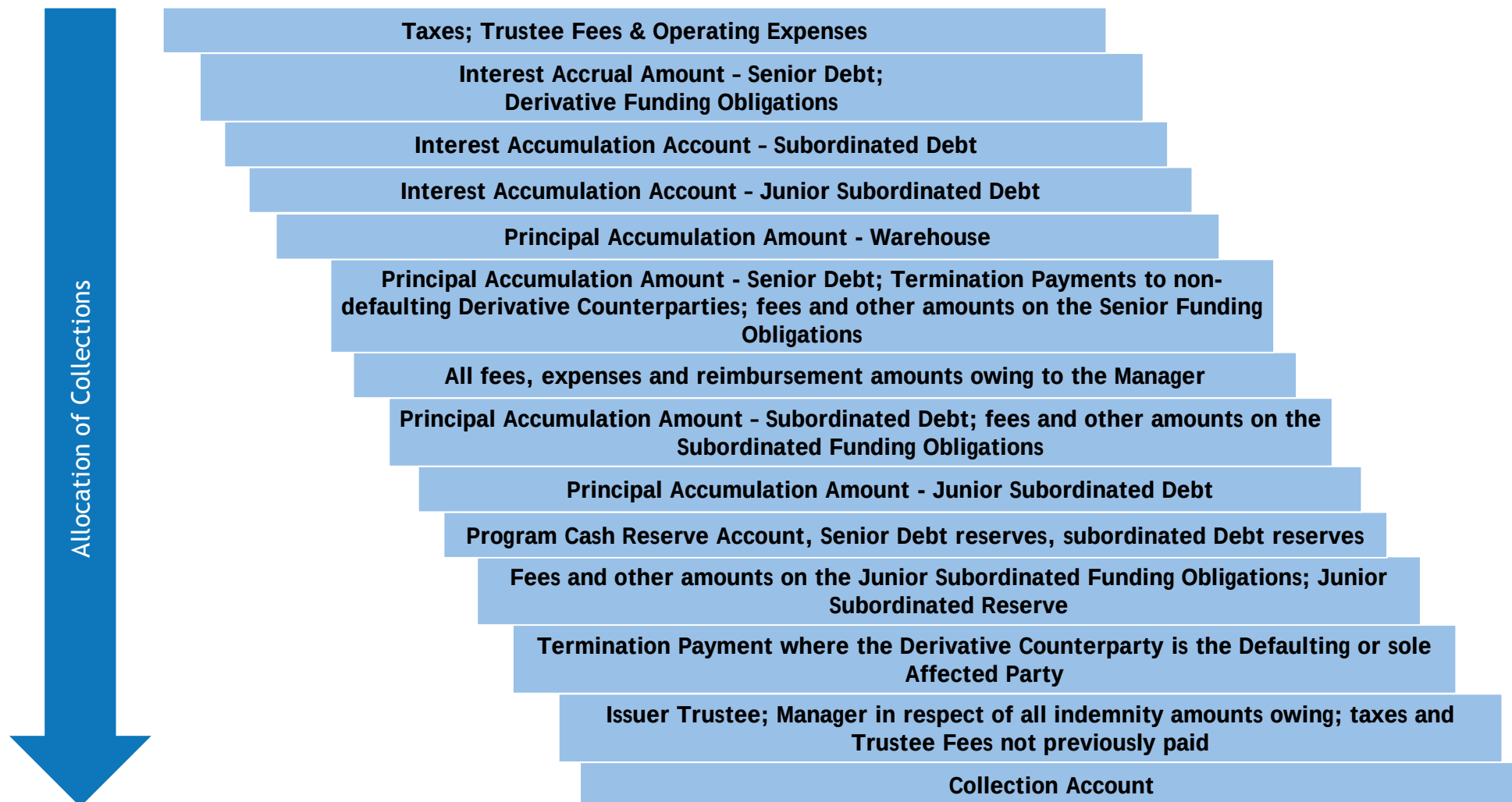
Incurrence of Funding Obligations	- Trust may incur funding obligations under a variety of instruments including: - Note issuances under supplemental indentures - Borrowings under credit agreements - Purchase of notes under note purchase agreements - Letters of Credit/Guarantees under credit enhancement agreements - Liquidity loans under liquidity agreements backing short term notes
Conditions Precedent	- Prior to incurring additional funding obligations, the Trust confirms to the Indenture Trustee and each rating agency that: - the incurrence of such additional obligations will not cause an adverse effect - the incurrence of such additional obligations is materially consistent with the Financing Plan - the estimated finance amount that would become due during the applicable reference period is expected to reasonably align with the fair allocation amount for such reference period - It will also be a condition precedent that each rating agency confirm that the issuance of such additional funding obligations will not result in a reduction or withdrawal of any existing ratings of outstanding funding obligations
Security	Granted over all assets of the Trust, including the Trust's investment interest, all collections under the MTSA and all accounts

Capital Markets Platform

Master Trust Indenture - Key Terms (cont'd)

Subordination	Provides for three different classes of funding obligations (i) senior (ii) subordinated, and (iii) junior subordinated
Priority	- Prior to an Event of Default: the waterfall provision applies - After an Event of Default: payment priority direct all amounts to pay senior obligations first
Early Amortization	- Early amortization events will include the occurrence of a scheduled final payment date on notes, the Trust becoming an investment company, the insolvency of IESO or the Manager and any other additional early amortization events set out in a funding obligation agreement - An early amortization event will result in a modified repayment schedule for the outstanding funding obligations
Events of Default	Include payment defaults, and representation and covenant breaches
Acceleration	CEAs cannot be increased to the level to repay all outstanding principal following acceleration, however the subordination of debt would advance the repayment of the senior funding obligations

Indicative Waterfall



VI. Summary of Offering

Summary of Indicative Terms

	<u>Class</u>	<u>Size</u>	<u>% of Trust</u>	<u>Expected Maturity</u>	<u>Legal Maturity</u>	<u>Rating (DBRS / Moody's)</u>
Initial Fair Hydro Issuance	Senior Warehouse	\$[] mm (Not Offered)	[]%	[]	[]	N / A
	Senior Term Notes	\$[] mm	[]%	[]	[]	AAA / Aa2
	Subordinated Notes	\$[] mm (Not Offered)	[]%	[]	[]	[]
	Jr. Subordinated Notes	\$[] mm (Not Offered)	[]%	[]	[]	[]
Issuer	Fair Hydro Trust, a single purpose, bankruptcy-remote wholly-owned subsidiary of the Financial Services Manager					
Financial Services Manager	Ontario Power Generation, Inc.					
Servicer	Independent Electricity System Operator					
Guarantor	Province of Ontario 					
Provincial Rate Authority	Ontario Energy Board					
Source of Repayment	• Moratorium Period: Statutorily mandated remittances from IESO • Post Moratorium Period: Non-bypassable charge from residential and commercial customers in Ontario, related collections and reserve accounts					
Amortization	Sinking fund with bullet maturity					
Payment Frequency	Semi-annual					
Interest	Fixed rate					
Senior Note Credit Enhancements	• Semi-annual True-up • Reserve Account (Senior Notes) • Subordination					
Reserve Account	[]					
True-up	Calculated on a semi-annual basis post-moratorium period					
Subordination	Subordinated and Jr. Subordinated Notes will be retained by OPG					
Additional Issuance	Master trust allows for the issuance of additional notes subject to Rating Agency Condition					

VII. Key Risks and Mitigants

Risk Mitigation

Risk	Description of Risk	Mitigants
Political Risk	There may be pressure on a future government to adjust certain aspects of the repayment requirements	Change of Law Protection Agreement in favour of lenders / investors
Under Collection	If the IESO inaccurately forecasts electricity consumption or if OPG uses inaccurate consumer delinquency or write-off data when setting the CEA, there could be a shortfall in collections, which might result in missed or delayed payments of principal and interest on the Notes	6-month reference period - True up mechanism - Any shortfall in collections are recoverable from all Specified Consumers
Defaults (IESO & LDCs)	- During the Moratorium Period, the Trust is dependent on the IESO to pay carrying costs - Receipt of CEAs dependent on the performance of LDCs and IESO	- IESO has a very strong credit profile and very low losses - IESO to provide a letter of credit/other security for the obligation of non-rated or below investment grade rated LDCs - LDCs collect security deposits and, when permitted, have the ability to disconnect service for non-payment
Size of Charge vs. Bill	If the charge applied to bills becomes too high, there could be a consumer and/or political backlash	20-year repayment period allows for gradual rate increases - Max CEAs as a percent of the total is forecast to be ~10%

VIII. Investment Highlights

Investment Highlights

- ✓ Strong provincial support through the Change of Law Protection Agreement
- ✓ Irrevocable & non-bypassable rate payer charge
- ✓ Full cross-collateralization; collection shortfalls allocated among all Specified Consumers
- ✓ Enhanced true-up mechanism
- ✓ Credit enhancement for senior debt provided via subordinated debt
- ✓ Experienced operating agents (OPG, IESO, and LDCs)
- ✓ Strong service territory
- ✓ No large user industrial risk exposure

Fair Hydro Trust Investor Presentation

January [xx], 2018



Disclaimers

This presentation and its contents are being supplied for informational purposes only by Fair Hydro Trust (the “**Issuer**”) and are not an offer to buy or sell or a solicitation of an offer to buy or sell any securities of the Issuer.

This presentation does not, and does not purport to, contain all information that may be material to an investment decision in respect of the Issuer’s Notes. It is only a summary of certain information in respect of the Issuer. Prior to making an investment decision with respect to the Issuer’s Notes, prospective investors should carefully review the Confidential Shelf Offering Memorandum, including the related Term Sheet, pursuant to which such Notes are offered (the “**Offering Memorandum**”). The information and opinions contained in this presentation are qualified in their entirety by reference to the Offering Memorandum. In particular, reference should be made to the risks of any investment in the Issuer’s Notes offered and the statutory rights of rescission or rights to damages available to purchasers of such Notes described in the Offering Memorandum. No representation or warranty, express or implied, is given by or on behalf of the Issuer, the Agents or any other person as to the accuracy or completeness of the information or opinions contained in this presentation.

Some of the statements contained in this presentation, including those relating to the Issuer’s expectations, forecasts, strategic and other statements, are forward-looking information within the meaning of securities laws. The forward-looking information contained in this presentation is presented for the purposes of assisting prospective purchasers in making an investment decision regarding the Notes and may not be appropriate for other circumstances. The Issuer does not intend, or assume any obligation, to update any forward-looking information except as may be required by applicable law. Reference should be made to the information under the headings “Caution Regarding Forward-Looking Information” and “Risk Factors” in the Offering Memorandum.

The information presented herein is only current as of the date on the cover of this presentation. Except as required by law, neither the Issuer nor Ontario Power Generation (“**OPG**”) intends, or assumes any obligation, to revise or update any information in this presentation. Prospective purchasers should consult the Offering Memorandum for more current information.

By attending this presentation, or accepting a copy of this presentation, each prospective purchaser agrees that all information contained herein, all documents delivered in connection herewith and all other information obtained by such prospective purchaser in relation to the Issuer or OPG (collectively, the “**Confidential Information**”) is confidential, that none of the Confidential Information will be copied, transcribed, recorded or transmitted by the recipient for any reason or used for any purpose other than evaluating an investment in the Issuer’s Notes, and that the recipient will hold all of the Confidential Information in confidence and will not provide any of it to third parties other than persons retained to advise the recipient with respect to the purchase of the Issuer’s Notes (so long as they advise such persons of the confidential nature of such Confidential Information), without the prior written consent of the Issuer and OPG.

Presenters



Ken Hartwick

**Chief Financial Officer &
Senior Vice President - Finance**

John Lee

Vice President, Treasurer

Table of Contents

- I. Introduction and Transaction Overview
- II. Ontario Electricity Market
- III. Legislative and Regulatory Framework
- IV. Contractual Framework
- V. Financing Program
- VI. Summary of the Offering
- VII. Key Risks and Mitigants
- VIII. Investment Highlights



I. Introduction and Transaction Overview

Introduction

Ontario's Fair Hydro Plan

- The Province of Ontario announced its Fair Hydro Plan ("FHP") on March 2nd, 2017, which proposed to lower the average electricity bill for eligible customers¹ (referred to as "Specified Consumers") by 25% (the "Fair Adjustment")
- The 25% reduction includes an 8% rebate in the provincial portion of the HST granted by the Ontario government in January 2017
- It is expected that the rate reduction will be in effect to April 30, 2021, with any rate increases over that period limited to the rate of inflation in Ontario

Legislation

- On June 1, 2017, the Ontario government passed the *Ontario Fair Hydro Plan Act, 2017* (the "FHPA" or "Act"), legislation that reallocates certain electricity costs over time and provides immediate rate relief to Specified Consumers
- The FHPA imposes an irrevocable and non-bypassable charge referred to as the Clean Energy Adjustment ("CEA") that will be determined by Ontario Power Generation ("OPG") in its role as Financial Services Manager under the Act
- The CEA will be determined for each six month reference period and converted by the Ontario Energy Board ("OEB") into a \$/kWh rate and added to electricity invoices sent to Specified Consumers commencing on May 1, 2021
- From July 1, 2017 until April 30, 2021 (the "Moratorium Period"), no CEA will be collected; during this period the Independent Electricity System Operator ("IESO") is obligated to pay all funding costs (excluding principal) under the Regulations

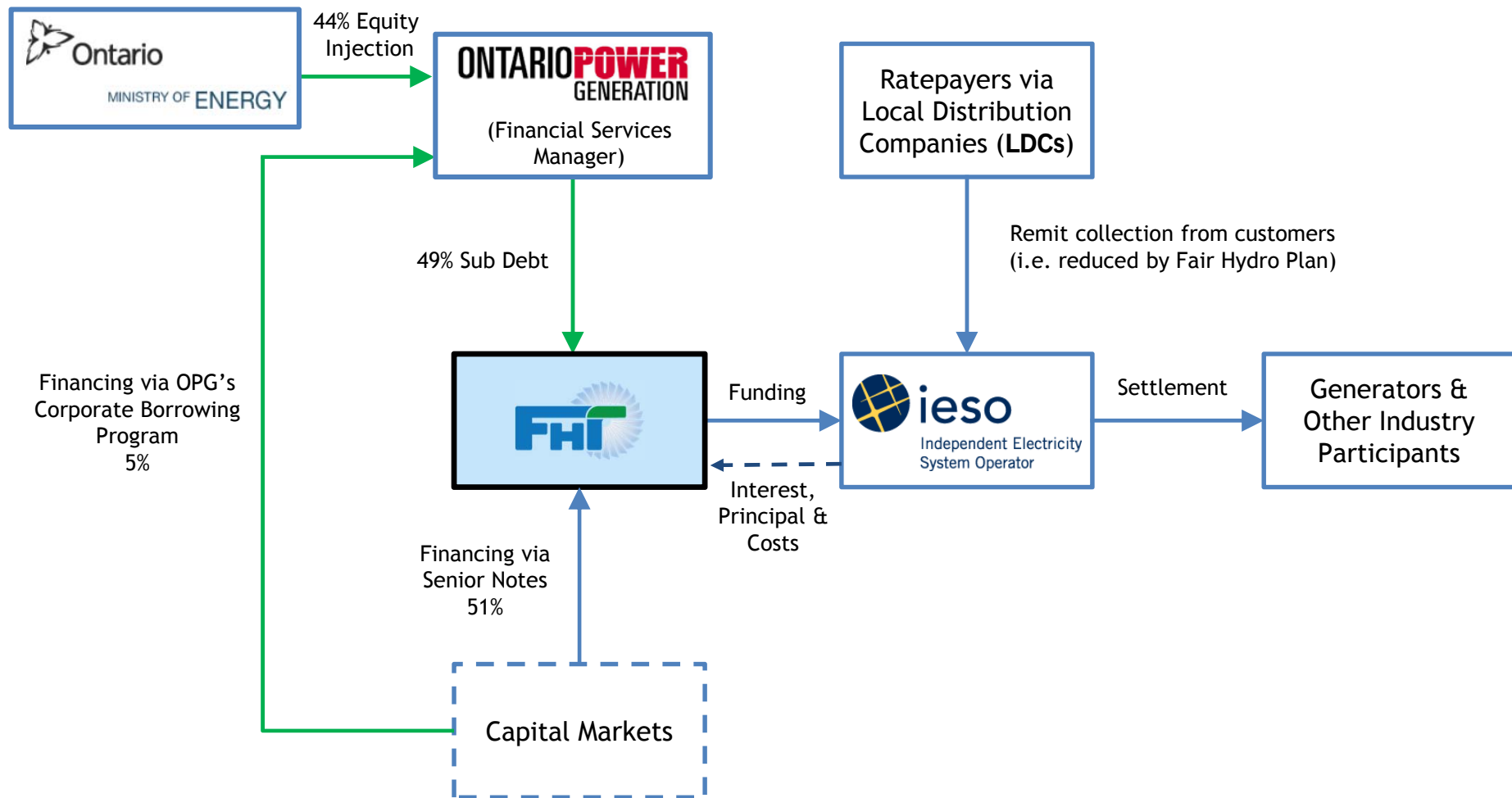
Fair Hydro Trust ("FHT")

- The implementation of the Fair Hydro Plan will be financed by the Fair Hydro Trust ("FHT", the "Trust" or the "Issuer") through the issuance of senior and subordinated notes
- Structured to be bankruptcy remote and ring fenced from OPG

¹ Primarily Regulated Price Plan-eligible customers.

Transaction Structure

- Concurrent with every issuance of senior notes, it is expected that OPG will purchase subordinated debt of the Trust in an amount not to exceed 49% of all outstanding debt

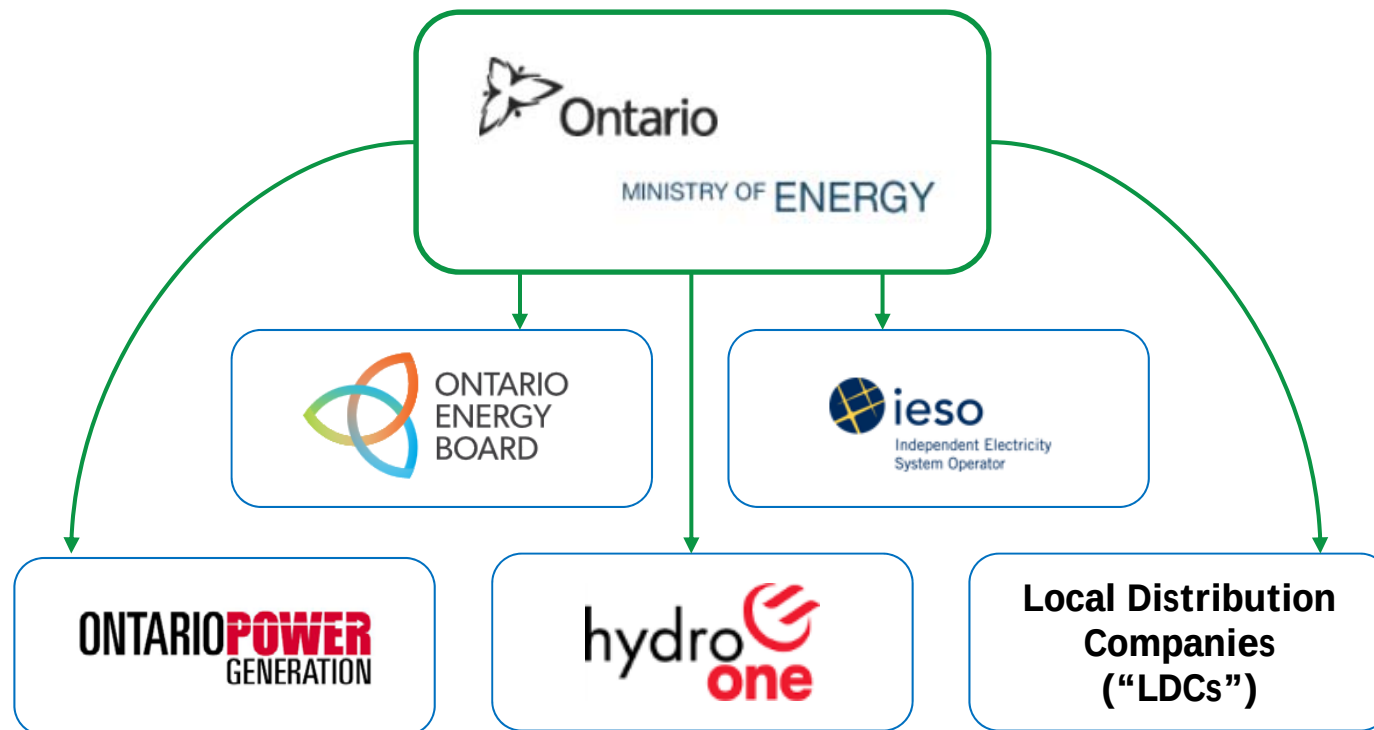


Note: The assets and liabilities of the Trust are deemed, under the *Electricity Act, 1998* to not include the assets and liabilities of OPG, and vice versa

II. Ontario Electricity Market

Overview of Ontario's Electricity Market

- Highly regulated electricity market comprised primarily of three components: generation, transmission and distribution; ~\$22 billion in annual cash flows
- Transmission rates, distribution rates, and OPG's regulated rates are set by the Ontario Energy Board
- Rates for the majority of the remaining generation supply are set by direct contracts with the IESO (e.g. wind, solar, hydroelectric)



Key Industry Participants

Participant	Rating (DBRS / S&P / Moody's)	Description
	--	- The OEB is an independent public regulatory agency established under the Ontario Energy Board Act, 1998 - The Ontario Energy Board Act, 1998 provides the OEB with the authority to regulate Ontario's electricity market, including the activities of transmitters and distributors - The OEB sets the regulated price for the commodity cost charged to most residential electricity customers via the Regulated Price Plan ("RPP"); RPP rates are set twice a year (May and November) - RPP prices are set for: time-of-use (On-peak, Mid-peak, and Off-peak); and tiered (Tier 1 and Tier 2), to recover the forecast commodity cost of electricity
	A(h) / -- / Aa2	- The Independent Electricity System Operator (the "IESO") is a not-for-profit corporation established under the Electricity Act, 1998 - The IESO manages the operation and reliability of Ontario's bulk power system and administers the wholesale electricity market
	A(l) / BBB+ / --	- OPG is a corporation formed under the Business Corporation Act (Ontario), whose sole shareholder is the Province of Ontario - OPG's principal business is the generation and sale of electricity in Ontario - OPG is Ontario's largest electricity generator, providing approximately half of Ontario's electricity
	A(h) / A / A3	Hydro One is Ontario's largest electricity transmission and distribution company; Hydro One delivers electricity to over 1.3 million customers across the Province of Ontario, and to large industrial customers and municipal utilities

Key Industry Participants – LDC Overview

- As part of the restructuring of Ontario's electricity industry, the province's municipally-owned electricity distributors were reorganized into separate business corporations
 - These distributors are typically referred to in Ontario as local distribution companies, or "LDCs"
- An LDC is responsible for distributing electricity to customers in its OEB-licensed service territory, and in some cases to other distributors
 - A service territory may cover large portions of all of a particular municipality, or an otherwise-defined geographic area
 - Distribution customers include residential, commercial and industrial end-users, such as governments, schools and hospitals

Select Aggregate Market Stats¹

Number of LDCs	65
Residential & Small Commercial ² Revenue	\$18.89 billion
Residential & Small Commercial ² Metered Usage (kWh)	52.39 billion
Residential Customers	4.61 million
Small Commercial ² Usage Customers	0.44 million
Total Residential & Small Commercial ² Customers	5.05 million

¹ Source: OEB 2016 Yearbook of Electricity Distributors

² Small Commercial includes General Service <50kW Customers

³ Most recent rating reports from S&P, DBRS and Moody's

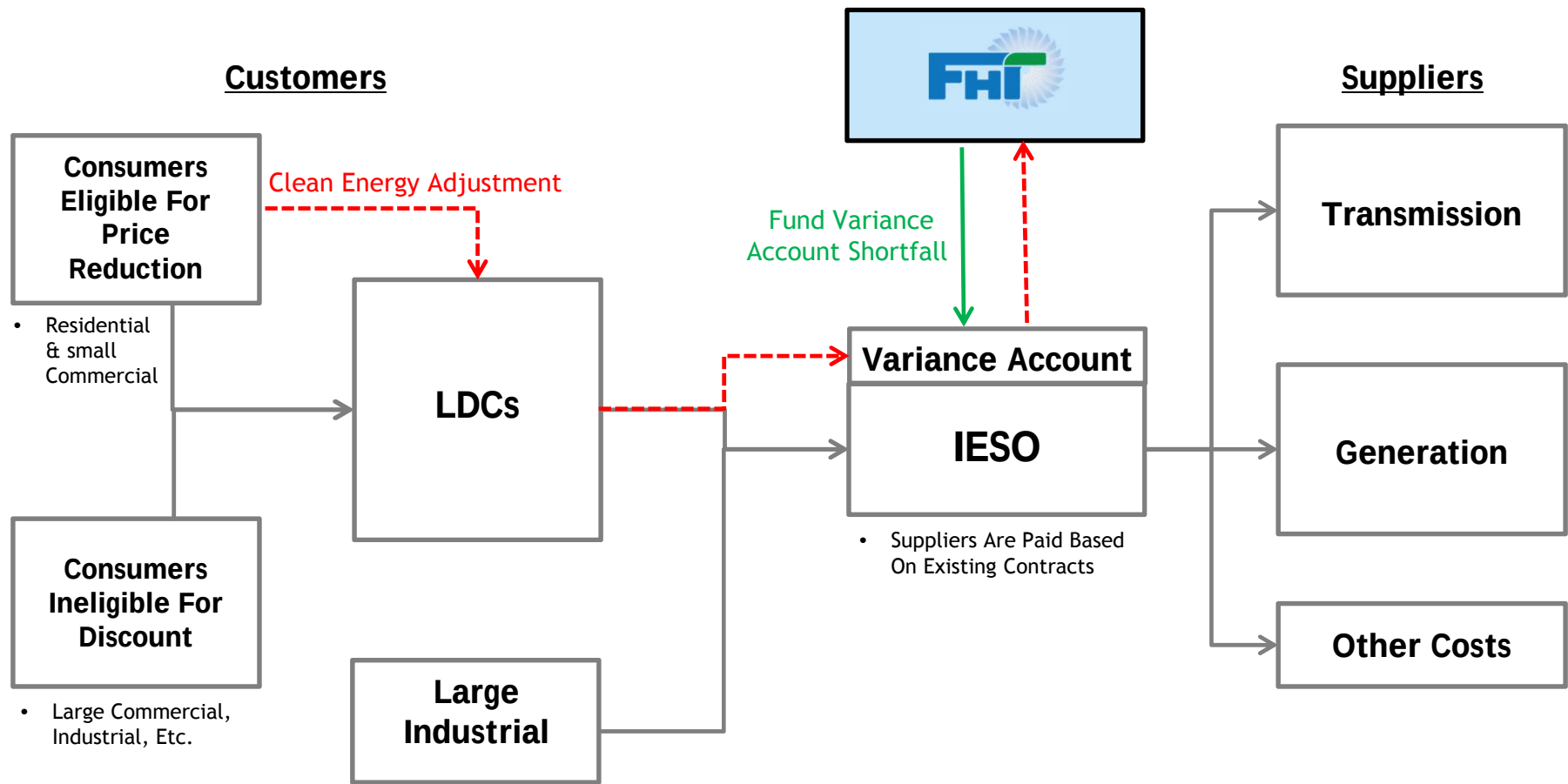
⁴ Residential and Small Commercial customers

Top 5 LDCs by Customer Base¹

	Rating ³ (S&P/DBRS/Moody's)	Customers ⁴ (MM)	Revenue ⁴ (C\$MM)
 hydro one	A / A(h) / A3	1.30	\$4,533
 aletra utilities	A / A / --	0.96	\$3,642
 TORONTO HYDRO	A / A / --	0.75	\$3,886
 HydroOttawa	BBB+ / A / --	0.32	\$1,130
 London Hydro	A / -- / --	0.15	\$488
		3.49	\$13,680

Electricity Market with FHT

- Under the FHPA, each month the IESO determines the shortfall that results from the Fair Adjustment and records this amount, together with financing costs, in a variance account
- FHT will finance the shortfall and is entitled to recover its costs through CEAs from Specified Consumers



III. Legislative and Regulatory Framework

Legislation Overview

Purpose

- The FHPA was enacted to ensure that clean energy costs and clean energy benefits are fairly allocated among present and future Specified Consumers
- Clean energy costs are costs allocated to consumers as a result of Ontario's clean energy initiative; clean energy benefits are benefits that accrue to both present and future electricity consumers

Specified Consumers

- A category of consumers that generally is comprised of residential consumers, small businesses and farms
- Includes consumers with a demand for electricity of 50 kW or less or those that use not more than 250,000 kWh of electricity annually

Rate Reduction Period

- *July 1, 2017 – April 30, 2018* - Specified Consumers charged an invoice amount that is 25% less than the regulated rate that would otherwise have been determined by the OEB (referred to as the “Fair Adjustment”)
- *May 1, 2018 – April 30, 2019* - previously established regulated rate anticipated to increase by the rate of inflation in Ontario
- *May 1, 2019 – April 30, 2021* - rate reductions will be established by regulation but anticipated to increase by the rate of inflation in Ontario

Legislation Overview

Regulatory Asset

- Each month the IESO determines the shortfall that results from the Fair Adjustment and records this amount, together with the costs of financing the shortfall, in a variance account
- The IESO has the right to recover the balance recorded in the variance account from Specified Consumers (such right, the “Regulatory Asset”)
- The IESO may transfer a specified portion of the Regulatory Asset to the Trust for a cash purchase price equal to the amount recorded in the variance account in respect of such specified portion of the Regulatory Asset

Investment Asset

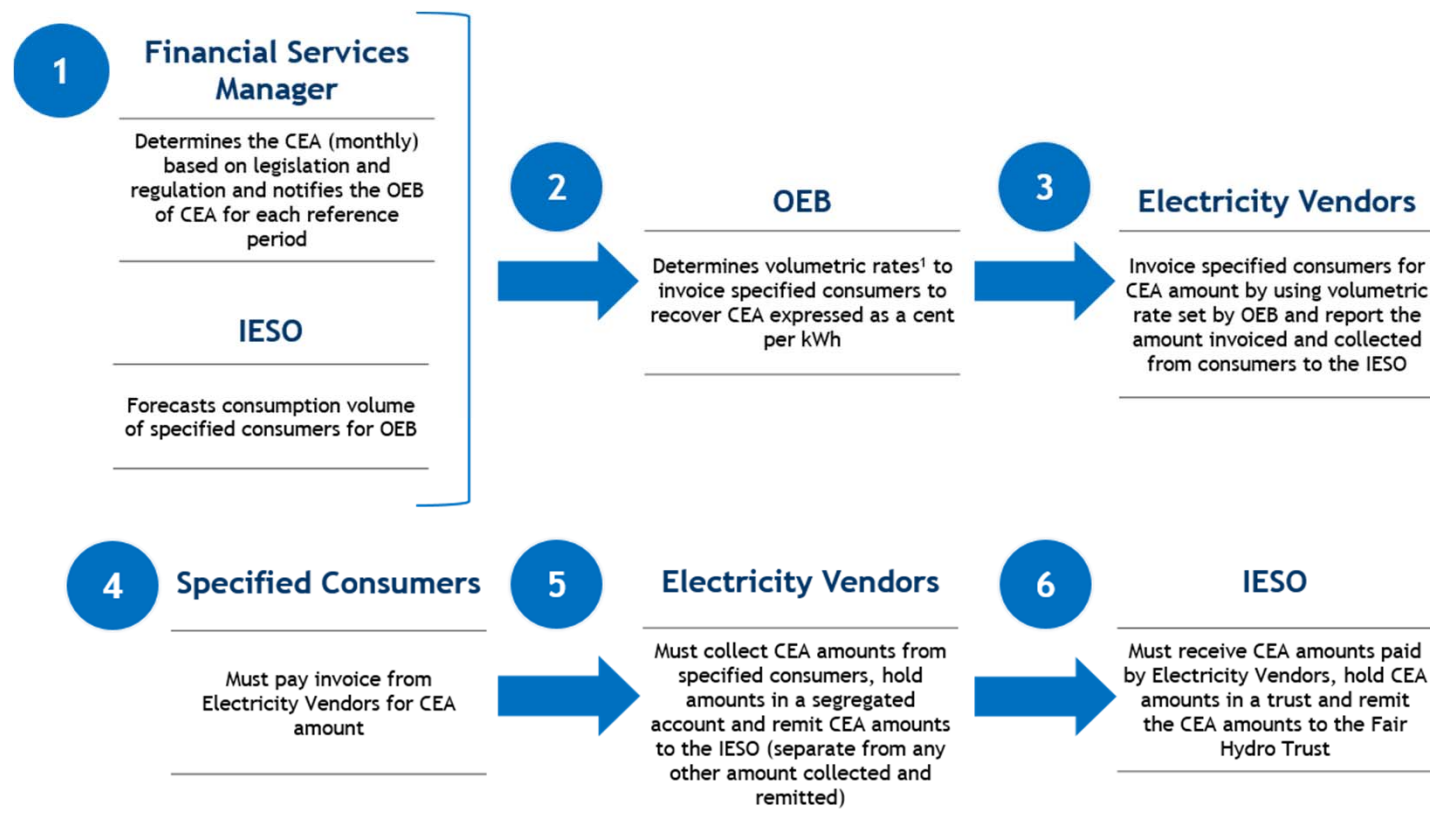
- If the IESO and the Trust agree to the transfer of a specified portion of the Regulatory Asset, such transfer results in the creation of a current and irrevocable property right that is immediately vested in the Trust (such right, an “Investment Interest”)
- By acquiring an Investment Interest, the Trust will be entitled to recover all of its costs of such financing and will acquire the right to impose, invoice, collect, receive and recover CEAs from Specified Consumers
- The Trust is not obligated to purchase Regulatory Assets from the IESO

Moratorium Period

- From July 1, 2017 to April 30, 2021, CEAs are not permitted to be collected from Specified Consumers (“Moratorium Period”)
- The IESO is obligated to pay all funding and other expenses of the Trust (referred to as Carrying Costs), excluding principal, during the Moratorium Period up to July 31, 2021
- The IESO has a \$2 billion credit facility from the Ontario Electricity Financing Corporation (“OEFC”) to pay Carrying Costs; as security for the performance of its obligations, the IESO has granted a first-priority security interest in all of its accounts receivables

Billing and Collection of CEAs

- CEA amounts for billing and collection purposes will be managed outside of the IESO's current settlement processes set out in the Market Rules for electricity invoice amounts
- Collection risk for CEA amounts are dealt with through statutory rights in the Act, the collection obligations of the IESO under the Master Transfer & Servicing Agreement ("MTSA") and the ability to include amounts into the true up mechanism

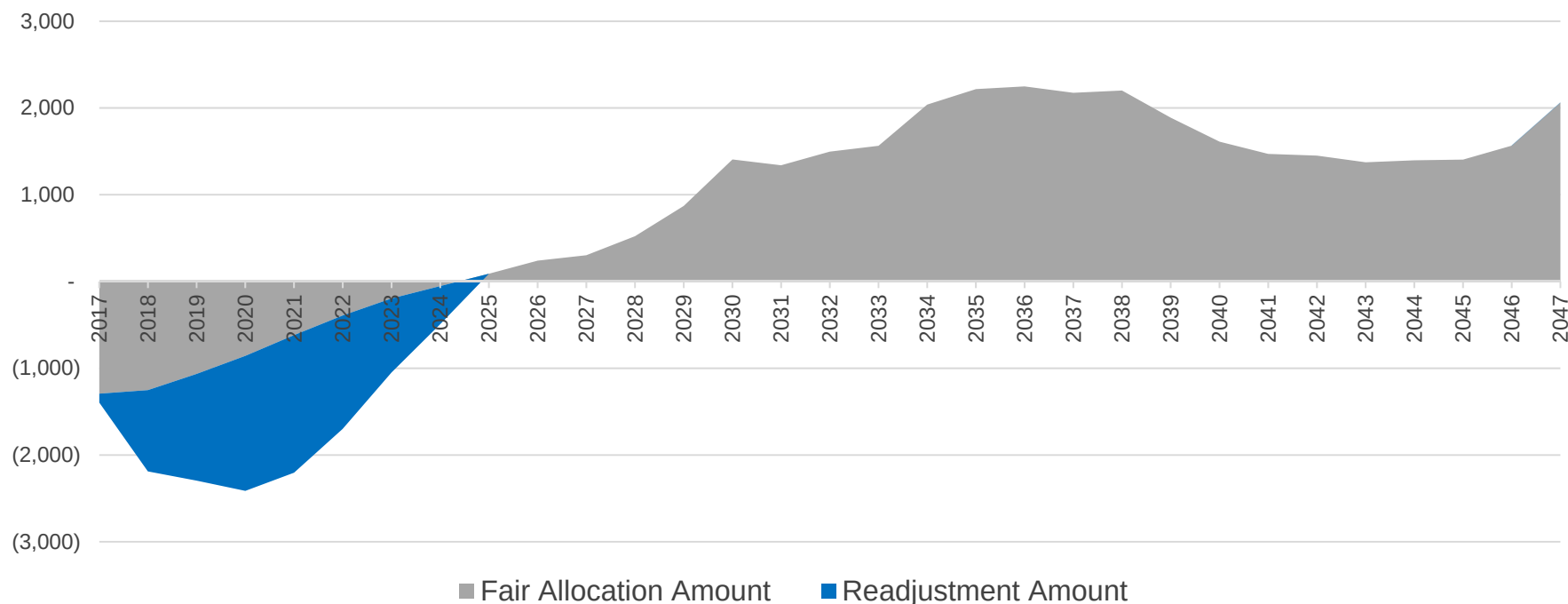


¹ The rates will be determined by dividing the CEA amount by the forecasted energy consumption in the reference period by Specified Consumers

Fair Allocation Amount

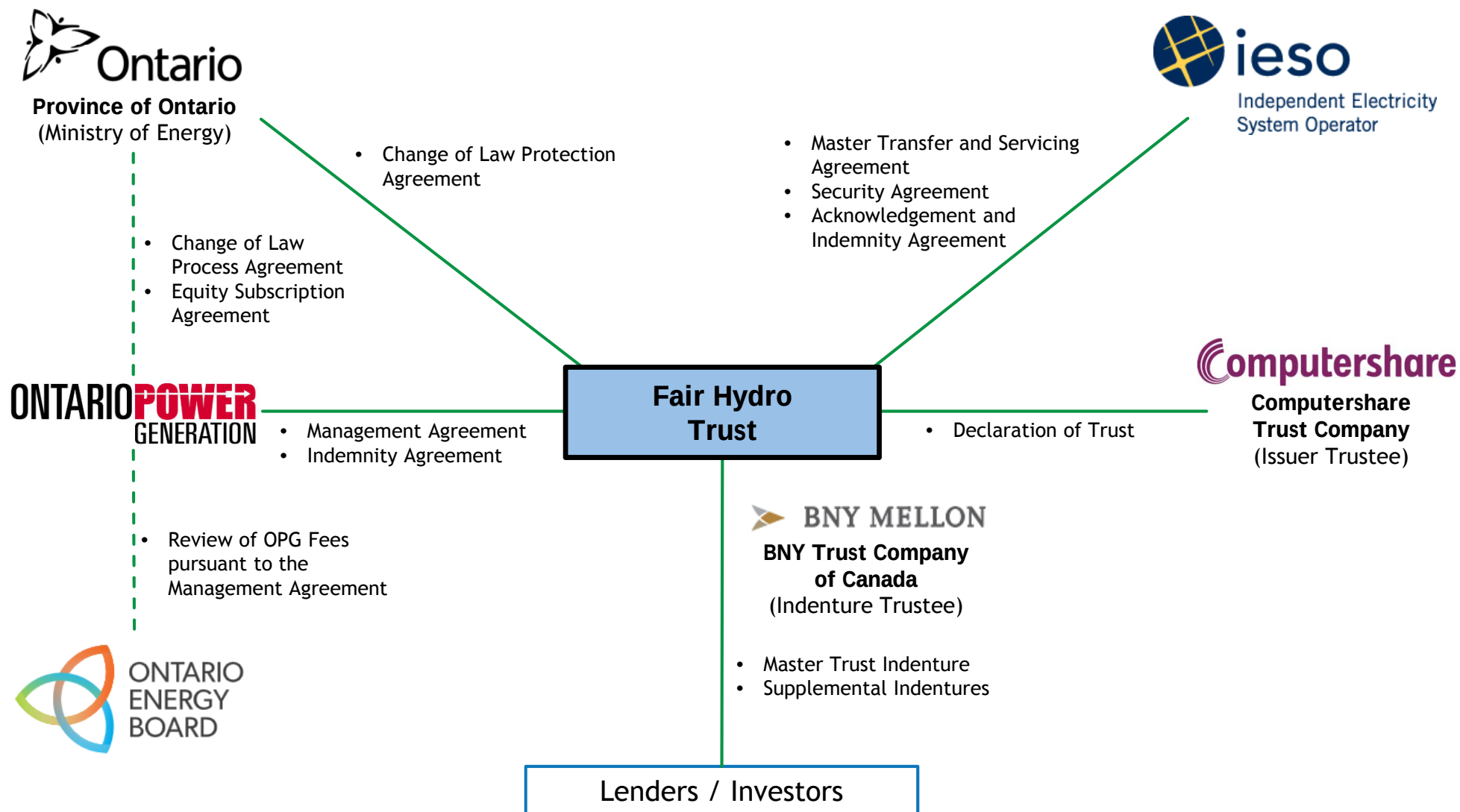
- The Fair Allocation Amount (“FAA”) is the estimated clean energy costs without consideration of the FHP compared to these same costs reallocated on the basis of estimated clean energy benefits to Specified Consumers in respect of each reference period and includes operating and financing costs of the FHT
- If the FAA is negative, this means that the Minister of Energy has determined that current Specified Consumers have borne more than their fair share of Clean Energy Costs (with the consequent rate reduction for current Specified Consumers); the FAA is expected to be negative until at least May 2024
- The Ministry of Energy will provide updated FAAs to OPG from time-to-time

Fair Allocation Amount (\$ million)



IV. Contractual Framework

Simplified Contractual Structure



Key Agreements

Change of Law Protection Agreement

Parties	(1) Province of Ontario as Obligor and (2) Indenture Trustee, on behalf of Specified Creditors¹, as Beneficiaries and (3) OPG as Financial Services Manager (“FSM”)
Purpose	Provides assurance to investors that upon the occurrence of a Protection Event, the Province of Ontario will have an obligation to make payments on behalf of the Trust
Key Terms	Term: Continues for as long as any obligations of the Trust that are secured under the Master Trust Indenture (MTI) remain outstanding Mandatory Payment: Upon the occurrence of a Protection Event, the Indenture Trustee has the right to require the Province to pay all obligations when due and payable Priority of Payments: The priority of payments is governed by the waterfall provision under the MTI Adherence Conditions: OPG as FSM is required to comply with certain conditions, including the delivery of an Adherence Compliance Certificate, prior to the issuance of debt which is to benefit from change in law protection from the Province Suspension Notice: The Province may deliver a suspension notice, after which date funding obligations incurred will not have the benefit of the Change of Law Protection, upon the occurrence of a program breach, a default in performance, or misrepresentation by OPG as FSM

¹ **Specified Creditors** are any other Person that is owed a payment obligation by the Issuer that gives rise to a Finance Amount in respect of the Issuer

Key Agreements

Change of Law Protection Agreement (cont'd)

Protection Events

The occurrence of any of the following events:

- The Legislature repeals (and does not replace on an equivalent basis) or amends the Act or any portion thereof as in effect on the date hereof
- The Legislature enacts or amends any other statute
- The Lieutenant Governor in Council repeals (and does not replace on an equivalent basis) the regulations made under the Act or any portion thereof as in effect on the date hereof
- The Lieutenant Governor in Council amends any “regulation” (as defined in Part III of the Legislation Act, 2006) as in effect on the date hereof
- The implementation of a change in the organization or structure of the IESO or Ontario’s electricity market undertaken at the initiative of the Province
- A court of competent jurisdiction determines that all or a portion of the Act or the regulations made under the Act, is ultra vires or invalid in a way that adversely affects the ability of the Trust to pay its obligations

in each case that adversely affects the ability of the Trust to pay its obligations when due and payable, taking into account any funds available in reserve accounts and any reasonably expected potential effect of a true-up amount

Key Agreements (cont'd)

Master Transfer and Servicing Agreement

Parties

- (1) the IESO, as transferor and servicer; (2) the Trust

Purpose

- Provides for the transfer, by the IESO to the Trust of the regulatory asset, and upon such transfer the Trust acquires an investment interest

Key Terms

- **Transfer of Regulatory Asset:** The IESO may offer, no more frequently than monthly, to transfer the regulatory asset to the Trust. The Trust has the right, but not the obligation, to accept IESO's offer.
- **Servicing Duties:** The IESO will be responsible for servicing the investment interest under the Regulations, including collecting clean energy adjustment amounts from electricity vendors and remitting the same to the Trust, including:
 - Establishing a segregated account for collecting CEAs and use reasonable efforts to cause electricity vendors to do the same
 - Collect CEAs from electricity vendors
 - Remit CEAs monthly to the Trust
 - Prepare monthly servicer reports
 - Forecast electricity consumption of Specified Consumers
- **Moratorium Period:** During Moratorium Period (until May 1, 2021), the IESO will be required by regulation to fund all interest and other expenses of the Trust, which will be offered, as regulatory assets, for transfer to the Trust in a subsequent period.
- **IESO Letter of Credit:** After the Moratorium Period, the IESO will provide the Trust, a letter of credit or other form of security, for the obligation of non-rated or non-investment grade rated electricity vendors.

Key Agreements (cont'd)

Management Agreement

Parties	• Issuer Trustee, on behalf of the Trust, and OPG, as Manager
Purpose	• Issuer Trustee delegates to the Manager all powers and duties of managing the Trust
Key Terms	• Duties Include: – Negotiating and executing program agreements; – Preparing, in accordance with applicable securities laws, any offering documents to be furnished by the Trust to prospective purchasers of funding obligations; – Review or caused to be reviewed, records of electricity vendors on an annual basis with respect to CEAs – Preparing financial statements; and – Paying taxes on behalf of the Trust • Incurrence of Funding Obligations: Manager will determine how and when to incur funding obligations to acquire investment interests • Standard of Care: Manager will perform its duties diligently and in conformity with the Trust's obligations under the program agreements • Resignation/ Termination: Manager may not resign from its duties or terminate the Management Agreement as long as funding obligations of the Trust are outstanding

Key Agreements (cont'd)

Other Key Agreements

Security Agreement	As security for the performance of its obligations under the Regulation to pay the Trust's carrying cost during the Moratorium Period, IESO has granted the Trust a first priority security interest in all of its accounts receivable
Acknowledgement and Indemnity Agreement (IESO)	IESO, as servicer under the MTSA, acknowledges that a security interest has been granted to the Indenture Trustee thereby assigning as security the rights and benefits of the Issuer under the MTSA to the Indenture Trustee and provides certain indemnities with respect to its duties and obligations under the MTSA
Indemnity Agreement (OPG)	OPG, as manager under the Management Agreement, provides certain indemnities to the Indenture Trustee with respect to its duties and obligations under the Management Agreement
Change of Law Process Agreement	- Outlines procedural requirements between the Province and OPG with respect to issuing debt that benefits from the Change of Law Protection Agreement - Among other things, OPG is required to deliver to the Province a process certificate, outlining the material terms of a proposed debt issues and confirm such debt offerings will not cause the protection agreement maximum (as updated from time to time) to be exceeded
Equity Subscription Agreement	Specifies the terms and conditions upon which the Province provides equity injections to OPG to purchase subordinated debt issued by the Trust
Declaration of Trust	- Establishes FHT to carry out activities for the benefit of its beneficiary unitholders - Specifies the rights and powers of the Issuer Trustee (Computershare)

Allocation of Servicing Role and Responsibilities

The shared responsibilities of servicing and management roles are summarized below

	OPG	IESO	LDC
Annually Review Records of LDCs with Respect to CEAs	✓		
Determination of True-Up Amount	✓		
Ongoing Filings for Trustee and Rating Agencies	✓		
Management of Ongoing Debt Issuances	✓		
Cash Management		✓	
Preparation of Monthly Service Reports		✓	
Remittance of CEA to IESO and to the Trust		✓	✓
Responding to inquiries by customers if practicable, or forwarding such inquiries to OPG		✓	✓
Customer Billing			✓
Customer Collections			✓
Customer Meter Reading			✓

V. Financing Program

Financing Plan / Strategy

- OPG is responsible for administering the FHT financing program
- Given the size (~\$20 billion) and longevity (~10 years) of the FHT financing program, the funding strategy has been designed to provide flexibility
- Warehouse financing (ABCP conduit) and OPG subordinated debt will be used to fund monthly regulatory asset purchases from the IESO
 - Periodically refinance the warehouse facility through the issuance of term debt (likely access the market 2-3 times per year)
- Term debt can take the form of bullet bonds or could be issued as amortizing bonds

ABCP Conduit

- ABCP conduit and OPG subordinated debt will be used to fund monthly regulatory asset purchases from the IESO

Term Debt

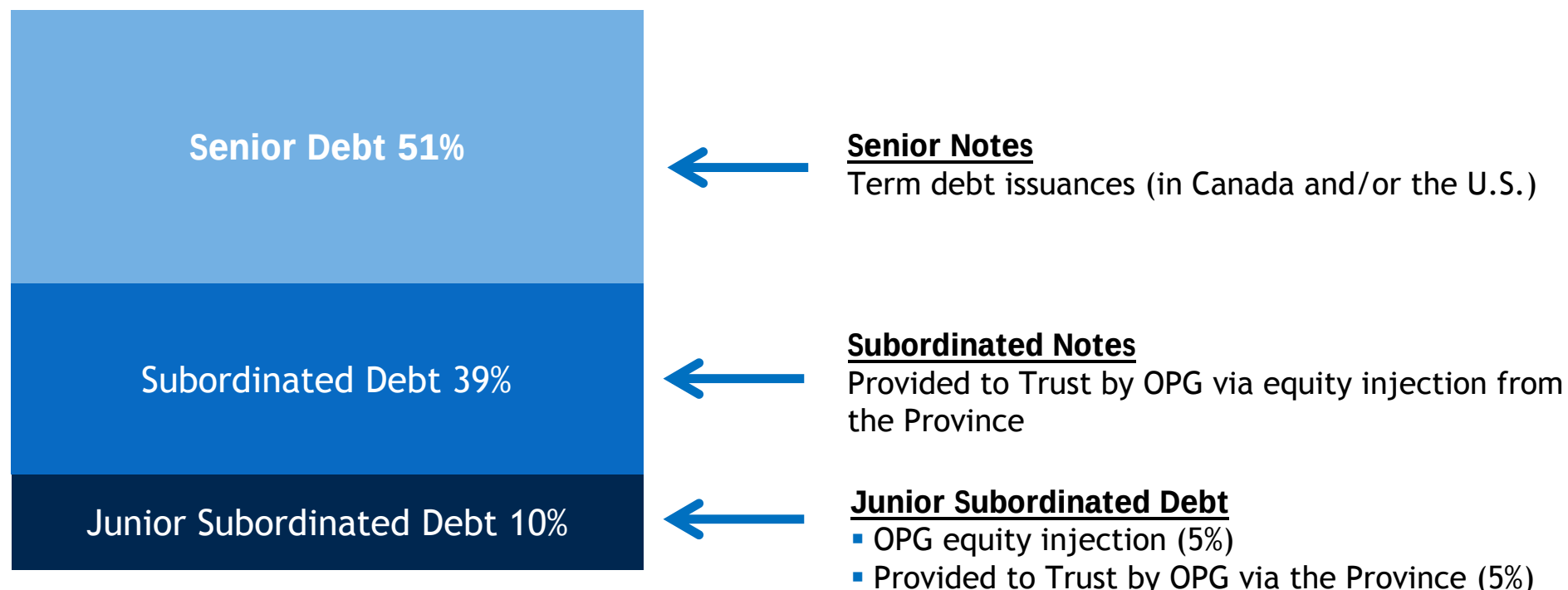
- Term debt issuances will be used to refinance short term debt financing provided by ABCP conduit and OPG subordinated debt
- Both Canadian term debt and U.S. term debt market will be considered
- Maturity profiles will be structured to fit under the fair allocation curve (bullet bonds with synthetic amortization or amortizing bonds)

Subordinated Debt

- Subordinated debt provides credit enhancement for senior debt (ranks behind senior debt in cash flow waterfall)

Financing Structure

- The Trust will fund regulatory asset purchases through the issuance of senior, subordinated and junior subordinated secured debt
- Senior debt (51%) will be sourced monthly from committed warehouse facilities, and the periodic issuance of term debt
- Subordinated debt (49% anticipated; minimum of 35% required) will be purchased by OPG, primarily with equity injections from the Province (44%) and the remaining 5% from OPG

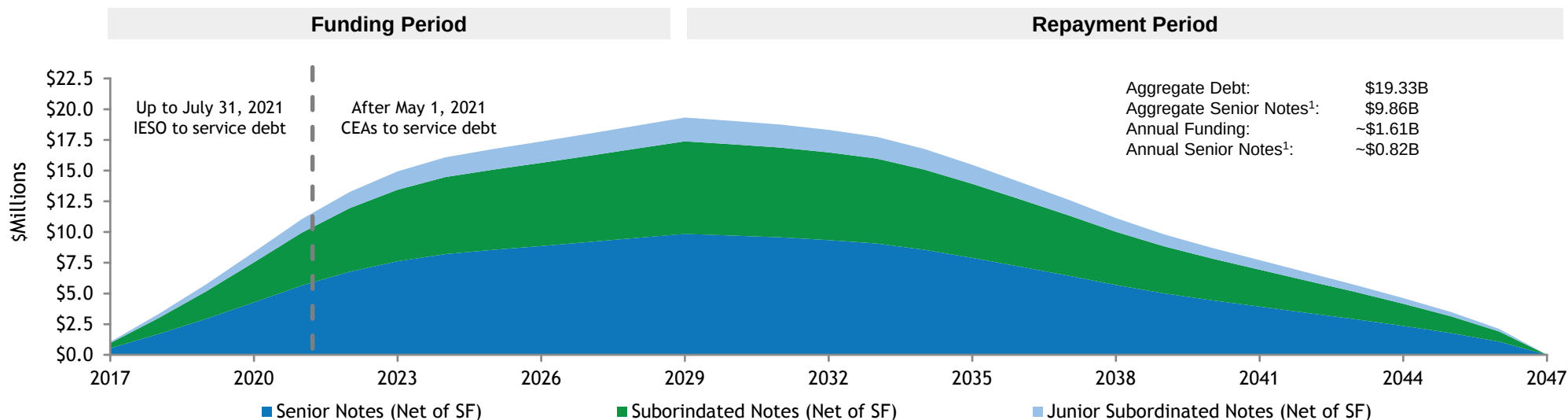


Aggregate Financing Program

Illustrative Debt Summary - Funding & Repayment Period (Annual)

- Based on the Fair Allocation Amount and the Province's electricity bill reduction targets, the following debt profile for the program is expected, peaking at just under \$20 billion by 2029
- Various tranches of debts will be issued periodically during the period of 2017 - 2028, which will mature over a period after 2029

Illustrative Aggregate Funding and Repayment Profile (Annual; Net of Sinking Fund ("SF") Payments)

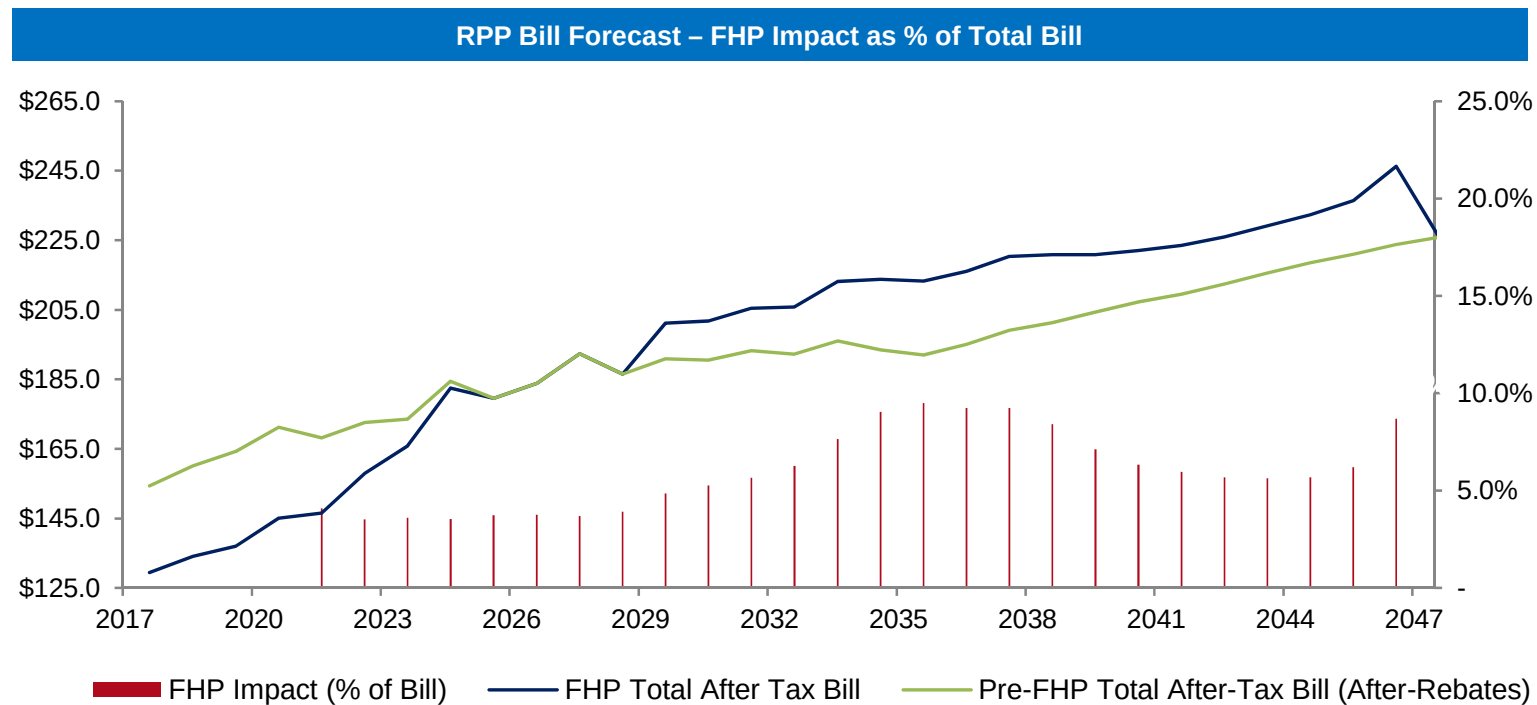


¹ Assumes 51% Senior Notes

Consumer Bill Forecast with FHP

RPP Bill Forecast - FHP Impact % of Total Bill (C\$ per Month)

- Over the duration of the Fair Hydro program, the clean energy adjustment for the average residential customer is anticipated to remain below 10% of the total electricity bill
- Max CEA as a percent of the total bill is forecast to be 10.1%
- Average CEA as a percent of the total bill is forecast to be 6.9%



Capital Markets Platform

Master Trust Indenture

Parties	(1) Computershare Trust Company (Issuer Trustee), on behalf of the Trust, acting through OPG as the Manager; (2) BNY Trust Company (Indenture Trustee) on behalf of Specified Creditors
Purpose	All Specified Creditors are required to be bound by the terms of the MTI including the priority provisions and to limit recourse to the assets of the Trust

Key Terms

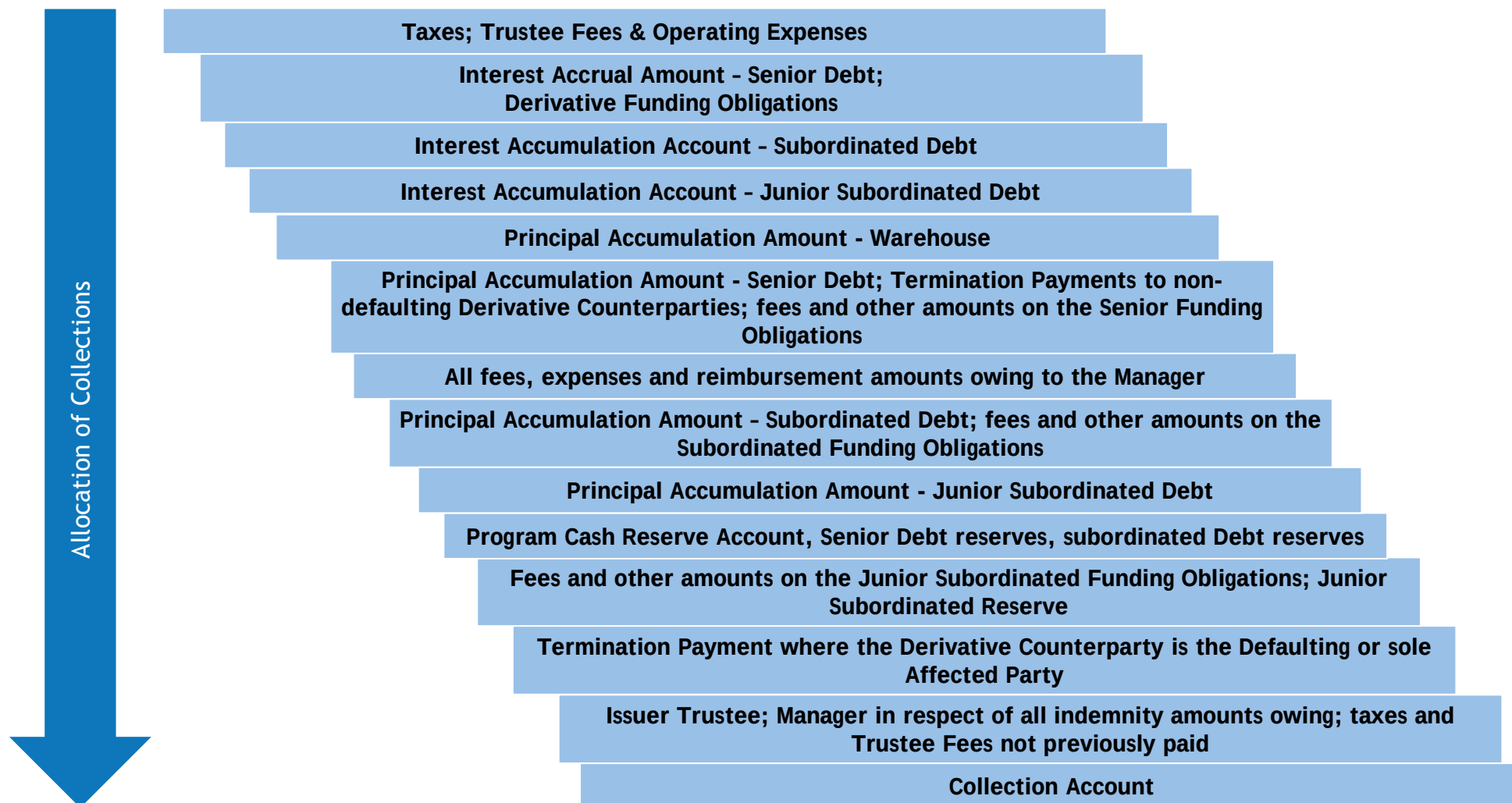
Incurrence of Funding Obligations	- Trust may incur funding obligations under a variety of instruments including: - Note issuances under supplemental indentures - Borrowings under credit agreements - Purchase of notes under note purchase agreements - Letters of Credit/Guarantees under credit enhancement agreements - Liquidity loans under liquidity agreements backing short term notes
Conditions Precedent	- Prior to incurring additional funding obligations, the Trust confirms to the Indenture Trustee and each rating agency that: - the incurrence of such additional obligations will not cause an adverse effect - the incurrence of such additional obligations is materially consistent with the Financing Plan - the estimated finance amount that would become due during the applicable reference period is expected to reasonably align with the fair allocation amount for such reference period - It will also be a condition precedent that each rating agency confirm that the issuance of such additional funding obligations will not result in a reduction or withdrawal of any existing ratings of outstanding funding obligations
Security	Granted over all assets of the Trust, including the Trust's investment interest, all collections under the MTSA and all accounts

Capital Markets Platform

Master Trust Indenture - Key Terms (cont'd)

Subordination	Provides for three different classes of funding obligations (i) senior (ii) subordinated, and (iii) junior subordinated
Priority	- Prior to an Event of Default: the waterfall provision applies - After an Event of Default: payment priority direct all amounts to pay senior obligations first
Early Amortization	- Early amortization events will include the occurrence of a scheduled final payment date on notes, the Trust becoming an investment company, the insolvency of IESO or the Manager and any other additional early amortization events set out in a funding obligation agreement - An early amortization event will result in a modified repayment schedule for the outstanding funding obligations
Events of Default	Include payment defaults, and representation and covenant breaches
Acceleration	CEAs cannot be increased to the level to repay all outstanding principal following acceleration, however the subordination of debt would advance the repayment of the senior funding obligations

Indicative Waterfall



VI. Summary of Offering

Summary of Indicative Terms

	<u>Class</u>	<u>Size</u>	<u>% of Trust</u>	<u>Expected Maturity</u>	<u>Legal Maturity</u>	<u>Rating (DBRS / Moody's)</u>
Initial Fair Hydro Issuance	Senior Warehouse	\$[] mm (Not Offered)	[]%	[]	[]	N / A
	Senior Term Notes	\$[] mm	[]%	[]	[]	AAA / Aa2
	Subordinated Notes	\$[] mm (Not Offered)	[]%	[]	[]	[]
	Jr. Subordinated Notes	\$[] mm (Not Offered)	[]%	[]	[]	[]
Issuer	Fair Hydro Trust, a single purpose, bankruptcy-remote wholly-owned subsidiary of the Financial Services Manager					
Financial Services Manager	Ontario Power Generation, Inc.					
Servicer	Independent Electricity System Operator					
Guarantor	Province of Ontario					
Provincial Rate Authority	Ontario Energy Board					
Source of Repayment	• Moratorium Period: Statutorily mandated remittances from IESO • Post Moratorium Period: Non-bypassable charge from residential and commercial customers in Ontario, related collections and reserve accounts					
Amortization	Sinking fund with bullet maturity					
Payment Frequency	Semi-annual					
Interest	Fixed rate					
Senior Note Credit Enhancements	• Semi-annual True-up • Reserve Account (Senior Notes) • Subordination					
Reserve Account	[]					
True-up	Calculated on a semi-annual basis post-moratorium period					
Subordination	Subordinated and Jr. Subordinated Notes will be retained by OPG					
Additional Issuance	Master trust allows for the issuance of additional notes subject to Rating Agency Condition					

VII. Key Risks and Mitigants

Risk Mitigation

Risk	Description of Risk	Mitigants
Political Risk	There may be pressure on a future government to adjust certain aspects of the repayment requirements	Change of Law Protection Agreement in favour of lenders / investors
Under Collection	If the IESO inaccurately forecasts electricity consumption or if OPG uses inaccurate consumer delinquency or write-off data when setting the CEA, there could be a shortfall in collections, which might result in missed or delayed payments of principal and interest on the Notes	6-month reference period - True up mechanism - Any shortfall in collections are recoverable from all Specified Consumers
Defaults (IESO & LDCs)	- During the Moratorium Period, the Trust is dependent on the IESO to pay carrying costs - Receipt of CEAs dependent on the performance of LDCs and IESO	- IESO has a very strong credit profile and very low losses - IESO to provide a letter of credit/other security for the obligation of non-rated or below investment grade rated LDCs - LDCs collect security deposits and, when permitted, have the ability to disconnect service for non-payment
Size of Charge vs. Bill	If the charge applied to bills becomes too high, there could be a consumer and/or political backlash	20-year repayment period allows for gradual rate increases - Max CEAs as a percent of the total is forecast to be ~10%

VIII. Investment Highlights

Investment Highlights

- ✓ Strong provincial support through the Change of Law Protection Agreement
- ✓ Irrevocable & non-bypassable rate payer charge
- ✓ Full cross-collateralization; collection shortfalls allocated among all Specified Consumers
- ✓ Enhanced true-up mechanism
- ✓ Credit enhancement for senior debt provided via subordinated debt
- ✓ Experienced operating agents (OPG, IESO, and LDCs)
- ✓ Strong service territory
- ✓ No large user industrial risk exposure

Fair Hydro Trust Investor Presentation

January [xx], 2018



Disclaimers

This presentation and its contents are being supplied for informational purposes only by Fair Hydro Trust (the “**Issuer**”) and are not an offer to buy or sell or a solicitation of an offer to buy or sell any securities of the Issuer.

This presentation does not, and does not purport to, contain all information that may be material to an investment decision in respect of the Issuer’s Notes. It is only a summary of certain information in respect of the Issuer. Prior to making an investment decision with respect to the Issuer’s Notes, prospective investors should carefully review the Confidential Shelf Offering Memorandum, including the related Term Sheet, pursuant to which such Notes are offered (the “**Offering Memorandum**”). The information and opinions contained in this presentation are qualified in their entirety by reference to the Offering Memorandum. In particular, reference should be made to the risks of any investment in the Issuer’s Notes offered and the statutory rights of rescission or rights to damages available to purchasers of such Notes described in the Offering Memorandum. No representation or warranty, express or implied, is given by or on behalf of the Issuer, the Agents or any other person as to the accuracy or completeness of the information or opinions contained in this presentation.

Some of the statements contained in this presentation, including those relating to the Issuer’s expectations, forecasts, strategic and other statements, are forward-looking information within the meaning of securities laws. The forward-looking information contained in this presentation is presented for the purposes of assisting prospective purchasers in making an investment decision regarding the Notes and may not be appropriate for other circumstances. The Issuer does not intend, or assume any obligation, to update any forward-looking information except as may be required by applicable law. Reference should be made to the information under the headings “Caution Regarding Forward-Looking Information” and “Risk Factors” in the Offering Memorandum.

The information presented herein is only current as of the date on the cover of this presentation. Except as required by law, neither the Issuer nor Ontario Power Generation (“**OPG**”) intends, or assumes any obligation, to revise or update any information in this presentation. Prospective purchasers should consult the Offering Memorandum for more current information.

By attending this presentation, or accepting a copy of this presentation, each prospective purchaser agrees that all information contained herein, all documents delivered in connection herewith and all other information obtained by such prospective purchaser in relation to the Issuer or OPG (collectively, the “**Confidential Information**”) is confidential, that none of the Confidential Information will be copied, transcribed, recorded or transmitted by the recipient for any reason or used for any purpose other than evaluating an investment in the Issuer’s Notes, and that the recipient will hold all of the Confidential Information in confidence and will not provide any of it to third parties other than persons retained to advise the recipient with respect to the purchase of the Issuer’s Notes (so long as they advise such persons of the confidential nature of such Confidential Information), without the prior written consent of the Issuer and OPG.

Presenters



Ken Hartwick

**Chief Financial Officer &
Senior Vice President - Finance**

John Lee

Vice President, Treasurer

Table of Contents

- I. Introduction and Transaction Overview
- II. Ontario Electricity Market
- III. Legislative and Regulatory Framework
- IV. Contractual Framework
- V. Financing Program
- VI. Summary of the Offering
- VII. Key Risks and Mitigants
- VIII. Investment Highlights



I. Introduction and Transaction Overview

Introduction

Ontario's Fair Hydro Plan

- The Province of Ontario announced its Fair Hydro Plan ("FHP") on March 2nd, 2017, which proposed to lower the average electricity bill for eligible customers¹ (referred to as "Specified Consumers") by 25% (the "Fair Adjustment")
- The 25% reduction includes an 8% rebate in the provincial portion of the HST granted by the Ontario government in January 2017
- It is expected that the rate reduction will be in effect to April 30, 2021, with any rate increases over that period limited to the rate of inflation in Ontario

Legislation

- On June 1, 2017, the Ontario government passed the *Ontario Fair Hydro Plan Act, 2017* (the "FHPA" or "Act"), legislation that reallocates certain electricity costs over time and provides immediate rate relief to Specified Consumers
- The FHPA imposes an irrevocable and non-bypassable charge referred to as the Clean Energy Adjustment ("CEA") that will be determined by Ontario Power Generation ("OPG") in its role as Financial Services Manager under the Act
- The CEA will be determined for each six month reference period and converted by the Ontario Energy Board ("OEB") into a \$/kWh rate and added to electricity invoices sent to Specified Consumers commencing on May 1, 2021
- From July 1, 2017 until April 30, 2021 (the "Moratorium Period"), no CEA will be collected; during this period the Independent Electricity System Operator ("IESO") is obligated to pay all funding costs (excluding principal) under the Regulations

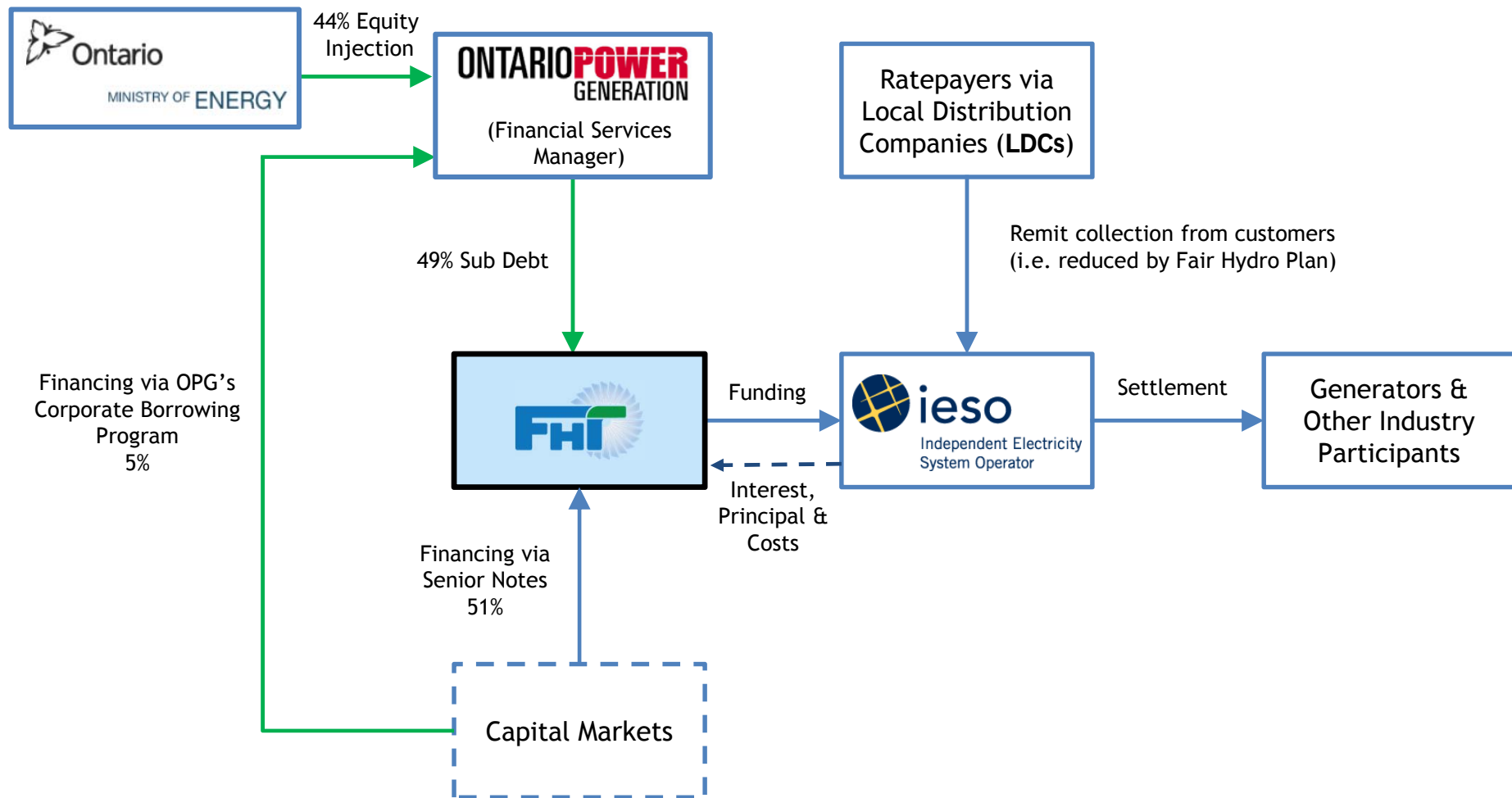
Fair Hydro Trust ("FHT")

- The implementation of the Fair Hydro Plan will be financed by the Fair Hydro Trust ("FHT", the "Trust" or the "Issuer") through the issuance of senior and subordinated notes
- Structured to be bankruptcy remote and ring fenced from OPG

¹ Primarily Regulated Price Plan-eligible customers.

Transaction Structure

- Concurrent with every issuance of senior notes, it is expected that OPG will purchase subordinated debt of the Trust in an amount not to exceed 49% of all outstanding debt

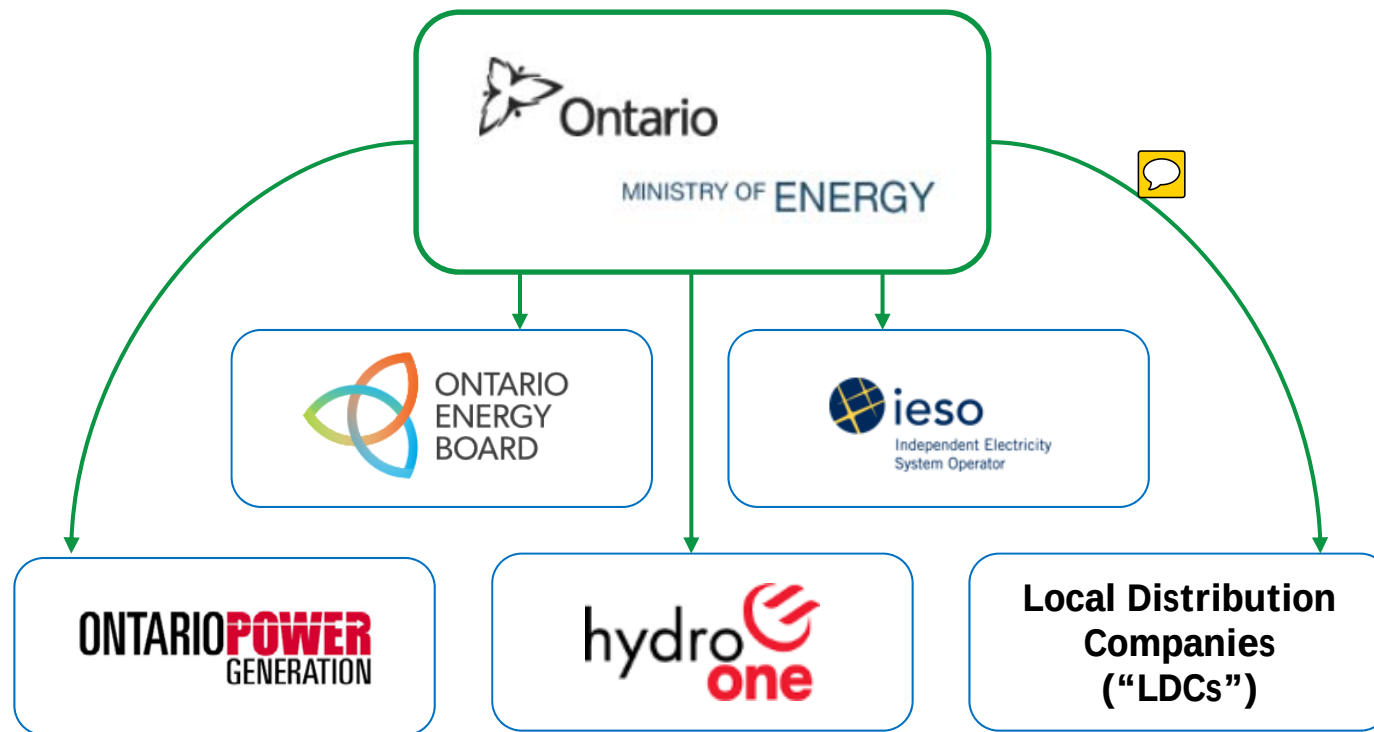


Note: The assets and liabilities of the Trust are deemed, under the *Electricity Act, 1998* to not include the assets and liabilities of OPG, and vice versa

II. Ontario Electricity Market

Overview of Ontario's Electricity Market

- Highly regulated electricity market comprised primarily of three components: generation, transmission and distribution; ~\$22 billion in annual cash flows
- Transmission rates, distribution rates, and OPG's regulated rates are set by the Ontario Energy Board
- Rates for the majority of the remaining generation supply are set by direct contracts with the IESO (e.g. wind, solar, hydroelectric)



Key Industry Participants

Participant	Rating (DBRS / S&P / Moody's)	Description
	--	- The OEB is an independent public regulatory agency established under the Ontario Energy Board Act, 1998 - The Ontario Energy Board Act, 1998 provides the OEB with the authority to regulate Ontario's electricity market, including the activities of transmitters and distributors - The OEB sets the regulated price for the commodity cost charged to most residential electricity customers via the Regulated Price Plan ("RPP"); RPP rates are set twice a year (May and November) - RPP prices are set for: time-of-use (On-peak, Mid-peak, and Off-peak); and tiered (Tier 1 and Tier 2), to recover the forecast commodity cost of electricity
	A(h) / -- / Aa2	- The Independent Electricity System Operator (the "IESO") is a not-for-profit corporation established under the Electricity Act, 1998 - The IESO manages the operation and reliability of Ontario's bulk power system and administers the wholesale electricity market
	A(l) / BBB+ / --	- OPG is a corporation formed under the Business Corporation Act (Ontario), whose sole shareholder is the Province of Ontario - OPG's principal business is the generation and sale of electricity in Ontario - OPG is Ontario's largest electricity generator, providing approximately half of Ontario's electricity
	A(h) / A / A3	Hydro One is Ontario's largest electricity transmission and distribution company; Hydro One delivers electricity to over 1.3 million customers across the Province of Ontario, and to large industrial customers and municipal utilities

Key Industry Participants – LDC Overview

- As part of the restructuring of Ontario's electricity industry, the province's municipally-owned electricity distributors were reorganized into separate business corporations
 - These distributors are typically referred to in Ontario as local distribution companies, or "LDCs"
- An LDC is responsible for distributing electricity to customers in its OEB-licensed service territory, and in some cases to other distributors
 - A service territory may cover large portions of all of a particular municipality, or an otherwise-defined geographic area
 - Distribution customers include residential, commercial and industrial end-users, such as governments, schools and hospitals

Select Aggregate Market Stats¹

Number of LDCs	65
Residential & Small Commercial ² Revenue	\$18.89 billion
Residential & Small Commercial ² Metered Usage (kWh)	52.39 billion
Residential Customers	4.61 million
Small Commercial ² Usage Customers	0.44 million
Total Residential & Small Commercial ² Customers	5.05 million

¹ Source: OEB 2016 Yearbook of Electricity Distributors

² Small Commercial includes General Service <50kW Customers

³ Most recent rating reports from S&P, DBRS and Moody's

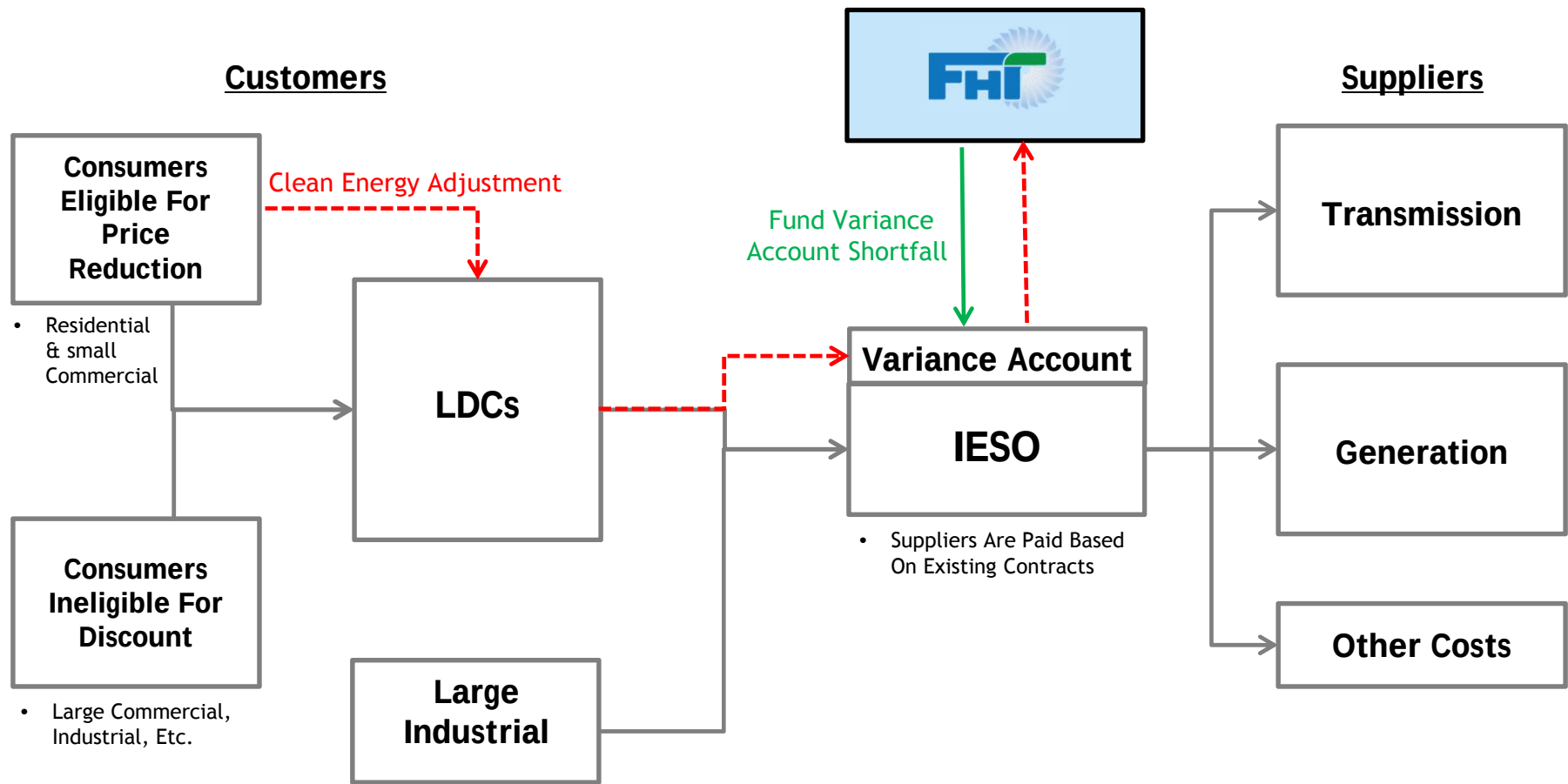
⁴ Residential and Small Commercial customers

Top 5 LDCs by Customer Base¹

	Rating ³ (S&P/DBRS/Moody's)	Customers ⁴ (MM)	Revenue ⁴ (C\$MM)
 hydro one	A / A(h) / A3	1.30	\$4,533
 aletra utilities	A / A / --	0.96	\$3,642
 TORONTO HYDRO	A / A / --	0.75	\$3,886
 HydroOttawa	BBB+ / A / --	0.32	\$1,130
 London Hydro	A / -- / --	0.15	\$488
		3.49	\$13,680

Electricity Market with FHT

- Under the FHPA, each month the IESO determines the shortfall that results from the Fair Adjustment and records this amount, together with financing costs, in a variance account
- FHT will finance the shortfall and is entitled to recover its costs through CEAs from Specified Consumers



III. Legislative and Regulatory Framework

Legislation Overview

Purpose

- The FHPA was enacted to ensure that clean energy costs and clean energy benefits are fairly allocated among present and future Specified Consumers
- Clean energy costs are costs allocated to consumers as a result of Ontario's clean energy initiative; clean energy benefits are benefits that accrue to both present and future electricity consumers

Specified Consumers

- A category of consumers that generally is comprised of residential consumers, small businesses and farms
- Includes consumers with a demand for electricity of 50 kW or less or those that use not more than 250,000 kWh of electricity annually

Rate Reduction Period

- *July 1, 2017 – April 30, 2018* - Specified Consumers charged an invoice amount that is 25% less than the regulated rate that would otherwise have been determined by the OEB (referred to as the “Fair Adjustment”)
- *May 1, 2018 – April 30, 2019* - previously established regulated rate anticipated to increase by the rate of inflation in Ontario
- *May 1, 2019 – April 30, 2021* - rate reductions will be established by regulation but anticipated to increase by the rate of inflation in Ontario

Legislation Overview

Regulatory Asset

- Each month the IESO determines the shortfall that results from the Fair Adjustment and records this amount, together with the costs of financing the shortfall, in a variance account
- The IESO has the right to recover the balance recorded in the variance account from Specified Consumers (such right,  “Regulatory Asset”)
- The IESO may transfer a specified portion of the Regulatory Asset to the Trust for a cash purchase price equal to the amount recorded in the variance account in respect of such specified portion of the Regulatory Asset

Investment Asset

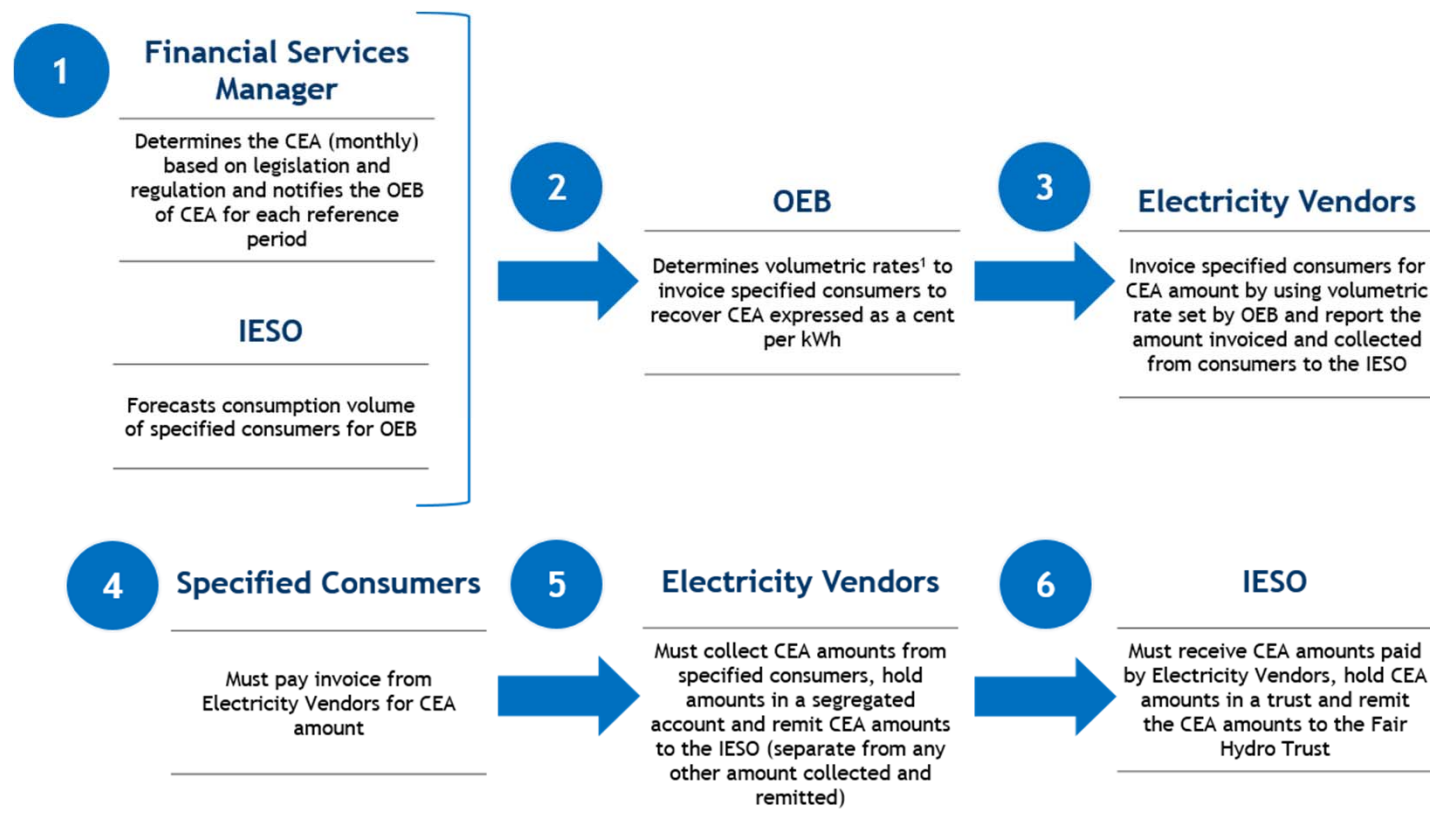
- If the IESO and the Trust agree to the transfer of a specified portion of the Regulatory Asset, such transfer results in the creation of a current and irrevocable property right that is immediately vested in the Trust (such right, an “Investment Interest”)
- By acquiring an Investment Interest, the Trust will be entitled to recover all of its costs of such financing and will acquire the right to impose, invoice, collect, receive and recover CEAs from Specified Consumers
- The Trust is not obligated to purchase Regulatory Assets from the IESO

Moratorium Period

- From July 1, 2017 to April 30, 2021, CEAs are not permitted to be collected from Specified Consumers (“Moratorium Period”)
- The IESO is obligated to pay all funding and other expenses of the Trust (referred to as Carrying Costs), excluding principal, during the Moratorium Period up to July 31, 2021
- The IESO has a \$2 billion credit facility from the ~~Ontario Electricity Financing Corporation (“OEFEC”)~~ to pay Carrying Costs; as security for the performance of its obligations, the IESO has granted a first-priority security interest in all of its accounts receivables

Billing and Collection of CEAs

- CEA amounts for billing and collection purposes will be managed outside of the IESO's current settlement processes set out in the Market Rules for electricity invoice amounts
- Collection risk for CEA amounts are dealt with through statutory rights in the Act, the collection obligations of the IESO under the Master Transfer & Servicing Agreement ("MTSA") and the ability to include amounts into the true up mechanism

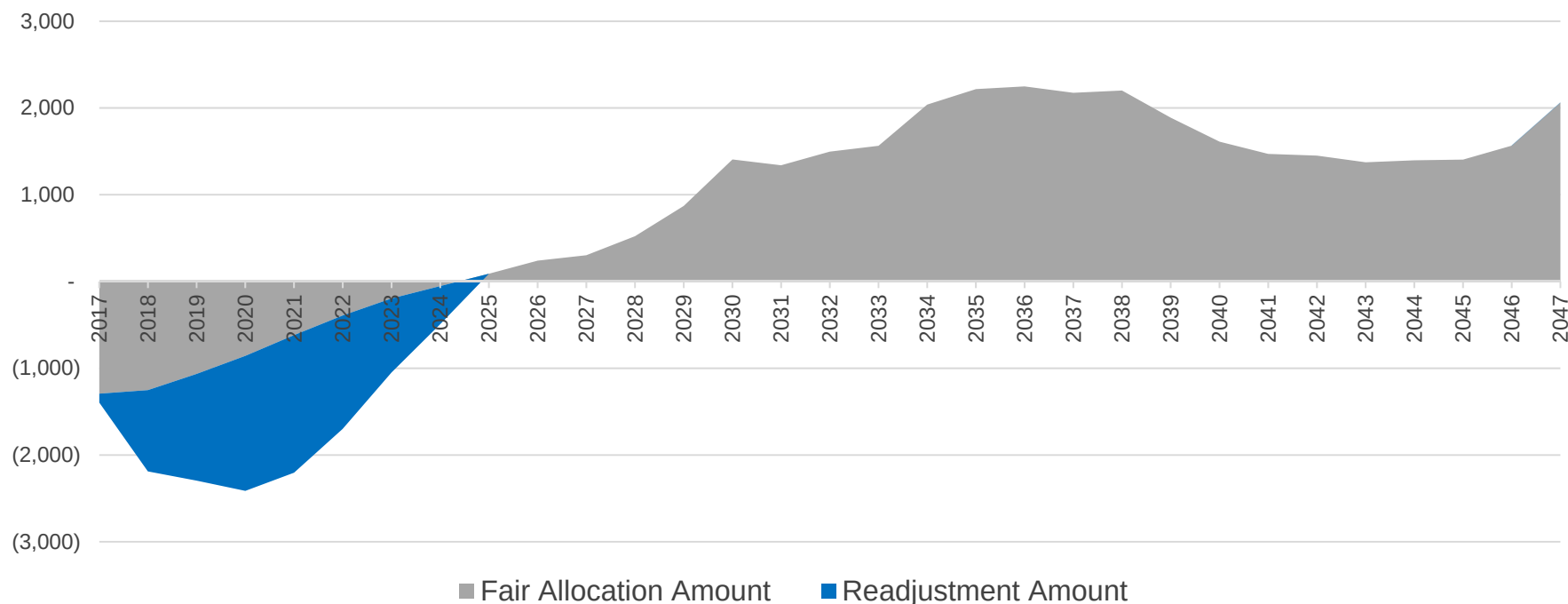


¹ The rates will be determined by dividing the CEA amount by the forecasted energy consumption in the reference period by Specified Consumers

Fair Allocation Amount

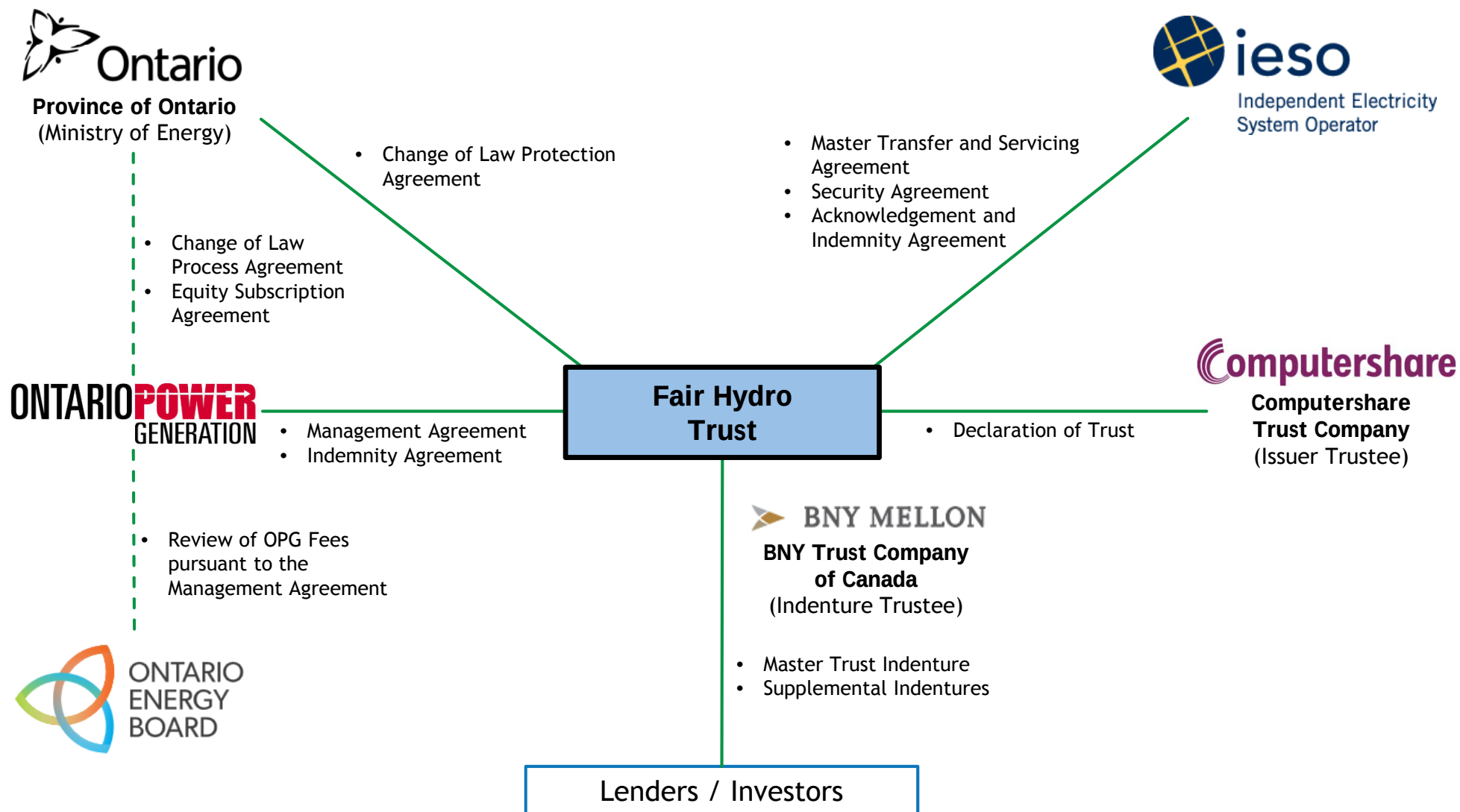
- The Fair Allocation Amount (“FAA”) is the estimated clean energy costs without consideration of the FHP compared to these same costs reallocated on the basis of estimated clean energy benefits to Specified Consumers in respect of each reference period and includes operating and financing costs of the FHT
- If the FAA is negative, this means that the Minister of Energy has determined that current Specified Consumers have borne more than their fair share of Clean Energy Costs (with the consequent rate reduction for current Specified Consumers); the FAA is expected to be negative until at least May 2024
- The Ministry of Energy will provide updated FAAs to OPG from time-to-time

Fair Allocation Amount (\$ million)



IV. Contractual Framework

Simplified Contractual Structure



Key Agreements

Change of Law Protection Agreement

Parties	(1) Province of Ontario as Obligor and (2) Indenture Trustee, on behalf of Specified Creditors¹, as Beneficiaries and (3) OPG as Financial Services Manager (“FSM”)
Purpose	Provides assurance to investors that upon the occurrence of a Protection Event, the Province of Ontario will have an obligation to make payments on behalf of the Trust
Key Terms	Term: Continues for as long as any obligations of the Trust that are secured under the Master Trust Indenture (MTI) remain outstanding Mandatory Payment: Upon the occurrence of a Protection Event, the Indenture Trustee has the right to require the Province to pay all obligations when due and payable Priority of Payments: The priority of payments is governed by the waterfall provision under the MTI Adherence Conditions: OPG as FSM is required to comply with certain conditions, including the delivery of an Adherence Compliance Certificate, prior to the issuance of debt which is to benefit from change in law protection from the Province Suspension Notice: The Province may deliver a suspension notice, after which date funding obligations incurred will not have the benefit of the Change of Law Protection, upon the occurrence of a program breach, a default in performance, or misrepresentation by OPG as FSM

¹ **Specified Creditors** are any other Person that is owed a payment obligation by the Issuer that gives rise to a Finance Amount in respect of the Issuer

Key Agreements

Change of Law Protection Agreement (cont'd)

Protection Events

The occurrence of any of the following events:

- The Legislature repeals (and does not replace on an equivalent basis) or amends the Act or any portion thereof as in effect on the date hereof
- The Legislature enacts or amends any other statute
- The Lieutenant Governor in Council repeals (and does not replace on an equivalent basis) the regulations made under the Act or any portion thereof as in effect on the date hereof
- The Lieutenant Governor in Council amends any “regulation” (as defined in Part III of the Legislation Act, 2006) as in effect on the date hereof
- The implementation of a change in the organization or structure of the IESO or Ontario’s electricity market undertaken at the initiative of the Province
- A court of competent jurisdiction determines that all or a portion of the Act or the regulations made under the Act, is ultra vires or invalid in a way that adversely affects the ability of the Trust to pay its obligations

in each case that adversely affects the ability of the Trust to pay its obligations when due and payable, taking into account any funds available in reserve accounts and any reasonably expected potential effect of a true-up amount

Key Agreements (cont'd)

Master Transfer and Servicing Agreement

Parties	(1) the IESO, as transferor and servicer; (2) the Trust
Purpose	Provides for the transfer, by the IESO to the Trust of the regulatory asset, and upon such transfer the Trust acquires an investment interest
Key Terms	Transfer of Regulatory Asset: The IESO may offer, no more frequently than monthly, to transfer the regulatory asset to the Trust. The Trust has the right, but not the obligation, to accept IESO's offer. Servicing Duties: The IESO will be responsible for servicing the investment interest under the Regulations, including collecting clean energy adjustment amounts from electricity vendors and remitting the same to the Trust, including: - Establishing a segregated account for collecting CEAs and use reasonable efforts to cause electricity vendors to do the same - Collect CEAs from electricity vendors - Remit CEAs monthly to the Trust - Prepare monthly servicer reports - Forecast electricity consumption of Specified Consumers Moratorium Period: During Moratorium Period (until May 1, 2021), the IESO will be required by regulation to fund all interest and other expenses of the Trust, which will be offered, as regulatory assets, for transfer to the Trust in a subsequent period. IESO Letter of Credit: After the Moratorium Period, the IESO will provide the Trust, a letter of credit or other form of security, for the obligation of non-rated or non-investment grade rated electricity vendors.

Key Agreements (cont'd)

Management Agreement

Parties	• Issuer Trustee, on behalf of the Trust, and OPG, as Manager
Purpose	• Issuer Trustee delegates to the Manager all powers and duties of managing the Trust
Key Terms	• Duties Include: – Negotiating and executing program agreements; – Preparing, in accordance with applicable securities laws, any offering documents to be furnished by the Trust to prospective purchasers of funding obligations; – Review or caused to be reviewed, records of electricity vendors on an annual basis with respect to CEAs – Preparing financial statements; and – Paying taxes on behalf of the Trust • Incurrence of Funding Obligations: Manager will determine how and when to incur funding obligations to acquire investment interests • Standard of Care: Manager will perform its duties diligently and in conformity with the Trust's obligations under the program agreements • Resignation/ Termination: Manager may not resign from its duties or terminate the Management Agreement as long as funding obligations of the Trust are outstanding

Key Agreements (cont'd)

Other Key Agreements

Security Agreement	As security for the performance of its obligations under the Regulation to pay the Trust's carrying cost during the Moratorium Period, IESO has granted the Trust a first priority security interest in all of its accounts receivable
Acknowledgement and Indemnity Agreement (IESO)	IESO, as servicer under the MTSA, acknowledges that a security interest has been granted to the Indenture Trustee thereby assigning as security the rights and benefits of the Issuer under the MTSA to the Indenture Trustee and provides certain indemnities with respect to its duties and obligations under the MTSA
Indemnity Agreement (OPG)	OPG, as manager under the Management Agreement, provides certain indemnities to the Indenture Trustee with respect to its duties and obligations under the Management Agreement
Change of Law Process Agreement	- Outlines procedural requirements between the Province and OPG with respect to issuing debt that benefits from the Change of Law Protection Agreement - Among other things, OPG is required to deliver to the Province a process certificate, outlining the material terms of a proposed debt issues and confirm such debt offerings will not cause the protection agreement maximum (as updated from time to time) to be exceeded
Equity Subscription Agreement	Specifies the terms and conditions upon which the Province provides equity injections to OPG to purchase subordinated debt issued by the Trust
Declaration of Trust	- Establishes FHT to carry out activities for the benefit of its beneficiary unitholders - Specifies the rights and powers of the Issuer Trustee (Computershare)

Allocation of Servicing Role and Responsibilities

The shared responsibilities of servicing and management roles are summarized below

	OPG	IESO	LDC
Annually Review Records of LDCs with Respect to CEAs	✓		
Determination of True-Up Amount	✓		
Ongoing Filings for Trustee and Rating Agencies	✓		
Management of Ongoing Debt Issuances	✓		
Cash Management		✓	
Preparation of Monthly Service Reports		✓	
Remittance of CEA to IESO and to the Trust		✓	✓
Responding to inquiries by customers if practicable, or forwarding such inquiries to OPG		✓	✓
Customer Billing			✓
Customer Collections			✓
Customer Meter Reading			✓

V. Financing Program

Financing Plan / Strategy

- OPG is responsible for administering the FHT financing program
- Given the size (~\$20 billion) and longevity (~10 years) of the FHT financing program, the funding strategy has been designed to provide flexibility
- Warehouse financing (ABCP conduit) and OPG subordinated debt will be used to fund monthly regulatory asset purchases from the IESO
 - Periodically refinance the warehouse facility through the issuance of term debt (likely access the market 2-3 times per year)
- Term debt can take the form of bullet bonds or could be issued as amortizing bonds

ABCP Conduit

- ABCP conduit and OPG subordinated debt will be used to fund monthly regulatory asset purchases from the IESO

Term Debt

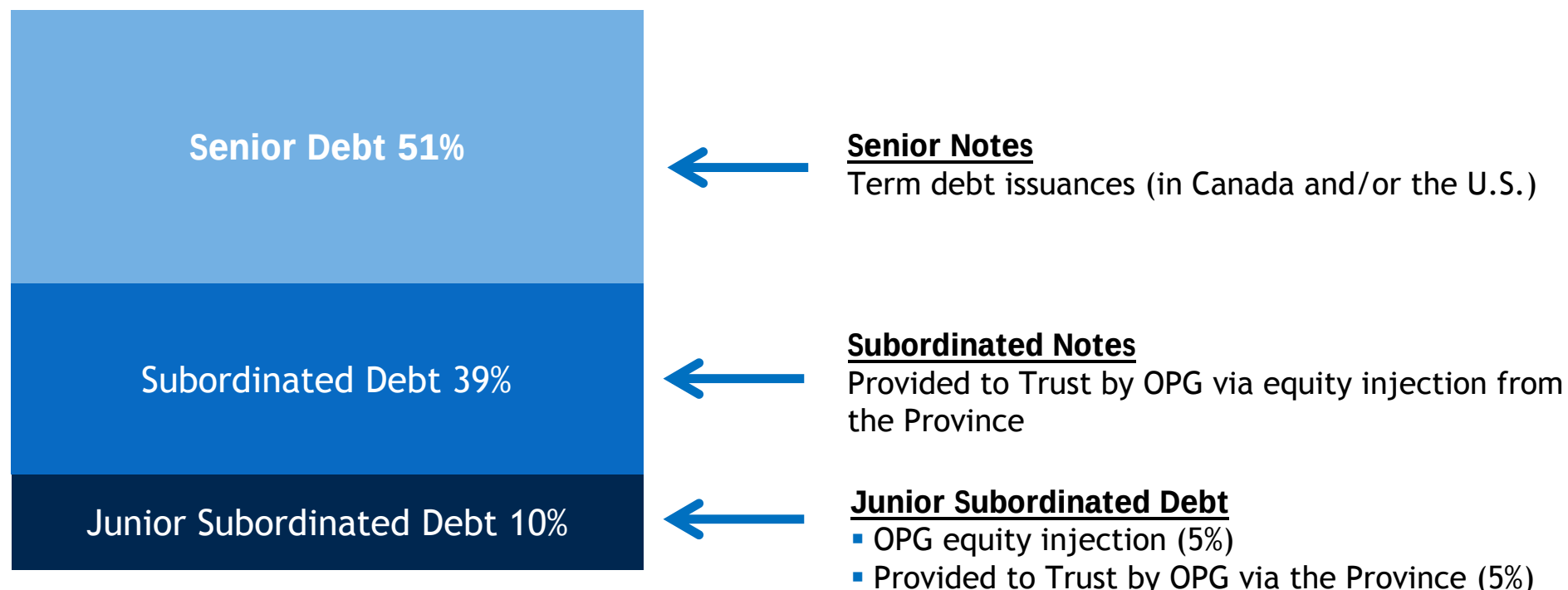
- Term debt issuances will be used to refinance short term debt financing provided by ABCP conduit and OPG subordinated debt
- Both Canadian term debt and U.S. term debt market will be considered
- Maturity profiles will be structured to fit under the fair allocation curve (bullet bonds with synthetic amortization or amortizing bonds)

Subordinated Debt

- Subordinated debt provides credit enhancement for senior debt (ranks behind senior debt in cash flow waterfall)

Financing Structure

- The Trust will fund regulatory asset purchases through the issuance of senior, subordinated and junior subordinated secured debt
- Senior debt (51%) will be sourced monthly from committed warehouse facilities, and the periodic issuance of term debt
- Subordinated debt (49% anticipated; minimum of 35% required) will be purchased by OPG, primarily with equity injections from the Province (44%) and the remaining 5% from OPG

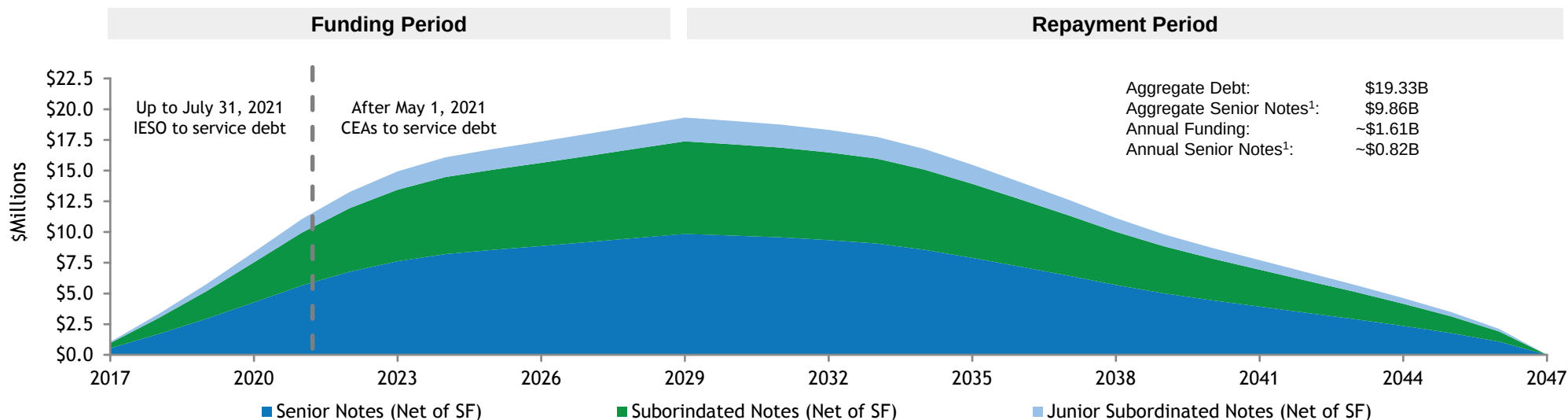


Aggregate Financing Program

Illustrative Debt Summary - Funding & Repayment Period (Annual)

- Based on the Fair Allocation Amount and the Province's electricity bill reduction targets, the following debt profile for the program is expected, peaking at just under \$20 billion by 2029
- Various tranches of debts will be issued periodically during the period of 2017 - 2028, which will mature over a period after 2029

Illustrative Aggregate Funding and Repayment Profile (Annual; Net of Sinking Fund ("SF") Payments)

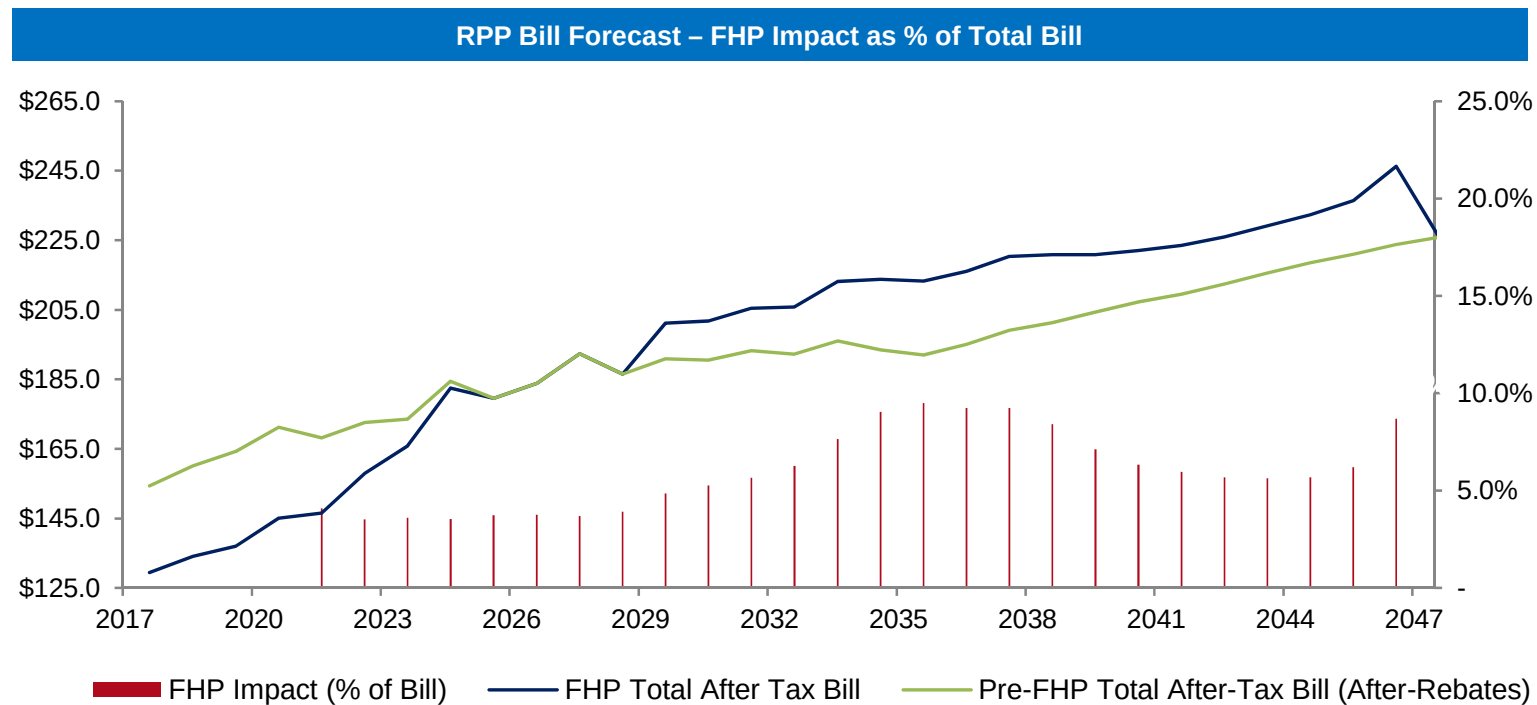


¹ Assumes 51% Senior Notes

Consumer Bill Forecast with FHP

RPP Bill Forecast - FHP Impact % of Total Bill (C\$ per Month)

- Over the duration of the Fair Hydro program, the clean energy adjustment for the average residential customer is anticipated to remain below 10% of the total electricity bill
- Max CEA as a percent of the total bill is forecast to be 10.1%
- Average CEA as a percent of the total bill is forecast to be 6.9%



Capital Markets Platform

Master Trust Indenture

Parties	(1) Computershare Trust Company (Issuer Trustee), on behalf of the Trust, acting through OPG as the Manager; (2) BNY Trust Company (Indenture Trustee) on behalf of Specified Creditors
Purpose	All Specified Creditors are required to be bound by the terms of the MTI including the priority provisions and to limit recourse to the assets of the Trust

Key Terms

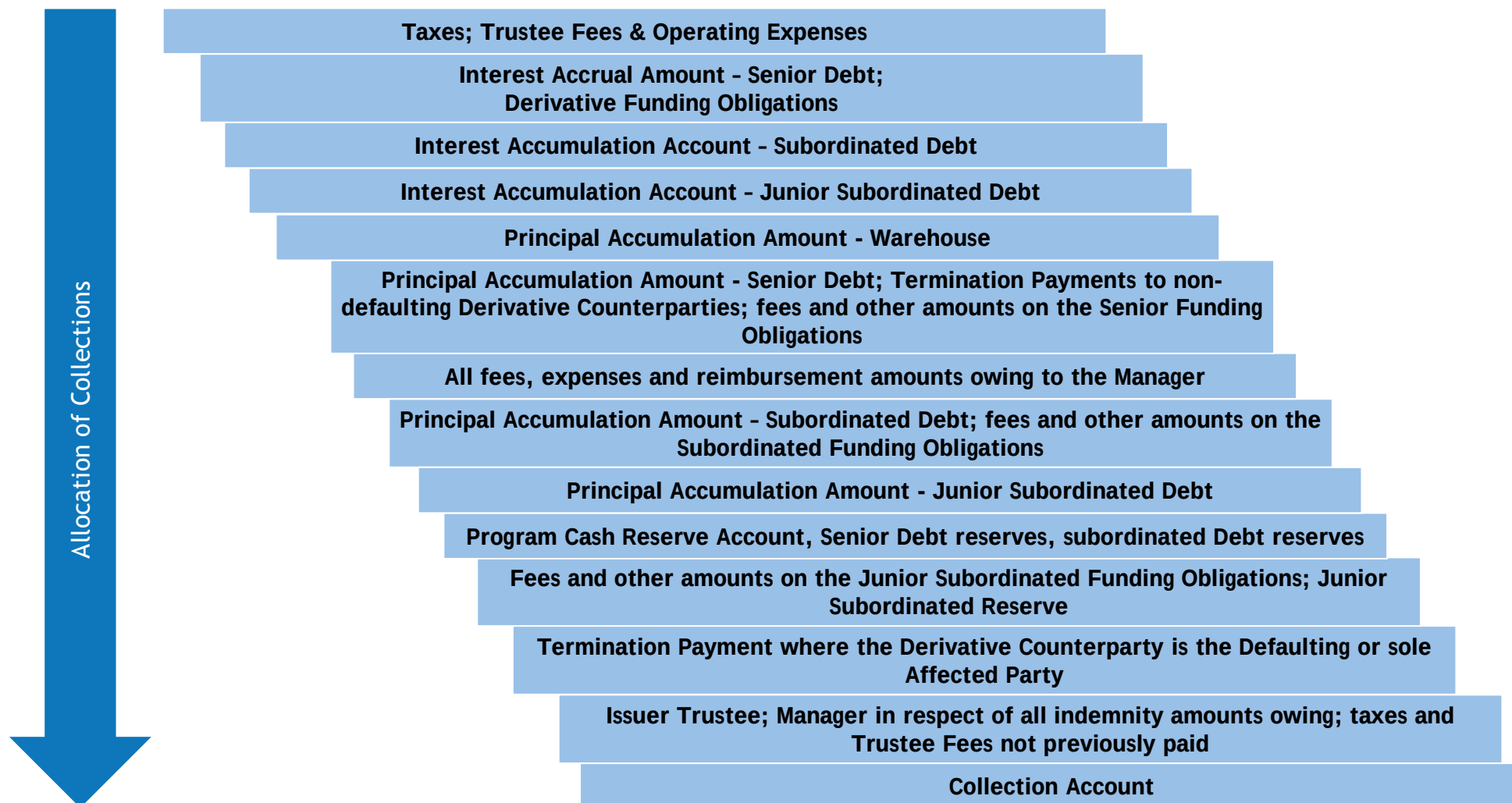
Incurrence of Funding Obligations	- Trust may incur funding obligations under a variety of instruments including: - Note issuances under supplemental indentures - Borrowings under credit agreements - Purchase of notes under note purchase agreements - Letters of Credit/Guarantees under credit enhancement agreements - Liquidity loans under liquidity agreements backing short term notes
Conditions Precedent	- Prior to incurring additional funding obligations, the Trust confirms to the Indenture Trustee and each rating agency that: - the incurrence of such additional obligations will not cause an adverse effect - the incurrence of such additional obligations is materially consistent with the Financing Plan - the estimated finance amount that would become due during the applicable reference period is expected to reasonably align with the fair allocation amount for such reference period - It will also be a condition precedent that each rating agency confirm that the issuance of such additional funding obligations will not result in a reduction or withdrawal of any existing ratings of outstanding funding obligations
Security	Granted over all assets of the Trust, including the Trust's investment interest, all collections under the MTSA and all accounts

Capital Markets Platform

Master Trust Indenture - Key Terms (cont'd)

Subordination	Provides for three different classes of funding obligations (i) senior (ii) subordinated, and (iii) junior subordinated
Priority	- Prior to an Event of Default: the waterfall provision applies - After an Event of Default: payment priority direct all amounts to pay senior obligations first
Early Amortization	- Early amortization events will include the occurrence of a scheduled final payment date on notes, the Trust becoming an investment company, the insolvency of IESO or the Manager and any other additional early amortization events set out in a funding obligation agreement - An early amortization event will result in a modified repayment schedule for the outstanding funding obligations
Events of Default	Include payment defaults, and representation and covenant breaches
Acceleration	CEAs cannot be increased to the level to repay all outstanding principal following acceleration, however the subordination of debt would advance the repayment of the senior funding obligations

Indicative Waterfall



VI. Summary of Offering

Summary of Indicative Terms

	<u>Class</u>	<u>Size</u>	<u>% of Trust</u>	<u>Expected Maturity</u>	<u>Legal Maturity</u>	<u>Rating (DBRS / Moody's)</u>
Initial Fair Hydro Issuance	Senior Warehouse	\$[] mm (Not Offered)	[]%	[]	[]	N / A
	Senior Term Notes	\$[] mm	[]%	[]	[]	AAA / Aa2
	Subordinated Notes	\$[] mm (Not Offered)	[]%	[]	[]	[]
	Jr. Subordinated Notes	\$[] mm (Not Offered)	[]%	[]	[]	[]
Issuer	Fair Hydro Trust, a single purpose, bankruptcy-remote wholly-owned subsidiary of the Financial Services Manager					
Financial Services Manager	Ontario Power Generation, Inc.					
Servicer	Independent Electricity System Operator					
Guarantor	Province of Ontario					
Provincial Rate Authority	Ontario Energy Board					
Source of Repayment	• Moratorium Period: Statutorily mandated remittances from IESO • Post Moratorium Period: Non-bypassable charge from residential and commercial customers in Ontario, related collections and reserve accounts					
Amortization	Sinking fund with bullet maturity					
Payment Frequency	Semi-annual					
Interest	Fixed rate					
Senior Note Credit Enhancements	• Semi-annual True-up • Reserve Account (Senior Notes) • Subordination					
Reserve Account	[]					
True-up	Calculated on a semi-annual basis post-moratorium period					
Subordination	Subordinated and Jr. Subordinated Notes will be retained by OPG					
Additional Issuance	Master trust allows for the issuance of additional notes subject to Rating Agency Condition					

VII. Key Risks and Mitigants

Risk Mitigation

Risk	Description of Risk	Mitigants
Political Risk	There may be pressure on a future government to adjust certain aspects of the repayment requirements	Change of Law Protection Agreement in favour of lenders / investors
Under Collection	If the IESO inaccurately forecasts electricity consumption or if OPG uses inaccurate consumer delinquency or write-off data when setting the CEA, there could be a shortfall in collections, which might result in missed or delayed payments of principal and interest on the Notes	6-month reference period - True up mechanism - Any shortfall in collections are recoverable from all Specified Consumers
Defaults (IESO & LDCs)	- During the Moratorium Period, the Trust is dependent on the IESO to pay carrying costs - Receipt of CEAs dependent on the performance of LDCs and IESO	- IESO has a very strong credit profile and very low losses - IESO to provide a letter of credit/other security for the obligation of non-rated or below investment grade rated LDCs - LDCs collect security deposits and, when permitted, have the ability to disconnect service for non-payment
Size of Charge vs. Bill	If the charge applied to bills becomes too high, there could be a consumer and/or political backlash	20-year repayment period allows for gradual rate increases - Max CEAs as a percent of the total is forecast to be ~10%

VIII. Investment Highlights

Investment Highlights

- ✓ Strong provincial support through the Change of Law Protection Agreement
- ✓ Irrevocable & non-bypassable rate payer charge
- ✓ Full cross-collateralization; collection shortfalls allocated among all Specified Consumers
- ✓ Enhanced true-up mechanism
- ✓ Credit enhancement for senior debt provided via subordinated debt
- ✓ Experienced operating agents (OPG, IESO, and LDCs)
- ✓ Strong service territory
- ✓ No large user industrial risk exposure

Fair Hydro Trust Investor Presentation

January [xx], 2018



Disclaimers

This presentation and its contents are being supplied for informational purposes only by Fair Hydro Trust (the “**Issuer**”) and are not an offer to buy or sell or a solicitation of an offer to buy or sell any securities of the Issuer.

This presentation does not, and does not purport to, contain all information that may be material to an investment decision in respect of the Issuer’s Notes. It is only a summary of certain information in respect of the Issuer. Prior to making an investment decision with respect to the Issuer’s Notes, prospective investors should carefully review the Confidential Shelf Offering Memorandum, including the related Term Sheet, pursuant to which such Notes are offered (the “**Offering Memorandum**”). The information and opinions contained in this presentation are qualified in their entirety by reference to the Offering Memorandum. In particular, reference should be made to the risks of any investment in the Issuer’s Notes offered and the statutory rights of rescission or rights to damages available to purchasers of such Notes described in the Offering Memorandum. No representation or warranty, express or implied, is given by or on behalf of the Issuer, the Agents or any other person as to the accuracy or completeness of the information or opinions contained in this presentation.

Some of the statements contained in this presentation, including those relating to the Issuer’s expectations, forecasts, strategic and other statements, are forward-looking information within the meaning of securities laws. The forward-looking information contained in this presentation is presented for the purposes of assisting prospective purchasers in making an investment decision regarding the Notes and may not be appropriate for other circumstances. The Issuer does not intend, or assume any obligation, to update any forward-looking information except as may be required by applicable law. Reference should be made to the information under the headings “Caution Regarding Forward-Looking Information” and “Risk Factors” in the Offering Memorandum.

The information presented herein is only current as of the date on the cover of this presentation. Except as required by law, neither the Issuer nor Ontario Power Generation (“**OPG**”) intends, or assumes any obligation, to revise or update any information in this presentation. Prospective purchasers should consult the Offering Memorandum for more current information.

By attending this presentation, or accepting a copy of this presentation, each prospective purchaser agrees that all information contained herein, all documents delivered in connection herewith and all other information obtained by such prospective purchaser in relation to the Issuer or OPG (collectively, the “**Confidential Information**”) is confidential, that none of the Confidential Information will be copied, transcribed, recorded or transmitted by the recipient for any reason or used for any purpose other than evaluating an investment in the Issuer’s Notes, and that the recipient will hold all of the Confidential Information in confidence and will not provide any of it to third parties other than persons retained to advise the recipient with respect to the purchase of the Issuer’s Notes (so long as they advise such persons of the confidential nature of such Confidential Information), without the prior written consent of the Issuer and OPG.

Presenters



Ken Hartwick

**Chief Financial Officer &
Senior Vice President - Finance**

John Lee

Vice President, Treasurer

Table of Contents

- I. Introduction and Transaction Overview
- II. Ontario Electricity Market
- III. Legislative and Regulatory Framework
- IV. Contractual Framework
- V. Financing Program
- VI. Summary of the Offering
- VII. Key Risks and Mitigants
- VIII. Investment Highlights



I. Introduction and Transaction Overview

Introduction

Ontario's Fair Hydro Plan

- The Province of Ontario announced its Fair Hydro Plan ("FHP") on March 2nd, 2017, which proposed to lower the average electricity bill for eligible customers¹ (referred to as "Specified Consumers") by 25% (the "Fair Adjustment")
- The 25% reduction includes an 8% rebate in the provincial portion of the HST granted by the Ontario government in January 2017
- It is expected that the rate reduction will be in effect to April 30, 2021, with any rate increases over that period limited to the rate of inflation in Ontario

Legislation

- On June 1, 2017, the Ontario government passed the *Ontario Fair Hydro Plan Act, 2017* (the "FHPA" or "Act"), legislation that reallocates certain electricity costs over time and provides immediate rate relief to Specified Consumers
- The FHPA imposes an irrevocable and non-bypassable charge referred to as the Clean Energy Adjustment ("CEA") that will be determined by Ontario Power Generation ("OPG") in its role as Financial Services Manager under the Act
- The CEA will be determined for each six month reference period and converted by the Ontario Energy Board ("OEB") into a \$/kWh rate and added to electricity invoices sent to Specified Consumers commencing on May 1, 2021
- From July 1, 2017 until April 30, 2021 (the "Moratorium Period"), no CEA will be collected; during this period the Independent Electricity System Operator ("IESO") is obligated to pay all funding costs (excluding principal) under the Regulations

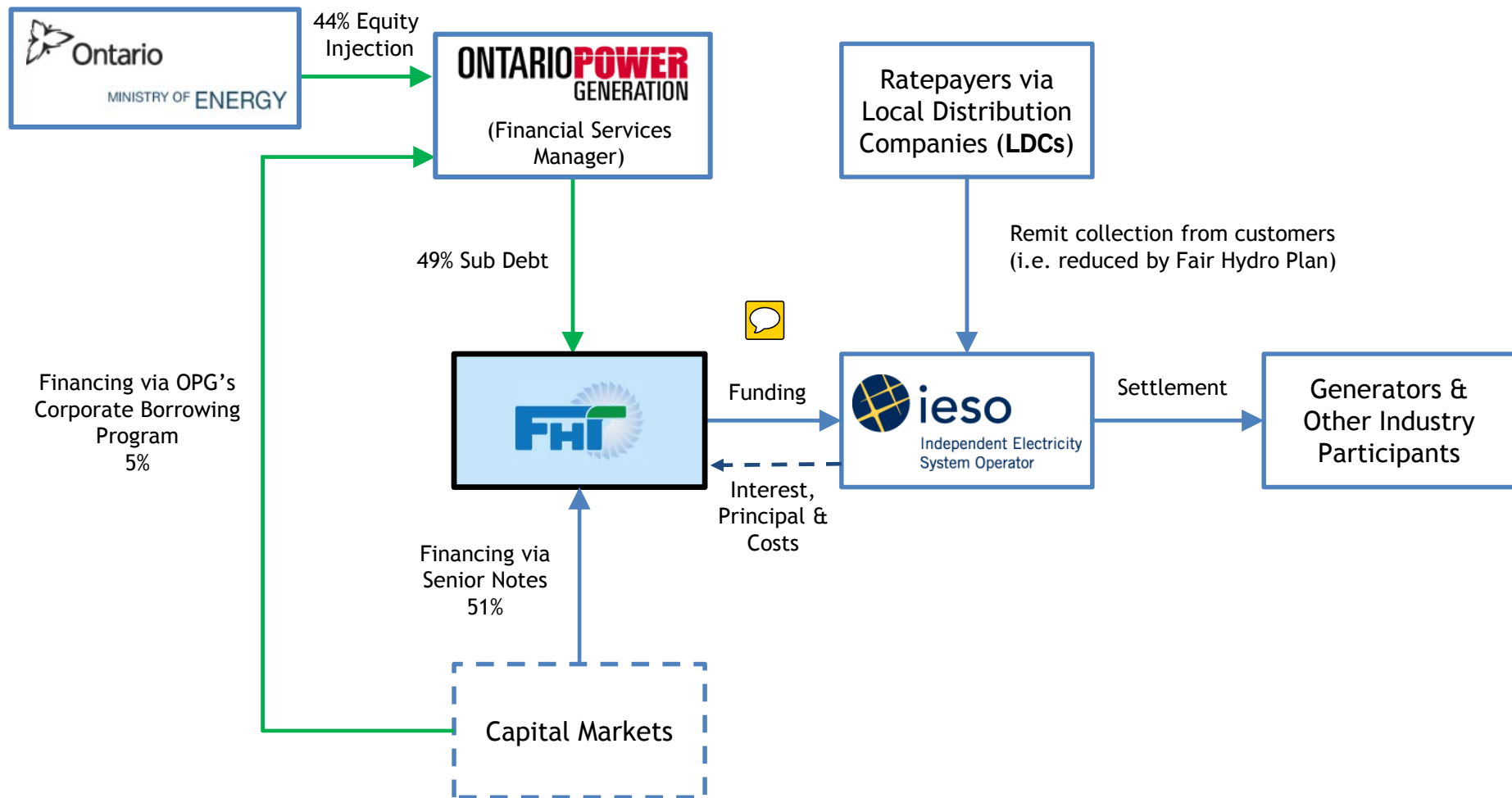
Fair Hydro Trust ("FHT")

- The implementation of the Fair Hydro Plan will be financed by the Fair Hydro Trust ("FHT", the "Trust" or the "Issuer") through the issuance of senior and subordinated notes
- Structured to be bankruptcy remote and ring fenced from OPG

¹ Primarily Regulated Price Plan-eligible customers.

Transaction Structure

- Concurrent with every issuance of senior notes, it is expected that OPG will purchase subordinated debt of the Trust in an amount not to exceed 49% of all outstanding debt

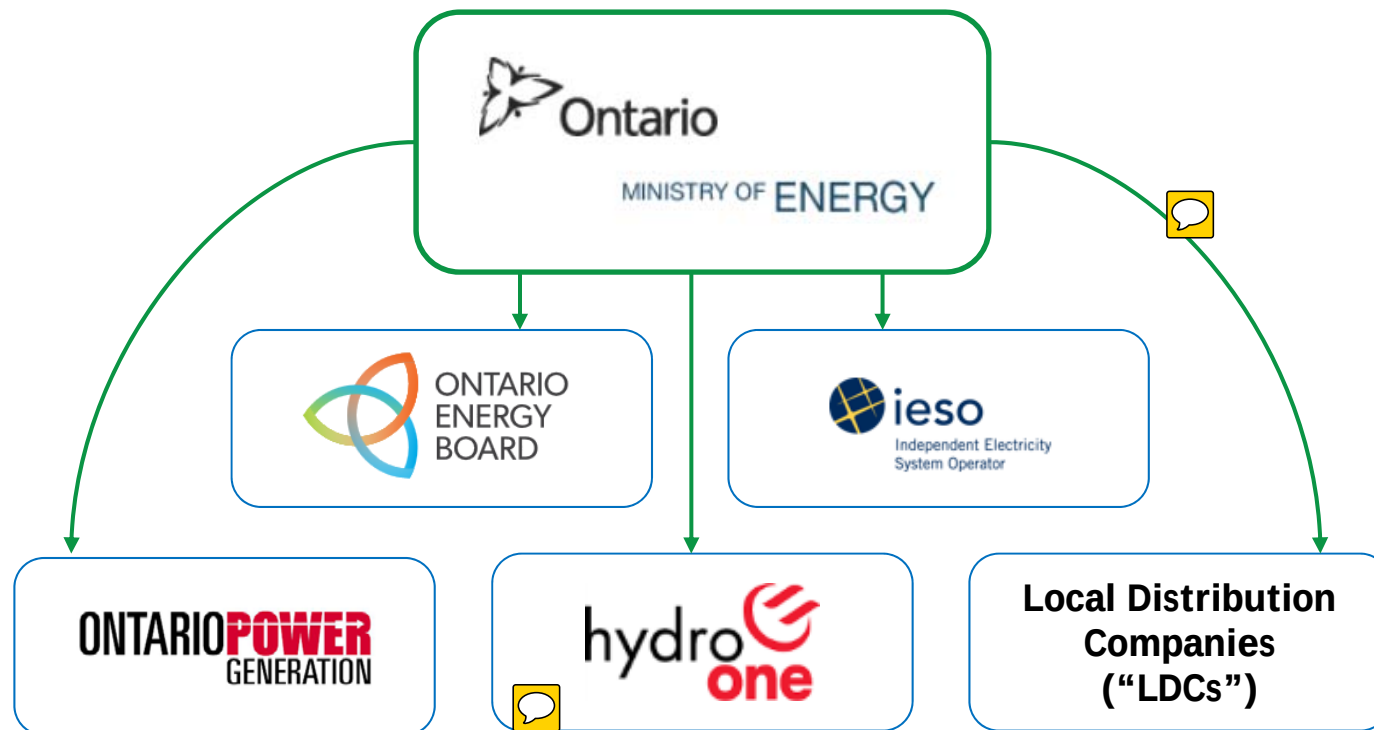


Note: The assets and liabilities of the Trust are deemed, under the *Electricity Act, 1998* to not include the assets and liabilities of OPG, and vice versa

II. Ontario Electricity Market

Overview of Ontario's Electricity Market

- Highly regulated electricity market comprised primarily of three components: generation, transmission and distribution; ~\$22 billion in annual cash flows
- Transmission rates, distribution rates, and OPG's regulated rates are set by the Ontario Energy Board
- Rates for the majority of the remaining generation supply are set by direct contracts with the IESO (e.g. wind, solar, hydroelectric)



Key Industry Participants

Participant	Rating (DBRS / S&P / Moody's)	Description
	--	- The OEB is an independent public regulatory agency established under the Ontario Energy Board Act, 1998 - The Ontario Energy Board Act, 1998 provides the OEB with the authority to regulate Ontario's electricity market, including the activities of transmitters and distributors - The OEB sets the regulated price for the commodity cost charged to most residential electricity customers via the Regulated Price Plan ("RPP"); RPP rates are set twice a year (May and November) - RPP prices are set for: time-of-use (On-peak, Mid-peak, and Off-peak); and tiered (Tier 1 and Tier 2), to recover the forecast commodity cost of electricity
	A(h) / -- / Aa2	- The Independent Electricity System Operator (the "IESO") is a not-for-profit corporation established under the Electricity Act, 1998 - The IESO manages the operation and reliability of Ontario's bulk power system and administers the wholesale electricity market
	A(l) / BBB+ / --	- OPG is a corporation formed under the Business Corporation Act (Ontario), whose sole shareholder is the Province of Ontario - OPG's principal business is the generation and sale of electricity in Ontario - OPG is Ontario's largest electricity generator, providing approximately half of Ontario's electricity
	A(h) / A / A3	Hydro One is Ontario's largest electricity transmission and distribution company; Hydro One delivers electricity to over 1.3 million customers across the Province of Ontario, and to large industrial customers and municipal utilities

Key Industry Participants – LDC Overview

- As part of the restructuring of Ontario's electricity industry, the province's municipally-owned electricity distributors were reorganized into separate business corporations
 - These distributors are typically referred to in Ontario as local distribution companies, or "LDCs"
- An LDC is responsible for distributing electricity to customers in its OEB-licensed service territory, and in some cases to other distributors
 - A service territory may cover large portions of all of a particular municipality, or an otherwise-defined geographic area
 - Distribution customers include residential, commercial and industrial end-users, such as governments, schools and hospitals

Select Aggregate Market Stats¹

Number of LDCs	65
Residential & Small Commercial ² Revenue	\$18.89 billion
Residential & Small Commercial ² Metered Usage (kWh)	52.39 billion
Residential Customers	4.61 million
Small Commercial ² Usage Customers	0.44 million
Total Residential & Small Commercial ² Customers	5.05 million

¹ Source: OEB 2016 Yearbook of Electricity Distributors

² Small Commercial includes General Service <50kW Customers

³ Most recent rating reports from S&P, DBRS and Moody's

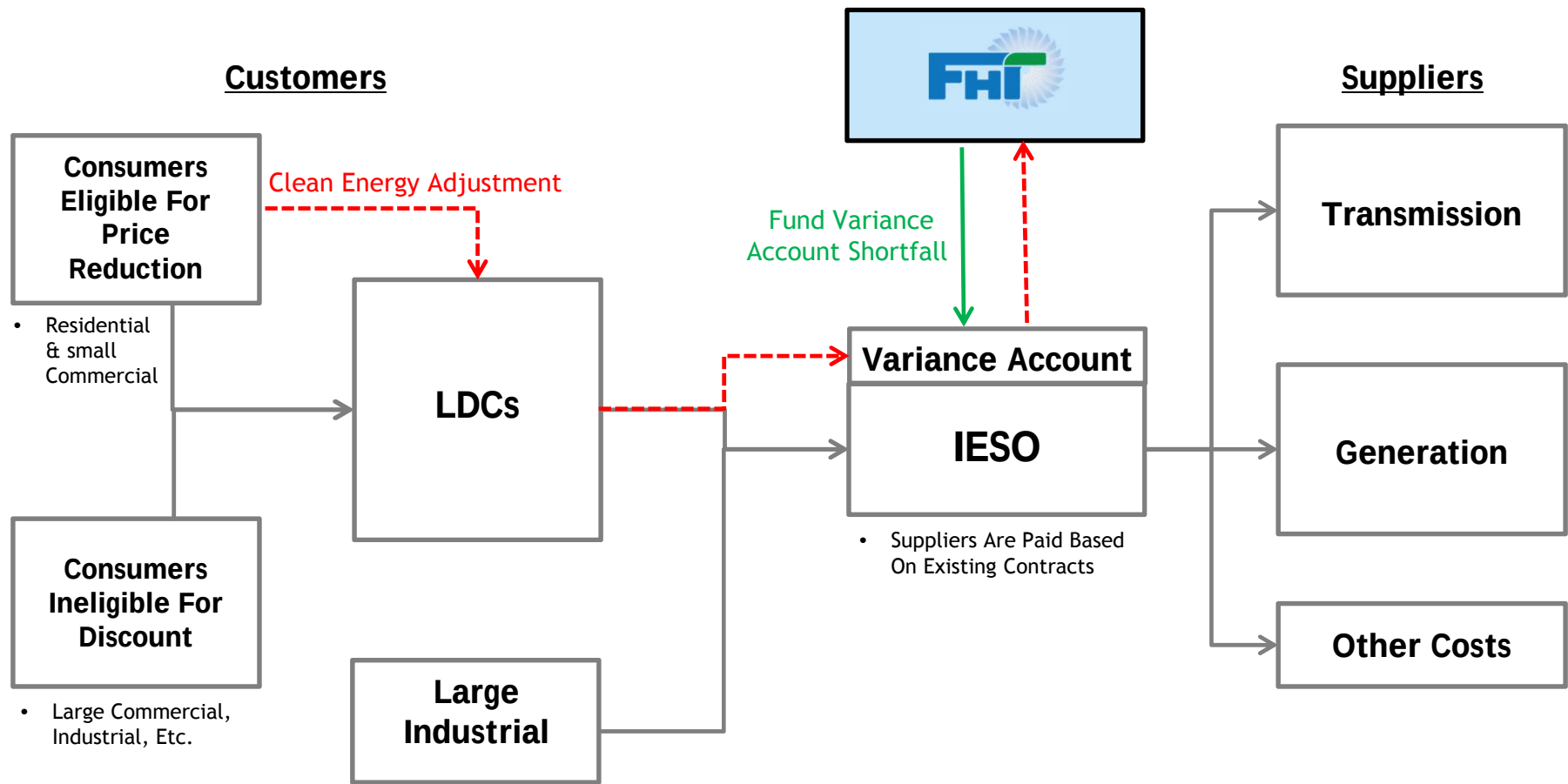
⁴ Residential and Small Commercial customers

Top 5 LDCs by Customer Base¹

	Rating ³ (S&P/DBRS/Moody's)	Customers ⁴ (MM)	Revenue ⁴ (C\$MM)
 hydro one	A / A(h) / A3	1.30	\$4,533
 aletra utilities	A / A / --	0.96	\$3,642
 TORONTO HYDRO	A / A / --	0.75	\$3,886
 HydroOttawa	BBB+ / A / --	0.32	\$1,130
 London Hydro	A / -- / --	0.15	\$488
		3.49	\$13,680

Electricity Market with FHT

- Under the FHPA, each month the IESO determines the shortfall that results from the Fair Adjustment and records this amount, together with financing costs, in a variance account 
- FHT will finance the shortfall and is entitled to recover its costs through CEAs from Specified Consumers



III. Legislative and Regulatory Framework

Legislation Overview

Purpose

- The FHPA was enacted to ensure that clean energy costs and clean energy benefits are fairly allocated among present and future Specified Consumers
- Clean energy costs are costs allocated to consumers as a result of Ontario's clean energy initiative; clean energy benefits are benefits that accrue to both present and future electricity consumers

Specified Consumers

- A category of consumers that generally is comprised of residential consumers, small businesses and farms
- Includes consumers with a demand for electricity of 50 kW or less or those that use not more than 250,000 kWh of electricity annually

Rate Reduction Period

- *July 1, 2017 – April 30, 2018* - Specified Consumers charged an invoice amount that is 25% less than the regulated rate that would otherwise have been determined by the OEB (referred to as the “Fair Adjustment”)
- *May 1, 2018 – April 30, 2019* - previously established regulated rate anticipated to increase by the rate of inflation in Ontario
- *May 1, 2019 – April 30, 2021* - rate reductions will be established by regulation but anticipated to increase by the rate of inflation in Ontario

Legislation Overview

Regulatory Asset

- Each month the IESO determines the shortfall that results from the Fair Adjustment and records this amount, together with the costs of financing the shortfall, in a variance account
- The IESO has the right to recover the balance recorded in the variance account from Specified Consumers (~~such right~~, the “Regulatory Asset”)
- The IESO may transfer a specified portion of the Regulatory Asset to the Trust for a cash purchase price equal to the amount recorded in the variance account in respect of such specified portion of the Regulatory Asset

Investment Asset

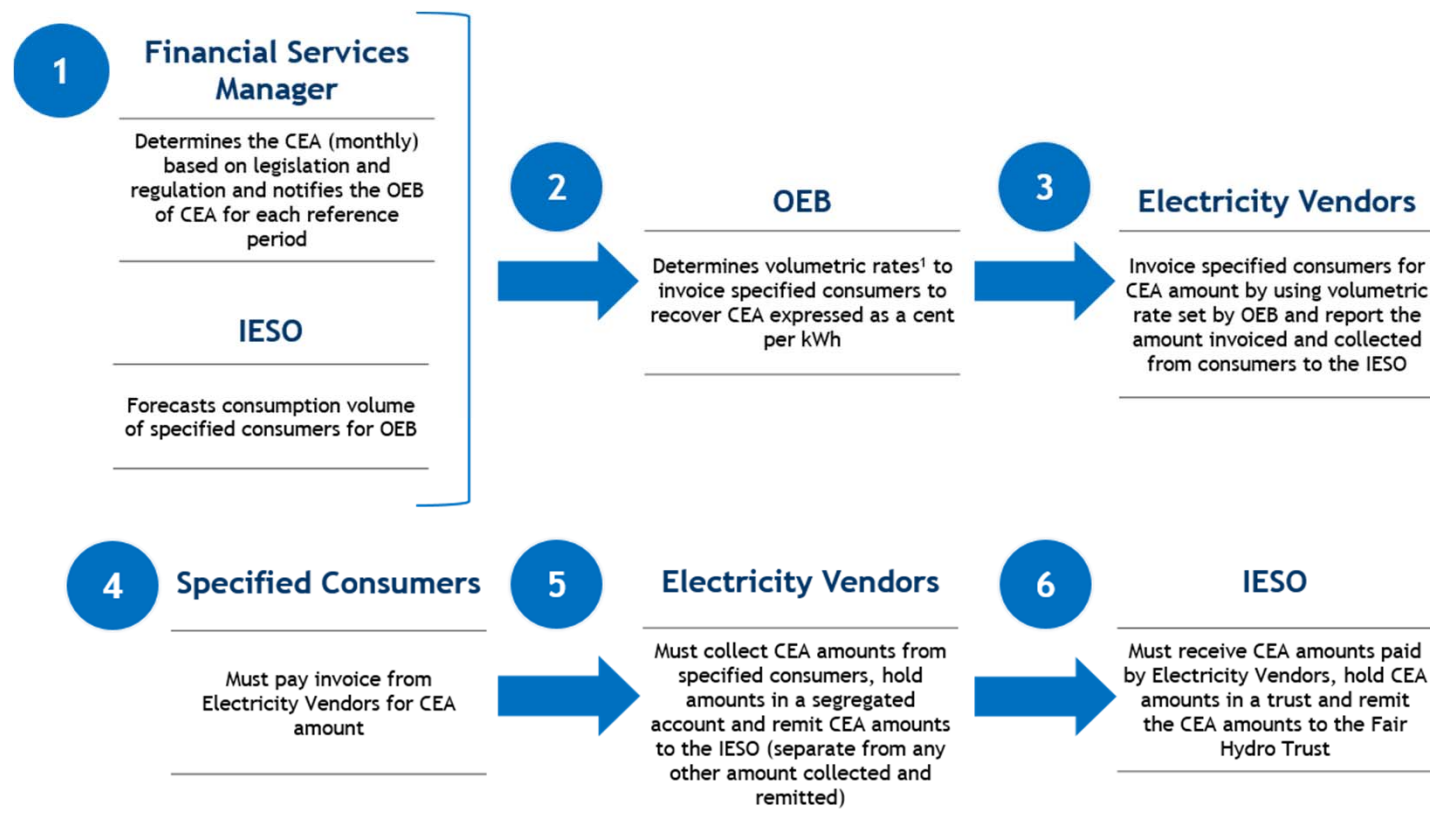
- If the IESO and the Trust agree to the transfer of a specified portion of the Regulatory Asset, such transfer results in the creation of a current and irrevocable property right that is immediately vested in the Trust (such right, an “Investment Interest”)
- By acquiring an Investment Interest, the Trust will be entitled to recover all of its costs of such financing and will acquire the right to impose, invoice, collect, receive and recover CEAs from Specified Consumers
- The Trust is not obligated to purchase Regulatory Assets from the IESO

Moratorium Period

- From July 1, 2017 to April 30, 2021, CEAs are not permitted to be collected from Specified Consumers (“Moratorium Period”)
- The IESO is obligated to pay all funding and other expenses of the Trust (referred to as Carrying Costs), excluding principal, during the Moratorium Period up to July 31, 2021
- The IESO has a \$2 billion credit facility from the ~~Ontario Electricity Financing Corporation (“OEFEC”)~~ to pay Carrying Costs; as security for the performance of its obligations, the IESO has granted a first-priority security interest in all of its accounts receivables

Billing and Collection of CEAs

- CEA amounts for billing and collection purposes will be managed outside of the IESO's current settlement processes set out in the Market Rules for electricity invoice amounts
- Collection risk for CEA amounts are dealt with through statutory rights in the Act, the collection obligations of the IESO under the Master Transfer & Servicing Agreement ("MTSA") and the ability to include amounts into the true up mechanism

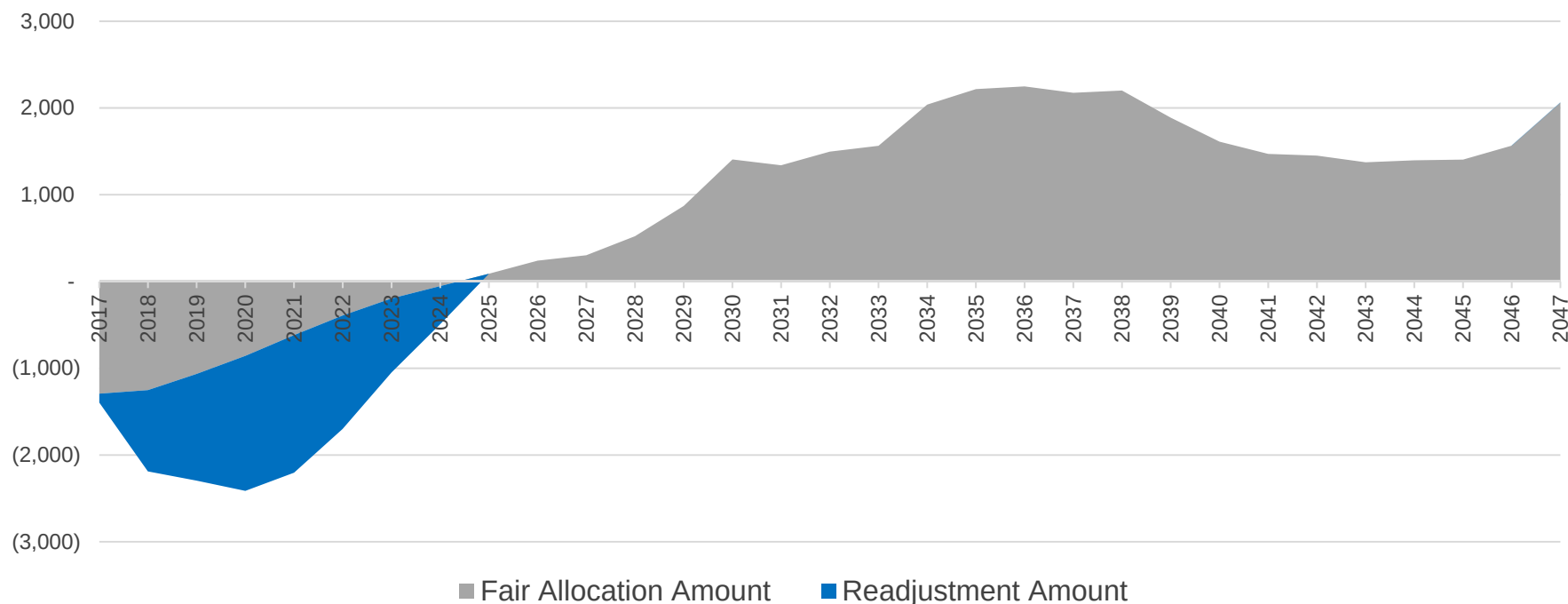


¹ The rates will be determined by dividing the CEA amount by the forecasted energy consumption in the reference period by Specified Consumers

Fair Allocation Amount

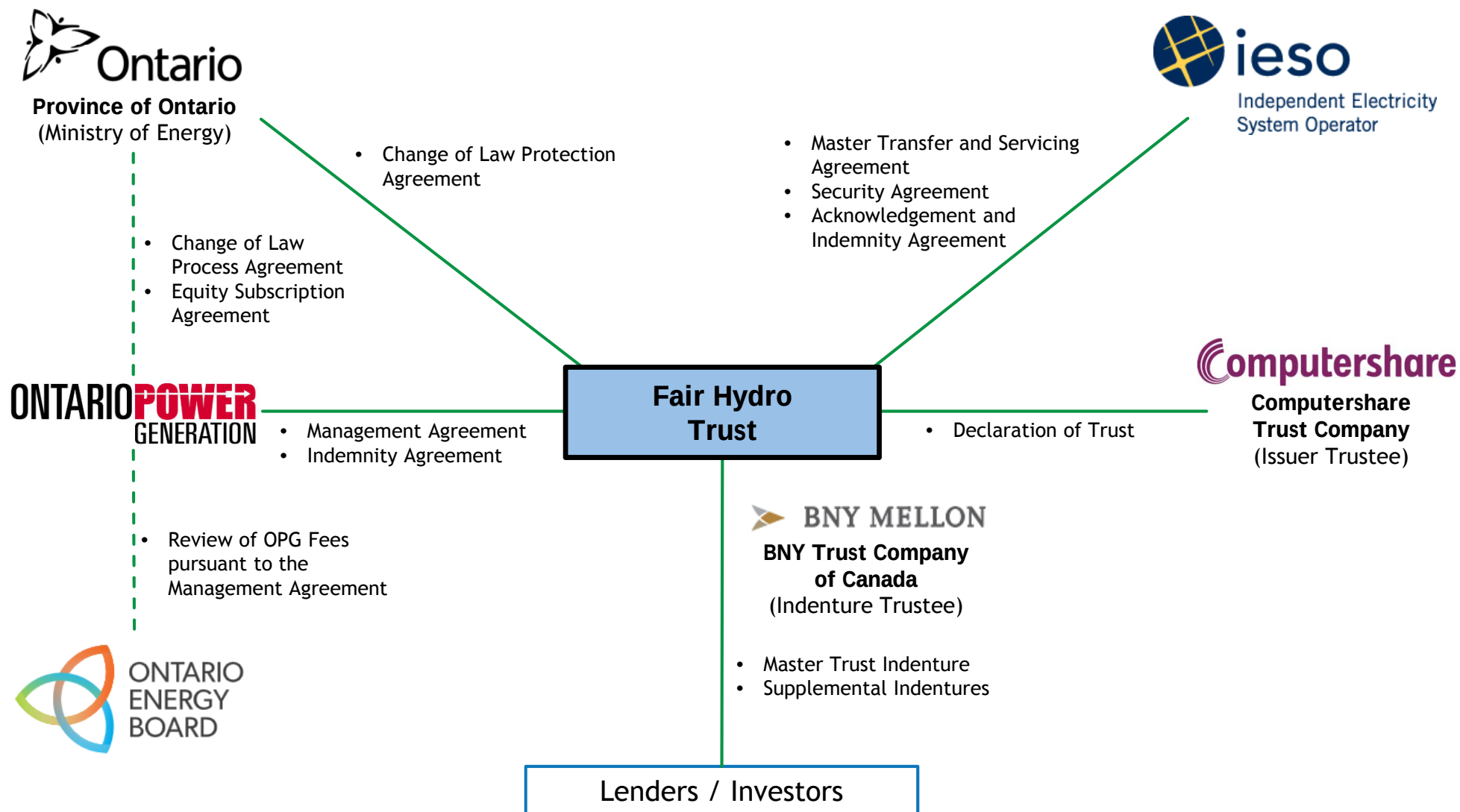
- The Fair Allocation Amount (“FAA”) is the estimated clean energy costs without consideration of the FHP compared to these same costs reallocated on the basis of estimated clean energy benefits to Specified Consumers in respect of each reference period and includes operating and financing costs of the FHT
- If the FAA is negative, this means that the Minister of Energy has determined that current Specified Consumers have borne more than their fair share of Clean Energy Costs (with the consequent rate reduction for current Specified Consumers); the FAA is expected to be negative until at least May 2024
- The Ministry of Energy will provide updated FAAs to OPG from time-to-time

Fair Allocation Amount (\$ million)



IV. Contractual Framework

Simplified Contractual Structure



Key Agreements

Change of Law Protection Agreement

Parties	(1) Province of Ontario as Obligor and (2) Indenture Trustee, on behalf of Specified Creditors¹, as Beneficiaries and (3) OPG as Financial Services Manager (“FSM”)
Purpose	Provides assurance to investors that upon the occurrence of a Protection Event, the Province of Ontario will have an obligation to make payments on behalf of the Trust
Key Terms	Term: Continues for as long as any obligations of the Trust that are secured under the Master Trust Indenture (MTI) remain outstanding Mandatory Payment: Upon the occurrence of a Protection Event, the Indenture Trustee has the right to require the Province to pay all obligations when due and payable Priority of Payments: The priority of payments is governed by the waterfall provision under the MTI Adherence Conditions: OPG as FSM is required to comply with certain conditions, including the delivery of an Adherence Compliance Certificate, prior to the issuance of debt which is to benefit from change in law protection from the Province Suspension Notice: The Province may deliver a suspension notice, after which date funding obligations incurred will not have the benefit of the Change of Law Protection, upon the occurrence of a program breach, a default in performance, or misrepresentation by OPG as FSM

¹ Specified Creditors are any other Person that is owed a payment obligation by the Issuer that gives rise to a Finance Amount in respect of the Issuer

Key Agreements

Change of Law Protection Agreement (cont'd)

Protection Events

The occurrence of any of the following events:

- The Legislature repeals (and does not replace on an equivalent basis) or amends the Act or any portion thereof as in effect on the date hereof
- The Legislature enacts or amends any other statute
- The Lieutenant Governor in Council repeals (and does not replace on an equivalent basis) the regulations made under the Act or any portion thereof as in effect on the date hereof
- The Lieutenant Governor in Council amends any “regulation” (as defined in Part III of the Legislation Act, 2006) as in effect on the date hereof
- The implementation of a change in the organization or structure of the IESO or Ontario’s electricity market undertaken at the initiative of the Province
- A court of competent jurisdiction determines that all or a portion of the Act or the regulations made under the Act, is ultra vires or invalid in a way that adversely affects the ability of the Trust to pay its obligations

in each case that adversely affects the ability of the Trust to pay its obligations when due and payable, taking into account any funds available in reserve accounts and any reasonably expected potential effect of a true-up amount

Key Agreements (cont'd)

Master Transfer and Servicing Agreement

Parties	(1) the IESO, as transferor and servicer; (2) the Trust
Purpose	Provides for the transfer, by the IESO to the Trust of the regulatory asset, and upon such transfer the Trust acquires an investment interest
Key Terms	Transfer of Regulatory Asset: The IESO may offer, no more frequently than monthly, to transfer the regulatory asset to the Trust. The Trust has the right, but not the obligation, to accept IESO's offer. Servicing Duties: The IESO will be responsible for servicing the investment interest under the Regulations, including collecting clean energy adjustment amounts from electricity vendors and remitting the same to the Trust, including: - Establishing a segregated account for collecting CEAs and use reasonable efforts to cause electricity vendors to do the same - Collect CEAs from electricity vendors - Remit CEAs monthly to the Trust - Prepare monthly servicer reports - Forecast electricity consumption of Specified Consumers Moratorium Period: During Moratorium Period (until May 1, 2021), the IESO will be required by regulation to fund all interest and other expenses of the Trust, which will be offered, as regulatory assets, for transfer to the Trust in a subsequent period. IESO Letter of Credit: After the Moratorium Period, the IESO will provide the Trust, a letter of credit or other form of security, for the obligation of non-rated or non-investment grade rated electricity vendors.

Key Agreements (cont'd)

Management Agreement

Parties	• Issuer Trustee, on behalf of the Trust, and OPG, as Manager
Purpose	• Issuer Trustee delegates to the Manager all powers and duties of managing the Trust
Key Terms	• Duties Include: – Negotiating and executing program agreements; – Preparing, in accordance with applicable securities laws, any offering documents to be furnished by the Trust to prospective purchasers of funding obligations; – Review or caused to be reviewed, records of electricity vendors on an annual basis with respect to CEAs – Preparing financial statements; and – Paying taxes on behalf of the Trust • Incurrence of Funding Obligations: Manager will determine how and when to incur funding obligations to acquire investment interests • Standard of Care: Manager will perform its duties diligently and in conformity with the Trust's obligations under the program agreements • Resignation/ Termination: Manager may not resign from its duties or terminate the Management Agreement as long as funding obligations of the Trust are outstanding

Key Agreements (cont'd)

Other Key Agreements

Security Agreement	As security for the performance of its obligations under the Regulation to pay the Trust's carrying cost during the Moratorium Period, IESO has granted the Trust a first priority security interest in all of its accounts receivable
Acknowledgement and Indemnity Agreement (IESO)	IESO, as servicer under the MTSA, acknowledges that a security interest has been granted to the Indenture Trustee thereby assigning as security the rights and benefits of the Issuer under the MTSA to the Indenture Trustee and provides certain indemnities with respect to its duties and obligations under the MTSA
Indemnity Agreement (OPG)	OPG, as manager under the Management Agreement, provides certain indemnities to the Indenture Trustee with respect to its duties and obligations under the Management Agreement
Change of Law Process Agreement	- Outlines procedural requirements between the Province and OPG with respect to issuing debt that benefits from the Change of Law Protection Agreement - Among other things, OPG is required to deliver to the Province a process certificate, outlining the material terms of a proposed debt issues and confirm such debt offerings will not cause the protection agreement maximum (as updated from time to time) to be exceeded
Equity Subscription Agreement	Specifies the terms and conditions upon which the Province provides equity injections to OPG to purchase subordinated debt issued by the Trust
Declaration of Trust	- Establishes FHT to carry out activities for the benefit of its beneficiary unitholders - Specifies the rights and powers of the Issuer Trustee (Computershare)

Allocation of Servicing Role and Responsibilities

The shared responsibilities of servicing and management roles are summarized below

	OPG	IESO	LDC
Annually Review Records of LDCs with Respect to CEAs	✓		
Determination of True-Up Amount	✓		
Ongoing Filings for Trustee and Rating Agencies	✓		
Management of Ongoing Debt Issuances	✓		
Cash Management		✓	
Preparation of Monthly Service Reports		✓	
Remittance of CEA to IESO and to the Trust		✓	✓
Responding to inquiries by customers if practicable, or forwarding such inquiries to OPG		✓	✓
Customer Billing			✓
Customer Collections			✓
Customer Meter Reading			✓

V. Financing Program

Financing Plan / Strategy

- OPG is responsible for administering the FHT financing program
- Given the size (~\$20 billion) and longevity (~10 years) of the FHT financing program, the funding strategy has been designed to provide flexibility
- Warehouse financing (ABCP conduit) and OPG subordinated debt will be used to fund monthly regulatory asset purchases from the IESO
 - Periodically refinance the warehouse facility through the issuance of term debt (likely access the market 2-3 times per year)
- Term debt can take the form of bullet bonds or could be issued as amortizing bonds 

ABCP Conduit

- ABCP conduit and OPG subordinated debt will be used to fund monthly regulatory asset purchases from the IESO

Term Debt

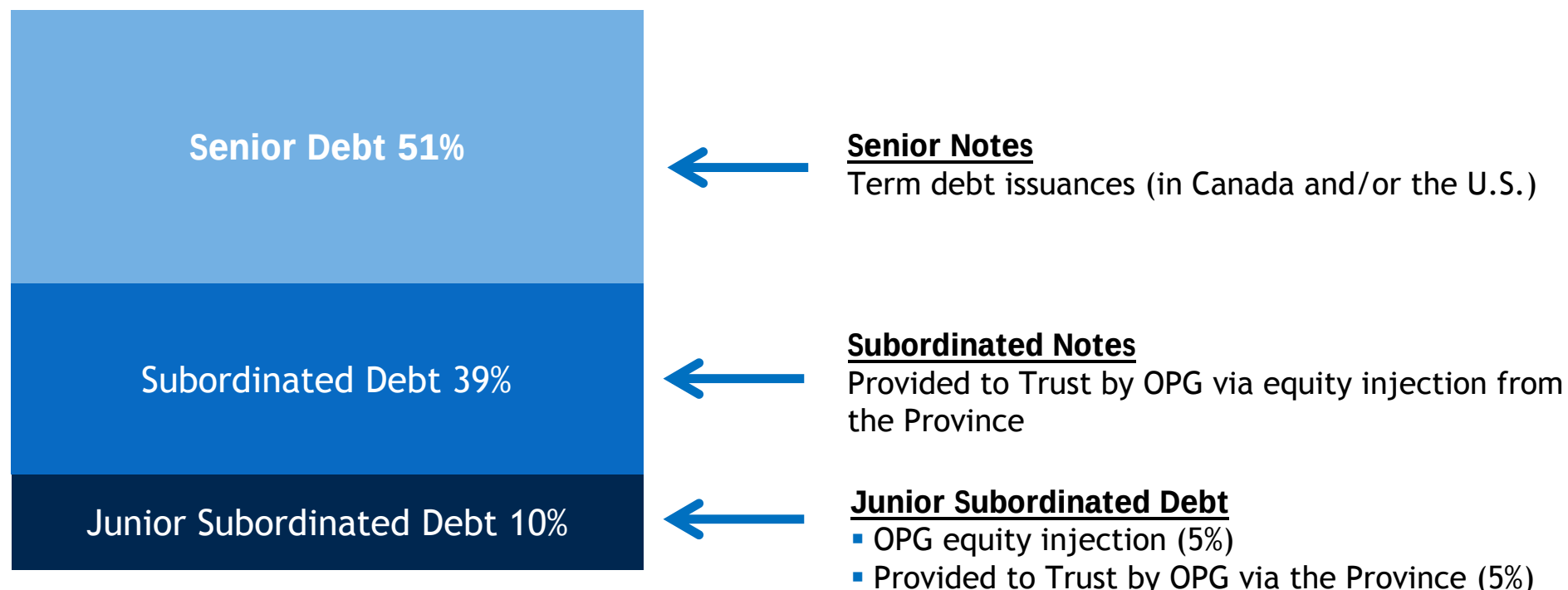
- Term debt issuances will be used to refinance short term debt financing provided by ABCP conduit and OPG subordinated debt
- Both Canadian term debt and U.S. term debt market will be considered
- Maturity profiles will be structured to fit under the fair allocation curve (bullet bonds with synthetic amortization or amortizing bonds)

Subordinated Debt

- Subordinated debt provides credit enhancement for senior debt (ranks behind senior debt in cash flow waterfall)

Financing Structure

- The Trust will fund regulatory asset purchases through the issuance of senior, subordinated and junior subordinated secured debt
- Senior debt (51%) will be sourced monthly from committed warehouse facilities, and the periodic issuance of term debt
- Subordinated debt (49% anticipated; minimum of 35% required) will be purchased by OPG, primarily with equity injections from the Province (44%) and the remaining 5% from OPG

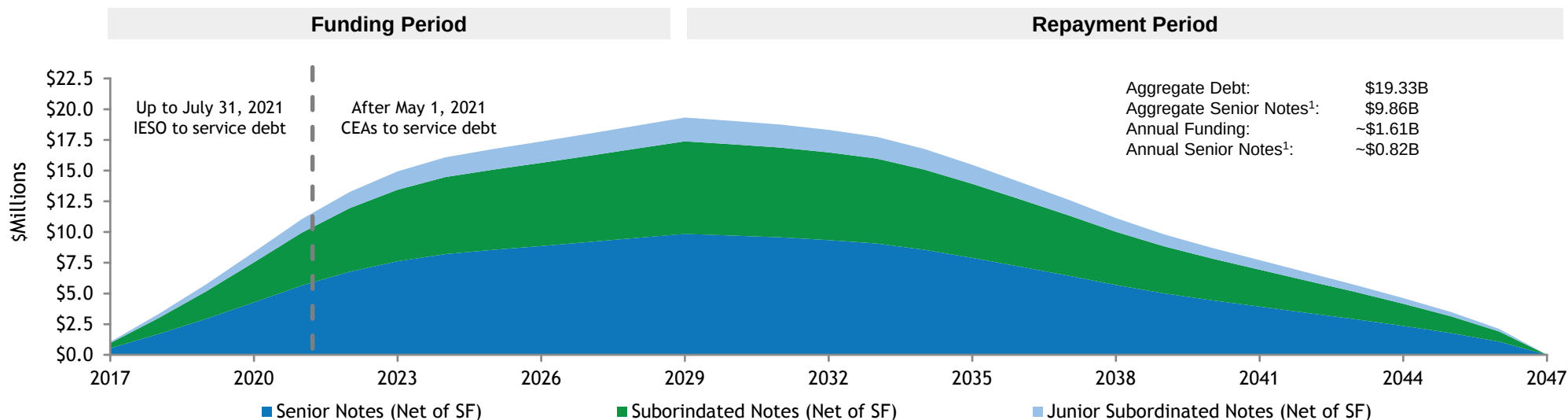


Aggregate Financing Program

Illustrative Debt Summary - Funding & Repayment Period (Annual)

- Based on the Fair Allocation Amount and the Province's electricity bill reduction targets, the following debt profile for the program is expected, peaking at just under \$20 billion by 2029
- Various tranches of debts will be issued periodically during the period of 2017 - 2028, which will mature over a period after 2029

Illustrative Aggregate Funding and Repayment Profile (Annual; Net of Sinking Fund ("SF") Payments)

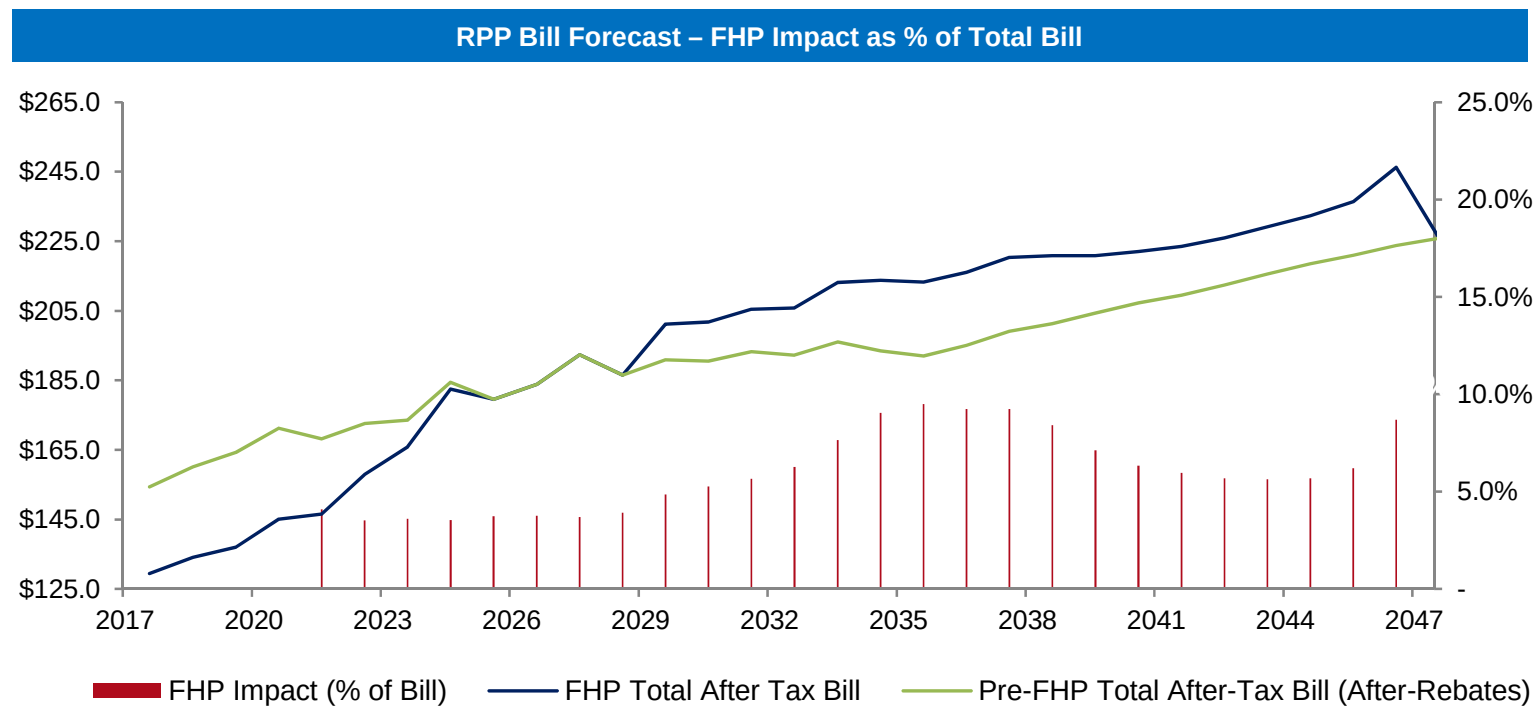


¹ Assumes 51% Senior Notes

Consumer Bill Forecast with FHP

RPP Bill Forecast - FHP Impact % of Total Bill (C\$ per Month)

- Over the duration of the Fair Hydro program, the clean energy adjustment for the average residential customer is anticipated to remain below 10% of the total electricity bill
- Max CEA as a percent of the total bill is forecast to be 10.1%
- Average CEA as a percent of the total bill is forecast to be 6.9%



Capital Markets Platform

Master Trust Indenture

Parties	(1) Computershare Trust Company (Issuer Trustee), on behalf of the Trust, acting through OPG as the Manager; (2) BNY Trust Company (Indenture Trustee) on behalf of Specified Creditors
Purpose	All Specified Creditors are required to be bound by the terms of the MTI including the priority provisions and to limit recourse to the assets of the Trust

Key Terms

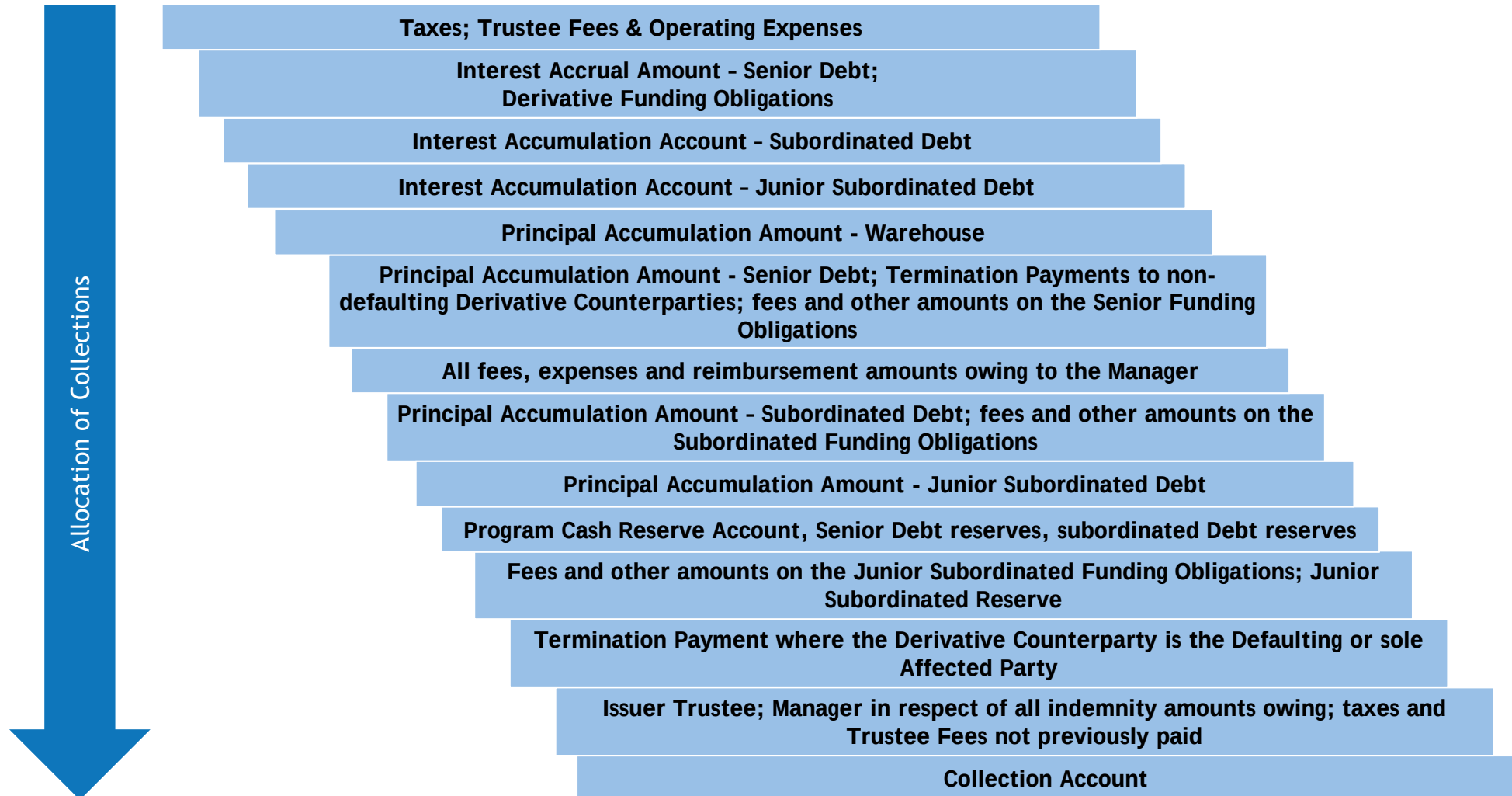
Incurrence of Funding Obligations	- Trust may incur funding obligations under a variety of instruments including: - Note issuances under supplemental indentures - Borrowings under credit agreements - Purchase of notes under note purchase agreements - Letters of Credit/Guarantees under credit enhancement agreements - Liquidity loans under liquidity agreements backing short term notes
Conditions Precedent	- Prior to incurring additional funding obligations, the Trust confirms to the Indenture Trustee and each rating agency that: - the incurrence of such additional obligations will not cause an adverse effect - the incurrence of such additional obligations is materially consistent with the Financing Plan - the estimated finance amount that would become due during the applicable reference period is expected to reasonably align with the fair allocation amount for such reference period - It will also be a condition precedent that each rating agency confirm that the issuance of such additional funding obligations will not result in a reduction or withdrawal of any existing ratings of outstanding funding obligations
Security	Granted over all assets of the Trust, including the Trust's investment interest, all collections under the MTSA and all accounts

Capital Markets Platform

Master Trust Indenture - Key Terms (cont'd)

Subordination	Provides for three different classes of funding obligations (i) senior (ii) subordinated, and (iii) junior subordinated
Priority	- Prior to an Event of Default: the waterfall provision applies - After an Event of Default: payment priority direct all amounts to pay senior obligations first
Early Amortization	- Early amortization events will include the occurrence of a scheduled final payment date on notes, the Trust becoming an investment company, the insolvency of IESO or the Manager and any other additional early amortization events set out in a funding obligation agreement - An early amortization event will result in a modified repayment schedule for the outstanding funding obligations
Events of Default	Include payment defaults, and representation and covenant breaches
Acceleration	CEAs cannot be increased to the level to repay all outstanding principal following acceleration, however the subordination of debt would advance the repayment of the senior funding obligations

Indicative Waterfall



VI. Summary of Offering

Summary of Indicative Terms

	<u>Class</u>	<u>Size</u>	<u>% of Trust</u>	<u>Expected Maturity</u>	<u>Legal Maturity</u>	<u>Rating (DBRS / Moody's)</u>
Initial Fair Hydro Issuance	Senior Warehouse	\$[] mm (Not Offered)	[]%	[]	[]	N / A
	Senior Term Notes	\$[] mm	[]%	[]	[]	AAA / Aa2
	Subordinated Notes	\$[] mm (Not Offered)	[]%	[]	[]	[]
	Jr. Subordinated Notes	\$[] mm (Not Offered)	[]%	[]	[]	[]
Issuer	Fair Hydro Trust, a single purpose, bankruptcy-remote wholly-owned subsidiary of the Financial Services Manager					
Financial Services Manager	Ontario Power Generation, Inc.					
Servicer	Independent Electricity System Operator					
Guarantor	Province of Ontario 					
Provincial Rate Authority	Ontario Energy Board					
Source of Repayment	• Moratorium Period: Statutorily mandated remittances from IESO • Post Moratorium Period: Non-bypassable charge from residential and commercial customers in Ontario, related collections and reserve accounts					
Amortization	Sinking fund with bullet maturity					
Payment Frequency	Semi-annual					
Interest	Fixed rate					
Senior Note Credit Enhancements	• Semi-annual True-up • Reserve Account (Senior Notes) • Subordination					
Reserve Account	[]					
True-up	Calculated on a semi-annual basis post-moratorium period					
Subordination	Subordinated and Jr. Subordinated Notes will be retained by OPG					
Additional Issuance	Master trust allows for the issuance of additional notes subject to Rating Agency Condition					

VII. Key Risks and Mitigants

Risk Mitigation

Risk	Description of Risk	Mitigants
Political Risk	There may be pressure on a future government to adjust certain aspects of the repayment requirements	Change of Law Protection Agreement in favour of lenders / investors
Under Collection	If the IESO inaccurately forecasts electricity consumption or if OPG uses inaccurate consumer delinquency or write-off data when setting the CEA, there could be a shortfall in collections, which might result in missed or delayed payments of principal and interest on the Notes	6-month reference period - True up mechanism - Any shortfall in collections are recoverable from all Specified Consumers
Defaults (IESO & LDCs)	- During the Moratorium Period, the Trust is dependent on the IESO to pay carrying costs - Receipt of CEAs dependent on the performance of LDCs and IESO	- IESO has a very strong credit profile and very low losses - IESO to provide a letter of credit/other security for the obligation of non-rated or below investment grade rated LDCs - LDCs collect security deposits and, when permitted, have the ability to disconnect service for non-payment
Size of Charge vs. Bill	If the charge applied to bills becomes too high, there could be a consumer and/or political backlash	20-year repayment period allows for gradual rate increases - Max CEAs as a percent of the total is forecast to be ~10%

VIII. Investment Highlights

Investment Highlights

- ✓ Strong provincial support through the Change of Law Protection Agreement
- ✓ Irrevocable & non-bypassable rate payer charge
- ✓ Full cross-collateralization; collection shortfalls allocated among all Specified Consumers
- ✓ Enhanced true-up mechanism
- ✓ Credit enhancement for senior debt provided via subordinated debt
- ✓ Experienced operating agents (OPG, IESO, and LDCs)
- ✓ Strong service territory
- ✓ No large user industrial risk exposure

Fair Hydro Trust Investor Presentation

January [xx], 2018



Disclaimers

This presentation and its contents are being supplied for informational purposes only by Fair Hydro Trust (the “**Issuer**”) and are not an offer to buy or sell or a solicitation of an offer to buy or sell any securities of the Issuer.

This presentation does not, and does not purport to, contain all information that may be material to an investment decision in respect of the Issuer’s Notes. It is only a summary of certain information in respect of the Issuer. Prior to making an investment decision with respect to the Issuer’s Notes, prospective investors should carefully review the Confidential Shelf Offering Memorandum, including the related Term Sheet, pursuant to which such Notes are offered (the “**Offering Memorandum**”). The information and opinions contained in this presentation are qualified in their entirety by reference to the Offering Memorandum. In particular, reference should be made to the risks of any investment in the Issuer’s Notes offered and the statutory rights of rescission or rights to damages available to purchasers of such Notes described in the Offering Memorandum. No representation or warranty, express or implied, is given by or on behalf of the Issuer, the Agents or any other person as to the accuracy or completeness of the information or opinions contained in this presentation.

Some of the statements contained in this presentation, including those relating to the Issuer’s expectations, forecasts, strategic and other statements, are forward-looking information within the meaning of securities laws. The forward-looking information contained in this presentation is presented for the purposes of assisting prospective purchasers in making an investment decision regarding the Notes and may not be appropriate for other circumstances. The Issuer does not intend, or assume any obligation, to update any forward-looking information except as may be required by applicable law. Reference should be made to the information under the headings “Caution Regarding Forward-Looking Information” and “Risk Factors” in the Offering Memorandum.

The information presented herein is only current as of the date on the cover of this presentation. Except as required by law, neither the Issuer nor Ontario Power Generation (“**OPG**”) intends, or assumes any obligation, to revise or update any information in this presentation. Prospective purchasers should consult the Offering Memorandum for more current information.

By attending this presentation, or accepting a copy of this presentation, each prospective purchaser agrees that all information contained herein, all documents delivered in connection herewith and all other information obtained by such prospective purchaser in relation to the Issuer or OPG (collectively, the “**Confidential Information**”) is confidential, that none of the Confidential Information will be copied, transcribed, recorded or transmitted by the recipient for any reason or used for any purpose other than evaluating an investment in the Issuer’s Notes, and that the recipient will hold all of the Confidential Information in confidence and will not provide any of it to third parties other than persons retained to advise the recipient with respect to the purchase of the Issuer’s Notes (so long as they advise such persons of the confidential nature of such Confidential Information), without the prior written consent of the Issuer and OPG.

Presenters



Ken Hartwick

**Chief Financial Officer &
Senior Vice President - Finance**

John Lee

Vice President, Treasurer

Table of Contents

- I. Introduction and Transaction Overview
- II. Ontario Electricity Market
- III. Legislative and Regulatory Framework
- IV. Contractual Framework
- V. Financing Program
- VI. Summary of the Offering
- VII. Key Risks and Mitigants
- VIII. Investment Highlights



I. Introduction and Transaction Overview

Introduction

Ontario's Fair Hydro Plan

- The Province of Ontario announced its Fair Hydro Plan ("FHP") on March 2nd, 2017, which proposed to lower the average electricity bill for eligible customers¹ (referred to as "Specified Consumers") by 25% (the "Fair Adjustment")
- The 25% reduction includes an 8% rebate in the provincial portion of the HST granted by the Ontario government in January 2017
- It is expected that the rate reduction will be in effect to April 30, 2021, with any rate increases over that period limited to the rate of inflation in Ontario

Legislation

- On June 1, 2017, the Ontario government passed the *Ontario Fair Hydro Plan Act, 2017* (the "FHPA" or "Act"), legislation that reallocates certain electricity costs over time and provides immediate rate relief to Specified Consumers
- The FHPA imposes an irrevocable and non-bypassable charge referred to as the Clean Energy Adjustment ("CEA") that will be determined by Ontario Power Generation ("OPG") in its role as Financial Services Manager under the Act
- The CEA will be determined for each six month reference period and converted by the Ontario Energy Board ("OEB") into a \$/kWh rate and added to electricity invoices sent to Specified Consumers commencing on May 1, 2021
- From July 1, 2017 until April 30, 2021 (the "Moratorium Period"), no CEA will be collected; during this period the Independent Electricity System Operator ("IESO") is obligated to pay all funding costs (excluding principal) under the Regulations

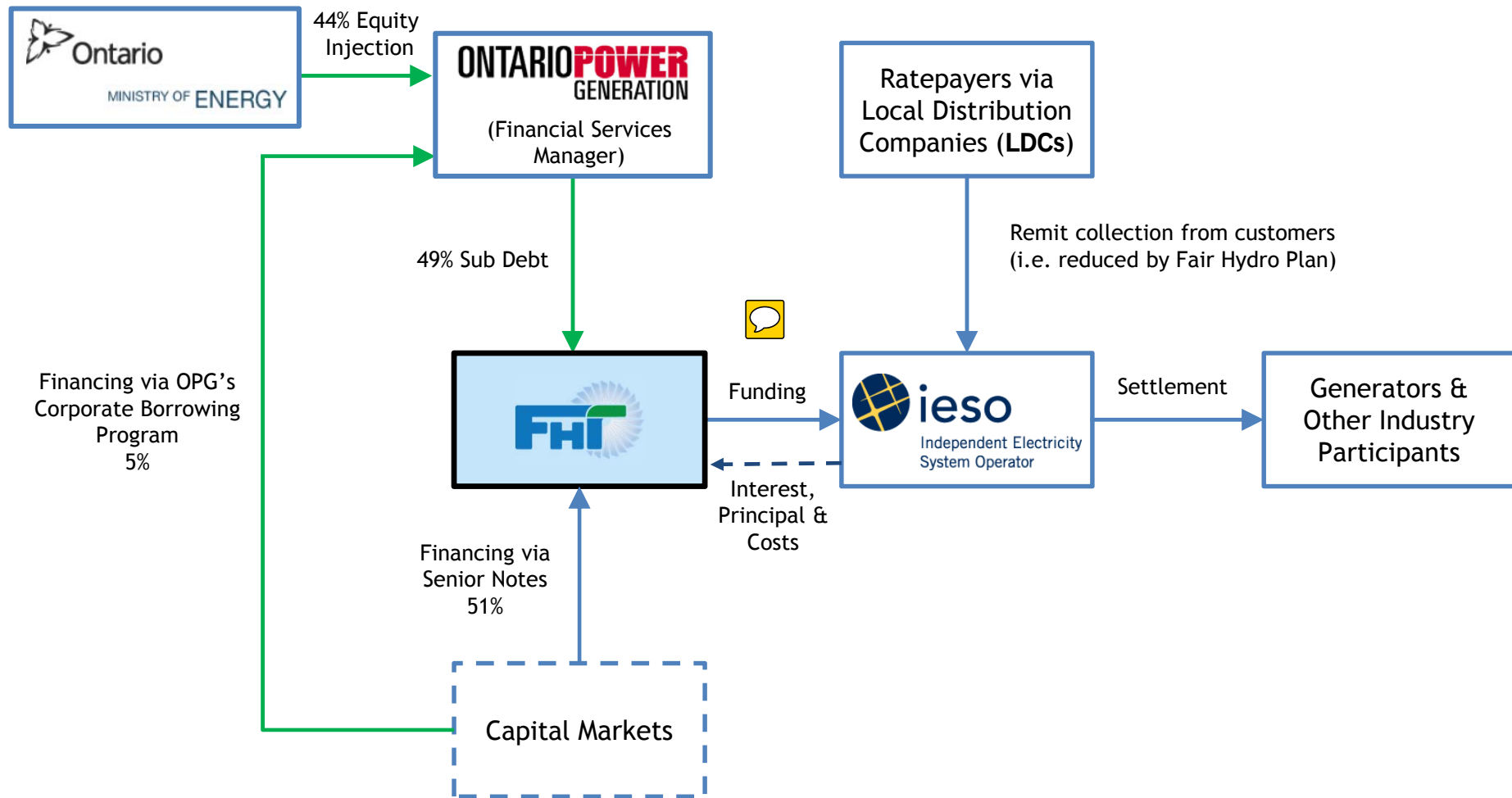
Fair Hydro Trust ("FHT")

- The implementation of the Fair Hydro Plan will be financed by the Fair Hydro Trust ("FHT", the "Trust" or the "Issuer") through the issuance of senior and subordinated notes
- Structured to be bankruptcy remote and ring fenced from OPG

¹ Primarily Regulated Price Plan-eligible customers.

Transaction Structure

- Concurrent with every issuance of senior notes, it is expected that OPG will purchase subordinated debt of the Trust in an amount not to exceed 49% of all outstanding debt

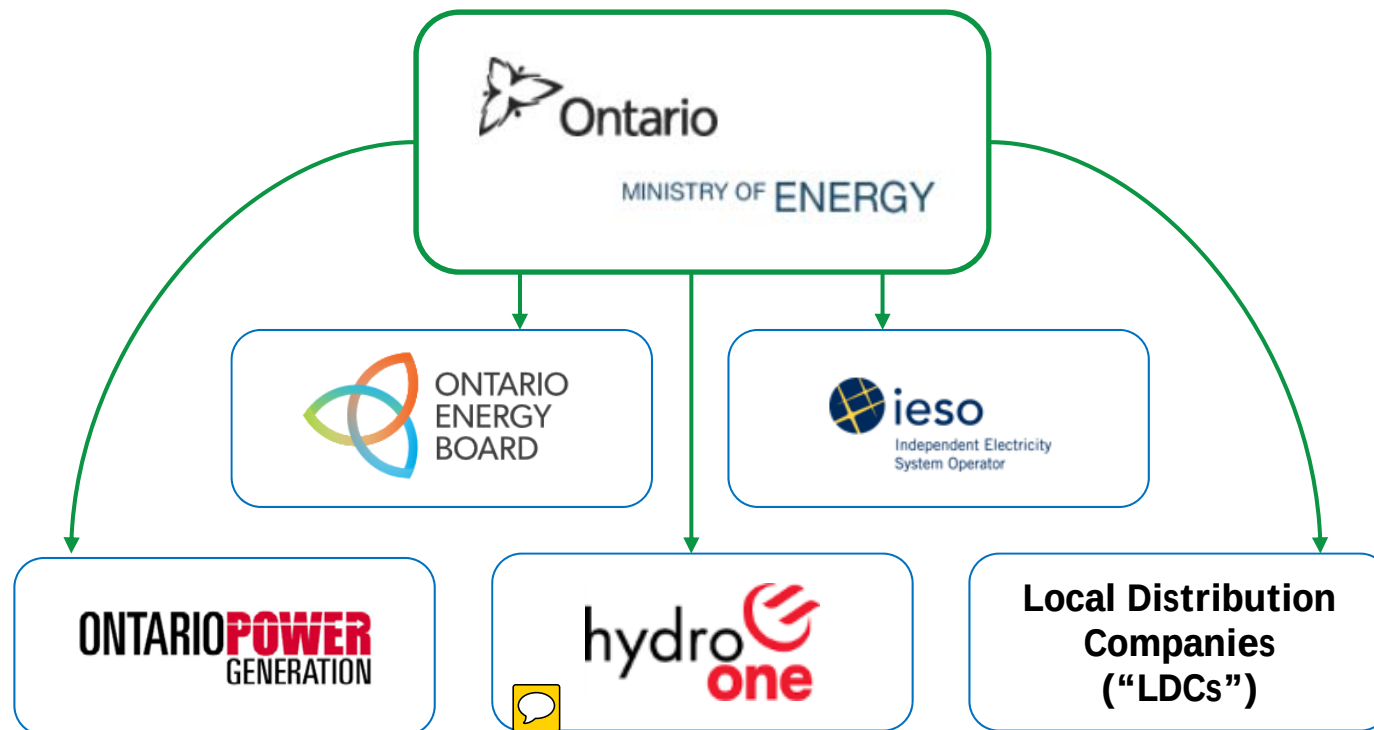


Note: The assets and liabilities of the Trust are deemed, under the *Electricity Act, 1998* to not include the assets and liabilities of OPG, and vice versa

II. Ontario Electricity Market

Overview of Ontario's Electricity Market

- Highly regulated electricity market comprised primarily of three components: generation, transmission and distribution; ~\$22 billion in annual cash flows
- Transmission rates, distribution rates, and OPG's regulated rates are set by the Ontario Energy Board
- Rates for the majority of the remaining generation supply are set by direct contracts with the IESO (e.g. wind, solar, hydroelectric)



Key Industry Participants

Participant	Rating (DBRS / S&P / Moody's)	Description
	--	- The OEB is an independent public regulatory agency established under the Ontario Energy Board Act, 1998 - The Ontario Energy Board Act, 1998 provides the OEB with the authority to regulate Ontario's electricity market, including the activities of transmitters and distributors - The OEB sets the regulated price for the commodity cost charged to most residential electricity customers via the Regulated Price Plan ("RPP"); RPP rates are set twice a year (May and November) - RPP prices are set for: time-of-use (On-peak, Mid-peak, and Off-peak); and tiered (Tier 1 and Tier 2), to recover the forecast commodity cost of electricity
	A(h) / -- / Aa2	- The Independent Electricity System Operator (the "IESO") is a not-for-profit corporation established under the Electricity Act, 1998 - The IESO manages the operation and reliability of Ontario's bulk power system and administers the wholesale electricity market
	A(l) / BBB+ / --	- OPG is a corporation formed under the Business Corporation Act (Ontario), whose sole shareholder is the Province of Ontario - OPG's principal business is the generation and sale of electricity in Ontario - OPG is Ontario's largest electricity generator, providing approximately half of Ontario's electricity
	A(h) / A / A3	Hydro One is Ontario's largest electricity transmission and distribution company; Hydro One delivers electricity to over 1.3 million customers across the Province of Ontario, and to large industrial customers and municipal utilities

Key Industry Participants – LDC Overview

- As part of the restructuring of Ontario's electricity industry, the province's municipally-owned electricity distributors were reorganized into separate business corporations
 - These distributors are typically referred to in Ontario as local distribution companies, or "LDCs"
- An LDC is responsible for distributing electricity to customers in its OEB-licensed service territory, and in some cases to other distributors
 - A service territory may cover large portions of all of a particular municipality, or an otherwise-defined geographic area
 - Distribution customers include residential, commercial and industrial end-users, such as governments, schools and hospitals

Select Aggregate Market Stats¹

Number of LDCs	65
Residential & Small Commercial ² Revenue	\$18.89 billion
Residential & Small Commercial ² Metered Usage (kWh)	52.39 billion
Residential Customers	4.61 million
Small Commercial ² Usage Customers	0.44 million
Total Residential & Small Commercial ² Customers	5.05 million

¹ Source: OEB 2016 Yearbook of Electricity Distributors

² Small Commercial includes General Service <50kW Customers

³ Most recent rating reports from S&P, DBRS and Moody's

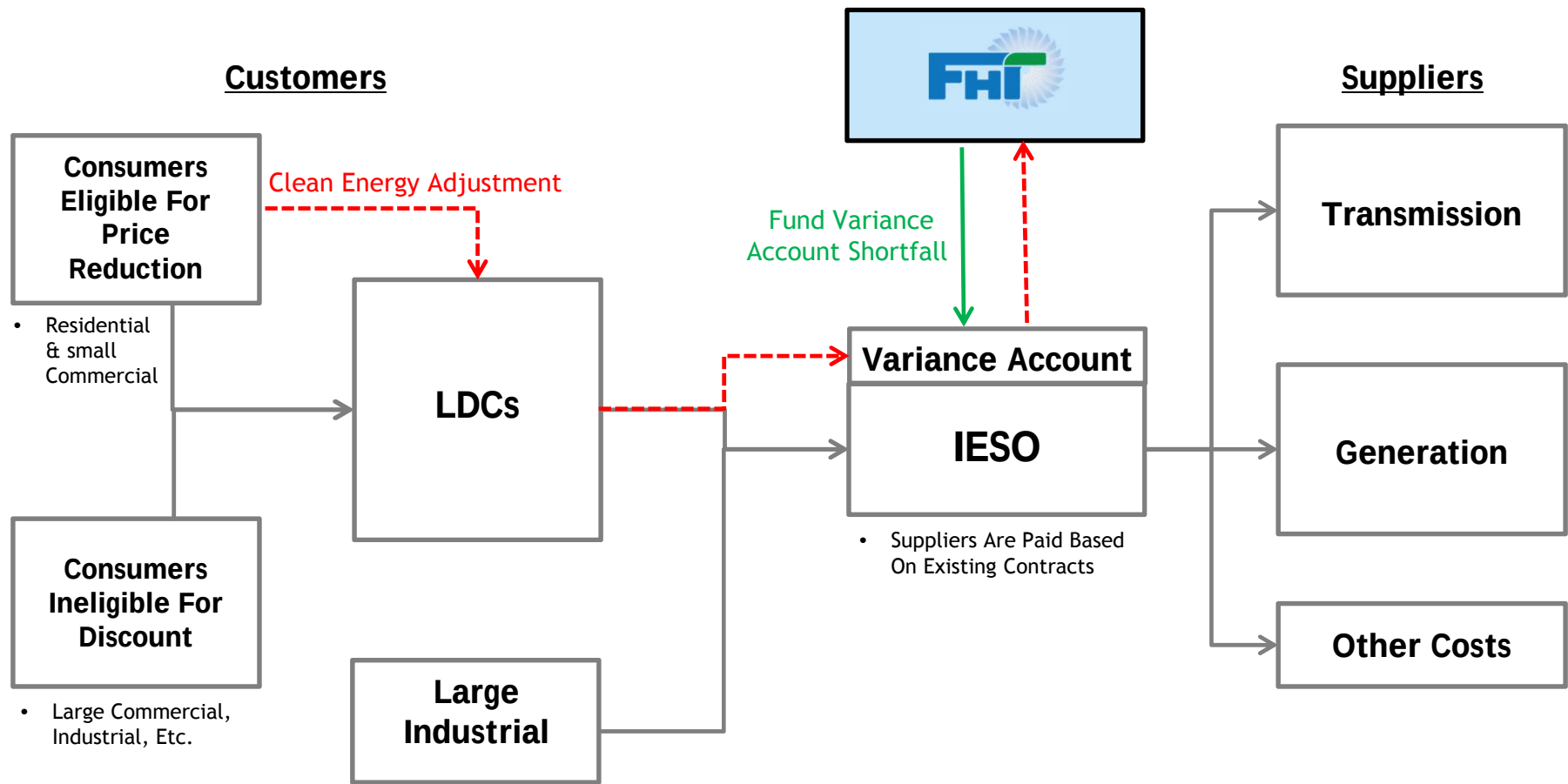
⁴ Residential and Small Commercial customers

Top 5 LDCs by Customer Base¹

	Rating ³ (S&P/DBRS/Moody's)	Customers ⁴ (MM)	Revenue ⁴ (C\$MM)
 hydro one	A / A(h) / A3	1.30	\$4,533
 aletra utilities	A / A / --	0.96	\$3,642
 TORONTO HYDRO	A / A / --	0.75	\$3,886
 HydroOttawa	BBB+ / A / --	0.32	\$1,130
 London Hydro	A / -- / --	0.15	\$488
		3.49	\$13,680

Electricity Market with FHT

- Under the FHPA, each month the IESO determines the shortfall that results from the Fair Adjustment and records this amount, together with financing costs, in a variance account 
- FHT will finance the shortfall and is entitled to recover its costs through CEAs from Specified Consumers



III. Legislative and Regulatory Framework

Legislation Overview

Purpose

- The FHPA was enacted to ensure that clean energy costs and clean energy benefits are fairly allocated among present and future Specified Consumers
- Clean energy costs are costs allocated to consumers as a result of Ontario's clean energy initiative; clean energy benefits are benefits that accrue to both present and future electricity consumers

Specified Consumers

- A category of consumers that generally is comprised of residential consumers, small businesses and farms
- Includes consumers with a demand for electricity of 50 kW or less or those that use not more than 250,000 kWh of electricity annually

Rate Reduction Period

- *July 1, 2017 – April 30, 2018* - Specified Consumers charged an invoice amount that is 25% less than the regulated rate that would otherwise have been determined by the OEB (referred to as the “Fair Adjustment”)
- *May 1, 2018 – April 30, 2019* - previously established regulated rate anticipated to increase by the rate of inflation in Ontario
- *May 1, 2019 – April 30, 2021* - rate reductions will be established by regulation but anticipated to increase by the rate of inflation in Ontario

Legislation Overview

Regulatory Asset

- Each month the IESO determines the shortfall that results from the Fair Adjustment and records this amount, together with the costs of financing the shortfall, in a variance account
- The IESO has the right to recover the balance recorded in the variance account from Specified Consumers (such right, the “Regulatory Asset”)
- The IESO may transfer a specified portion of the Regulatory Asset to the Trust for a cash purchase price equal to the amount recorded in the variance account in respect of such specified portion of the Regulatory Asset

Investment Asset

- If the IESO and the Trust agree to the transfer of a specified portion of the Regulatory Asset, such transfer results in the creation of a current and irrevocable property right that is immediately vested in the Trust (such right, an “Investment Interest”)
- By acquiring an Investment Interest, the Trust will be entitled to recover all of its costs of such financing and will acquire the right to impose, invoice, collect, receive and recover CEAs from Specified Consumers
- The Trust is not obligated to purchase Regulatory Assets from the IESO

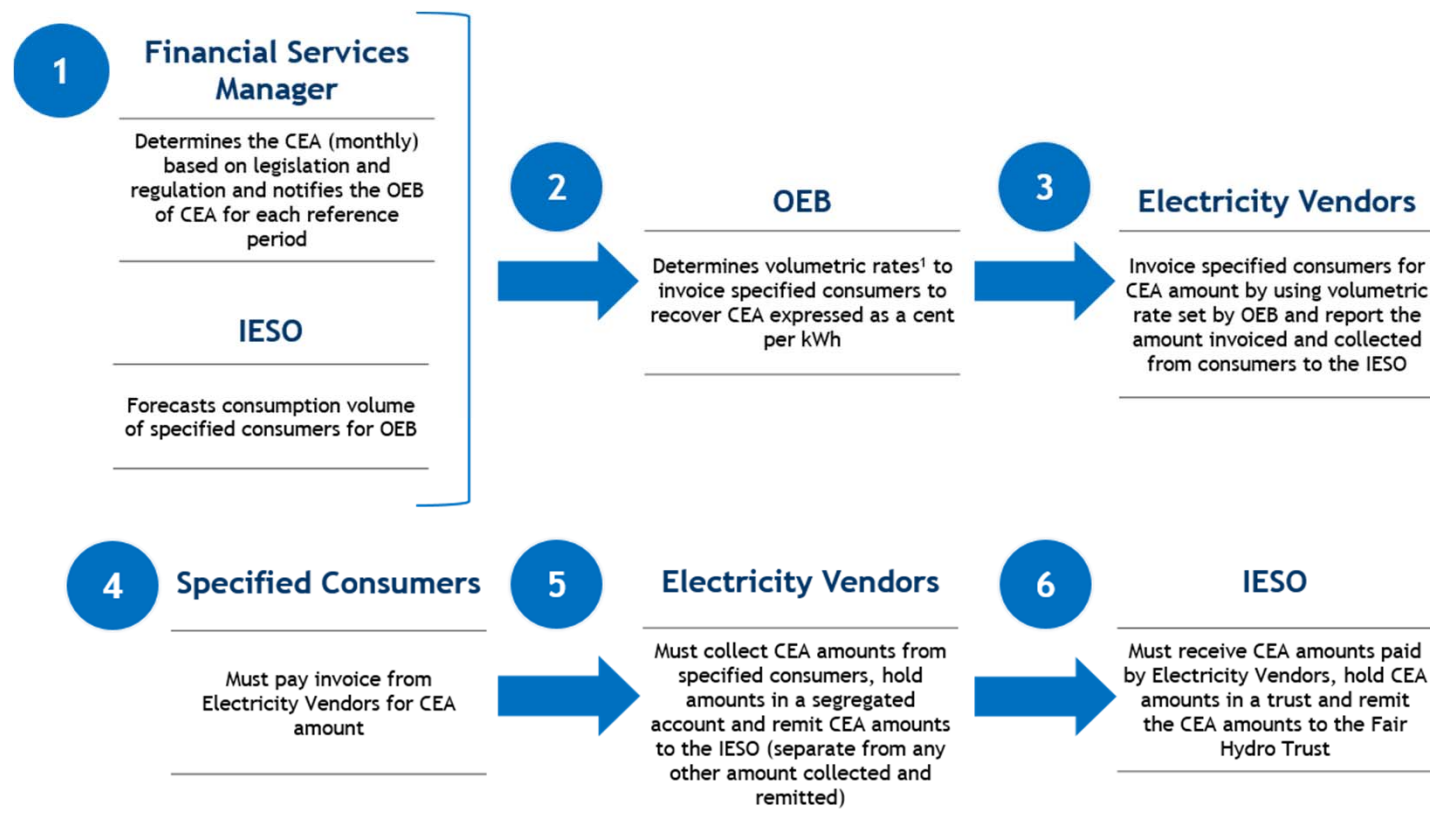
Moratorium Period

- From July 1, 2017 to April 30, 2021, CEAs are not permitted to be collected from Specified Consumers (“Moratorium Period”)
- The IESO is obligated to pay all funding and other expenses of the Trust (referred to as Carrying Costs), excluding principal, during the Moratorium Period up to July 31, 2021
- The IESO has a \$2 billion credit facility from the Ontario Electricity Financing Corporation (“OEFEC”) to pay Carrying Costs; as security for the performance of its obligations, the IESO has granted a first-priority security interest in all of its accounts receivables



Billing and Collection of CEAs

- CEA amounts for billing and collection purposes will be managed outside of the IESO's current settlement processes set out in the Market Rules for electricity invoice amounts
- Collection risk for CEA amounts are dealt with through statutory rights in the Act, the collection obligations of the IESO under the Master Transfer & Servicing Agreement ("MTSA") and the ability to include amounts into the true up mechanism

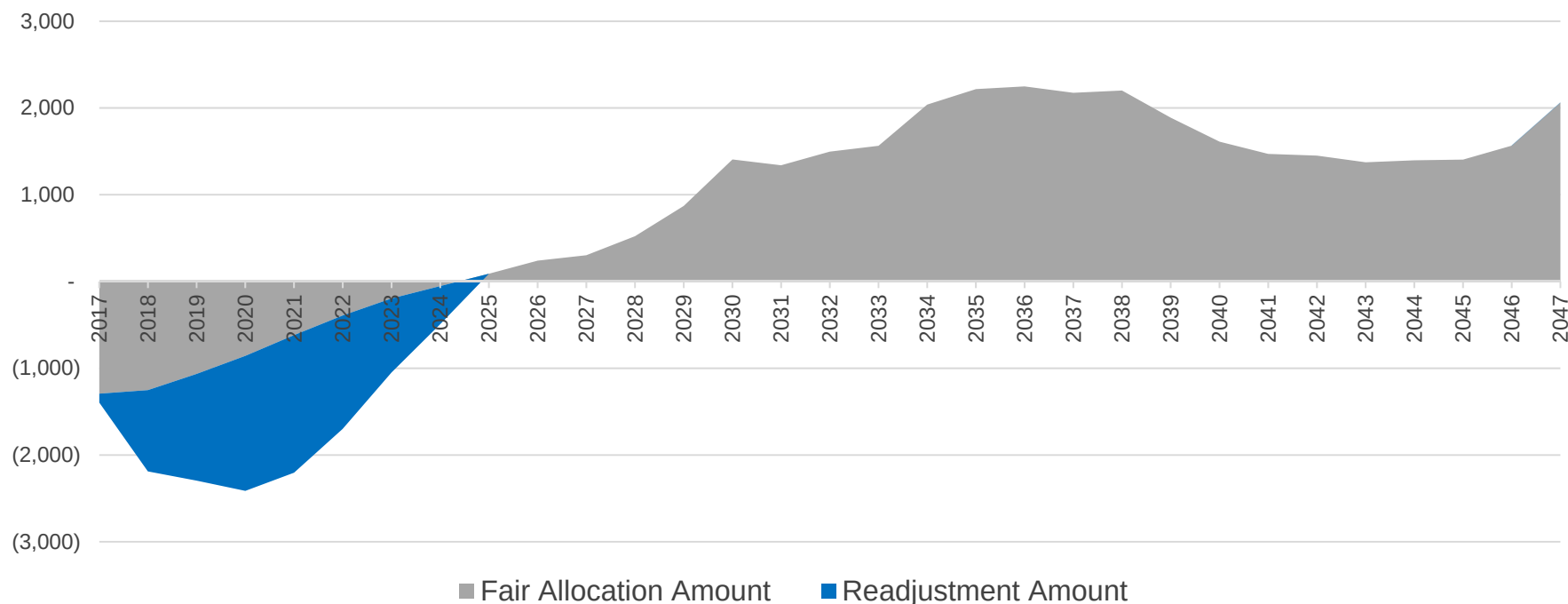


¹ The rates will be determined by dividing the CEA amount by the forecasted energy consumption in the reference period by Specified Consumers

Fair Allocation Amount

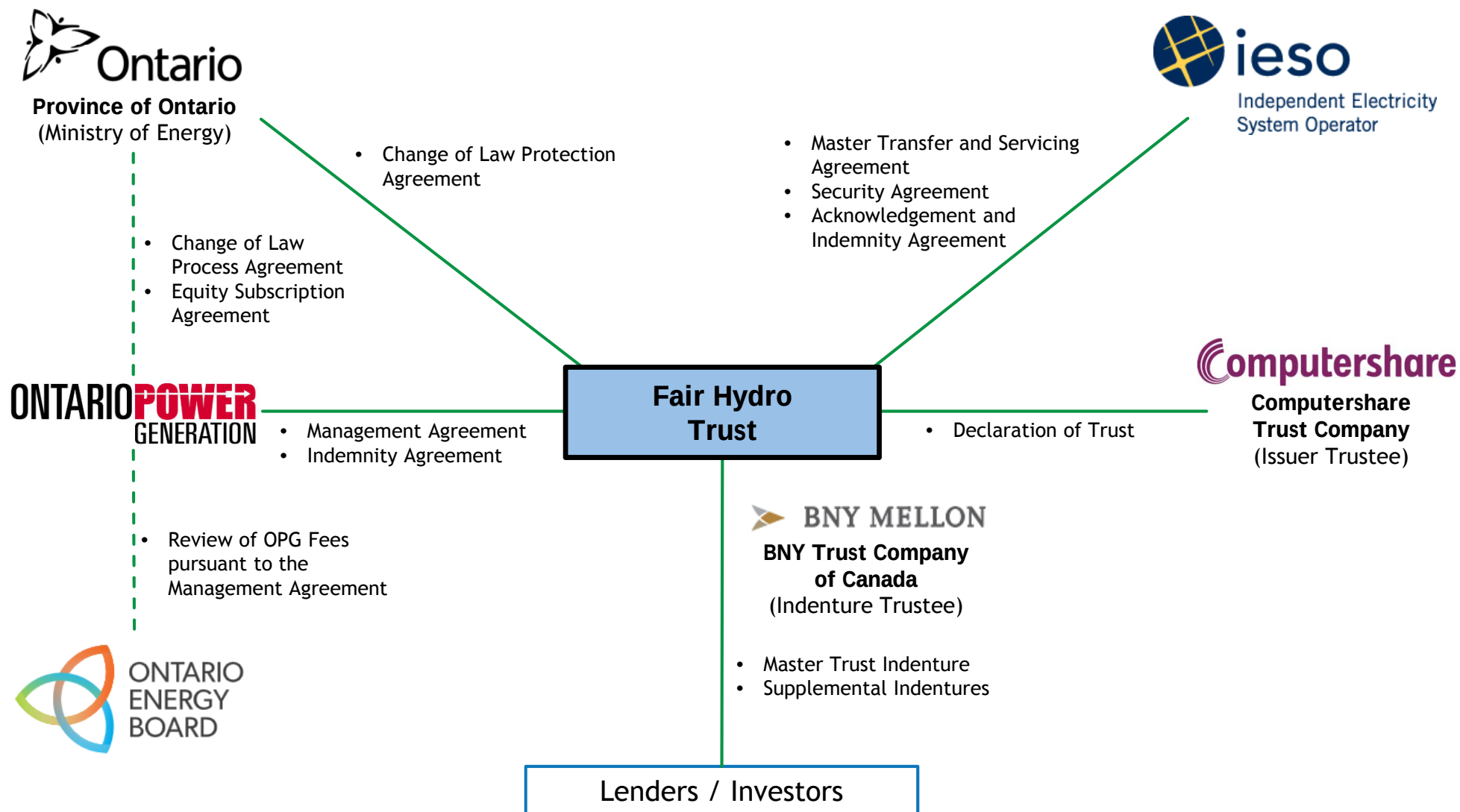
- The Fair Allocation Amount (“FAA”) is the estimated clean energy costs without consideration of the FHP compared to these same costs reallocated on the basis of estimated clean energy benefits to Specified Consumers in respect of each reference period and includes operating and financing costs of the FHT
- If the FAA is negative, this means that the Minister of Energy has determined that current Specified Consumers have borne more than their fair share of Clean Energy Costs (with the consequent rate reduction for current Specified Consumers); the FAA is expected to be negative until at least May 2024
- The Ministry of Energy will provide updated FAAs to OPG from time-to-time

Fair Allocation Amount (\$ million)



IV. Contractual Framework

Simplified Contractual Structure



Key Agreements

Change of Law Protection Agreement

Parties	(1) Province of Ontario as Obligor and (2) Indenture Trustee, on behalf of Specified Creditors¹, as Beneficiaries and (3) OPG as Financial Services Manager (“FSM”)
Purpose	Provides assurance to investors that upon the occurrence of a Protection Event, the Province of Ontario will have an obligation to make payments on behalf of the Trust
Key Terms	Term: Continues for as long as any obligations of the Trust that are secured under the Master Trust Indenture (MTI) remain outstanding Mandatory Payment: Upon the occurrence of a Protection Event, the Indenture Trustee has the right to require the Province to pay all obligations when due and payable Priority of Payments: The priority of payments is governed by the waterfall provision under the MTI Adherence Conditions: OPG as FSM is required to comply with certain conditions, including the delivery of an Adherence Compliance Certificate, prior to the issuance of debt which is to benefit from change in law protection from the Province Suspension Notice: The Province may deliver a suspension notice, after which date funding obligations incurred will not have the benefit of the Change of Law Protection, upon the occurrence of a program breach, a default in performance, or misrepresentation by OPG as FSM

¹ **Specified Creditors** are any other Person that is owed a payment obligation by the Issuer that gives rise to a Finance Amount in respect of the Issuer

Key Agreements

Change of Law Protection Agreement (cont'd)

Protection Events

The occurrence of any of the following events:

- The Legislature repeals (and does not replace on an equivalent basis) or amends the Act or any portion thereof as in effect on the date hereof
- The Legislature enacts or amends any other statute
- The Lieutenant Governor in Council repeals (and does not replace on an equivalent basis) the regulations made under the Act or any portion thereof as in effect on the date hereof
- The Lieutenant Governor in Council amends any “regulation” (as defined in Part III of the Legislation Act, 2006) as in effect on the date hereof
- The implementation of a change in the organization or structure of the IESO or Ontario’s electricity market undertaken at the initiative of the Province
- A court of competent jurisdiction determines that all or a portion of the Act or the regulations made under the Act, is ultra vires or invalid in a way that adversely affects the ability of the Trust to pay its obligations

in each case that adversely affects the ability of the Trust to pay its obligations when due and payable, taking into account any funds available in reserve accounts and any reasonably expected potential effect of a true-up amount

Key Agreements (cont'd)

Master Transfer and Servicing Agreement

Parties	(1) the IESO, as transferor and servicer; (2) the Trust
Purpose	Provides for the transfer, by the IESO to the Trust of the regulatory asset, and upon such transfer the Trust acquires an investment interest
Key Terms	Transfer of Regulatory Asset: The IESO may offer, no more frequently than monthly, to transfer the regulatory asset to the Trust. The Trust has the right, but not the obligation, to accept IESO's offer. Servicing Duties: The IESO will be responsible for servicing the investment interest under the Regulations, including collecting clean energy adjustment amounts from electricity vendors and remitting the same to the Trust, including: - Establishing a segregated account for collecting CEAs and use reasonable efforts to cause electricity vendors to do the same - Collect CEAs from electricity vendors - Remit CEAs monthly to the Trust - Prepare monthly servicer reports - Forecast electricity consumption of Specified Consumers Moratorium Period: During Moratorium Period (until May 1, 2021), the IESO will be required by regulation to fund all interest and other expenses of the Trust, which will be offered, as regulatory assets, for transfer to the Trust in a subsequent period. IESO Letter of Credit: After the Moratorium Period, the IESO will provide the Trust, a letter of credit or other form of security, for the obligation of non-rated or non-investment grade rated electricity vendors.

Key Agreements (cont'd)

Management Agreement

Parties	• Issuer Trustee, on behalf of the Trust, and OPG, as Manager
Purpose	• Issuer Trustee delegates to the Manager all powers and duties of managing the Trust
Key Terms	• Duties Include: – Negotiating and executing program agreements; – Preparing, in accordance with applicable securities laws, any offering documents to be furnished by the Trust to prospective purchasers of funding obligations; – Review or caused to be reviewed, records of electricity vendors on an annual basis with respect to CEAs – Preparing financial statements; and – Paying taxes on behalf of the Trust • Incurrence of Funding Obligations: Manager will determine how and when to incur funding obligations to acquire investment interests • Standard of Care: Manager will perform its duties diligently and in conformity with the Trust's obligations under the program agreements • Resignation/ Termination: Manager may not resign from its duties or terminate the Management Agreement as long as funding obligations of the Trust are outstanding

Key Agreements (cont'd)

Other Key Agreements

Security Agreement	As security for the performance of its obligations under the Regulation to pay the Trust's carrying cost during the Moratorium Period, IESO has granted the Trust a first priority security interest in all of its accounts receivable
Acknowledgement and Indemnity Agreement (IESO)	IESO, as servicer under the MTSA, acknowledges that a security interest has been granted to the Indenture Trustee thereby assigning as security the rights and benefits of the Issuer under the MTSA to the Indenture Trustee and provides certain indemnities with respect to its duties and obligations under the MTSA
Indemnity Agreement (OPG)	OPG, as manager under the Management Agreement, provides certain indemnities to the Indenture Trustee with respect to its duties and obligations under the Management Agreement
Change of Law Process Agreement	- Outlines procedural requirements between the Province and OPG with respect to issuing debt that benefits from the Change of Law Protection Agreement - Among other things, OPG is required to deliver to the Province a process certificate, outlining the material terms of a proposed debt issues and confirm such debt offerings will not cause the protection agreement maximum (as updated from time to time) to be exceeded
Equity Subscription Agreement	Specifies the terms and conditions upon which the Province provides equity injections to OPG to purchase subordinated debt issued by the Trust
Declaration of Trust	- Establishes FHT to carry out activities for the benefit of its beneficiary unitholders - Specifies the rights and powers of the Issuer Trustee (Computershare)

Allocation of Servicing Role and Responsibilities

The shared responsibilities of servicing and management roles are summarized below

	OPG	IESO	LDC
Annually Review Records of LDCs with Respect to CEAs	✓		
Determination of True-Up Amount	✓		
Ongoing Filings for Trustee and Rating Agencies	✓		
Management of Ongoing Debt Issuances	✓		
Cash Management		✓	
Preparation of Monthly Service Reports		✓	
Remittance of CEA to IESO and to the Trust		✓	✓
Responding to inquiries by customers if practicable, or forwarding such inquiries to OPG		✓	✓
Customer Billing			✓
Customer Collections			✓
Customer Meter Reading			✓

V. Financing Program

Financing Plan / Strategy

- OPG is responsible for administering the FHT financing program
- Given the size (~\$20 billion) and longevity (~10 years) of the FHT financing program, the funding strategy has been designed to provide flexibility
- Warehouse financing (ABCP conduit) and OPG subordinated debt will be used to fund monthly regulatory asset purchases from the IESO
 - Periodically refinance the warehouse facility through the issuance of term debt (likely access the market 2-3 times per year)
- Term debt can take the form of bullet bonds or could be issued as amortizing bonds

ABCP Conduit

- ABCP conduit and OPG subordinated debt will be used to fund monthly regulatory asset purchases from the IESO

Term Debt

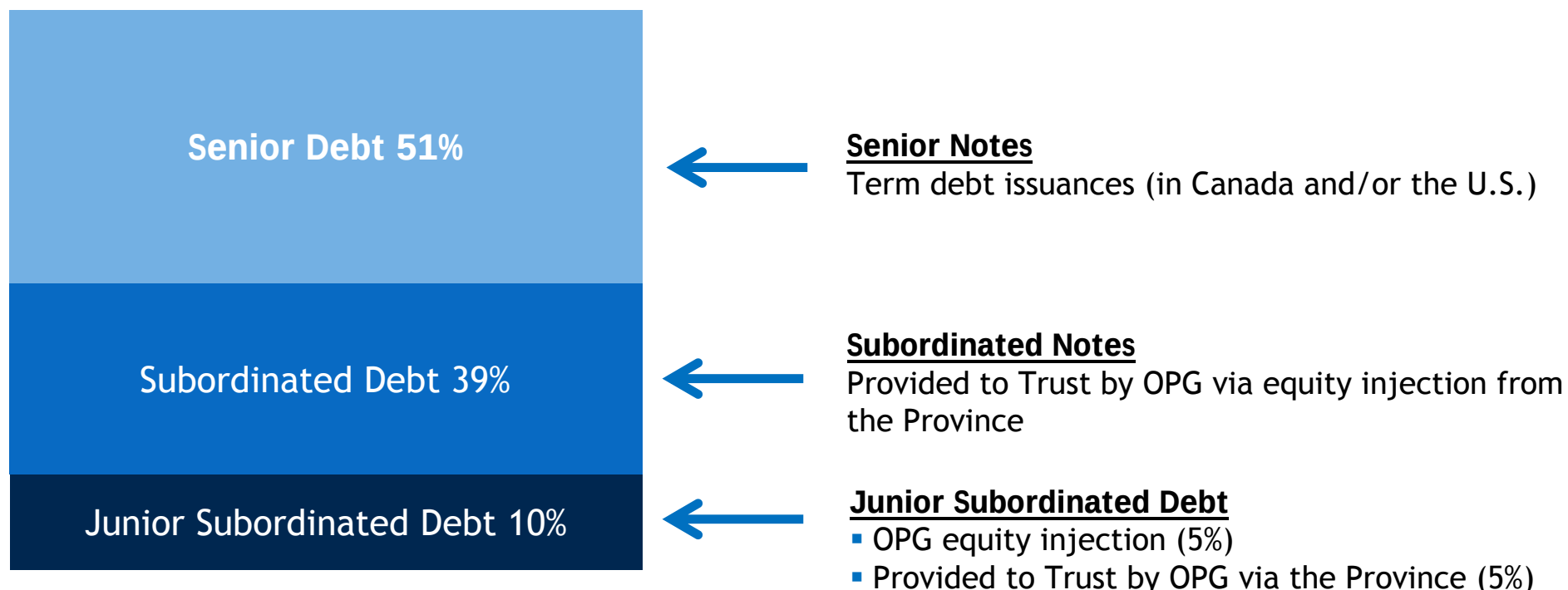
- Term debt issuances will be used to refinance short term debt financing provided by ABCP conduit and OPG subordinated debt
- Both Canadian term debt and U.S. term debt market will be considered
- Maturity profiles will be structured to fit under the fair allocation curve (bullet bonds with synthetic amortization or amortizing bonds)

Subordinated Debt

- Subordinated debt provides credit enhancement for senior debt (ranks behind senior debt in cash flow waterfall)

Financing Structure

- The Trust will fund regulatory asset purchases through the issuance of senior, subordinated and junior subordinated secured debt
- Senior debt (51%) will be sourced monthly from committed warehouse facilities, and the periodic issuance of term debt
- Subordinated debt (49% anticipated; minimum of 35% required) will be purchased by OPG, primarily with equity injections from the Province (44%) and the remaining 5% from OPG

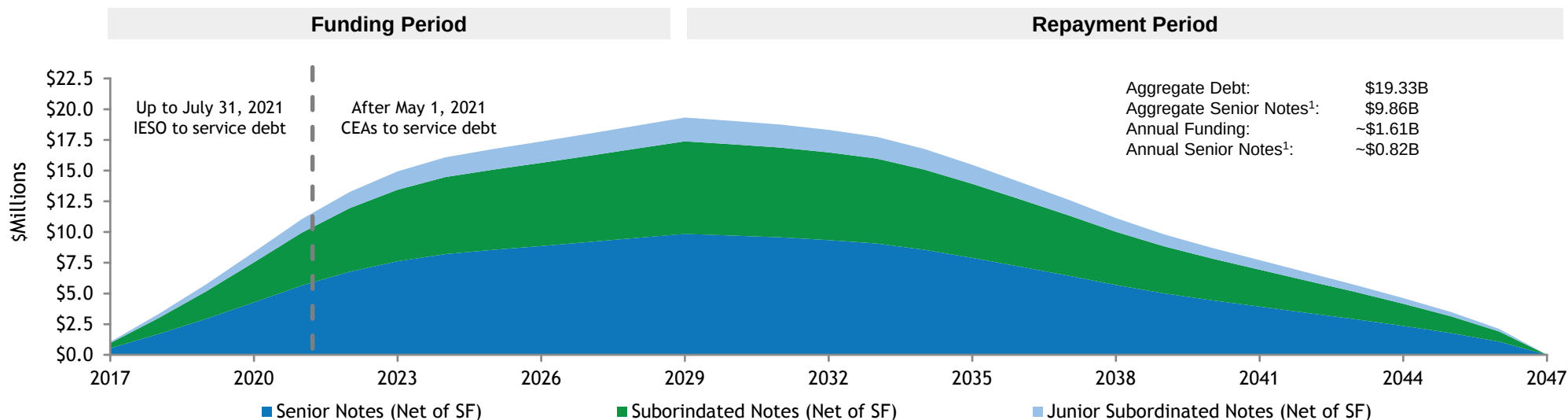


Aggregate Financing Program

Illustrative Debt Summary - Funding & Repayment Period (Annual)

- Based on the Fair Allocation Amount and the Province's electricity bill reduction targets, the following debt profile for the program is expected, peaking at just under \$20 billion by 2029
- Various tranches of debts will be issued periodically during the period of 2017 - 2028, which will mature over a period after 2029

Illustrative Aggregate Funding and Repayment Profile (Annual; Net of Sinking Fund ("SF") Payments)

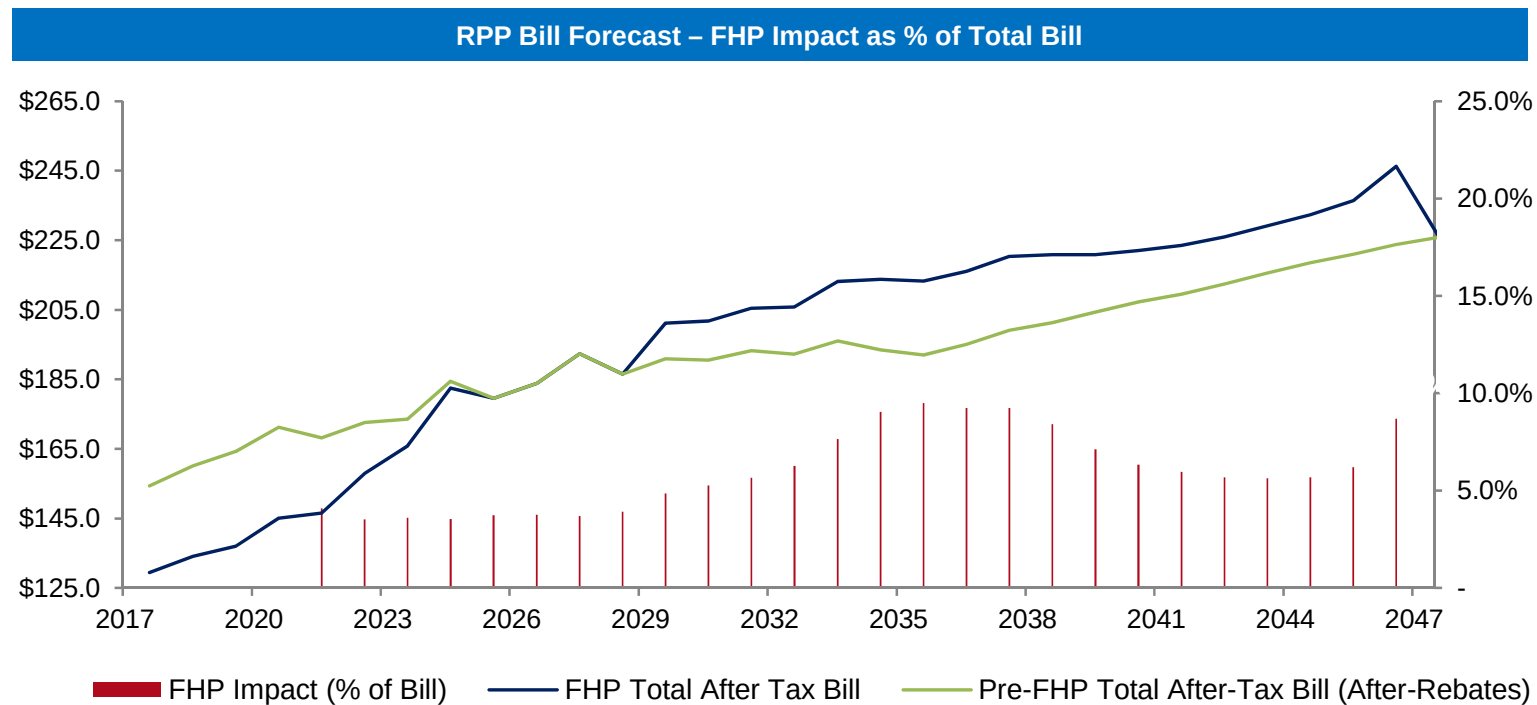


¹ Assumes 51% Senior Notes

Consumer Bill Forecast with FHP

RPP Bill Forecast - FHP Impact % of Total Bill (C\$ per Month)

- Over the duration of the Fair Hydro program, the clean energy adjustment for the average residential customer is anticipated to remain below 10% of the total electricity bill
- Max CEA as a percent of the total bill is forecast to be 10.1%
- Average CEA as a percent of the total bill is forecast to be 6.9%



Capital Markets Platform

Master Trust Indenture

Parties	(1) Computershare Trust Company (Issuer Trustee), on behalf of the Trust, acting through OPG as the Manager; (2) BNY Trust Company (Indenture Trustee) on behalf of Specified Creditors
Purpose	All Specified Creditors are required to be bound by the terms of the MTI including the priority provisions and to limit recourse to the assets of the Trust

Key Terms

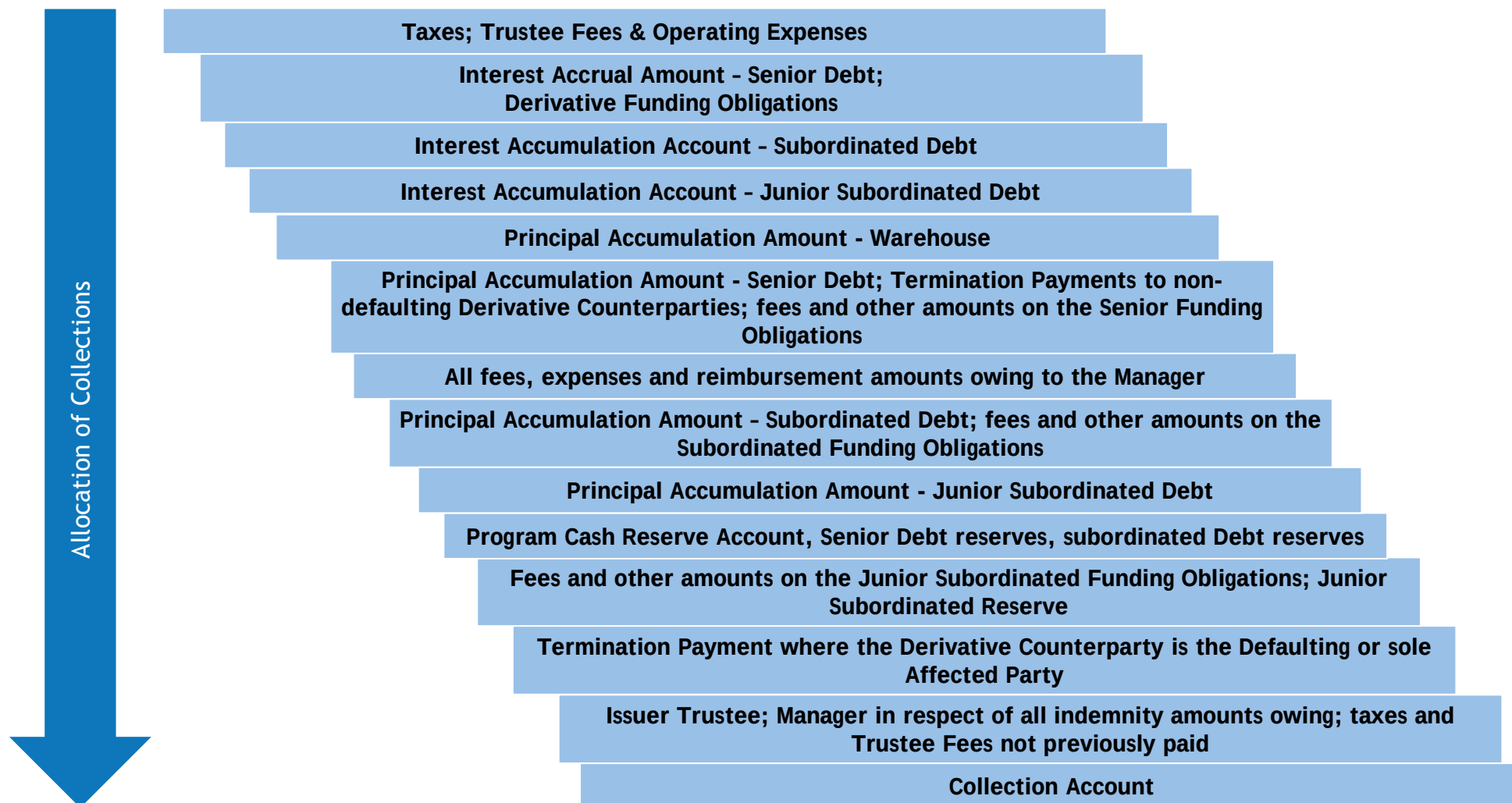
Incurrence of Funding Obligations	- Trust may incur funding obligations under a variety of instruments including: - Note issuances under supplemental indentures - Borrowings under credit agreements - Purchase of notes under note purchase agreements - Letters of Credit/Guarantees under credit enhancement agreements - Liquidity loans under liquidity agreements backing short term notes
Conditions Precedent	- Prior to incurring additional funding obligations, the Trust confirms to the Indenture Trustee and each rating agency that: - the incurrence of such additional obligations will not cause an adverse effect - the incurrence of such additional obligations is materially consistent with the Financing Plan - the estimated finance amount that would become due during the applicable reference period is expected to reasonably align with the fair allocation amount for such reference period - It will also be a condition precedent that each rating agency confirm that the issuance of such additional funding obligations will not result in a reduction or withdrawal of any existing ratings of outstanding funding obligations
Security	Granted over all assets of the Trust, including the Trust's investment interest, all collections under the MTSA and all accounts

Capital Markets Platform

Master Trust Indenture - Key Terms (cont'd)

Subordination	Provides for three different classes of funding obligations (i) senior (ii) subordinated, and (iii) junior subordinated
Priority	- Prior to an Event of Default: the waterfall provision applies - After an Event of Default: payment priority direct all amounts to pay senior obligations first
Early Amortization	- Early amortization events will include the occurrence of a scheduled final payment date on notes, the Trust becoming an investment company, the insolvency of IESO or the Manager and any other additional early amortization events set out in a funding obligation agreement - An early amortization event will result in a modified repayment schedule for the outstanding funding obligations
Events of Default	Include payment defaults, and representation and covenant breaches
Acceleration	CEAs cannot be increased to the level to repay all outstanding principal following acceleration, however the subordination of debt would advance the repayment of the senior funding obligations

Indicative Waterfall



VI. Summary of Offering

Summary of Indicative Terms

	<u>Class</u>	<u>Size</u>	<u>% of Trust</u>	<u>Expected Maturity</u>	<u>Legal Maturity</u>	<u>Rating (DBRS / Moody's)</u>
Initial Fair Hydro Issuance	Senior Warehouse	\$[] mm (Not Offered)	[]%	[]	[]	N / A
	Senior Term Notes	\$[] mm	[]%	[]	[]	AAA / Aa2
	Subordinated Notes	\$[] mm (Not Offered)	[]%	[]	[]	[]
	Jr. Subordinated Notes	\$[] mm (Not Offered)	[]%	[]	[]	[]
Issuer	Fair Hydro Trust, a single purpose, bankruptcy-remote wholly-owned subsidiary of the Financial Services Manager					
Financial Services Manager	Ontario Power Generation, Inc.					
Servicer	Independent Electricity System Operator					
Guarantor	Province of Ontario					
Provincial Rate Authority	Ontario Energy Board					
Source of Repayment	• Moratorium Period: Statutorily mandated remittances from IESO • Post Moratorium Period: Non-bypassable charge from residential and commercial customers in Ontario, related collections and reserve accounts					
Amortization	Sinking fund with bullet maturity					
Payment Frequency	Semi-annual					
Interest	Fixed rate					
Senior Note Credit Enhancements	• Semi-annual True-up • Reserve Account (Senior Notes) • Subordination					
Reserve Account	[]					
True-up	Calculated on a semi-annual basis post-moratorium period					
Subordination	Subordinated and Jr. Subordinated Notes will be retained by OPG					
Additional Issuance	Master trust allows for the issuance of additional notes subject to Rating Agency Condition					

VII. Key Risks and Mitigants

Risk Mitigation

Risk	Description of Risk	Mitigants
Political Risk	There may be pressure on a future government to adjust certain aspects of the repayment requirements	Change of Law Protection Agreement in favour of lenders / investors
Under Collection	If the IESO inaccurately forecasts electricity consumption or if OPG uses inaccurate consumer delinquency or write-off data when setting the CEA, there could be a shortfall in collections, which might result in missed or delayed payments of principal and interest on the Notes	6-month reference period - True up mechanism - Any shortfall in collections are recoverable from all Specified Consumers
Defaults (IESO & LDCs)	- During the Moratorium Period, the Trust is dependent on the IESO to pay carrying costs - Receipt of CEAs dependent on the performance of LDCs and IESO	- IESO has a very strong credit profile and very low losses - IESO to provide a letter of credit/other security for the obligation of non-rated or below investment grade rated LDCs - LDCs collect security deposits and, when permitted, have the ability to disconnect service for non-payment
Size of Charge vs. Bill	If the charge applied to bills becomes too high, there could be a consumer and/or political backlash	20-year repayment period allows for gradual rate increases - Max CEAs as a percent of the total is forecast to be ~10%

VIII. Investment Highlights

Investment Highlights

- ✓ Strong provincial support through the Change of Law Protection Agreement
- ✓ Irrevocable & non-bypassable rate payer charge
- ✓ Full cross-collateralization; collection shortfalls allocated among all Specified Consumers
- ✓ Enhanced true-up mechanism
- ✓ Credit enhancement for senior debt provided via subordinated debt
- ✓ Experienced operating agents (OPG, IESO, and LDCs)
- ✓ Strong service territory
- ✓ No large user industrial risk exposure

Preliminary Assessment – OPG Equity Injection

Based on preliminary assessment of OPG Equity Injection details provided by the Ministry of Energy. Additional details requested. Subject to update and refinement.

Preliminary Assessment – OPG Equity Injection

- On September 28, 2017, the Minister of Energy provided Fair Allocation Amount and Readjustment Amount estimates over the FHP Reference Periods to OPG, the Financial Services Manager for the Fair Hydro Plan.
- The table below outlines a **preliminary assessment** for the estimated annual equity injection amounts from the Province to OPG. The equity injections estimate totals about \$6B from 2017 to 2024. Due to the treatment of interest and finance costs, this is only an estimate.

\$M nominal	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Fair Allocation Amount	(1191)	(1336)	(1064)	(855)	(621)	(396)	(201)	(53)	91	231	321	537	892	1340	1365	1486
Readjustment amount	(188)	(885)	(1233)	(1523)	(1551)	(1289)	(859)	(436)	(49)	-	-	-	-	-	-	-
Total borrowing requirement including financing costs	(1378)	(2221)	(2297)	(2378)	(2172)	(1684)	(1060)	(489)	42	231	321	537	892	1340	1365	1486
OPG Equity Injection (44%)	(606)	(977)	(1011)	(1046)	(956)	(741)	(466)	(215)	18	102	141	236	392	590	600	654

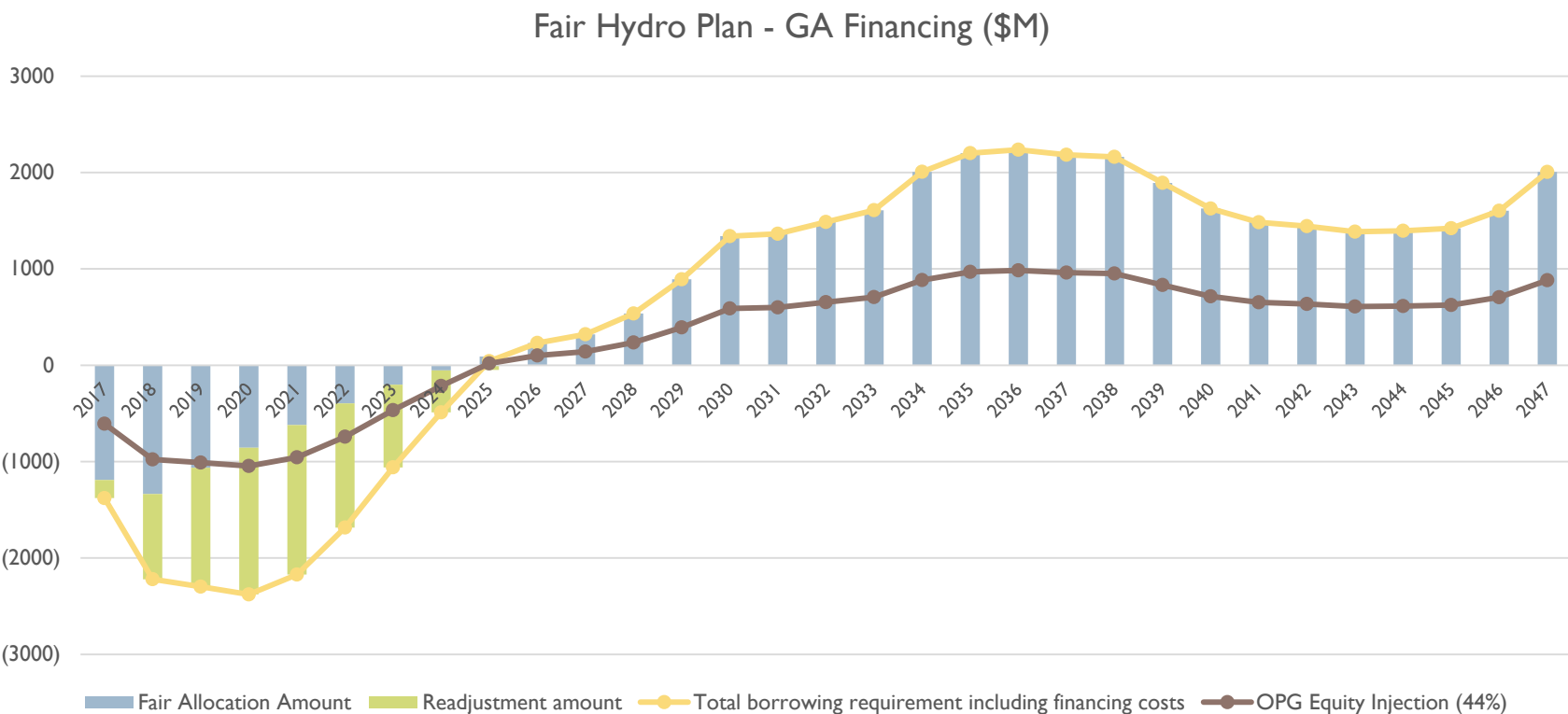
\$M nominal	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047
Fair Allocation Amount	1609	2007	2201	2237	2185	2163	1892	1626	1484	1444	1385	1395	1421	1603	2006
Readjustment amount	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total borrowing requirement including financing costs	1609	2007	2201	2237	2185	2163	1892	1626	1484	1444	1385	1395	1421	1603	2006
OPG Equity Injection (44%)	708	883	969	984	961	952	832	716	653	635	610	614	625	705	883

Assumes sum of the Fair Allocation Amount and Readjustment Amount represents total amount to be financed including finance costs, when total is negative. In the above chart this is from 2017 to 2024, inclusive. Remaining years, 2025 to 2047, presumably represent pay-back periods.

Assuming Fair Allocation Amount and Readjustment Amount are including the interest cost, additional calculations would be required to determine exactly Equity Injection amounts.

Letter from Minister of Energy provided OPG information based on Reference Periods (generally aligning with RPP periods). Converted to calendar years by assuming equal distribution of across months in the reference period.

Preliminary Assessment – OPG Equity Injection



Preliminary Assessment – OPG Equity Injection

Based on preliminary assessment of OPG Equity Injection details provided by the Ministry of Energy. Additional details requested. Subject to update and refinement.

Preliminary Assessment – OPG Equity Injection

- On September 28, 2017, the Minister of Energy provided Fair Allocation Amount and Readjustment Amount estimates over the FHP Reference Periods to OPG, the Financial Services Manager for the Fair Hydro Plan.
- The table below outlines a **preliminary assessment** for the estimated annual equity injection amounts from the Province to OPG on **calendar year basis**. The equity injections estimate totals about \$6B from 2017 to 2024. Due to the treatment of interest and finance costs, this is only an estimate.

\$M nominal	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Fair Allocation Amount	(1191)	(1336)	(1064)	(855)	(621)	(396)	(201)	(53)	91	231	321	537	892	1340	1365	1486
Readjustment amount	(188)	(885)	(1233)	(1523)	(1551)	(1289)	(859)	(436)	(49)	-	-	-	-	-	-	-
Total borrowing requirement including financing costs	(1378)	(2221)	(2297)	(2378)	(2172)	(1684)	(1060)	(489)	42	231	321	537	892	1340	1365	1486
OPG Equity Injection (44%)	(606)	(977)	(1011)	(1046)	(956)	(741)	(466)	(215)	18	102	141	236	392	590	600	654

\$M nominal	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047
Fair Allocation Amount	1609	2007	2201	2237	2185	2163	1892	1626	1484	1444	1385	1395	1421	1603	2006
Readjustment amount	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total borrowing requirement including financing costs	1609	2007	2201	2237	2185	2163	1892	1626	1484	1444	1385	1395	1421	1603	2006
OPG Equity Injection (44%)	708	883	969	984	961	952	832	716	653	635	610	614	625	705	883

Assumes sum of the Fair Allocation Amount and Readjustment Amount represents total amount to be financed including finance costs, when total is negative. In the above chart this is from 2017 to 2024, inclusive. Remaining years, 2025 to 2047, presumably represent pay-back periods.

Assuming Fair Allocation Amount and Readjustment Amount are including the interest cost, additional calculations would be required to determine exactly Equity Injection amounts.

Letter from Minister of Energy provided OPG information based on Reference Periods (generally aligning with RPP periods). Converted to calendar years by assuming equal distribution of across months in the reference period.

Preliminary Assessment – OPG Equity Injection

- The table below outlines a **preliminary assessment** for the estimated annual equity injection amounts from the Province to OPG **on fiscal year basis**. Due to the treatment of interest and finance costs, this is only an estimate.

\$M nominal	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
Fair Allocation Amount	(1580)	(1227)	(1014)	(798)	(563)	(344)	(161)	(18)	128	254	362	613	1010	1373	1385	1510
Readjustment amount	(358)	(997)	(1312)	(1555)	(1508)	(1191)	(752)	(329)	(12)	-	-	-	-	-	-	-
Total borrowing requirement including financing costs	(1938)	(2224)	(2326)	(2353)	(2071)	(1535)	(913)	(347)	116	254	362	613	1010	1373	1385	1510
OPG Equity Injection (44%)	(853)	(979)	(1023)	(1035)	(911)	(675)	(402)	(152)	51	112	159	270	444	604	609	664

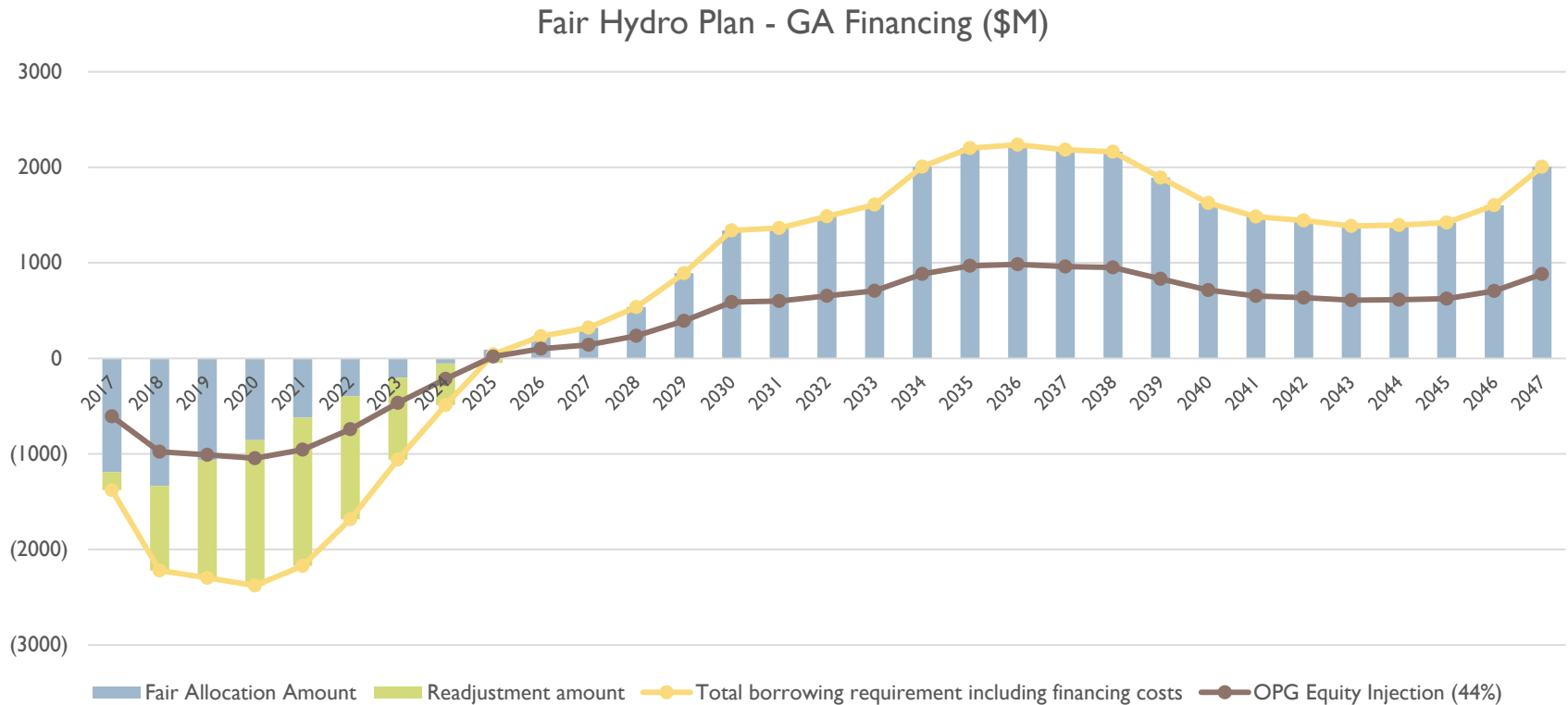
\$M nominal	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48
Fair Allocation Amount	1694	2076	2221	2227	2183	2114	1820	1580	1468	1430	1383	1398	1449	1699	1534
Readjustment amount	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total borrowing requirement including financing costs	1694	2076	2221	2227	2183	2114	1820	1580	1468	1430	1383	1398	1449	1699	1534
OPG Equity Injection (44%)	745	913	977	980	960	930	801	695	646	629	608	615	637	748	675

Assumes sum of the Fair Allocation Amount and Readjustment Amount represents total amount to be financed including finance costs, when total is negative. In the above chart this is from 2017 to 2024, inclusive. Remaining years, 2025 to 2047, presumably represent pay-back periods.

Assuming Fair Allocation Amount and Readjustment Amount are including the interest cost, additional calculations would be required to determine exactly Equity Injection amounts.

Letter from Minister of Energy provided OPG information based on Reference Periods (generally aligning with RPP periods). Converted to calendar years by assuming equal distribution of across months in the reference period.

Preliminary Assessment – OPG Equity Injection



Preliminary Assessment – OPG Equity Injection

Based on preliminary assessment of OPG Equity Injection details provided by the Ministry of Energy. Additional details requested. Subject to update and refinement.

Preliminary Assessment – OPG Equity Injection – Calendar Year

- On September 28, 2017, the Minister of Energy provided Fair Allocation Amount and Readjustment Amount estimates over the FHP Reference Periods to OPG, the Financial Services Manager for the Fair Hydro Plan.
- The table below outlines a **preliminary assessment** for the estimated annual equity injection amounts from the Province to OPG. The equity injections estimate total about \$6.1B from 2017 to 2024. Due to the treatment of interest and finance costs, this is only an estimate.

\$M nominal	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Fair Allocation Amount ^{1,2}	(1191)	(1336)	(1064)	(855)	(621)	(396)	(201)	(53)	91	231	321	537	892	1340	1365	1486
Readjustment Amount ^{1,3}	(188)	(885)	(1233)	(1523)	(1551)	(1289)	(859)	(436)	(49)	-	-	-	-	-	-	-
Readjustment Amount - In Period Borrowing Costs ^{1,3}	(4)	(20)	(28)	(35)	(27)	(29)	(20)	(10)	(1)	-	-	-	-	-	-	-
Total borrowing requirement including financing costs ¹	(1382)	(2241)	(2325)	(2413)	(2199)	(1714)	(1080)	(499)	41	231	321	537	892	1340	1365	1486
OPG Equity Injection (44%)	(608)	(986)	(1023)	(1062)	(968)	(754)	(475)	(220)	18	102	141	236	392	590	600	654

\$M nominal	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047
Fair Allocation Amount ^{1,2}	1609	2007	2201	2237	2185	2163	1892	1626	1484	1444	1385	1395	1421	1603	2006
Readjustment Amount ^{1,3}	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Readjustment Amount - In Period Borrowing Costs ^{1,3}	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total borrowing requirement including financing costs ¹	1609	2007	2201	2237	2185	2163	1892	1626	1484	1444	1385	1395	1421	1603	2006
OPG Equity Injection (44%)	708	883	969	984	961	952	832	716	653	635	610	614	625	705	883

NOTE: Letter from Minister of Energy provided OPG information based on Reference Periods (generally aligning with RPP periods). Converted to calendar years by assuming equal distribution of amounts across months in the reference period.

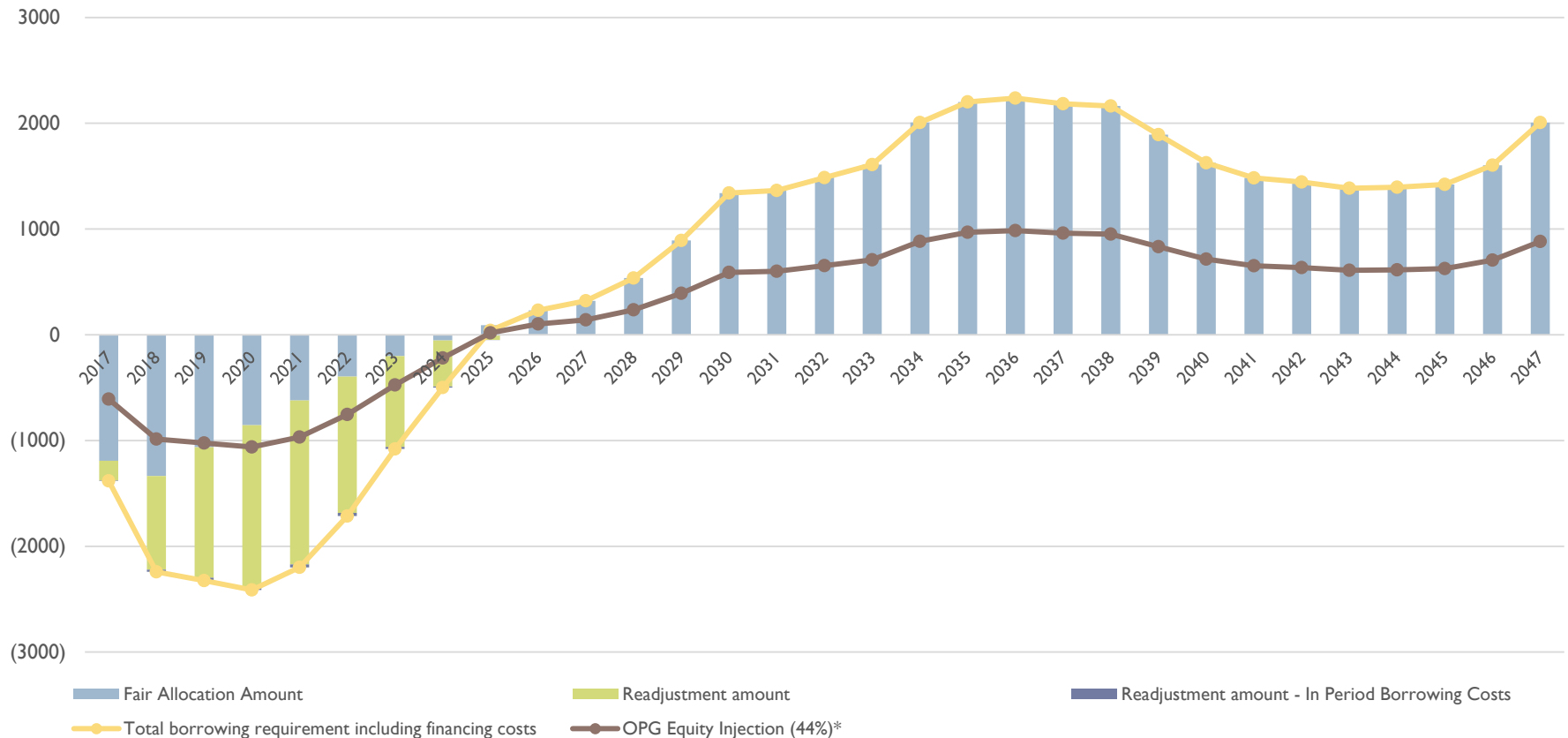
1. Assumes sum of the Fair Allocation Amount, Readjustment Amount, and Readjustment Amount – In Period Borrowing Costs, represents total amount to be financed including finance costs, when total is negative. In the above chart this is from 2017 to 2024, inclusive. Remaining years, 2025 to 2047, presumably represent pay-back periods.

2. Assuming Fair Allocation Amount includes the interest cost, additional calculations would be required to determine exactly Equity Injection amounts.

3. Assuming Readjustment Amounts excludes interest costs; calculated assuming 4.5% annual interest rate compounded monthly for length of reference period.

Preliminary Assessment – OPG Equity Injection – Calendar Year

Fair Hydro Plan - GA Financing (\$M)



Preliminary Assessment – OPG Equity Injection – Fiscal Year

- The table below outlines a **preliminary assessment** for the estimated annual equity injection amounts from the Province to OPG. The equity injections total about \$6.1B from 2017-18 to 2024-25. Due to the treatment of interest and finance costs, this is only an estimate.

\$M nominal	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
Fair Allocation Amount ^{1,2}	(1580)	(1227)	(1014)	(798)	(563)	(344)	(161)	(18)	128	254	362	613	1010	1373	1385	1510
Readjustment Amount ^{1,3}	(358)	(997)	(1312)	(1555)	(1508)	(1191)	(752)	(329)	(12)	-	-	-	-	-	-	-
Readjustment Amount - In Period Borrowing Costs ^{1,3}	(8)	(23)	(30)	(35)	(26)	(27)	(17)	(7)	(0)							
Total borrowing requirement including financing costs ¹	(1946)	(2247)	(2355)	(2388)	(2097)	(1562)	(930)	(354)	115	254	362	613	1010	1373	1385	1510
OPG Equity Injection (44%)	(856)	(989)	(1036)	(1051)	(923)	(687)	(409)	(156)	51	112	159	270	444	604	609	664

\$M nominal	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48
Fair Allocation Amount ^{1,2}	1694	2076	2221	2227	2183	2114	1820	1580	1468	1430	1383	1398	1449	1699	1534
Readjustment Amount ^{1,3}	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Readjustment Amount - In Period Borrowing Costs ^{1,3}	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total borrowing requirement including financing costs ¹	1694	2076	2221	2227	2183	2114	1820	1580	1468	1430	1383	1398	1449	1699	1534
OPG Equity Injection (44%)	745	913	977	980	960	930	801	695	646	629	608	615	637	748	675

NOTE: Letter from Minister of Energy provided OPG information based on Reference Periods (generally aligning with RPP periods). Converted to fiscal years by assuming equal distribution of amounts across months in the reference period.

1. Assumes sum of the Fair Allocation Amount, Readjustment Amount, and Readjustment Amount – In Period Borrowing Costs, represents total amount to be financed including finance costs, when total is negative. In the above chart this is from 2017-18 to 2024-25, inclusive. Remaining years, 2025-26 to 2047-48, presumably represent pay-back periods.

2. Assuming Fair Allocation Amount includes the interest cost, additional calculations would be required to determine exactly Equity Injection amounts.

3. Assuming Readjustment Amounts excludes interest costs; calculated assuming 4.5% annual interest rate compounded monthly for length of reference period.

Preliminary Assessment – OPG Equity Injection – Fiscal Year

Fair Hydro Plan - GA Financing (\$M)



Preliminary Assessment – OPG Equity Injection

On September 28, 2017, the Minister of Energy provided Fair Allocation Amount and Readjustment Amount estimates over the FHP Reference Periods to OPG, the Financial Services Manager for the Fair Hydro Plan.

The following analysis is based on a preliminary assessment of annual OPG Equity Injection requirements using the information from the September 28, 2017 Ministry of Energy letter. Subject to update and refinement.

Preliminary Assessment – OPG Equity Injection – Calendar Year

- The table below outlines a preliminary assessment for the estimated annual equity injection amounts from the Province to OPG. The equity injections estimate total about \$6B from 2017 to 2024.

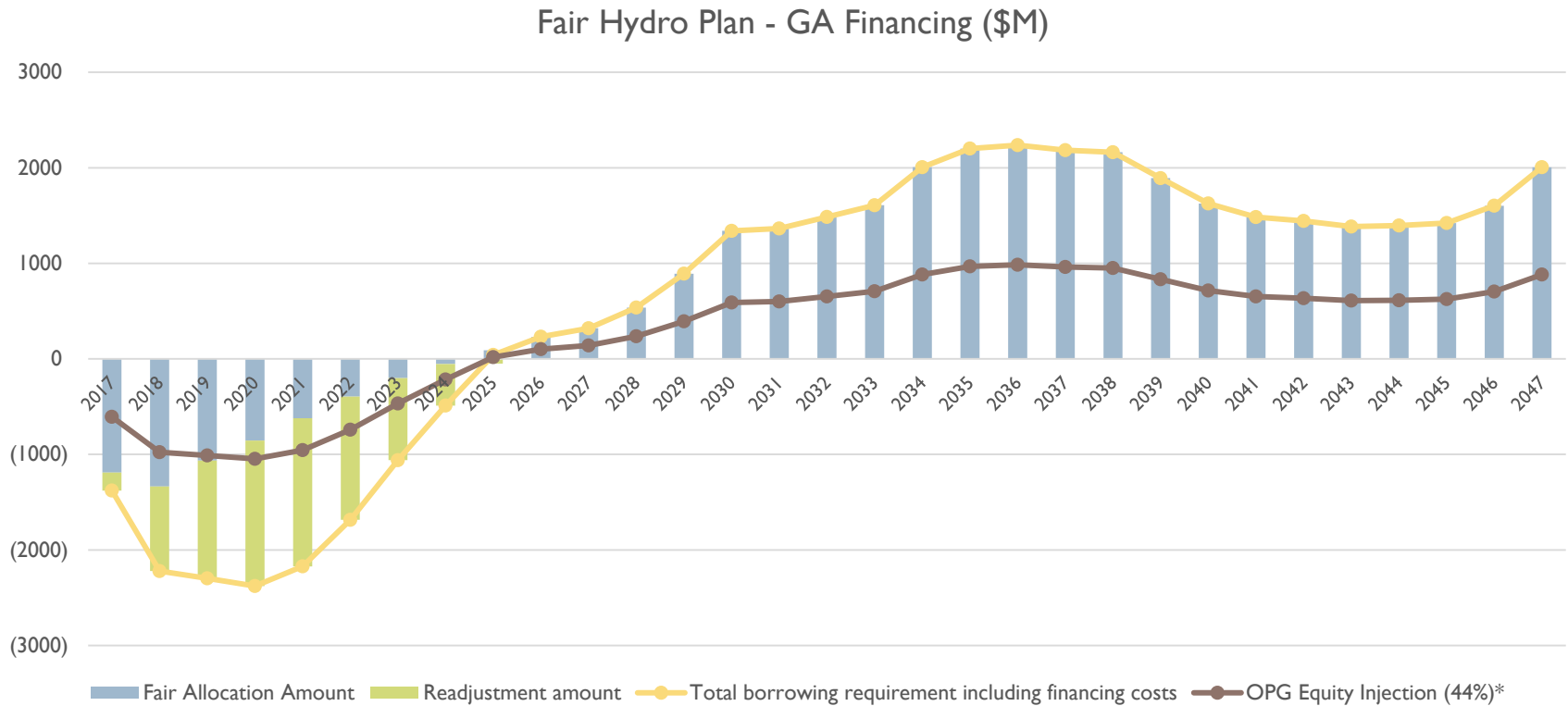
\$M nominal	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Fair Allocation Amount ¹	(1191)	(1336)	(1064)	(855)	(621)	(396)	(201)	(53)	91	231	321	537	892	1340	1365	1486
Readjustment Amount ¹	(188)	(885)	(1233)	(1523)	(1551)	(1289)	(859)	(436)	(49)	-	-	-	-	-	-	-
Total borrowing requirement ¹	(1378)	(2221)	(2297)	(2378)	(2172)	(1684)	(1060)	(489)	42	231	321	537	892	1340	1365	1486
OPG Equity Injection (44%)	(606)	(977)	(1011)	(1046)	(956)	(741)	(466)	(215)	18	102	141	236	392	590	600	654

\$M nominal	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047
Fair Allocation Amount	1609	2007	2201	2237	2185	2163	1892	1626	1484	1444	1385	1395	1421	1603	2006
Readjustment Amount	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total borrowing requirement	1609	2007	2201	2237	2185	2163	1892	1626	1484	1444	1385	1395	1421	1603	2006
OPG Equity Injection (44%)	708	883	969	984	961	952	832	716	653	635	610	614	625	705	883

NOTE: Letter from Minister of Energy provided OPG information based on Reference Periods (generally aligning with RPP periods). Converted to calendar years by assuming equal distribution of amounts across months in the reference period.

1. Assumes sum of the Fair Allocation Amount, and Readjustment Amount represents amount to be financed annually when total is negative.

Preliminary Assessment – OPG Equity Injection – Calendar Year



Preliminary Assessment – OPG Equity Injection – Fiscal Year

- The table below outlines a preliminary assessment for the estimated annual equity injection amounts from the Province to OPG. The equity injections total about \$6B from 2017-18 to 2024-26. Due to the treatment of interest and finance costs, this is only an estimate.

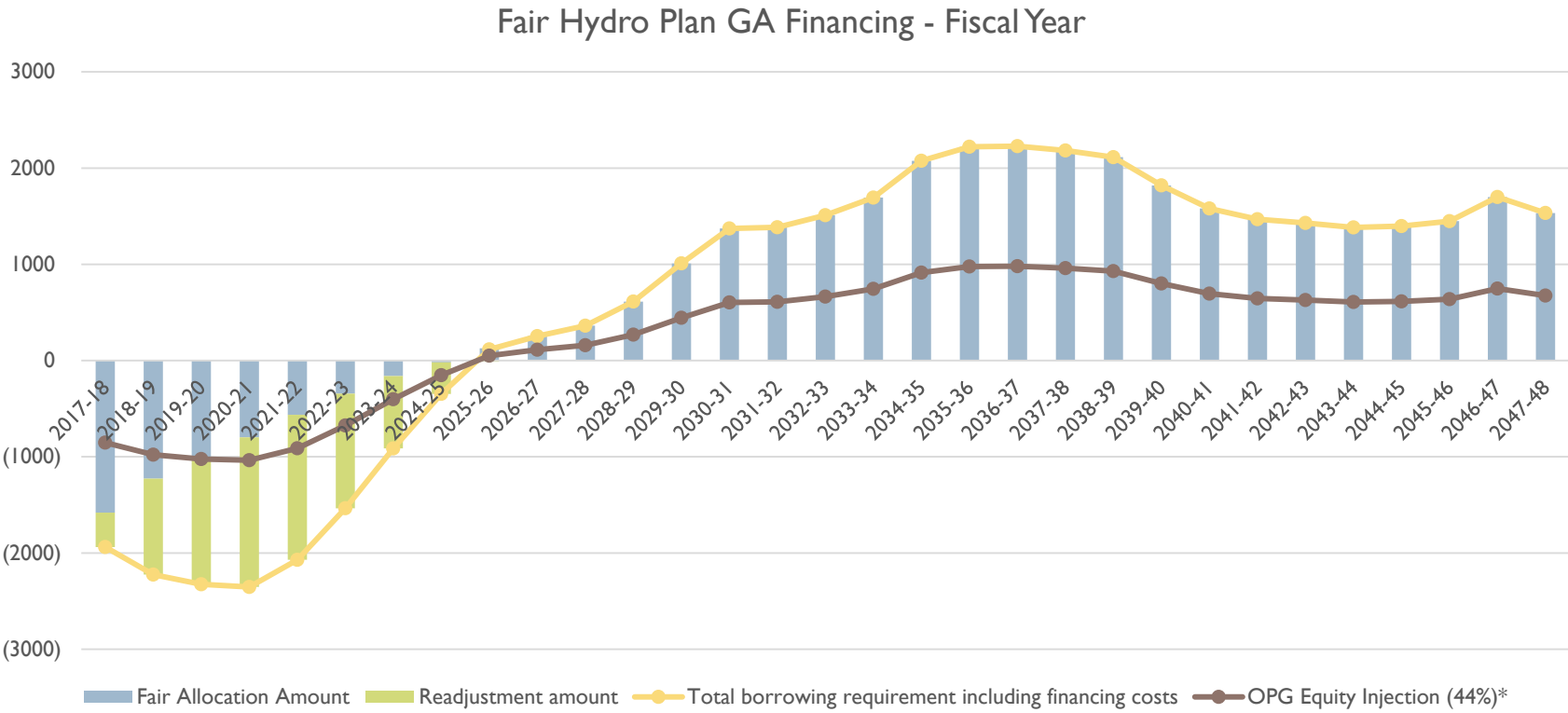
\$M nominal	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
Fair Allocation Amount ¹	(1580)	(1227)	(1014)	(798)	(563)	(344)	(161)	(18)	128	254	362	613	1010	1373	1385	1510
Readjustment Amount ¹	(358)	(997)	(1312)	(1555)	(1508)	(1191)	(752)	(329)	(12)	-	-	-	-	-	-	-
Total borrowing requirement ¹	(1938)	(2224)	(2326)	(2353)	(2071)	(1535)	(913)	(347)	116	254	362	613	1010	1373	1385	1510
OPG Equity Injection (44%)	(853)	(979)	(1023)	(1035)	(911)	(675)	(402)	(152)	51	112	159	270	444	604	609	664

\$M nominal	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48
Fair Allocation Amount ¹	1694	2076	2221	2227	2183	2114	1820	1580	1468	1430	1383	1398	1449	1699	1534
Readjustment Amount ¹	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total borrowing requirement ¹	1694	2076	2221	2227	2183	2114	1820	1580	1468	1430	1383	1398	1449	1699	1534
OPG Equity Injection (44%)	745	913	977	980	960	930	801	695	646	629	608	615	637	748	675

NOTE: Letter from Minister of Energy provided OPG information based on Reference Periods (generally aligning with RPP periods). Converted to fiscal years by assuming equal distribution of amounts across months in the reference period.

1. Assumes sum of the Fair Allocation Amount, and Readjustment Amount represents amount to be financed annually when total is negative.

Preliminary Assessment – OPG Equity Injection – Fiscal Year



Preliminary Assessment – OPG Equity Injection

On September 28, 2017, the Minister of Energy provided Fair Allocation Amount and Readjustment Amount estimates over the FHP Reference Periods to OPG, the Financial Services Manager for the Fair Hydro Plan.

The following analysis is based on a preliminary assessment of annual OPG Equity Injection requirements using the information from the September 28, 2017 Ministry of Energy letter. Subject to update and refinement.

Preliminary Assessment – OPG Equity Injection – Calendar Year

- ▶ The table below outlines a preliminary assessment for the estimated annual equity injection amounts from the Province to OPG.
- ▶ Due to the uncertain amounts of Clean Energy Adjustments expected to begin May 2021, longer term forecasts are less accurate.

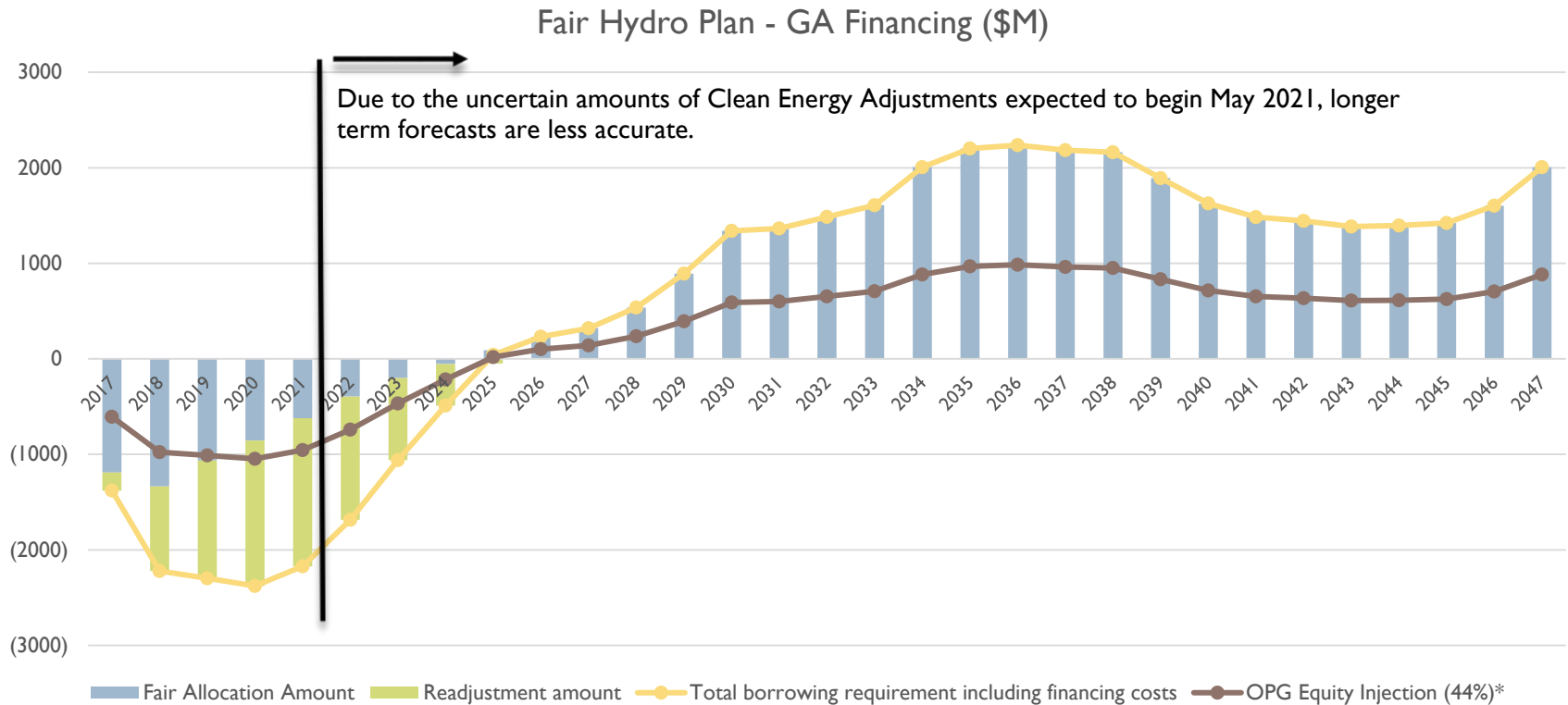
\$M nominal	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Fair Allocation Amount ¹	(1191)	(1336)	(1064)	(855)	(621)	(396)	(201)	(53)	91	231	321	537	892	1340	1365	1486
Readjustment Amount ¹	(188)	(885)	(1233)	(1523)	(1551)	(1289)	(859)	(436)	(49)	-	-	-	-	-	-	-
Total borrowing requirement ¹	(1378)	(2221)	(2297)	(2378)	(2172)	(1684)	(1060)	(489)	42	231	321	537	892	1340	1365	1486
OPG Equity Injection (44%)	(606)	(977)	(1011)	(1046)	(956)	(741)	(466)	(215)	18	102	141	236	392	590	600	654

\$M nominal	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047
Fair Allocation Amount ¹	1609	2007	2201	2237	2185	2163	1892	1626	1484	1444	1385	1395	1421	1603	2006
Readjustment Amount ¹	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total borrowing requirement ¹	1609	2007	2201	2237	2185	2163	1892	1626	1484	1444	1385	1395	1421	1603	2006
OPG Equity Injection (44%)	708	883	969	984	961	952	832	716	653	635	610	614	625	705	883

NOTE: Letter from Minister of Energy provided OPG information based on Reference Periods (generally aligning with RPP periods). Converted to calendar years by assuming equal distribution of amounts across months in the reference period.

1. Assumes sum of the Fair Allocation Amount, and Readjustment Amount represents amount to be financed annually when total is negative.

Preliminary Assessment – OPG Equity Injection – Calendar Year



Preliminary Assessment – OPG Equity Injection – Fiscal Year

- ▶ The table below outlines a preliminary assessment for the estimated annual equity injection amounts from the Province to OPG.
- ▶ Due to the uncertain amounts of Clean Energy Adjustments expected to begin May 2021, longer term forecasts are less accurate.

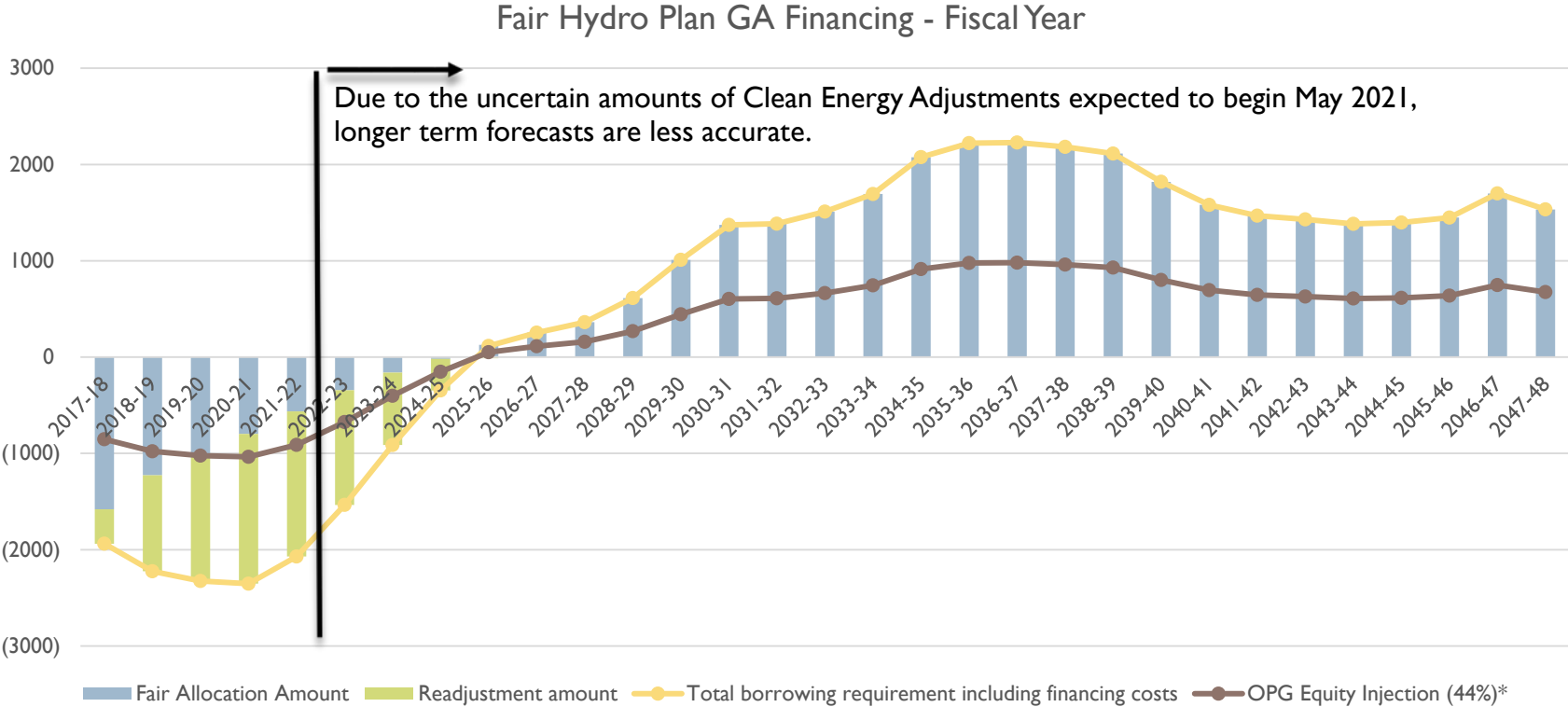
\$M nominal	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
Fair Allocation Amount ¹	(1580)	(1227)	(1014)	(798)	(563)	(344)	(161)	(18)	128	254	362	613	1010	1373	1385	1510
Readjustment Amount ¹	(358)	(997)	(1312)	(1555)	(1508)	(1191)	(752)	(329)	(12)	-	-	-	-	-	-	-
Total borrowing requirement ¹	(1938)	(2224)	(2326)	(2353)	(2071)	(1535)	(913)	(347)	116	254	362	613	1010	1373	1385	1510
OPG Equity Injection (44%)	(853)	(979)	(1023)	(1035)	(911)	(675)	(402)	(152)	51	112	159	270	444	604	609	664

\$M nominal	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48
Fair Allocation Amount ¹	1694	2076	2221	2227	2183	2114	1820	1580	1468	1430	1383	1398	1449	1699	1534
Readjustment Amount ¹	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total borrowing requirement ¹	1694	2076	2221	2227	2183	2114	1820	1580	1468	1430	1383	1398	1449	1699	1534
OPG Equity Injection (44%)	745	913	977	980	960	930	801	695	646	629	608	615	637	748	675

NOTE: Letter from Minister of Energy provided OPG information based on Reference Periods (generally aligning with RPP periods). Converted to fiscal years by assuming equal distribution of amounts across months in the reference period.

1. Assumes sum of the Fair Allocation Amount, and Readjustment Amount represents amount to be financed annually when total is negative.

Preliminary Assessment – OPG Equity Injection – Fiscal Year



Preliminary Assessment – OPG Equity Injection

On September 28, 2017, the Minister of Energy provided Fair Allocation Amount and Readjustment Amount estimates over the FHP Reference Periods to OPG, the Financial Services Manager for the Fair Hydro Plan.

The following analysis is based on a preliminary assessment of annual OPG Equity Injection requirements using the information from the September 28, 2017 Ministry of Energy letter.

Subject to update and refinement.

Preliminary Assessment – OPG Equity Injection – Calendar Year

- ▶ The table below outlines a preliminary assessment for the estimated annual equity injection amounts from the Province to OPG.
- ▶ Due to the uncertain amounts of Clean Energy Adjustments expected to begin May 2021, longer term forecasts are less accurate.

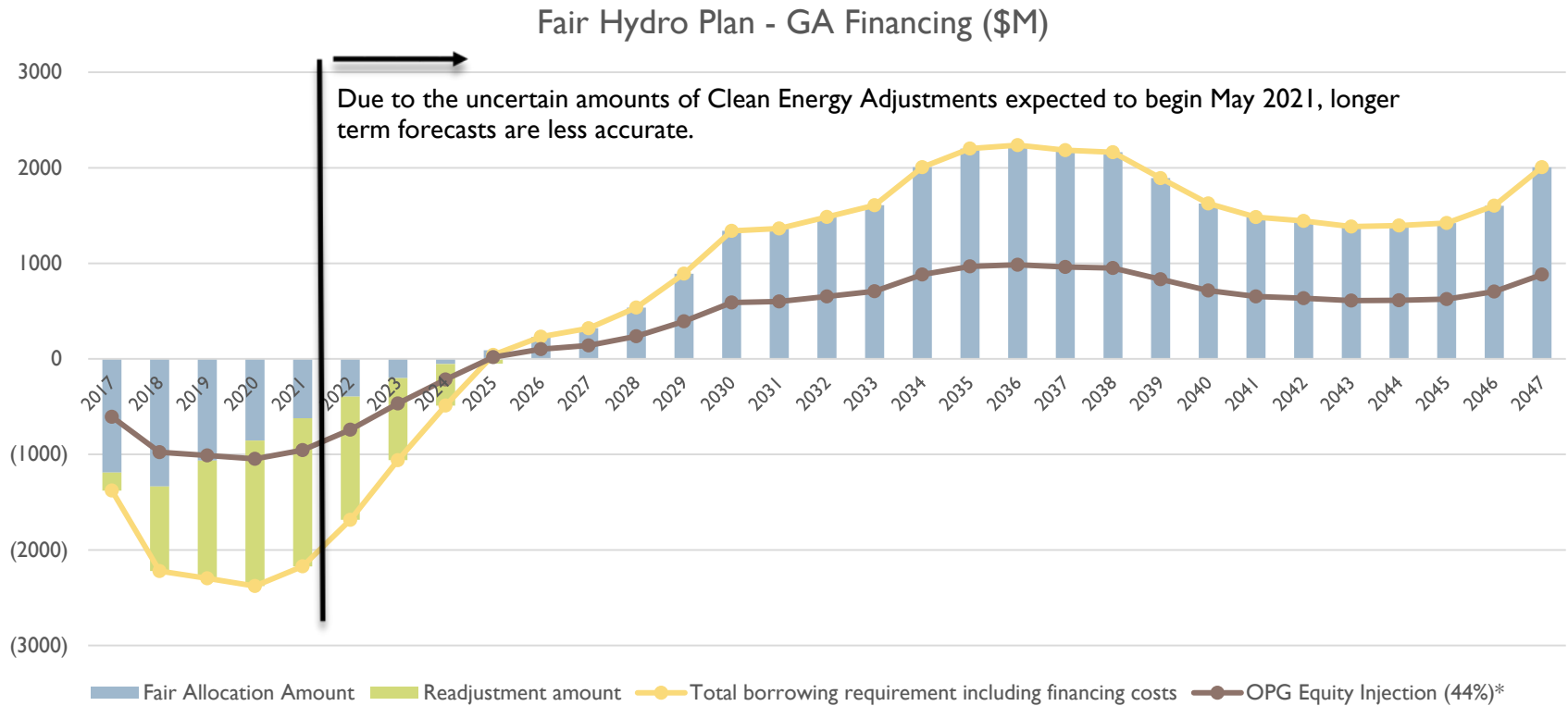
\$M nominal	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Fair Allocation Amount ¹	(1191)	(1336)	(1064)	(855)	(621)	(396)	(201)	(53)	91	231	321	537	892	1340	1365	1486
Readjustment Amount ¹	(188)	(885)	(1233)	(1523)	(1551)	(1289)	(859)	(436)	(49)	-	-	-	-	-	-	-
Total Annual borrowing requirement ¹	(1378)	(2221)	(2297)	(2378)	(2172)	(1684)	(1060)	(489)	42	231	321	537	892	1340	1365	1486
OPG Equity Injection (44%)	(606)	(977)	(1011)	(1046)	(956)	(741)	(466)	(215)	18	102	141	236	392	590	600	654

\$M nominal	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047
Fair Allocation Amount ¹	1609	2007	2201	2237	2185	2163	1892	1626	1484	1444	1385	1395	1421	1603	2006
Readjustment Amount ¹	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Annual borrowing requirement ¹	1609	2007	2201	2237	2185	2163	1892	1626	1484	1444	1385	1395	1421	1603	2006
OPG Equity Injection (44%)	708	883	969	984	961	952	832	716	653	635	610	614	625	705	883

NOTE: Letter from Minister of Energy provided OPG information based on Reference Periods (generally aligning with RPP periods). Converted to calendar years by assuming equal distribution of amounts across months in the reference period.

1. Assumes sum of the Fair Allocation Amount, and Readjustment Amount represents amount to be financed annually when total is negative.

Preliminary Assessment – OPG Equity Injection – Calendar Year



Preliminary Assessment – OPG Equity Injection – Fiscal Year

- ▶ The table below outlines a preliminary assessment for the estimated annual equity injection amounts from the Province to OPG.
- ▶ Due to the uncertain amounts of Clean Energy Adjustments expected to begin May 2021, longer term forecasts are less accurate.

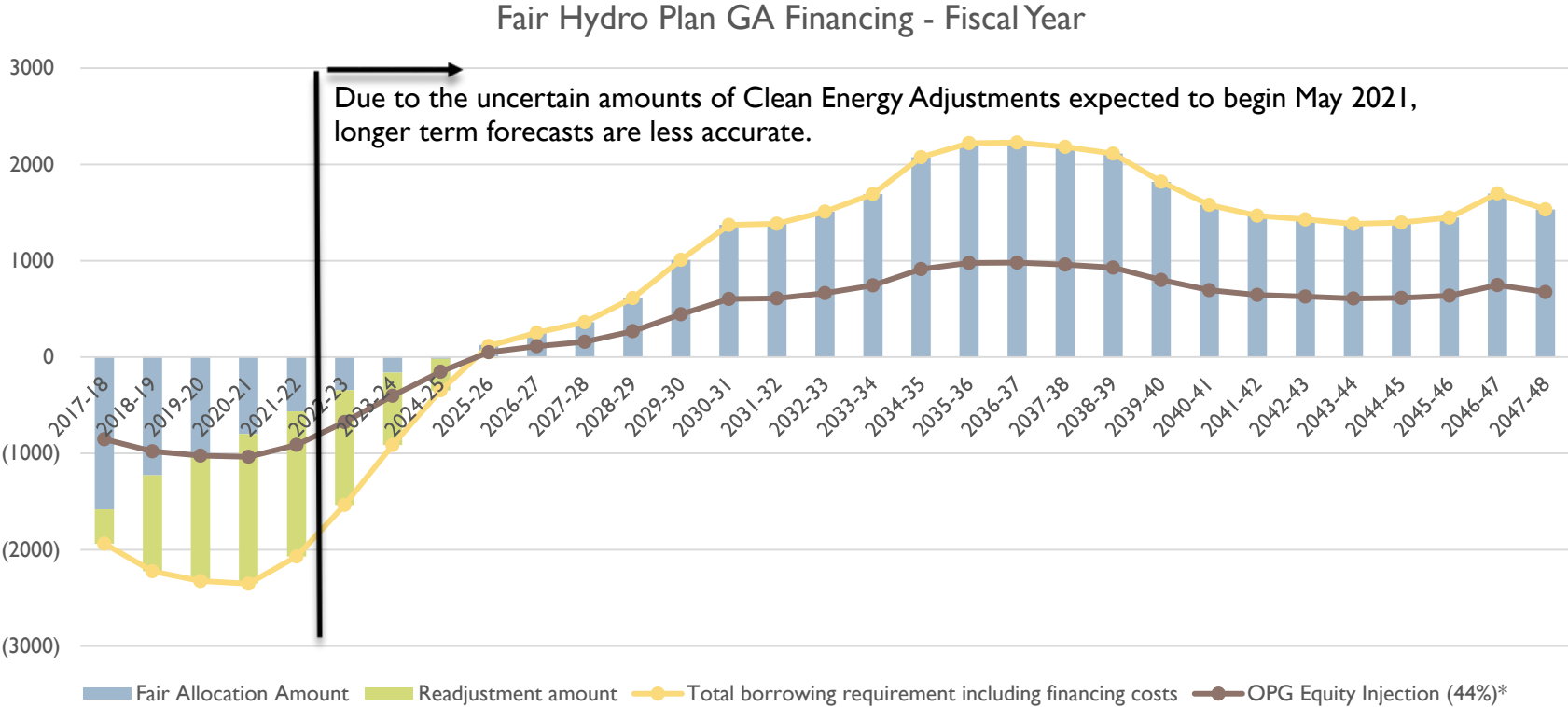
\$M nominal	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
Fair Allocation Amount ¹	(1580)	(1227)	(1014)	(798)	(563)	(344)	(161)	(18)	128	254	362	613	1010	1373	1385	1510
Readjustment Amount ¹	(358)	(997)	(1312)	(1555)	(1508)	(1191)	(752)	(329)	(12)	-	-	-	-	-	-	-
Total borrowing requirement ¹	(1938)	(2224)	(2326)	(2353)	(2071)	(1535)	(913)	(347)	116	254	362	613	1010	1373	1385	1510
OPG Equity Injection (44%)	(853)	(979)	(1023)	(1035)	(911)	(675)	(402)	(152)	51	112	159	270	444	604	609	664

\$M nominal	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48
Fair Allocation Amount ¹	1694	2076	2221	2227	2183	2114	1820	1580	1468	1430	1383	1398	1449	1699	1534
Readjustment Amount ¹	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total borrowing requirement ¹	1694	2076	2221	2227	2183	2114	1820	1580	1468	1430	1383	1398	1449	1699	1534
OPG Equity Injection (44%)	745	913	977	980	960	930	801	695	646	629	608	615	637	748	675

NOTE: Letter from Minister of Energy provided OPG information based on Reference Periods (generally aligning with RPP periods). Converted to fiscal years by assuming equal distribution of amounts across months in the reference period.

1. Assumes sum of the Fair Allocation Amount, and Readjustment Amount represents amount to be financed annually when total is negative.

Preliminary Assessment – OPG Equity Injection – Fiscal Year



Preliminary Assessment – OPG Equity Injection

On September 28, 2017, the Minister of Energy provided Fair Allocation Amount and Readjustment Amount estimates over the FHP Reference Periods to OPG, the Financial Services Manager for the Fair Hydro Plan.

The following analysis is based on a preliminary assessment of annual OPG Equity Injection requirements using the information from the September 28, 2017 Ministry of Energy letter.

Energy staff indicate that scenarios involving the Fair Allocation Adjustment and Readjustment Amount continue to evolve in discussions with investment community and financial advisors. Information beyond 2021 is to be determined, as such CEFD is unable to make an assessment beyond 2021.

Subject to update and refinement.

Preliminary Assessment – OPG Equity Injection – Calendar Year

- ▶ The table below outlines a preliminary assessment for the estimated annual equity injection amounts from the Province to OPG.

\$M nominal	2017	2018	2019	2020	2021
Fair Allocation Amount ¹	(1191)	(1336)	(1064)	(855)	(621)
Readjustment Amount ¹	(188)	(885)	(1233)	(1523)	(1551)
Total Annual Borrowing Requirement ¹	(1378)	(2221)	(2297)	(2378)	(2172)
OPG Equity Injection (44%)	(606)	(977)	(1011)	(1046)	(956)

NOTE: Letter from Minister of Energy provided OPG information based on Reference Periods (generally aligning with RPP periods). Converted to calendar years by assuming equal distribution of amounts across months in the reference period.

I. Assumes sum of the Fair Allocation Amount, and Readjustment Amount represents amount to be financed annually including interest costs.

Preliminary Assessment – OPG Equity Injection – Calendar Year

- ▶ The table below outlines a preliminary assessment for the estimated annual equity injection amounts from the Province to OPG.
- ▶ Due to the uncertain amounts of Clean Energy Adjustments expected to begin May 2021, longer term forecasts are less accurate.

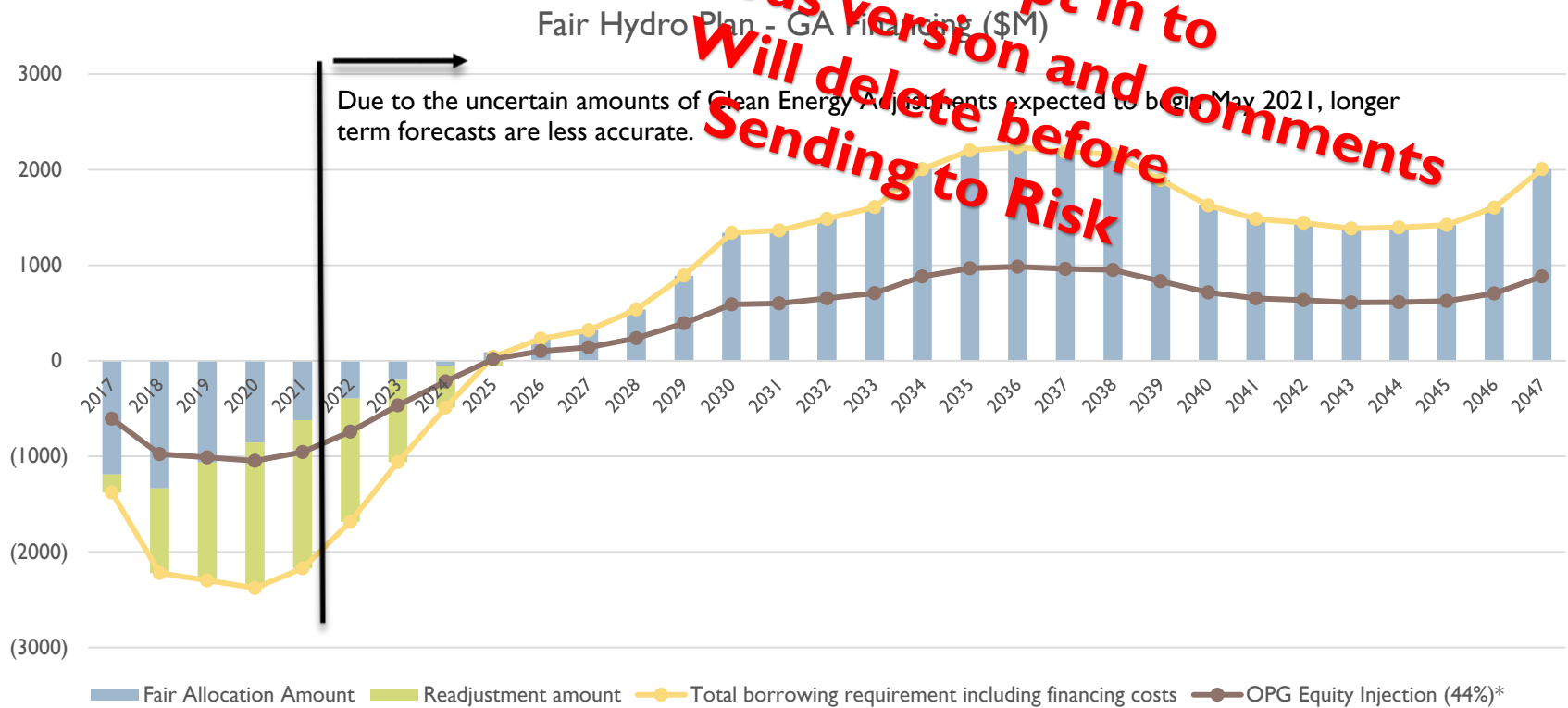
\$M nominal	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Fair Allocation Amount ¹	(1191)	(1336)	(1064)	(855)	(621)	(396)	(201)	(53)	91	231	321	537	892	1340	1365	1486
Readjustment Amount ¹	(188)	(885)	(1233)	(1523)	(1551)	(1289)	(859)	(436)	(49)	-	-	-	-	-	-	-
Total Annual borrowing requirement ¹	(1378)	(2221)	(2297)	(2378)	(2172)	(1684)	(1060)	(489)	42	231	321	537	892	1340	1365	1486
OPG Equity Injection (44%)	(606)	(977)	(1011)	(1046)	(956)	(741)	(466)	(215)	18	102	141	236	392	590	600	654

\$M nominal	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047
Fair Allocation Amount ¹	1609	2007	2201	2237	2185	2163	1892	1626	1484	1444	1385	1395	1421	1603	2006
Readjustment Amount ¹	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Annual borrowing requirement ¹	1609	2007	2201	2237	2185	2163	1892	1626	1484	1444	1385	1395	1421	1603	2006
OPG Equity Injection (44%)	708	883	969	984	961	952	832	716	653	635	610	614	625	705	883

NOTE: Letter from Minister of Energy provided OPG information based on Reference Periods (generally aligning with RPP periods). Converted to calendar years by assuming equal distribution of amounts across months in the reference period.

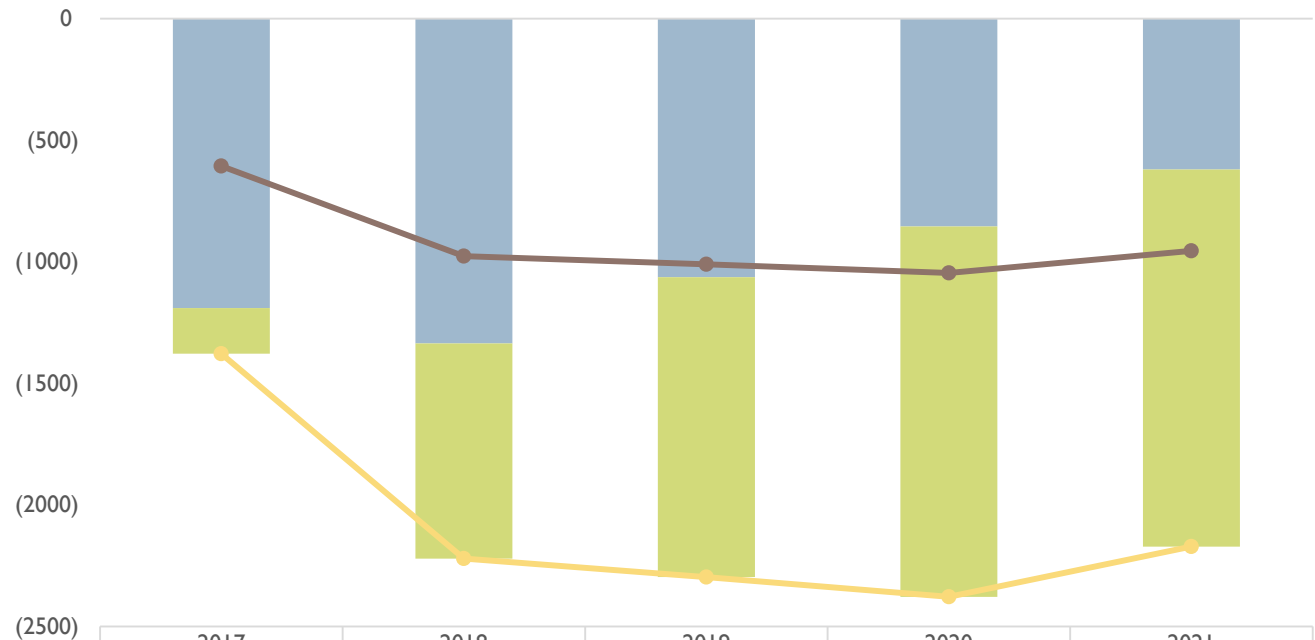
1. Assumes sum of the Fair Allocation Amount, and Readjustment Amount represents amount to be financed annually including interest costs.

Preliminary Assessment – OPG Equity Injection – Calendar Year



Preliminary Assessment – OPG Equity Injection – Calendar Year

Fair Hydro Plan GA Financing - Calendar Year



	2017	2018	2019	2020	2021
Readjustment amount	(188)	(885)	(1233)	(1523)	(1551)
Fair Allocation Amount	(1191)	(1336)	(1064)	(855)	(621)
Total Annual Borrowing Requirement	(1378)	(2221)	(2297)	(2378)	(2172)
OPG Equity Injection (44%)	(606)	(977)	(1011)	(1046)	(956)

Fair Allocation Amount

Readjustment amount

Total Annual Borrowing Requirement

OPG Equity Injection (44%)

Preliminary Assessment – OPG Equity Injection – Fiscal Year

- ▶ The table below outlines a preliminary assessment for the estimated annual equity injection amounts from the Province to OPG.

\$M nominal	2017-18	2018-19	2019-20	2020-21
Fair Allocation Amount ¹	(1580)	(1227)	(1014)	(798)
Readjustment Amount ¹	(358)	(997)	(1312)	(1555)
Total Borrowing Requirement ¹	(1938)	(2224)	(2326)	(2353)
OPG Equity Injection (44%)	(853)	(979)	(1023)	(1035)

NOTE: Letter from Minister of Energy provided OPG information based on Reference Periods (generally aligning with RPP periods). Converted to fiscal years by assuming equal distribution of amounts across months in the reference period.

I. Assumes sum of the Fair Allocation Amount, and Readjustment Amount represents amount to be financed annually including interest costs.

Preliminary Assessment – OPG Equity Injection – Fiscal Year

- ▶ The table below outlines a preliminary assessment for the estimated annual equity injection amounts from the Province to OPG.
- ▶ Due to the uncertain amounts of Clean Energy Adjustments expected to begin May 2021, longer term forecasts are less accurate.

\$M nominal	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2031-32	2032-33
Fair Allocation Amount ¹	(1580)	(1227)	(1014)	(798)	(563)	(344)	(161)	(18)	128	254	362	613	1010	1373	1510
Readjustment Amount ¹	(358)	(997)	(1312)	(1555)	(1508)	(1191)	(752)	(329)	(12)	-	-	-	-	-	-
Total borrowing requirement ¹	(1938)	(2224)	(2326)	(2353)	(2071)	(1535)	(913)	(347)	116	254	362	613	1010	1373	1510
OPG Equity Injection (44%)	(853)	(979)	(1023)	(1035)	(911)	(675)	(402)	(152)	51	112	159	270	444	604	664

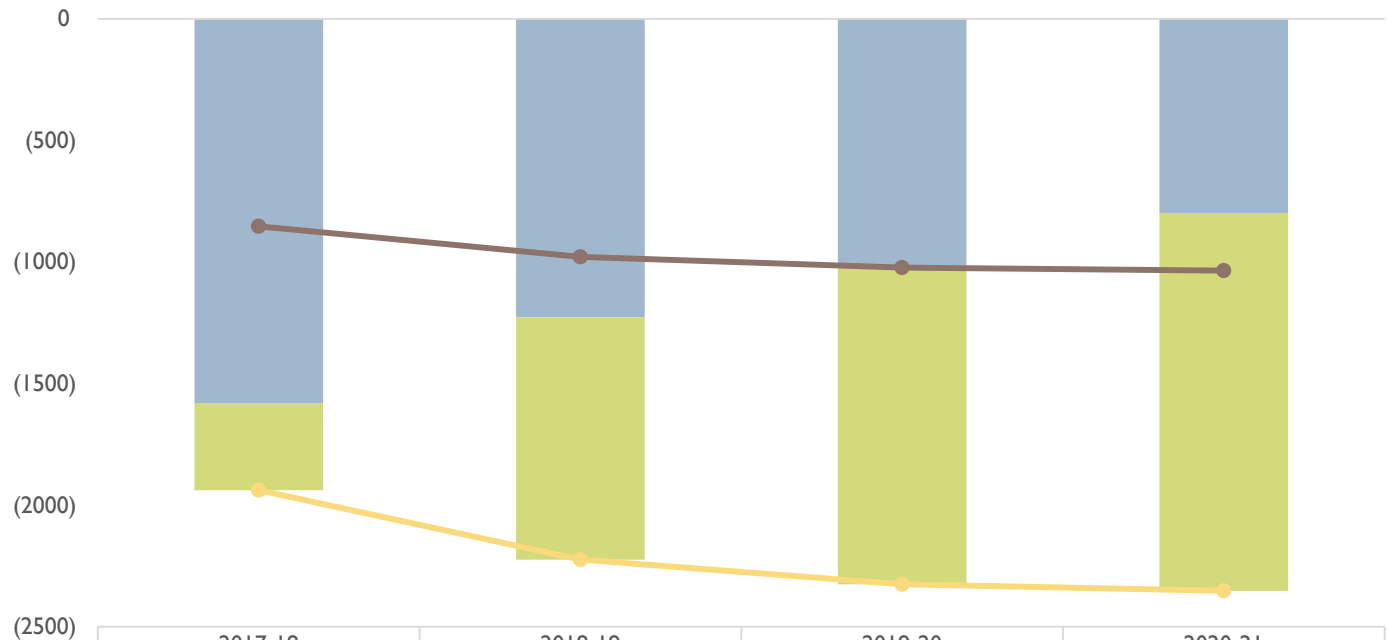
\$M nominal	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48
Fair Allocation Amount ¹	1694	2076	2221	2227	2183	2114	1820	1580	1468	1430	1383	1398	1449	1699	1534
Readjustment Amount ¹	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total borrowing requirement ¹	1694	2076	2221	2227	2183	2114	1820	1580	1468	1430	1383	1398	1449	1699	1534
OPG Equity Injection (44%)	745	913	977	980	960	930	801	695	646	629	608	615	637	748	675

NOTE: Letter from Minister of Energy provided OPG information based on Reference Periods (generally aligning with RPP periods). Converted to fiscal years by assuming equal distribution of amounts across months in the reference period.

1. Assumes sum of the Fair Allocation Amount, and Readjustment Amount represents amount to be financed annually when total is negative.

Preliminary Assessment – OPG Equity Injection – Fiscal Year

Fair Hydro Plan GA Financing - Fiscal Year



	2017-18	2018-19	2019-20	2020-21
Readjustment amount	(358)	(997)	(1312)	(1555)
Fair Allocation Amount	(1580)	(1227)	(1014)	(798)
Total Borrowing Requirement	(1938)	(2224)	(2326)	(2353)
OPG Equity Injection (44%)	(853)	(979)	(1023)	(1035)

Fair Allocation Amount

Readjustment amount

Total Borrowing Requirement

OPG Equity Injection (44%)

Preliminary Assessment – OPG Equity Injection

On September 28, 2017, the Minister of Energy provided Fair Allocation Amount and Readjustment Amount estimates over the FHP Reference Periods to OPG, the Financial Services Manager for the Fair Hydro Plan.

The following analysis is based on a preliminary assessment of annual OPG Equity Injection requirements using the information from the September 28, 2017 Ministry of Energy letter.

Energy staff indicate that scenarios involving the Fair Allocation Adjustment and Readjustment Amount continue to evolve in discussions with investment community and financial advisors. Information beyond 2021 is to be determined, as such CEFD is unable to make an assessment beyond 2021.

Subject to update and refinement.

Preliminary Assessment – OPG Equity Injection – Calendar Year

- The table below outlines a preliminary assessment for the estimated annual equity injection amounts from the Province to OPG.

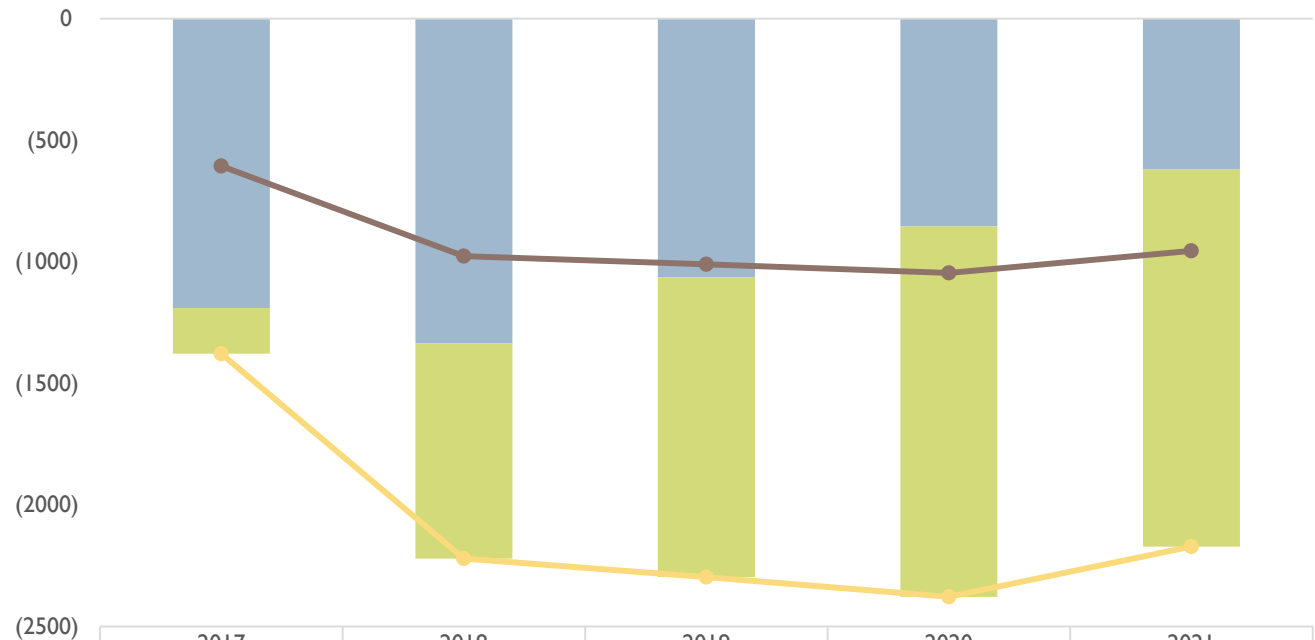
\$M nominal	2017	2018	2019	2020	2021
Fair Allocation Amount ¹	(1191)	(1336)	(1064)	(855)	(621)
Readjustment Amount ¹	(188)	(885)	(1233)	(1523)	(1551)
Total Annual Borrowing Requirement ¹	(1378)	(2221)	(2297)	(2378)	(2172)
OPG Equity Injection (44%)	(606)	(977)	(1011)	(1046)	(956)

NOTE: Letter from Minister of Energy provided OPG information based on Reference Periods (generally aligning with RPP periods). Converted to calendar years by assuming equal distribution of amounts across months in the reference period.

I. Assumes sum of the Fair Allocation Amount, and Readjustment Amount represents amount to be financed annually including interest costs.

Preliminary Assessment – OPG Equity Injection – Calendar Year

Fair Hydro Plan GA Financing - Calendar Year



	2017	2018	2019	2020	2021
Readjustment amount	(188)	(885)	(1233)	(1523)	(1551)
Fair Allocation Amount	(1191)	(1336)	(1064)	(855)	(621)
Total Annual Borrowing Requirement	(1378)	(2221)	(2297)	(2378)	(2172)
OPG Equity Injection (44%)	(606)	(977)	(1011)	(1046)	(956)

Fair Allocation Amount

Readjustment amount

Total Annual Borrowing Requirement

OPG Equity Injection (44%)

Preliminary Assessment – OPG Equity Injection – Fiscal Year

- ▶ The table below outlines a preliminary assessment for the estimated annual equity injection amounts from the Province to OPG.

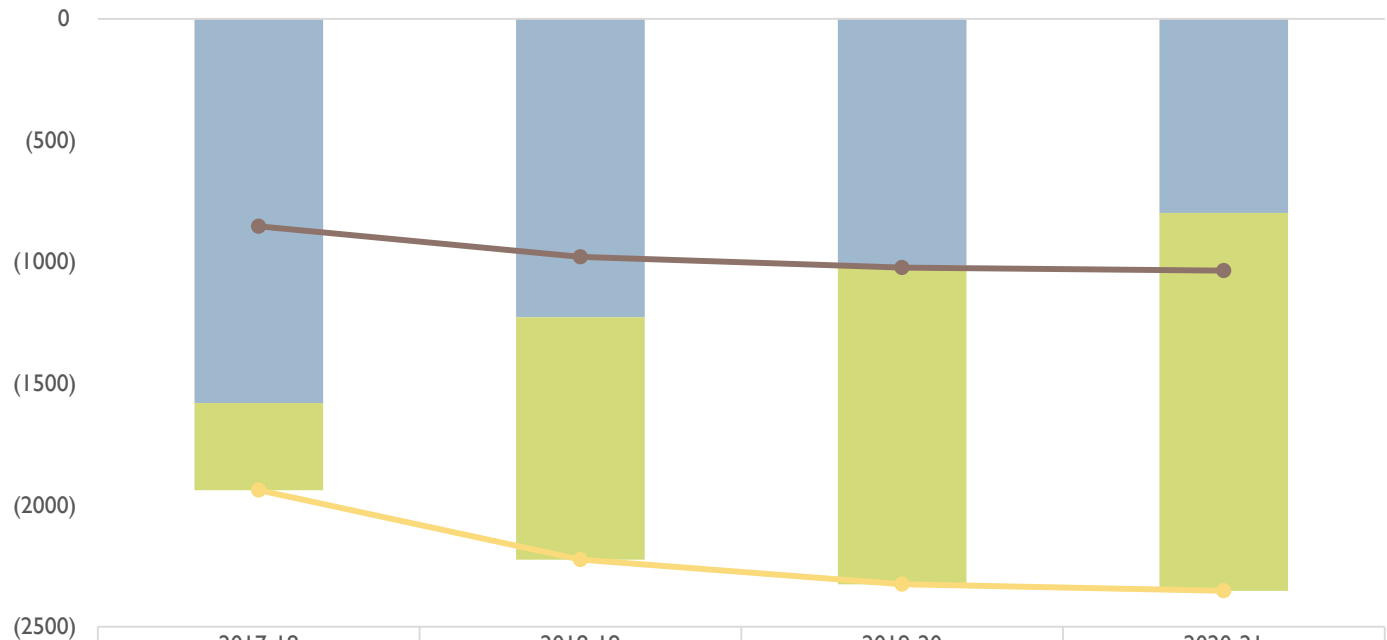
\$M nominal	2017-18	2018-19	2019-20	2020-21
Fair Allocation Amount ¹	(1580)	(1227)	(1014)	(798)
Readjustment Amount ¹	(358)	(997)	(1312)	(1555)
Total Borrowing Requirement ¹	(1938)	(2224)	(2326)	(2353)
OPG Equity Injection (44%)	(853)	(979)	(1023)	(1035)

NOTE: Letter from Minister of Energy provided OPG information based on Reference Periods (generally aligning with RPP periods). Converted to fiscal years by assuming equal distribution of amounts across months in the reference period.

I. Assumes sum of the Fair Allocation Amount, and Readjustment Amount represents amount to be financed annually including interest costs.

Preliminary Assessment – OPG Equity Injection – Fiscal Year

Fair Hydro Plan GA Financing - Fiscal Year



	2017-18	2018-19	2019-20	2020-21
Readjustment amount	(358)	(997)	(1312)	(1555)
Fair Allocation Amount	(1580)	(1227)	(1014)	(798)
Total Borrowing Requirement	(1938)	(2224)	(2326)	(2353)
OPG Equity Injection (44%)	(853)	(979)	(1023)	(1035)

Fair Allocation Amount

Readjustment amount

Total Borrowing Requirement

OPG Equity Injection (44%)

Preliminary Assessment – OPG Equity Injection

On September 28, 2017, the Minister of Energy provided Fair Allocation Amount and Readjustment Amount estimates over the FHP Reference Periods to OPG, the Financial Services Manager for the Fair Hydro Plan.

The following analysis is based on a preliminary assessment of annual OPG Equity Injection requirements using the information from the September 28, 2017 Ministry of Energy letter.

Energy staff indicate that scenarios involving the Fair Allocation Adjustment and Readjustment Amount continue to evolve in discussions with investment community and financial advisors. Information beyond 2021 is to be determined, as such CEFD is unable to make an assessment beyond 2021.

Subject to update and refinement.

Preliminary Assessment – OPG Equity Injection – Calendar Year (5 year period)

- The table below outlines a preliminary assessment for the estimated annual equity injection amounts from the Province to OPG.

\$M nominal	2017	2018	2019	2020	2021
Fair Allocation Amount ¹	(1191)	(1336)	(1064)	(855)	(621)
Readjustment Amount ¹	(188)	(885)	(1233)	(1523)	(1551)
Total Annual Borrowing Requirement ¹	(1378)	(2221)	(2297)	(2378)	(2172)
OPG Equity Injection (44%)	(606)	(977)	(1011)	(1046)	(956)

NOTE: Letter from Minister of Energy provided OPG information based on Reference Periods (generally aligning with RPP periods). Converted to calendar years by assuming equal distribution of amounts across months in the reference period.

I. Assumes sum of the Fair Allocation Amount, and Readjustment Amount represents amount to be financed annually including interest costs.

Preliminary Assessment – OPG Equity Injection – Calendar Year

- Due to the uncertain amounts of Clean Energy Adjustments expected to begin May 2021, longer term forecasts are less accurate (*italicized below*).
- Based on these forecasts, funding requirements (equity injections) are expected to end in 2024.

\$M nominal	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Fair Allocation Amount ¹	(1191)	(1336)	(1064)	(855)	(621)	(396)	(201)	(53)	91	231	321	537	892	1340	1365	1486
Readjustment Amount ¹	(188)	(885)	(1233)	(1523)	(1551)	(1289)	(859)	(436)	(49)	-	-	-	-	-	-	-
Total Annual borrowing requirement/ <i>repayment</i> ¹	(1378)	(2221)	(2297)	(2378)	(2172)	(1684)	(1060)	(489)	42	231	321	537	892	1340	1365	1486
OPG Equity Injection (44%)	(606)	(977)	(1011)	(1046)	(956)	(741)	(466)	(215)								

\$M nominal	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047
Fair Allocation Amount ¹	1609	2007	2201	2237	2185	2163	1892	1626	1484	1444	1385	1395	1421	1603	2006
Readjustment Amount ¹	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Annual borrowing requirement/ <i>repayment</i> ¹	1609	2007	2201	2237	2185	2163	1892	1626	1484	1444	1385	1395	1421	1603	2006

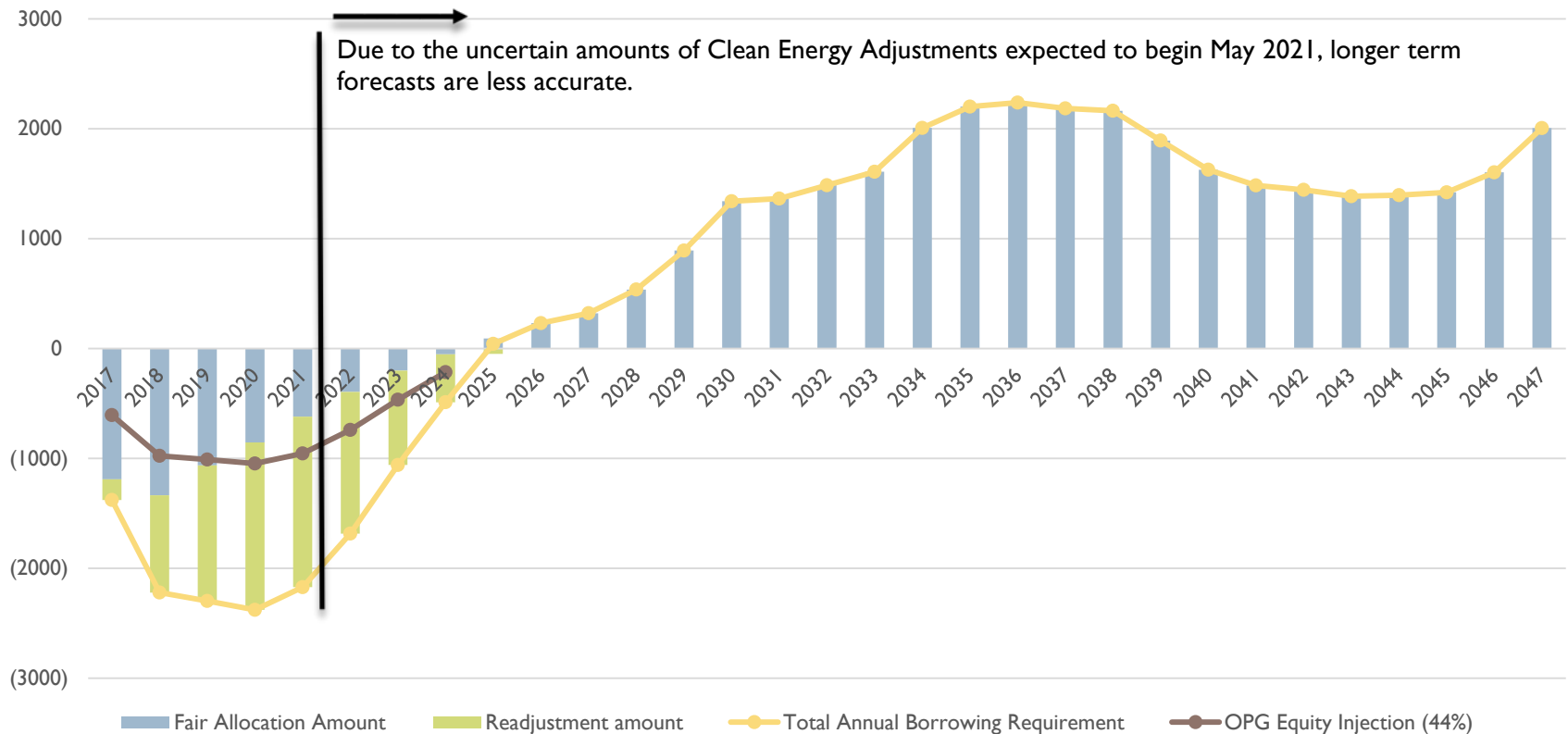
NOTE: Letter from Minister of Energy provided OPG information based on Reference Periods (generally aligning with RPP periods). Converted to calendar years by assuming equal distribution of amounts across months in the reference period.

1. Assumes sum of the Fair Allocation Amount, and Readjustment Amount represents amount to be financed annually including interest costs.

Preliminary Assessment – OPG Equity Injection – Calendar Year

- ▶ OPG equity injections forecasted to end in ~2024 to ~2025 (subject to updates).
- ▶ OPG share-buy back process yet to be determined.

Fair Hydro Plan GA Financing - Calendar Year



Fair Hydro Investor Presentation Comments

Slide #	Reference	Comment
Disclaimers	Last par.	How will this presentation be used, and is it in conjunction with the offering memorandum?
Slide 4	Images	Consider removing the nuclear and large hydro images as the plan only covers costs ~~from~~ renewables procurements, gas and conservation. [MOF LSB: Can we confirm whether this is true?]
Slide 6	First bullet	Suggest using "proxy consumer" instead of "average" in this context, which would be more accurate and consistent with legislation as covered later in the presentation. [MOF LSB: Where is Proxy Consumer explained? I am not sure what it means.]
Slide 6	Second bullet	Suggest changing "8% rebate in the provincial portion..." to "8% rebate equivalent to the provincial portion..."
Slide 6	Third bullet	Language suggest that bills will increase back to status quo in 2021 – suggest adding language regarding increases back up to and past the status quo over time.
Slide 7	First bullet	Consider replacing the phrase starting from "in an amount..." with "in such an amount that the total OPG-held subordinated debt does not exceed 49% of all outstanding debt", for clarity.
Slide 11	First bullet	Suggest rewording to the following: "As part of the restructuring of Ontario's electricity industry under the Energy Competition Act, 1998, the municipal electricity utilities became municipally-owned business corporations, including local distribution companies ("LDCs")." – Some LDCs continue to be municipally-owned, while others have been sold to or acquired by Hydro One or private-sector owners."
Slide 14	Second bullet	Consider replacing "previously established regulated rate" with "regulated rate established in the first year of the Rate Reduction Period".
Slide 14	Last bullet	Similar to comment on Slide 6 above, suggest referencing increases back up to and beyond status quo beyond the moratorium period over time.
Slide 15	Third bullet of Moratorium Period section	Consider adding in the words "in favour of the Trust" at the end of the bullet [IESO Security Agreement]. Also, can we clarify whether the \$2 billion credit facility is provided by the OFA or the OEFC? Who is the actual lender? [MOF LSB: Our understanding is that this credit facility comes from the OFA, not the OEFC.]
Slide 15	Last bullet	It's "Ontario Electricity Financial Corporation" (i.e., not "Financing"). [MOF LSB: But likely the reference to the OEFC should be deleted in any event since the credit facility comes from the OFA, as far as we understand it.] Also, consider rewording so as not to suggest that the \$2 billion facility is solely for "carrying costs".

		Also, suggest that the last clause on security be a stand-alone bullet, not part of the OEF credit facility bullet, and should come before the other part of this bullet (ie, become the third bullet of this section).
Slide 16	Second bullet	Consider rephrasing to align better with the offering memorandum and legislation.
Slide 16	Third bullet	Consider adding in the word “mainly” before “in respect of ...” [see O.Reg. 206/17 section 5]. <u>[MOF LSB: This is a defined term in the Act.]</u>
Slide 16	Bill image	Consider removing as text description should be sufficient.
Slide 17	Second bullet	Consider replacing the words “dealt with” with “mitigated” to avoid suggesting that the risk is eliminated.
Slide 17	Number 2 in the process chart	Consider adding in the word “amount” at the end [O.Reg. 206/17 section 8(2)].
Slide 17	Number 6 in the process chart	Consider replacing the words “in a trust” with “in trust” [FHPA section 16(3)].
Slide 18	Chart	Consider adding explanation of readjustment amount.
<u>Slide 20</u>	<u>Chart</u>	<u>Should the Province’s indemnity to OPG [& IESO] be referred to here?</u> <u>Also consider whether Management Agreement should be included?</u>
Slide 20	OEB’s relationship with OPG in the diagram	Consider replacing “review of OPG Fees” with “review and approval of OPG Fees” to better align with the language in O. Reg. 206/17. Consider replacing “Management Agreement” with “Regulation”.
Slide 20	IESO’s relationship with the Fair Hydro Trust	Note that the Acknowledgement and Indemnity Agreement is made to the Indenture Trustee. Consider editing to avoid confusion.
<u>Slide 20</u>	<u>Ontario Caption</u>	<u>Suggest just having “Province of Ontario” (i.e., omit “(Ministry of Energy)”)</u> <u>[MOF LSB: Agree, as MOF is also signatory to some agreements.]</u>
Slide 21	"Suspension Notice"	May wish to consider noting in the sentence that post-suspension refinancing is covered by the guarantee. As this was something Torys made a point of including in the agreement for financeability, suggest including for investors.
<u>Below is a track changes on slides 21 and 22</u>		
Change of Law Protection Agreement		
Parties	Province of Ontario ~~as Obligor~~ and (2) Indenture Trustee <u>as trustee of the FHT</u>, on behalf of Specified Creditors, ~~as Beneficiaries~~ and (3) OPG as Financial Services Manager (“FSM”)	
Purpose	Provides assurance to ~~Specified Creditors-investors~~ that upon the occurrence of a Protection Event, the Province of Ontario will ~~have an obligation to make~~ payments <u>Approved Obligations</u> on behalf of the	

	Trust, <u>with [limited rights of acceleration]</u> [NTD: Consider how to phrase acceleration issue].
Key Terms	• Term: Continues for as long as any obligations of the Trust that are secured under the Master Trust Indenture (MTI) remain outstanding <u>[MOF LSB: Only if such amounts are covered by the Limited Guarantee]</u> • Mandatory Payment: Upon the occurrence of a Protection Event, the Indenture Trustee has the right to require the Province to pay all <u>Approved</u> ~~o~~Obligations when due and payable • Priority of Payments: The priority of payments is governed by the waterfall provision under the MTI • Adherence Conditions: OPG as FSM is required to comply with certain conditions, including the delivery of an Adherence Compliance Certificate, prior to the issuance of debt which is to benefit from <u>C</u>change in ~~L~~aw ~~p~~Protection <u>Agreement</u> from the Province • Suspension Notice: The Province may deliver a suspension notice <u>upon the occurrence of a program breach, a default in performance, or misrepresentation by OPG as FSM, and any new funding after which date</u> funding obligations <u>that are</u> incurred <u>after the date of a suspension notice</u> will not have the benefit of the Change of Law Protection, <u>upon the occurrence of a program breach, a default in performance, or misrepresentation by OPG as FSM</u> <u>[MOF LSB: Should the pre-approved refinancing provisions be referred to here?]</u>
Protection Events	The occurrence of any of the following events: • The Legislature repeals (and does not replace on an equivalent basis) or amends the <u>FHP</u> Act or any portion thereof as in effect on the date hereof • The Legislature enacts or amends any other statute • The Lieutenant Governor in Council repeals (and does not replace on an equivalent basis) the regulations made under the Act or any portion thereof as in effect on the date hereof • The Lieutenant Governor in Council, <u>a minister of the Crown, an official of the government or a board or commission all the members of which are appointed by the Lieutenant Governor in Council makes or</u> amends any “regulation” (as defined in Part III of the Legislation Act, 2006) as in effect on the date hereof • The implementation of a change in the organization or structure of the IESO or Ontario’s electricity market undertaken at the initiative of the Province <u>or an entity controlled by the Province</u> • A court of competent jurisdiction determines that all or a portion of the Act or the regulations made under the Act, is ultra vires or invalid in a way that adversely affects the ability of the Trust to <u>adversely affects the ability of the Financing Entity to receive amounts in respect of its Investment Interest so that it can pay Approved Obligations when due and payable</u>~~pay its obligations~~ in each case that adversely affects the ability of the Trust to pay its obligations when due and payable, taking into account any funds available in reserve accounts, <u>any credit enhancement available</u> and any

	reasonably expected potential effect of a true-up amount	
Slide 23	Key Terms – Moratorium Period (bullet 3)	Consider replacing “(until May 1, 2021)” to “(until April 30, 2021) and up to July 31, 2021” [see section 21(4) of FHPA and section 9.1 of O. Reg. 206/17]. Consider removing “which will be offered, as regulatory assets, for transfer to the Trust in a subsequent period”, since this is not expressly provided in the MTSA [also see section 16 of O. Reg. 206/17].
Slide 28	Third bullet	Consider replacing “fit under the fair allocation curve” with “ensure reasonable alignment with fair allocation amounts”. [see paragraph 1 of section 21(3) of FHPA].
Slide 31	Chart	The post-FHP bill should not follow the status quo trajectory between 2025 and 2028 – bill should be above status quo including rebates as the FAA is positive for those years (Fair Adjustment would be used to offset the majority of the CEA but the amount of the FAA would remain).
<u>Slide 33</u>	<u>Acceleration Bullet</u>	<u>Should this reference cap in regulation?</u>
Slide 36	First bullet	Consider removing references to “statutorily mandated”. Remittances from IESO are mandated under s. 9.1 of O. Reg. 206/17.
<u>Slide 36</u>	<u>Guarantor</u>	<u>Should this refer to a limited guarantee to make relationship clear?</u>
Slide 38	Political Risk	Consider reviewing the characterization of the risk to align with the risk as described in the Agreements.
Slide 38	Third bullet	Please note reference to ability to disconnect service for non-payment by LDCs isn’t fully reflective of the requirement, consider revising to be more reflective of the actual mechanism.

Fair Hydro Investor Presentation Comments

Slide #	Reference	Comment
Slide 4	Images	Consider removing the nuclear and large hydro images as the plan only covers costs from renewables procurements, gas and conservation.
Slide 6	First bullet	Suggest using "proxy consumer" instead of "average" in this context, which would be more accurate and consistent with legislation as covered later in the presentation.
Slide 6	Second bullet	Suggest changing "8% rebate in the provincial portion..." to "8% rebate equivalent to the provincial portion..."
Slide 6	Third bullet	Language suggest that bills will increase back to status quo in 2021 – suggest adding language regarding increases back up to and past the status quo over time.
Slide 7	First bullet	Consider replacing the phrase starting from "in an amount..." with "in such an amount that the total OPG-held subordinated debt does not exceed 49% of all outstanding debt", for clarity.
Slide 11	First bullet	Suggest rewording to the following: "As part of the restructuring of Ontario's electricity industry under the Energy Competition Act, 1998, the municipal electricity utilities became municipally-owned business corporations, including local distribution companies ("LDCs")." Some LDCs continue to be municipally-owned, while others have been sold to or acquired by Hydro One or private-sector owners."
Slide 14	Second bullet	Consider replacing "previously established regulated rate" with "regulated rate established in the first year of the Rate Reduction Period".
Slide 14	Last bullet	Similar to comment on Slide 6 above, suggest referencing increases back up to and beyond status quo over time.
Slide 15	Third bullet	Consider adding in the words "in favour of the Trust" at the end of the bullet [IESO Security Agreement]. Also, can we clarify whether the \$2 billion credit facility is provided by the OFA or the OEFC? Who is the actual lender? <u>It is the OFA facility.</u>
Slide 15	Last bullet	<u>It's "Ontario Financing Authority Electricity Financial Corporation" (i.e., not "Financing") facility.</u> Also, consider rewording so as not to suggest that the \$2 billion facility is solely for "carrying costs". Also, suggest that the last clause on security be a stand-alone bullet, not part of the OEFA credit facility bullet.
Slide 16	Second bullet	Consider rephrasing to align better with the offering memorandum and legislation.
Slide 16	Third bullet	Consider adding in the word "mainly" before "in respect of ..." [see O.Reg. 206/17 section 5].

Commented [JK1]: Could there be a different way to put this?

Commented [JK2]: Which bullet is this?

Slide 16	Bill image	Consider removing as text description should be sufficient.
Slide 17	Second bullet	Consider replacing the words “dealt with” with “mitigated” to avoid suggesting that the risk is eliminated.
Slide 17	Number 2 in the process chart	Consider adding in the word “amount” at the end [O.Reg. 206/17 section 8(2)].
Slide 17	Number 6 in the process chart	Consider replacing the words “in a trust” with “in trust” [FHPA section 16(3)].
Slide 18	Chart	Consider adding explanation of readjustment amount.
Slide 20	OEB’s relationship with OPG in the diagram	Consider replacing “review of OPG Fees” with “review and approval of OPG Fees” to better align with the language in O. Reg. 206/17. Consider replacing “Management Agreement” with “Regulation”.
Slide 20	IESO’s relationship with the Fair Hydro Trust	Note that the Acknowledgement and Indemnity Agreement is made to the Indenture Trustee. Consider editing to avoid confusion.
Slide 20	Ontario Caption	Suggest just having “Province of Ontario” (i.e., omit “(Ministry of Energy)”).
Slide 21	"Suspension Notice"	May wish to consider noting in the sentence that post-suspension refinancing is covered by the guarantee. As this was something Torys made a point of including in the agreement for financeability, suggest including for investors.
Slide 23	Key Terms – Moratorium Period (bullet 3)	Consider replacing “(until May 1, 2021)” to “(until April 30, 2021) and up to July 31, 2021” [see section 21(4) of FHPA and section 9.1 of O. Reg. 206/17]. Consider removing “which will be offered, as regulatory assets, for transfer to the Trust in a subsequent period”, since this is not expressly provided in the MTSA [also see section 16 of O. Reg. 206/17].
Slide 28	Third bullet	Consider replacing “fit under the fair allocation curve” with “ensure reasonable alignment with fair allocation amounts”. [see paragraph 1 of section 21(3) of FHPA].
Slide 31	Chart	The post-FHP bill should not follow the status quo trajectory between 2025 and 2028 – bill should be above status quo including rebates as the FAA is positive for those years (Fair Adjustment would be used to offset the majority of the CEA but the amount of the FAA would remain).
Slide 36	First bullet	Consider removing references to “statutorily mandated”. Remittances from IESO are mandated under s. 9.1 of O. Reg. 206/17.
Slide 38	Political Risk	Consider reviewing the characterization of the risk to align with the risk as described in the Agreements.

Slide 38	Third bullet	Please note reference to ability to disconnect service for non-payment by LDCs isn't fully reflective of the requirement, consider revising to be more reflective of the actual mechanism.

Fair Hydro Investor Presentation Comments

Slide #	Reference	Comment
Slide 4	Images	Consider removing the nuclear and large hydro images as the plan only covers costs from renewables procurements, gas and conservation.
Slide 6	First bullet	Suggest using "proxy consumer" instead of "average" in this context, which would be more accurate and consistent with legislation as covered later in the presentation.
Slide 6	Second bullet	Suggest changing "8% rebate in the provincial portion..." to "8% rebate equivalent to the provincial portion..."
Slide 6	Third bullet	Language suggest that bills will increase back to status quo in 2021 – suggest adding language regarding increases back up to and past the status quo over time.
Slide 7	First bullet	Consider replacing the phrase starting from "in an amount..." with "in such an amount that the total OPG-held subordinated debt does not exceed 49% of all outstanding debt", for clarity.
Slide 7	IESO	May want to indicate IESO transfer of regulatory asset to FHT
Slide 9	M. of Energy Arrows	The rationale for the arrows is unclear. I.e., While the Ministry of Energy can exert control over OPG (as shareholder) and OEB/IESO via legislation, there is much less control exerted over H1, LDCs).
Slide 11	First bullet	Suggest rewording to the following: "As part of the restructuring of Ontario's electricity industry under the Energy Competition Act, 1998, the municipal electricity utilities became municipally-owned business corporations, including local distribution companies ("LDCs")." – Some LDCs continue to be municipally-owned, while others have been sold to or acquired by Hydro One or private-sector owners."
Slide 14	Second bullet	Consider replacing "previously established regulated rate" with "regulated rate established in the first year of the Rate Reduction Period".
Slide 14	Last bullet	Similar to comment on Slide 6 above, suggest referencing increases back up to and beyond status quo over time.
Slide 15	Third bullet	Consider adding in the words "in favour of the Trust" at the end of the bullet [IESO Security Agreement]. Also, can we clarify whether the \$2 billion credit facility is provided by the OFA or the OEF? Who is the actual lender?
Slide 15	Last bullet	\$2 billion credit facility is with "Ontario Financing Authority" Also, consider rewording so as not to suggest that the \$2 billion facility is solely for "carrying costs". Also, suggest that the last clause on security be a stand-alone bullet, not part of the OEF credit facility bullet.
Slide 16	Second bullet	Consider rephrasing to align better with the offering memorandum and legislation.

Slide 16	Third bullet	Consider adding in the word “mainly” before “in respect of ...” [see O.Reg. 206/17 section 5].
Slide 16	Third bullet	May want to clarify whether true up amount can be a positive or negative amount
Slide 16	Bill image	Consider removing as text description should be sufficient.
Slide 17	Second bullet	Consider replacing the words “dealt with” with “mitigated” to avoid suggesting that the risk is eliminated.
Slide 17	Number 2 in the process chart	Consider adding in the word “amount” at the end [O.Reg. 206/17 section 8(2)].
Slide 17	Number 6 in the process chart	Consider replacing the words “in a trust” with “in trust” [FHPA section 16(3)].
Slide 18	Chart	Consider adding explanation of readjustment amount.
Slide 20	OEB’s relationship with OPG in the diagram	Consider replacing “review of OPG Fees” with “review and approval of OPG Fees” to better align with the language in O. Reg. 206/17. Consider replacing “Management Agreement” with “Regulation”.
Slide 20	IESO’s relationship with the Fair Hydro Trust	Note that the Acknowledgement and Indemnity Agreement is made to the Indenture Trustee. Consider editing to avoid confusion.
Slide 20	Ontario Caption	Suggest just having “Province of Ontario” (i.e., omit “(Ministry of Energy)”).
Slide 21	"Suspension Notice"	May wish to consider noting in the sentence that post-suspension refinancing is covered by the guarantee. As this was something Torys made a point of including in the agreement for financeability, suggest including for investors.
Slide 23	Key Terms – Moratorium Period (bullet 3)	Consider replacing “(until May 1, 2021)” to “(until April 30, 2021) and up to July 31, 2021” [see section 21(4) of FHPA and section 9.1 of O. Reg. 206/17]. Consider removing “which will be offered, as regulatory assets, for transfer to the Trust in a subsequent period”, since this is not expressly provided in the MTSA [also see section 16 of O. Reg. 206/17].
Slide 28	Third bullet	Consider replacing “fit under the fair allocation curve” with “ensure reasonable alignment with fair allocation amounts”. [see paragraph 1 of section 21(3) of FHPA].
Slide 31	Chart	The post-FHP bill should not follow the status quo trajectory between 2025 and 2028 – bill should be above status quo including rebates as the FAA is positive for those years (Fair Adjustment would be used to offset the majority of the CEA but the amount of the FAA would remain).

Slide 36	First bullet	Consider removing references to “statutorily mandated”. Remittances from IESO are mandated under s. 9.1 of O. Reg. 206/17.
Slide 38	Political Risk	Consider reviewing the characterization of the risk to align with the risk as described in the Agreements.
Slide 38	Third bullet	Please note reference to ability to disconnect service for non-payment by LDCs isn’t fully reflective of the requirement, consider revising to be more reflective of the actual mechanism.

Fair Hydro Investor Presentation Comments

Slide #	Reference	Comment
Slide 4	Images	Consider removing the nuclear and large hydro images as the plan only covers costs from renewables procurements, gas and conservation.
Slide 6	First bullet	Suggest using "proxy consumer" instead of "average" in this context, which would be more accurate and consistent with legislation as covered later in the presentation.
Slide 6	Second bullet	Suggest changing "8% rebate in the provincial portion..." to "8% rebate equivalent to the provincial portion..."
Slide 6	Third bullet	Language suggest that bills will increase back to status quo in 2021 – suggest adding language regarding increases back up to and past the status quo over time.
Slide 7	First bullet	Consider replacing the phrase starting from "in an amount..." with "in such an amount that the total OPG-held subordinated debt does not exceed 49% of all outstanding debt", for clarity.
Slide 7	IESO	May want to indicate IESO transfer of regulatory asset to FHT
Slide 9	M. of Energy Arrows	The rationale for the arrows is unclear. I.e., While the Ministry of Energy can exert control over OPG (as shareholder) and OEB/IESO via legislation, there is much less control exerted over H1, LDCs).
Slide 11	First bullet	Suggest rewording to the following: "As part of the restructuring of Ontario's electricity industry under the Energy Competition Act, 1998, the municipal electricity utilities became municipally-owned business corporations, including local distribution companies ("LDCs")." – Some LDCs continue to be municipally-owned, while others have been sold to or acquired by Hydro One or private-sector owners."
Slide 12	Electricity Market with FHT – First Bullet	Suggest adding some clarification on financing costs. Are these financing costs from FHT or IESO?
Slide 14	Second bullet	Consider replacing "previously established regulated rate" with "regulated rate established in the first year of the Rate Reduction Period".
Slide 14	Last bullet	Similar to comment on Slide 6 above, suggest referencing increases back up to and beyond status quo over time.
Slide 15	Third bullet	Consider adding in the words "in favour of the Trust" at the end of the bullet [IESO Security Agreement]. Also, ~~can we clarify whether~~ the \$2 billion credit facility is provided by the OFA, ~~not or~~ the OEFC? ~~Who is the actual lender?~~
Slide 15	Last bullet	~~\$2 billion credit facility is with "Ontario Financing Authority"~~ Also, consider rewording so as not to suggest that the \$2 billion facility is solely for "carrying costs".

Commented [GH1]: I suggest adding this in since the current wording seems to suggest that IESO is determining and incurring financing costs, but my understanding these financing costs (except drawing money from IESO OFA/OEFC credit facilities) are from FHT since FHT is funding this.

Commented [GH2]: I think this can combine with the above row.

		Also, suggest that the last clause on security be a stand-alone bullet, not part of the OEF credit facility bullet.
Slide 16	Second bullet	Consider rephrasing to align better with the offering memorandum and legislation.
Slide 16	Third bullet	Consider adding in the word “mainly” before “in respect of ...” [see O.Reg. 206/17 section 5].
Slide 16	Third bullet	May want to clarify whether true up amount can be a positive or negative amount
Slide 16	Bill image	Consider removing as text description should be sufficient.
Slide 17	Second bullet	Consider replacing the words “dealt with” with “mitigated” to avoid suggesting that the risk is eliminated.
Slide 17	Number 2 in the process chart	Consider adding in the word “amount” at the end [O.Reg. 206/17 section 8(2)].
Slide 17	Number 6 in the process chart	Consider replacing the words “in a trust” with “in trust” [FHPA section 16(3)].
Slide 18	Chart	Consider adding explanation of readjustment amount.
Slide 20	OEB’s relationship with OPG in the diagram	Consider replacing “review of OPG Fees” with “review and approval of OPG Fees” to better align with the language in O. Reg. 206/17. Consider replacing “Management Agreement” with “Regulation”.
Slide 20	IESO’s relationship with the Fair Hydro Trust	Note that the Acknowledgement and Indemnity Agreement is made to the Indenture Trustee. Consider editing to avoid confusion.
Slide 20	Ontario Caption	Suggest just having “Province of Ontario” (i.e., omit “(Ministry of Energy)”).
Slide 21	"Suspension Notice"	May wish to consider noting in the sentence that post-suspension refinancing is covered by the guarantee. As this was something Torys made a point of including in the agreement for financeability, suggest including for investors.
Slide 23	Key Terms – Moratorium Period (bullet 3)	Consider replacing “(until May 1, 2021)” to “(until April 30, 2021) and up to July 31, 2021” [see section 21(4) of FHPA and section 9.1 of O. Reg. 206/17]. Consider removing “which will be offered, as regulatory assets, for transfer to the Trust in a subsequent period”, since this is not expressly provided in the MTSA [also see section 16 of O. Reg. 206/17].
Slide 28	Third bullet	Consider replacing “fit under the fair allocation curve” with “ensure reasonable alignment with fair allocation amounts”. [see paragraph 1 of section 21(3) of FHPA].

Slide 31	Chart	The post-FHP bill should not follow the status quo trajectory between 2025 and 2028 – bill should be above status quo including rebates as the FAA is positive for those years (Fair Adjustment would be used to offset the majority of the CEA but the amount of the FAA would remain).
Slide 36	First bullet	Consider removing references to “statutorily mandated”. Remittances from IESO are mandated under s. 9.1 of O. Reg. 206/17.
Slide 38	Political Risk	Consider reviewing the characterization of the risk to align with the risk as described in the Agreements.
Slide 38	Third bullet	Please note reference to ability to disconnect service for non-payment by LDCs isn’t fully reflective of the requirement, consider revising to be more reflective of the actual mechanism.

Fair Hydro Investor Presentation Comments

Slide #	Reference	Comment
Slide 4	Images	Consider removing the nuclear and large hydro images as the plan only covers costs from renewables procurements, gas and conservation.
Slide 6	First bullet	Suggest using "proxy consumer" instead of "average" in this context, which would be more accurate and consistent with legislation as covered later in the presentation.
Slide 6	Second bullet	Suggest changing "8% rebate in the provincial portion..." to "8% rebate equivalent to the provincial portion..."
Slide 6	Third bullet	Language suggest that bills will increase back to status quo in 2021 – suggest adding language regarding increases back up to and past the status quo over time.
Slide 7	First bullet	Consider replacing the phrase starting from "in an amount..." with "in such an amount that the total OPG-held subordinated debt does not exceed 49% of all outstanding debt", for clarity.
Slide 7	IESO	May want to indicate IESO transfer of regulatory asset to FHT
Slide 7 & 9	Province of Ontario graphic	If there's a desire to be consistent with comment further below, suggest omitting "Ministry of Energy" just have province of Ontario
Slide 9	M. of Energy Arrows	The rationale for the arrows is unclear. I.e., While the Ministry of Energy can exert control over OPG (as shareholder) and OEB/IESO via legislation, there is much less control exerted over H1, LDCs).
Slide 11	First bullet	Suggest rewording to the following: "As part of the restructuring of Ontario's electricity industry under the Energy Competition Act, 1998, the municipal electricity utilities became municipally-owned business corporations, including local distribution companies ("LDCs")." Some LDCs continue to be municipally-owned, while others have been sold to or acquired by Hydro One or private-sector owners."
Slide 12	Electricity Market with FHT – First Bullet	Suggest adding some clarification on financing costs. Are these financing costs from FHT or IESO?
Slide 14	Second bullet	Consider replacing "previously established regulated rate" with "regulated rate established in the first year of the Rate Reduction Period".
Slide 14	Last bullet	Similar to comment on Slide 6 above, suggest referencing increases back up to and beyond status quo over time.
Slide 15	Third bullet	Consider adding in the words "in favour of the Trust" at the end of the bullet [IESO Security Agreement]. Also, ~~can we clarify whether~~ the \$2 billion credit facility is provided by the OFA, ~~not~~ <u>or</u> the OEFC? ~~Who is the actual lender?~~
Slide 15	Last bullet	~~\$2 billion credit facility is with "Ontario Financing Authority"~~ Also, consider rewording so as not to suggest that the \$2 billion facility is solely for "carrying costs".

Commented [GH1]: I suggest adding this in since the current wording seems to suggest that IESO is determining and incurring financing costs, but my understanding these financing costs (except drawing money from IESO OFA/OEFC credit facilities) are from FHT since FHT is funding this.

Commented [GH2]: I think this can combine with the above row.

		Also, suggest that the last clause on security be a stand-alone bullet, not part of the ~~OEF~~ -OFA credit facility bullet.
Slide 16	Second bullet	Consider rephrasing to align better with the offering memorandum and legislation.
Slide 16	Third bullet	Consider adding in the word “mainly” before “in respect of ...” [see O.Reg. 206/17 section 5].
Slide 16	Third bullet	May want to clarify whether true up amount can be a positive or negative amount
Slide 16	Bill image	Consider removing as text description should be sufficient.
Slide 17	Second bullet	Consider replacing the words “dealt with” with “mitigated” to avoid suggesting that the risk is eliminated.
Slide 17	Number 2 in the process chart	Consider adding in the word “amount” at the end [O.Reg. 206/17 section 8(2)].
Slide 17	Number 6 in the process chart	Consider replacing the words “in a trust” with “in trust” [FHPA section 16(3)].
Slide 18	Chart	Consider adding explanation of readjustment amount.
Slide 20	OEB’s relationship with OPG in the diagram	Consider replacing “review of OPG Fees” with “review and approval of OPG Fees” to better align with the language in O. Reg. 206/17. Consider replacing “Management Agreement” with “Regulation”.
Slide 20	IESO’s relationship with the Fair Hydro Trust	Note that the Acknowledgement and Indemnity Agreement is made to the Indenture Trustee. Consider editing to avoid confusion.
Slide 20	Ontario Caption	Suggest just having “Province of Ontario” (i.e., omit “(Ministry of Energy)”).
Slide 21	"Suspension Notice"	May wish to consider noting in the sentence that post-suspension refinancing is covered by the guarantee. As this was something Torys made a point of including in the agreement for financeability, suggest including for investors.
Slide 23	Key Terms – Moratorium Period (bullet 3)	Consider replacing “(until May 1, 2021)” to “(until April 30, 2021) and up to July 31, 2021” [see section 21(4) of FHPA and section 9.1 of O. Reg. 206/17]. Consider removing “which will be offered, as regulatory assets, for transfer to the Trust in a subsequent period”, since this is not expressly provided in the MTSA [also see section 16 of O. Reg. 206/17].
Slide 28	Third bullet	Consider replacing “fit under the fair allocation curve” with “ensure reasonable alignment with fair allocation amounts”. [see paragraph 1 of section 21(3) of FHPA].

Slide 31	Chart	The post-FHP bill should not follow the status quo trajectory between 2025 and 2028 – bill should be above status quo including rebates as the FAA is positive for those years (Fair Adjustment would be used to offset the majority of the CEA but the amount of the FAA would remain).
Slide 36	First bullet	Consider removing references to “statutorily mandated”. Remittances from IESO are mandated under s. 9.1 of O. Reg. 206/17.
Slide 38	Political Risk	Consider reviewing the characterization of the risk to align with the risk as described in the Agreements.
Slide 38	Third bullet	Please note reference to ability to disconnect service for non-payment by LDCs isn’t fully reflective of the requirement, consider revising to be more reflective of the actual mechanism.

Fair Hydro Investor Presentation Comments

Slide #	Reference	Comment
Slide 4	Images	Consider removing the nuclear and large hydro images as the plan only covers costs from renewables procurements, gas and conservation.
Slide 6	First bullet	Suggest using "proxy consumer" instead of "average" in this context, which would be more accurate and consistent with legislation as covered later in the presentation.
Slide 6	Second bullet	Suggest changing "8% rebate in the provincial portion..." to "8% rebate equivalent to the provincial portion..."
Slide 6	Third bullet	Language suggest that bills will increase back to status quo in 2021 – suggest adding language regarding increases back up to and past the status quo over time.
Slide 7	First bullet	Consider replacing the phrase starting from "in an amount..." with "in such an amount that the total OPG-held subordinated debt does not exceed 49% of all outstanding debt", for clarity.
Slide 7	IESO	May want to indicate IESO transfer of regulatory asset to FHT
Slide 7 & 9	Province of Ontario graphic	If there's a desire to be consistent with Slide 20 comment below, suggest omitting "Ministry of Energy" just have province of Ontario
Slide 9	M. of Energy Arrows	~~The rationale for the arrows is unclear. I.e., While the Ministry of Energy can exert control over OPG (as shareholder) and OEB/IESO via legislation, there is much less control exerted over H1, LDCs.~~
Slide 11	First bullet	Suggest rewording to the following: "As part of the restructuring of Ontario's electricity industry under the Energy Competition Act, 1998, the municipal electricity utilities became municipally-owned business corporations, including local distribution companies ("LDCs")." – Some LDCs continue to be municipally-owned, while others have been sold to or acquired by Hydro One or private-sector owners."
Slide 12	Electricity Market with FHT – First Bullet	~~Suggest adding some clarification on who is incurring financing costs.~~
Slide 14	Second bullet	Consider replacing "previously established regulated rate" with "regulated rate established in the first year of the Rate Reduction Period".
Slide 14	Last bullet	Similar to comment on Slide 6 above, suggest referencing increases back up to and beyond status quo over time.
Slide 15	Third bullet	Consider adding in the words "in favour of the Trust" at the end of the bullet [IESO Security Agreement]. Also, the \$2 billion credit facility is provided by the Ontario Financing Authority, not the OEFC.
Slide 15	Last bullet	Also, consider rewording so as not to suggest that the \$2 billion facility is solely for "carrying costs".

		Also, suggest that the last clause on security be a stand-alone bullet, not part of the OFA credit facility bullet.
Slide 16	Second bullet	Consider rephrasing to align better with the offering memorandum and legislation.
Slide 16	Third bullet	Consider adding in the word “mainly” before “in respect of ...” [see O.Reg. 206/17 section 5].
~~Slide 16~~	~~Third bullet~~	~~Is there circularity in True-Up definition? True-up depends on CEA but CEA depends on True-up.~~
Slide 16	Bill image	Consider removing as text description should be sufficient.
Slide 17	Second bullet	Consider replacing the words “dealt with” with “mitigated” to avoid suggesting that the risk is eliminated.
Slide 17	Number 2 in the process chart	Consider adding in the word “amount” at the end [O.Reg. 206/17 section 8(2)].
Slide 17	Number 6 in the process chart	Consider replacing the words “in a trust” with “in trust” [FHPA section 16(3)].
Slide 18	Chart	Consider adding explanation of readjustment amount.
Slide 20	OEB’s relationship with OPG in the diagram	Consider replacing “review of OPG Fees” with “review and approval of OPG Fees” to better align with the language in O. Reg. 206/17. Consider replacing “Management Agreement” with “Regulation”.
Slide 20	IESO’s relationship with the Fair Hydro Trust	Note that the Acknowledgement and Indemnity Agreement is made to the Indenture Trustee. Consider editing to avoid confusion.
~~Slide 20~~	~~Ontario Caption~~	~~Suggest just having “Province of Ontario” (i.e., omit “(Ministry of Energy)”)~~
Slide 21	"Suspension Notice"	May wish to consider noting in the sentence that post-suspension refinancing is covered by the guarantee. As this was something Torys made a point of including in the agreement for financeability, suggest including for investors.
Slide 23	Key Terms – Moratorium Period (bullet 3)	Consider replacing “(until May 1, 2021)” to “(until April 30, 2021) and up to July 31, 2021” [see section 21(4) of FHPA and section 9.1 of O. Reg. 206/17]. Consider removing “which will be offered, as regulatory assets, for transfer to the Trust in a subsequent period”, since this is not expressly provided in the MTSA [also see section 16 of O. Reg. 206/17].
Slide 28	Third bullet	Consider replacing “fit under the fair allocation curve” with “ensure reasonable alignment with fair allocation amounts”. [see paragraph 1 of section 21(3) of FHPA].

Slide 31	Chart	The post-FHP bill should not follow the status quo trajectory between 2025 and 2028 – bill should be above status quo including rebates as the FAA is positive for those years (Fair Adjustment would be used to offset the majority of the CEA but the amount of the FAA would remain).
Slide 36	First bullet	Consider removing references to “statutorily mandated”. Remittances from IESO are mandated under s. 9.1 of O. Reg. 206/17.
Slide 38	Political Risk	Consider reviewing the characterization of the risk to align with the risk as described in the Agreements.
Slide 38	Third bullet	Please note reference to ability to disconnect service for non-payment by LDCs isn’t fully reflective of the requirement, consider revising to be more reflective of the actual mechanism.

Fair Hydro Investor Presentation Comments

Slide #	Reference	Comment
Slide 4	Images	Consider removing the nuclear and large hydro images as the plan only covers costs from renewables procurements, gas and conservation.
Slide 6	First bullet	Suggest using "proxy consumer" instead of "average" in this context, which would be more accurate and consistent with legislation as covered later in the presentation.
Slide 6	Second bullet	Suggest changing "8% rebate in the provincial portion..." to "8% rebate equivalent to the provincial portion..."
Slide 6	Third bullet	Language suggest that bills will increase back to status quo in 2021 – suggest adding language regarding increases back up to and past the status quo over time.
Slide 7	First bullet	Consider replacing the phrase starting from "in an amount..." with "in such an amount that the total OPG-held subordinated debt does not exceed 49% of all outstanding debt", for clarity.
Slide 7	IESO	May want to indicate IESO transfer of regulatory asset to FHT
Slide 7 & 9	Province of Ontario graphic	If there's a desire to be consistent with Slide 20 comment below, suggest omitting "Ministry of Energy" just have province of Ontario
Slide 11	First bullet	Suggest rewording to the following: "As part of the restructuring of Ontario's electricity industry under the Energy Competition Act, 1998, the municipal electricity utilities became municipally-owned business corporations, including local distribution companies ("LDCs")." – Some LDCs continue to be municipally-owned, while others have been sold to or acquired by Hydro One or private-sector owners."
Slide 14	Second bullet	Consider replacing "previously established regulated rate" with "regulated rate established in the first year of the Rate Reduction Period".
Slide 14	Last bullet	Similar to comment on Slide 6 above, suggest referencing increases back up to and beyond status quo over time.
Slide 15	Third bullet	Consider adding in the words "in favour of the Trust" at the end of the bullet [IESO Security Agreement]. Also, the \$2 billion credit facility is provided by the Ontario Financing Authority, not the OEFC.
Slide 15	Last bullet	Also, consider rewording so as not to suggest that the \$2 billion facility is solely for "carrying costs". Also, suggest that the last clause on security be a stand-alone bullet, not part of the OFA credit facility bullet.
Slide 16	Second bullet	Consider rephrasing to align better with the offering memorandum and legislation.
Slide 16	Third bullet	Consider adding in the word "mainly" before "in respect of ..." [see O.Reg. 206/17 section 5].

Slide 16	Bill image	Consider removing as text description should be sufficient.
Slide 17	Second bullet	Consider replacing the words “dealt with” with “mitigated” to avoid suggesting that the risk is eliminated.
Slide 17	Number 2 in the process chart	Consider adding in the word “amount” at the end [O.Reg. 206/17 section 8(2)].
Slide 17	Number 6 in the process chart	Consider replacing the words “in a trust” with “in trust” [FHPA section 16(3)].
Slide 18	Chart	Consider adding explanation of readjustment amount.
Slide 20	OEB’s relationship with OPG in the diagram	Consider replacing “review of OPG Fees” with “review and approval of OPG Fees” to better align with the language in O. Reg. 206/17. Consider replacing “Management Agreement” with “Regulation”.
Slide 20	IESO’s relationship with the Fair Hydro Trust	Note that the Acknowledgement and Indemnity Agreement is made to the Indenture Trustee. Consider editing to avoid confusion.
Slide 20	Ontario Caption	Suggest just having “Province of Ontario” (i.e., omit “(Ministry of Energy)”).
Slide 21	"Suspension Notice"	May wish to consider noting in the sentence that post-suspension refinancing is covered by the guarantee. As this was something Torys made a point of including in the agreement for financeability, suggest including for investors.
Slide 23	Key Terms – Moratorium Period (bullet 3)	Consider replacing “(until May 1, 2021)” to “(until April 30, 2021) and up to July 31, 2021” [see section 21(4) of FHPA and section 9.1 of O. Reg. 206/17]. Consider removing “which will be offered, as regulatory assets, for transfer to the Trust in a subsequent period”, since this is not expressly provided in the MTSA [also see section 16 of O. Reg. 206/17].
Slide 28	Third bullet	Consider replacing “fit under the fair allocation curve” with “ensure reasonable alignment with fair allocation amounts”. [see paragraph 1 of section 21(3) of FHPA].
Slide 31	Chart	The post-FHP bill should not follow the status quo trajectory between 2025 and 2028 – bill should be above status quo including rebates as the FAA is positive for those years (Fair Adjustment would be used to offset the majority of the CEA but the amount of the FAA would remain).
Slide 36	First bullet	Consider removing references to “statutorily mandated”. Remittances from IESO are mandated under s. 9.1 of O. Reg. 206/17.
Slide 38	Political Risk	Consider reviewing the characterization of the risk to align with the risk as described in the Agreements.

Slide 38	Third bullet	Please note reference to ability to disconnect service for non-payment by LDCs isn't fully reflective of the requirement, consider revising to be more reflective of the actual mechanism.

Fair Hydro Investor Presentation Comments

Slide #	Reference	Comment
Slide 4	Images	Consider removing the nuclear and large hydro images as the plan only covers costs from renewables procurements, gas and conservation.
Slide 6	First bullet	Suggest using "proxy consumer" instead of "average" in this context, which would be more accurate and consistent with legislation as covered later in the presentation.
Slide 6	Second bullet	Suggest changing "8% rebate in the provincial portion..." to "8% rebate equivalent to the provincial portion..."
Slide 6	Third bullet	Language suggest that bills will increase back to status quo in 2021 – suggest adding language regarding increases back up to and past the status quo over time.
Slide 7	First bullet	Consider replacing the phrase starting from "in an amount..." with "in such an amount that the total OPG-held subordinated debt does not exceed 49% of all outstanding debt", for clarity.
~~Slide 7~~	~~IESO~~	~~May want to indicate IESO transfer of regulatory asset to FHT~~
~~Slide 7 & 9~~	~~Province of Ontario graphic~~	~~If there's a desire to be consistent with Slide 20 comment below, suggest omitting "Ministry of Energy" just have province of Ontario~~
Slide 11	First bullet	Suggest rewording to the following: "As part of the restructuring of Ontario's electricity industry under the Energy Competition Act, 1998, the municipal electricity utilities became municipally-owned business corporations, including local distribution companies ("LDCs")." – Some LDCs continue to be municipally-owned, while others have been sold to or acquired by Hydro One or private-sector owners."
Slide 14	Second bullet	Consider replacing "previously established regulated rate" with "regulated rate established in the first year of the Rate Reduction Period".
Slide 14	Last bullet	Similar to comment on Slide 6 above, suggest referencing increases back up to and beyond status quo over time.
Slide 15	Third bullet	Consider adding in the words "in favour of the Trust" at the end of the bullet [IESO Security Agreement]. Also, the \$2 billion credit facility is provided by the Ontario Financing Authority, not the OEFC.
Slide 15	Last bullet	Also, consider rewording so as not to suggest that the \$2 billion facility is solely for "carrying costs". Also, suggest that the last clause on security be a stand-alone bullet, not part of the OFA credit facility bullet.
Slide 16	Second bullet	Consider rephrasing to align better with the offering memorandum and legislation.
Slide 16	Third bullet	Consider adding in the word "mainly" before "in respect of ..." [see O.Reg. 206/17 section 5].

Slide 16	Bill image	Consider removing as text description should be sufficient.
Slide 17	Second bullet	Consider replacing the words “dealt with” with “mitigated” to avoid suggesting that the risk is eliminated.
Slide 17	Number 2 in the process chart	Consider adding in the word “amount” at the end [O.Reg. 206/17 section 8(2)].
Slide 17	Number 6 in the process chart	Consider replacing the words “in a trust” with “in trust” [FHPA section 16(3)].
Slide 18	Chart	Consider adding explanation of readjustment amount.
Slide 20	OEB’s relationship with OPG in the diagram	Consider replacing “review of OPG Fees” with “review and approval of OPG Fees” to better align with the language in O. Reg. 206/17. Consider replacing “Management Agreement” with “Regulation”.
Slide 20	IESO’s relationship with the Fair Hydro Trust	Note that the Acknowledgement and Indemnity Agreement is made to the Indenture Trustee. Consider editing to avoid confusion.
Slide 20	Ontario Caption	Suggest just having “Province of Ontario” (i.e., omit “(Ministry of Energy)”).
Slide 21	"Suspension Notice"	May wish to consider noting in the sentence that post-suspension refinancing is covered by the guarantee. As this was something Torys made a point of including in the agreement for financeability, suggest including for investors.
Slide 23	Key Terms – Moratorium Period (bullet 3)	Consider replacing “(until May 1, 2021)” to “(until April 30, 2021) and up to July 31, 2021” [see section 21(4) of FHPA and section 9.1 of O. Reg. 206/17]. Consider removing “which will be offered, as regulatory assets, for transfer to the Trust in a subsequent period”, since this is not expressly provided in the MTSA [also see section 16 of O. Reg. 206/17].
Slide 28	Third bullet	Consider replacing “fit under the fair allocation curve” with “ensure reasonable alignment with fair allocation amounts”. [see paragraph 1 of section 21(3) of FHPA].
Slide 31	Chart	The post-FHP bill should not follow the status quo trajectory between 2025 and 2028 – bill should be above status quo including rebates as the FAA is positive for those years (Fair Adjustment would be used to offset the majority of the CEA but the amount of the FAA would remain).
Slide 36	First bullet	Consider removing references to “statutorily mandated”. Remittances from IESO are mandated under s. 9.1 of O. Reg. 206/17.
Slide 38	Political Risk	Consider reviewing the characterization of the risk to align with the risk as described in the Agreements.

Slide 38	Third bullet	Please note reference to ability to disconnect service for non-payment by LDCs isn't fully reflective of the requirement, consider revising to be more reflective of the actual mechanism.

Fair Hydro Investor Presentation Comments

Slide #	Reference	Comment
Slide 4	Images	Consider removing the nuclear and large hydro images as the plan only covers costs from renewables procurements, gas and conservation.
Slide 6	First bullet	Suggest using "proxy consumer" instead of "average" in this context, which would be more accurate and consistent with legislation as covered later in the presentation.
Slide 6	Second bullet	Suggest changing "8% rebate in the provincial portion..." to "8% rebate equivalent to the provincial portion..."
Slide 6	Third bullet	Language suggest that bills will increase back to status quo in 2021 – suggest adding language regarding increases back up to and past the status quo over time.
Slide 7	First bullet	Consider replacing the phrase starting from "in an amount..." with "in such an amount that the total OPG-held subordinated debt does not exceed 49% of all outstanding debt", for clarity.
Slide 11	First bullet	Suggest rewording to the following: "As part of the restructuring of Ontario's electricity industry under the Energy Competition Act, 1998, the municipal electricity utilities became municipally-owned business corporations, including local distribution companies ("LDCs")." – Some LDCs continue to be municipally-owned, while others have been sold to or acquired by Hydro One or private-sector owners."
Slide 14	Second bullet	Consider replacing "previously established regulated rate" with "regulated rate established in the first year of the Rate Reduction Period".
Slide 14	Last bullet	Similar to comment on Slide 6 above, suggest referencing increases back up to and beyond status quo over time.
Slide 15	Third bullet	Consider adding in the words "in favour of the Trust" at the end of the bullet [IESO Security Agreement]. Also, the \$2 billion credit facility is provided by the Ontario Financing Authority, not the OEFC.
Slide 15	Last bullet	Also, consider rewording so as not to suggest that the \$2 billion facility is solely for "carrying costs". Also, suggest that the last clause on security be a stand-alone bullet, not part of the OFA credit facility bullet.
Slide 16	Second bullet	Consider rephrasing to align better with the offering memorandum and legislation.
Slide 16	Third bullet	Consider adding in the word "mainly" before "in respect of ..." [see O.Reg. 206/17 section 5].
Slide 16	Bill image	Consider removing as text description should be sufficient.
Slide 17	Second bullet	Consider replacing the words "dealt with" with "mitigated" to avoid suggesting that the risk is eliminated.

Slide 17	Number 2 in the process chart	Consider adding in the word “amount” at the end [O.Reg. 206/17 section 8(2)].
Slide 17	Number 6 in the process chart	Consider replacing the words “in a trust” with “in trust” [FHPA section 16(3)].
Slide 18	Chart	Consider adding explanation of readjustment amount.
Slide 20	OEB’s relationship with OPG in the diagram	Consider replacing “review of OPG Fees” with “review and approval of OPG Fees” to better align with the language in O. Reg. 206/17. Consider replacing “Management Agreement” with “Regulation”.
Slide 20	IESO’s relationship with the Fair Hydro Trust	Note that the Acknowledgement and Indemnity Agreement is made to the Indenture Trustee. Consider editing to avoid confusion.
Slide 20	Ontario Caption	Suggest just having “Province of Ontario” (i.e., omit “(Ministry of Energy)”).
Slide 21	"Suspension Notice"	May wish to consider noting in the sentence that post-suspension refinancing is covered by the guarantee. As this was something Torys made a point of including in the agreement for financeability, suggest including for investors.
Slide 23	Key Terms – Moratorium Period (bullet 3)	Consider replacing “(until May 1, 2021)” to “(until April 30, 2021) and up to July 31, 2021” [see section 21(4) of FHPA and section 9.1 of O. Reg. 206/17]. Consider removing “which will be offered, as regulatory assets, for transfer to the Trust in a subsequent period”, since this is not expressly provided in the MTSA [also see section 16 of O. Reg. 206/17].
Slide 28	Third bullet	Consider replacing “fit under the fair allocation curve” with “ensure reasonable alignment with fair allocation amounts”. [see paragraph 1 of section 21(3) of FHPA].
Slide 31	Chart	The post-FHP bill should not follow the status quo trajectory between 2025 and 2028 – bill should be above status quo including rebates as the FAA is positive for those years (Fair Adjustment would be used to offset the majority of the CEA but the amount of the FAA would remain).
Slide 36	First bullet	Consider removing references to “statutorily mandated”. Remittances from IESO are mandated under s. 9.1 of O. Reg. 206/17.
Slide 38	Political Risk	Consider reviewing the characterization of the risk to align with the risk as described in the Agreements.
Slide 38	Third bullet	Please note reference to ability to disconnect service for non-payment by LDCs isn’t fully reflective of the requirement, consider revising to be more reflective of the actual mechanism.

Fair Hydro Investor Presentation Comments

Slide #	Reference	Comment
Slide 4	Images	Consider removing the nuclear and large hydro images as the plan only covers costs from renewables procurements, gas and conservation.
Slide 6	First bullet	Suggest using "proxy consumer" instead of "average" in this context, which would be more accurate and consistent with legislation as covered later in the presentation.
Slide 6	Second bullet	Suggest changing "8% rebate in the provincial portion..." to "8% rebate equivalent to the provincial portion..."
Slide 6	Third bullet	Language suggest that bills will increase back to status quo in 2021 – suggest adding language regarding increases back up to and past the status quo over time.
Slide 7	First bullet	Consider replacing the phrase starting from "in an amount..." with "in such an amount that the total OPG-held subordinated debt does not exceed 49% of all outstanding debt", for clarity.
Slide 11	First bullet	Suggest rewording to the following: "As part of the restructuring of Ontario's electricity industry under the Energy Competition Act, 1998, the municipal electricity utilities became municipally-owned business corporations, including local distribution companies ("LDCs")." Some LDCs continue to be municipally-owned, while others have been sold to or acquired by Hydro One or private-sector owners."
Slide 14	Second bullet	Consider replacing "previously established regulated rate" with "regulated rate established in the first year of the Rate Reduction Period".
Slide 14	Last bullet	Similar to comment on Slide 6 above, suggest referencing increases back up to and beyond status quo over time.
Slide 15	Third bullet	Consider adding in the words "in favour of the Trust" at the end of the bullet [IESO Security Agreement]. Also, the \$2 billion credit facility is provided by the Ontario Financing Authority, not the OEFC.
Slide 15	Last bullet	Also, consider rewording so as not to suggest that the \$2 billion facility is solely for "carrying costs". Also, suggest that the last clause on security be a stand-alone bullet, not part of the OFA credit facility bullet.
Slide 16	Second bullet	Consider rephrasing to align better with the offering memorandum and legislation.
Slide 16	Third bullet	Consider adding in the word "mainly" before "in respect of ..." [see O.Reg. 206/17 section 5].
Slide 16	Bill image	Consider removing as text description should be sufficient.
Slide 17	Second bullet	Consider replacing the words "dealt with" with "mitigated" to avoid suggesting that the risk is eliminated.

Formatted: Font: 12 pt, Font color: Red

Formatted: Font color: Red

Slide 17	Number 2 in the process chart	Consider adding in the word “amount” at the end [O.Reg. 206/17 section 8(2)].
Slide 17	Number 6 in the process chart	Consider replacing the words “in a trust” with “in trust” [FHPA section 16(3)].
Slide 18	Chart	Consider adding explanation of readjustment amount.
Slide 20	OEB’s relationship with OPG in the diagram	Consider replacing “review of OPG Fees” with “review and approval of OPG Fees” to better align with the language in O. Reg. 206/17. Consider replacing “Management Agreement” with “Regulation”.
Slide 20	IESO’s relationship with the Fair Hydro Trust	Note that the Acknowledgement and Indemnity Agreement is made to the Indenture Trustee. Consider editing to avoid confusion.
Slide 20	Ontario Caption	Suggest just having “Province of Ontario” (i.e., omit “(Ministry of Energy)”).
Slide 21	"Suspension Notice"	May wish to consider noting in the sentence that post-suspension refinancing is covered by the guarantee. As this was something Torys made a point of including in the agreement for financeability, suggest including for investors.
Slide 23	Key Terms – Moratorium Period (bullet 3)	Consider replacing “(until May 1, 2021)” to “(until April 30, 2021) and up to July 31, 2021” [see section 21(4) of FHPA and section 9.1 of O. Reg. 206/17]. Consider removing “which will be offered, as regulatory assets, for transfer to the Trust in a subsequent period”, since this is not expressly provided in the MTSA [also see section 16 of O. Reg. 206/17].
Slide 28	Third bullet	Consider replacing “fit under the fair allocation curve” with “ensure reasonable alignment with fair allocation amounts”. [see paragraph 1 of section 21(3) of FHPA].
Slide 31	Chart	The post-FHP bill should not follow the status quo trajectory between 2025 and 2028 – bill should be above status quo including rebates as the FAA is positive for those years (Fair Adjustment would be used to offset the majority of the CEA but the amount of the FAA would remain).
Slide 36	First bullet	Consider removing references to “statutorily mandated”. Remittances from IESO are mandated under s. 9.1 of O. Reg. 206/17.
Slide 38	Political Risk	Consider reviewing the characterization of the risk to align with the risk as described in the Agreements.
Slide 38	Third bullet	Please note reference to ability to disconnect service for non-payment by LDCs isn’t fully reflective of the requirement, consider revising to be more reflective of the actual mechanism.

Fair Hydro Investor Presentation Comments

Slide #	Reference	Comment
Disclaimers	Last par.	How will this presentation be used, and is it in conjunction with the offering memorandum?
Slide 4	Images	Consider removing the nuclear and large hydro images as the plan only covers costs from renewables procurements, gas and conservation. [MOF LSB: Can we confirm whether this is true?]
Slide 6	First bullet	Suggest using "proxy consumer" instead of "average" in this context, which would be more accurate and consistent with legislation as covered later in the presentation. [MOF LSB: Where is Proxy Consumer explained? I am not sure what it means.]
Slide 6	Second bullet	Suggest changing "8% rebate in the provincial portion..." to "8% rebate equivalent to the provincial portion..."
Slide 6	Third bullet	Language suggest that bills will increase back to status quo in 2021 – suggest adding language regarding increases back up to and past the status quo over time.
Slide 7	First bullet	Consider replacing the phrase starting from "in an amount..." with "in such an amount that the total OPG-held subordinated debt does not exceed 49% of all outstanding debt", for clarity.
Slide 11	First bullet	Suggest rewording to the following: "As part of the restructuring of Ontario's electricity industry under the Energy Competition Act, 1998, the municipal electricity utilities became municipally-owned business corporations, including local distribution companies ("LDCs")." – Some LDCs continue to be municipally-owned, while others have been sold to or acquired by Hydro One or private-sector owners."
Slide 14	Second bullet	Consider replacing "previously established regulated rate" with "regulated rate established in the first year of the Rate Reduction Period".
Slide 14	Last bullet	Similar to comment on Slide 6 above, suggest referencing increases back up to and beyond status quo <u>over time beyond the moratorium period.</u>
Slide 15	Third bullet	Consider adding in the words "in favour of the Trust" at the end of the bullet [IESO Security Agreement]. Also, the \$2 billion credit facility is provided by the Ontario Financing Authority, not the OEFC.
Slide 15	Last bullet	Also, consider rewording so as not to suggest that the \$2 billion facility is solely for "carrying costs". Also, suggest that the last clause on security be a stand-alone bullet, not part of the OFA credit facility bullet.
Slide 16	Second bullet	Consider rephrasing to align better with the offering memorandum and legislation.

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Slide 16	Third bullet	Consider adding in the word “mainly” before “in respect of ...” [see O.Reg. 206/17 section 5].
Slide 16	Bill image	Consider removing as text description should be sufficient.
Slide 17	Second bullet	Consider replacing the words “dealt with” with “mitigated” to avoid suggesting that the risk is eliminated.
Slide 17	Number 2 in the process chart	Consider adding in the word “amount” at the end [O.Reg. 206/17 section 8(2)].
Slide 17	Number 6 in the process chart	Consider replacing the words “in a trust” with “in trust” [FHPA section 16(3)].
Slide 18	Chart	Consider adding explanation of readjustment amount.
Slide 20	OEB’s relationship with OPG in the diagram	Consider replacing “review of OPG Fees” with “review and approval of OPG Fees” to better align with the language in O. Reg. 206/17. Consider replacing “Management Agreement” with “Regulation”.
Slide 20	IESO’s relationship with the Fair Hydro Trust	Note that the Acknowledgement and Indemnity Agreement is made to the Indenture Trustee. Consider editing to avoid confusion.
Slide 20	Ontario Caption	Suggest just having “Province of Ontario” (i.e., omit “(Ministry of Energy)”).
Slide 21	"Suspension Notice"	May wish to consider noting in the sentence that post-suspension refinancing is covered by the guarantee. As this was something Torsys made a point of including in the agreement for financeability, suggest including for investors.
Slide 23	Key Terms – Moratorium Period (bullet 3)	Consider replacing “(until May 1, 2021)” to “(until April 30, 2021) and up to July 31, 2021” [see section 21(4) of FHPA and section 9.1 of O. Reg. 206/17]. Consider removing “which will be offered, as regulatory assets, for transfer to the Trust in a subsequent period”, since this is not expressly provided in the MTSA [also see section 16 of O. Reg. 206/17].
Slide 28	Third bullet	Consider replacing “fit under the fair allocation curve” with “ensure reasonable alignment with fair allocation amounts”. [see paragraph 1 of section 21(3) of FHPA].
Slide 31	Chart	The post-FHP bill should not follow the status quo trajectory between 2025 and 2028 – bill should be above status quo including rebates as the FAA is positive for those years (Fair Adjustment would be used to offset the majority of the CEA but the amount of the FAA would remain).
Slide 36	First bullet	Consider removing references to “statutorily mandated”. Remittances from IESO are mandated under s. 9.1 of O. Reg. 206/17.

Slide 38	Political Risk	Consider reviewing the characterization of the risk to align with the risk as described in the Agreements.
Slide 38	Third bullet	Please note reference to ability to disconnect service for non-payment by LDCs isn't fully reflective of the requirement, consider revising to be more reflective of the actual mechanism.

Fair Hydro Investor Presentation Comments

Slide #	Reference	Comment
Disclaimers	Last par.	How will this presentation be used, and is it in conjunction with the offering memorandum?
Slide 4	Images	Consider removing the nuclear and large hydro images as the plan only covers costs from renewables procurements, gas and conservation. [MOF LSB: Can we confirm whether this is true?]
Slide 6	First bullet	Suggest using "proxy consumer" instead of "average" in this context, which would be more accurate and consistent with legislation as covered later in the presentation. [MOF LSB: Where is Proxy Consumer explained? I am not sure what it means.]
Slide 6	Second bullet	Suggest changing "8% rebate in the provincial portion..." to "8% rebate equivalent to the provincial portion..."
Slide 6	Third bullet	Language suggest that bills will increase back to status quo in 2021 – suggest adding language regarding increases back up to and past the status quo over time.
Slide 7	First bullet	Consider replacing the phrase starting from "in an amount..." with "in such an amount that the total OPG-held subordinated debt does not exceed 49% of all outstanding debt", for clarity.
Slide 11	First bullet	Suggest rewording to the following: "As part of the restructuring of Ontario's electricity industry under the Energy Competition Act, 1998, the municipal electricity utilities became municipally-owned business corporations, including local distribution companies ("LDCs")." – Some LDCs continue to be municipally-owned, while others have been sold to or acquired by Hydro One or private-sector owners."
Slide 14	Second bullet	Consider replacing "previously established regulated rate" with "regulated rate established in the first year of the Rate Reduction Period".
Slide 14	Last bullet	Similar to comment on Slide 6 above, suggest referencing increases back up to and beyond status quo <u>over time beyond the moratorium period.</u>
Slide 15	Third bullet of Moratorium Period section	Consider adding in the words "in favour of the Trust" at the end of the bullet [IESO Security Agreement]. Also, the \$2 billion credit facility is provided by the Ontario Financing Authority, not the OEFC.
Slide 15	Last bullet	Also, consider rewording so as not to suggest that the \$2 billion facility is solely for "carrying costs". Also, suggest that the last clause on security be a stand-alone bullet, not part of the OFA credit facility bullet, <u>and should come before the other part of this bullet (i.e. become the third bullet of this section).</u>

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Slide 16	Second bullet	Consider rephrasing to align better with the offering memorandum and legislation.
Slide 16	Third bullet	Consider adding in the word “mainly” before “in respect of ...” [see O.Reg. 206/17 section 5]. <u>[MOF LSB: This is a defined term in the Act.]</u>
Slide 16	Bill image	Consider removing as text description should be sufficient.
Slide 17	Second bullet	Consider replacing the words “dealt with” with “mitigated” to avoid suggesting that the risk is eliminated.
Slide 17	Number 2 in the process chart	Consider adding in the word “amount” at the end [O.Reg. 206/17 section 8(2)].
Slide 17	Number 6 in the process chart	Consider replacing the words “in a trust” with “in trust” [FHPA section 16(3)].
Slide 18	Chart	Consider adding explanation of readjustment amount.
<u>Slide 20</u>	<u>Chart</u>	<u>Should the Province’s indemnity to OPG [& IESO] be referred to here?</u> <u>Also consider whether Management Agreement should be included?</u>
Slide 20	OEB’s relationship with OPG in the diagram	Consider replacing “review of OPG Fees” with “review and approval of OPG Fees” to better align with the language in O. Reg. 206/17. Consider replacing “Management Agreement” with “Regulation”.
Slide 20	IESO’s relationship with the Fair Hydro Trust	Note that the Acknowledgement and Indemnity Agreement is made to the Indenture Trustee. Consider editing to avoid confusion.
Slide 20	Ontario Caption	Suggest just having “Province of Ontario” (i.e., omit “(Ministry of Energy)”) <u>[MOF LSB: Agree, as MOF is also signatory to some agreements.]</u>
Slide 21	"Suspension Notice"	May wish to consider noting in the sentence that post-suspension refinancing is covered by the guarantee. As this was something Torsys made a point of including in the agreement for financeability, suggest including for investors.
Slide 23	Key Terms – Moratorium Period (bullet 3)	Consider replacing “(until May 1, 2021)” to “(until April 30, 2021) and up to July 31, 2021” [see section 21(4) of FHPA and section 9.1 of O. Reg. 206/17]. Consider removing “which will be offered, as regulatory assets, for transfer to the Trust in a subsequent period”, since this is not expressly provided in the MTSA [also see section 16 of O. Reg. 206/17].
Slide 28	Third bullet	Consider replacing “fit under the fair allocation curve” with “ensure reasonable alignment with fair allocation amounts”. [see paragraph 1 of section 21(3) of FHPA].

Formatted: Font color: Red

Formatted: Font color: Red

Slide 31	Chart	The post-FHP bill should not follow the status quo trajectory between 2025 and 2028 – bill should be above status quo including rebates as the FAA is positive for those years (Fair Adjustment would be used to offset the majority of the CEA but the amount of the FAA would remain).
<u>Slide 33</u>	<u>Acceleration</u> <u>Bullet</u>	<u>Should this reference cap in regulation?</u>
Slide 36	First bullet	Consider removing references to “statutorily mandated”. Remittances from IESO are mandated under s. 9.1 of O. Reg. 206/17.
<u>Slide 36</u>	<u>Guarantor</u>	<u>Should this refer to a limited guarantee to make relationship clear?</u>
Slide 38	Political Risk	Consider reviewing the characterization of the risk to align with the risk as described in the Agreements.
Slide 38	Third bullet	Please note reference to ability to disconnect service for non-payment by LDCs isn’t fully reflective of the requirement, consider revising to be more reflective of the actual mechanism.

Formatted: Font color: Red

Formatted: Font color: Red

Fair Hydro Investor Presentation Comments

Slide #	Reference	Comment
Disclaimers	Last par.	How will this presentation be used, and is it in conjunction with the offering memorandum? [MOF LSB]
Slide 4	Images	Consider removing the nuclear and large hydro images as the plan only covers costs from renewables procurements, gas and conservation. [MOF LSB: Can we confirm whether this is true?]
Slide 6	First bullet	Suggest using "proxy consumer" instead of "average" in this context, which would be more accurate and consistent with legislation as covered later in the presentation. [MOF LSB: Where is Proxy Consumer explained? I am not sure what it means.]
Slide 6	Second bullet	Suggest changing "8% rebate in the provincial portion..." to "8% rebate equivalent to the provincial portion..."
Slide 6	Third bullet	Language suggest that bills will increase back to status quo in 2021 – suggest adding language regarding increases back up to and past the status quo over time.
Slide 7	First bullet	Consider replacing the phrase starting from "in an amount..." with "in such an amount that the total OPG-held subordinated debt does not exceed 49% of all outstanding debt", for clarity.
Slide 11	First bullet	Suggest rewording to the following: "As part of the restructuring of Ontario's electricity industry under the Energy Competition Act, 1998, the municipal electricity utilities became municipally-owned business corporations, including local distribution companies ("LDCs")." – Some LDCs continue to be municipally-owned, while others have been sold to or acquired by Hydro One or private-sector owners."
Slide 14	Second bullet	Consider replacing "previously established regulated rate" with "regulated rate established in the first year of the Rate Reduction Period".
Slide 14	Last bullet	Similar to comment on Slide 6 above, suggest referencing increases back up to and beyond status quo beyond the moratorium period over time.
Slide 15	Third bullet of Moratorium Period section	Consider adding in the words "in favour of the Trust" at the end of the bullet [IESO Security Agreement]. Also, the \$2 billion credit facility is provided by the Ontario Financing Authority, not the OEFC. Also, can we clarify whether the \$2 billion credit facility is provided by the OFA or the OEFC? Who is the actual lender?
Slide 15	Last bullet	Also, consider rewording so as not to suggest that the \$2 billion facility is solely for "carrying costs". Also, suggest that the last clause on security be a stand-alone bullet, not part of the OFA credit facility bullet, and should come before

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

		<u>the other part of this bullet (ie, become the third bullet of this section).</u>
Slide 16	Second bullet	Consider rephrasing to align better with the offering memorandum and legislation.
Slide 16	Third bullet	Consider adding in the word “mainly” before “in respect of ...” [see O.Reg. 206/17 section 5]. <u>[MOF LSB: This is a defined term in the Act.]</u>
Slide 16	Bill image	Consider removing as text description should be sufficient.
Slide 17	Second bullet	Consider replacing the words “dealt with” with “mitigated” to avoid suggesting that the risk is eliminated.
Slide 17	Number 2 in the process chart	Consider adding in the word “amount” at the end [O.Reg. 206/17 section 8(2)].
Slide 17	Number 6 in the process chart	Consider replacing the words “in a trust” with “in trust” [FHPA section 16(3)].
Slide 18	Chart	Consider adding explanation of readjustment amount.
<u>Slide 20</u>	<u>Chart</u>	<u>Should the Province’s indemnity to OPG [& IESO] be referred to here?</u> <u>Also consider whether Management Agreement should be included?</u>
Slide 20	OEB’s relationship with OPG in the diagram	Consider replacing “review of OPG Fees” with “review and approval of OPG Fees” to better align with the language in O. Reg. 206/17. Consider replacing “Management Agreement” with “Regulation”.
Slide 20	IESO’s relationship with the Fair Hydro Trust	Note that the Acknowledgement and Indemnity Agreement is made to the Indenture Trustee. Consider editing to avoid confusion.
Slide 20	Ontario Caption	Suggest just having “Province of Ontario” (i.e., omit “(Ministry of Energy)”) <u>[MOF LSB: Agree, as MOF is also signatory to some agreements.]</u>
Slide 21	"Suspension Notice"	May wish to consider noting in the sentence that post-suspension refinancing is covered by the guarantee. As this was something Torsys made a point of including in the agreement for financeability, suggest including for investors.
<u>Below is a track changes on slides 21 and 22</u>		
Change of Law Protection Agreement		
Parties	Province of Ontario ~~as Obligor~~ and (2) Indenture Trustee <u>as trustee of the FHT</u>, on behalf of Specified Creditors, ~~as Beneficiaries~~ and (3) OPG as Financial Services Manager (“FSM”)	
Purpose	Provides assurance to <u>Specified Creditors-investors</u> that upon the occurrence of a Protection Event, the Province of Ontario will ~~have an obligation to make payments~~ <u>Approved Obligations</u> on behalf of the Trust.	

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

	<u>with [limited rights of acceleration][NTD: Consider how to phrase acceleration issue].</u>
Key Terms	• Term: Continues for as long as any obligations of the Trust that are secured under the Master Trust Indenture (MTI) remain outstanding <u>[MOF LSB: Only if such amounts are covered by the Limited Guarantee]</u> • Mandatory Payment: Upon the occurrence of a Protection Event, the Indenture Trustee has the right to require the Province to pay all <u>Approved eObligations</u> when due and payable • Priority of Payments: The priority of payments is governed by the waterfall provision under the MTI • Adherence Conditions: OPG as FSM is required to comply with certain conditions, including the delivery of an Adherence Compliance Certificate, prior to the issuance of debt which is to benefit from <u>C</u>change in <u>L</u>aw <u>p</u>rotection <u>A</u>greement from the Province • Suspension Notice: The Province may deliver a suspension notice <u>upon the occurrence of a program breach, a default in performance, or misrepresentation by OPG as FSM, and any new funding after which date funding obligations that are incurred after the date of a suspension notice</u> will not have the benefit of the Change of Law Protection, <u>upon the occurrence of a program breach, a default in performance, or misrepresentation by OPG as FSM</u> <u>[MOF LSB: Should the pre-approved refinancing provisions be referred to here?]</u>
Protection Events	The occurrence of any of the following events: • The Legislature repeals (and does not replace on an equivalent basis) or amends the <u>FHP Act</u> or any portion thereof as in effect on the date hereof • The Legislature enacts or amends any other statute • The Lieutenant Governor in Council repeals (and does not replace on an equivalent basis) the regulations made under the Act or any portion thereof as in effect on the date hereof • The Lieutenant Governor in Council, <u>a minister of the Crown, an official of the government or a board or commission all the members of which are appointed by the Lieutenant Governor in Council</u> makes or amends any “regulation” (as defined in Part III of the Legislation Act, 2006) as in effect on the date hereof • The implementation of a change in the organization or structure of the IESO or Ontario’s electricity market undertaken at the initiative of the Province <u>or an entity controlled by the Province</u> • A court of competent jurisdiction determines that all or a portion of the Act or the regulations made under the Act, is ultra vires or invalid in a way that adversely affects the ability of the Trust to <u>adversely affects the ability of the Financing Entity to receive amounts in respect of its Investment Interest so that it can pay Approved Obligations when due and payable</u> <u>pay its obligations</u> in each case that adversely affects the ability of the Trust to pay its obligations when due and payable, taking into account any funds available in reserve accounts, <u>any credit enhancement available</u> and any reasonably expected potential effect of a true-up amount

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Slide 23	Key Terms – Moratorium Period (bullet 3)	Consider replacing “(until May 1, 2021)” to “(until April 30, 2021) and up to July 31, 2021” [see section 21(4) of FHPA and section 9.1 of O. Reg. 206/17]. Consider removing “which will be offered, as regulatory assets, for transfer to the Trust in a subsequent period”, since this is not expressly provided in the MTSA [also see section 16 of O. Reg. 206/17].
Slide 28	Third bullet	Consider replacing “fit under the fair allocation curve” with “ensure reasonable alignment with fair allocation amounts”. [see paragraph 1 of section 21(3) of FHPA].
Slide 31	Chart	The post-FHP bill should not follow the status quo trajectory between 2025 and 2028 – bill should be above status quo including rebates as the FAA is positive for those years (Fair Adjustment would be used to offset the majority of the CEA but the amount of the FAA would remain).
<u>Slide 33</u>	<u>Acceleration</u> <u>Bullet</u>	<u>Should this reference cap in regulation? [MOF LSB]</u>
Slide 36	First bullet	Consider removing references to “statutorily mandated”. Remittances from IESO are mandated under s. 9.1 of O. Reg. 206/17.
<u>Slide 36</u>	<u>Guarantor</u>	<u>Should this refer to a limited guarantee to make relationship clear? [MOF LSB]</u>
Slide 38	Political Risk	Consider reviewing the characterization of the risk to align with the risk as described in the Agreements.
Slide 38	Third bullet	Please note reference to ability to disconnect service for non-payment by LDCs isn’t fully reflective of the requirement, consider revising to be more reflective of the actual mechanism.

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Fair Hydro Investor Presentation Comments

Slide #	Reference	Comment
Disclaimers	Last par.	How will this presentation be used, and is it in conjunction with the offering memorandum? [MOF LSB]
Slide 4	Images	Consider removing the nuclear and large hydro images as the plan only covers costs from renewables procurements, gas and conservation.
Slide 6	First bullet	Suggest using "proxy consumer" instead of "average" in this context, which would be more accurate and consistent with legislation as covered later in the presentation. [MOF LSB: Where is Proxy Consumer explained?]
Slide 6	Second bullet	Suggest changing “8% rebate in the provincial portion...” to “8% rebate equivalent to the provincial portion...”.
Slide 6	Third bullet	Language suggest that bills will increase back to status quo in 2021 – suggest adding language regarding increases back up to and past the status quo over time.
Slide 7	First bullet	Consider replacing the phrase starting from “in an amount...” with “in such an amount that the total OPG-held subordinated debt does not exceed 49% of all outstanding debt”, for clarity.
Slide 11	First bullet	Suggest rewording to the following: “As part of the restructuring of Ontario’s electricity industry under the Energy Competition Act, 1998, the municipal electricity utilities became municipally-owned business corporations, including local distribution companies (“LDCs”).” – Some LDCs continue to be municipally-owned, while others have been sold to or acquired by Hydro One or private-sector owners.”
Slide 14	Second bullet	Consider replacing “previously established regulated rate” with “regulated rate established in the first year of the Rate Reduction Period”.
Slide 14	Last bullet	Similar to comment on Slide 6 above, suggest referencing increases back up to and beyond status quo beyond the moratorium period over time.
Slide 15	Third bullet of Moratorium Period section	Consider adding in the words “in favour of the Trust” at the end of the bullet [IESO Security Agreement].
Slide 15	Last bullet	The \$2 billion credit facility is provided by the Ontario Financing Authority, not the OEFC. Also, consider rewording so as not to suggest that the \$2 billion facility is solely for “carrying costs”. Also, suggest that the last clause on security be a stand-alone bullet, not part of the OFA credit facility bullet, and should come before the other part of this bullet (i.e., become the third bullet of this section).

Slide 16	Second bullet	Consider rephrasing to align better with the offering memorandum and legislation.
Slide 16	Third bullet	Consider adding in the word “mainly” before “in respect of ...” [see O.Reg. 206/17 section 5]. [MOF LSB: This is a defined term in the Act.]
Slide 16	Bill image	Consider removing as text description should be sufficient.
Slide 17	Second bullet	Consider replacing the words “dealt with” with “mitigated” to avoid suggesting that the risk is eliminated.
Slide 17	Number 2 in the process chart	Consider adding in the word “amount” at the end [O.Reg. 206/17 section 8(2)].
Slide 17	Number 6 in the process chart	Consider replacing the words “in a trust” with “in trust” [FHPA section 16(3)].
Slide 18	Chart	Consider adding explanation of readjustment amount.
Slide 20	Chart	Should the Province’s indemnity to OPG [& IESO] be referred to here? Also consider whether Management Agreement should be included?
Slide 20	OEB’s relationship with OPG in the diagram	Consider replacing “review of OPG Fees” with “review and approval of OPG Fees” to better align with the language in O. Reg. 206/17. Consider replacing “Management Agreement” with “Regulation”.
Slide 20	IESO’s relationship with the Fair Hydro Trust	Note that the Acknowledgement and Indemnity Agreement is made to the Indenture Trustee. Consider editing to avoid confusion.
Slide 20	Ontario Caption	Suggest just having “Province of Ontario” (i.e., omit “(Ministry of Energy)”) [MOF LSB: Agree, as MOF is also signatory to some agreements.]
Slide 21	"Suspension Notice"	May wish to consider noting in the sentence that post-suspension refinancing is covered by the guarantee. As this was something Torsys made a point of including in the agreement for financeability, suggest including for investors.

[Below is a track changes on slides 21 and 22](#)

Change of Law Protection Agreement

Parties	Province of Ontario ~~as Obligor~~ and (2) Indenture Trustee as trustee of the FHT, on behalf of Specified Creditors, ~~as Beneficiaries~~ and (3) OPG as Financial Services Manager (“FSM”)
Purpose	Provides assurance to Specified Creditors ~~investors~~ that upon the occurrence of a Protection Event, the Province of Ontario will ~~have an obligation to make payments~~ Approved Obligations on behalf of the Trust, with [limited rights of acceleration] [NTD: Consider how to phrase acceleration issue].
Key Terms	Term: Continues for as long as any obligations of the Trust that are secured under the

	Master Trust Indenture (MTI) remain outstanding <u>[MOF LSB: Only if such amounts are covered by the Limited Guarantee]</u> • Mandatory Payment: Upon the occurrence of a Protection Event, the Indenture Trustee has the right to require the Province to pay all <u>Approved</u> ~~o~~Obligations when due and payable • Priority of Payments: The priority of payments is governed by the waterfall provision under the MTI • Adherence Conditions: OPG as FSM is required to comply with certain conditions, including the delivery of an Adherence Compliance Certificate, prior to the issuance of debt which is to benefit from <u>C</u>change in ~~L~~Law ~~p~~Protection <u>Agreement</u> from the Province • Suspension Notice: The Province may deliver a suspension notice <u>upon the occurrence of a program breach, a default in performance, or misrepresentation by OPG as FSM, and any new funding after which date funding obligations that are incurred after the date of a suspension notice</u> will not have the benefit of the Change of Law Protection, <u>upon the occurrence of a program breach, a default in performance, or misrepresentation by OPG as FSM</u> <u>[MOF LSB: Should the pre-approved refinancing provisions be referred to here?]</u>
Protection Events	The occurrence of any of the following events: • The Legislature repeals (and does not replace on an equivalent basis) or amends the <u>FHP</u> Act or any portion thereof as in effect on the date hereof • The Legislature enacts or amends any other statute • The Lieutenant Governor in Council repeals (and does not replace on an equivalent basis) the regulations made under the Act or any portion thereof as in effect on the date hereof • The Lieutenant Governor in Council, <u>a minister of the Crown, an official of the government or a board or commission all the members of which are appointed by the Lieutenant Governor in Council makes or</u> amends any “regulation” (as defined in Part III of the Legislation Act, 2006) as in effect on the date hereof • The implementation of a change in the organization or structure of the IESO or Ontario’s electricity market undertaken at the initiative of the Province <u>or an entity controlled by the Province</u> • A court of competent jurisdiction determines that all or a portion of the Act or the regulations made under the Act, is ultra vires or invalid in a way that adversely affects the ability of the Trust to <u>adversely affects the ability of the Financing Entity to receive amounts in respect of its Investment Interest so that it can pay Approved Obligations when due and payable</u>~~pay its obligations~~ in each case that adversely affects the ability of the Trust to pay its obligations when due and payable, taking into account any funds available in reserve accounts, <u>any credit enhancement available</u> and any reasonably expected potential effect of a true-up amount

Slide 23	Key Terms – Moratorium Period (bullet 3)	Consider replacing “(until May 1, 2021)” to “(until April 30, 2021) and up to July 31, 2021” [see section 21(4) of FHPA and section 9.1 of O. Reg. 206/17]. Consider removing “which will be offered, as regulatory assets, for transfer to the Trust in a subsequent period”, since this is not expressly provided in the MTSA [also see section 16 of O. Reg. 206/17].
Slide 28	Third bullet	Consider replacing “fit under the fair allocation curve” with “ensure reasonable alignment with fair allocation amounts”. [see paragraph 1 of section 21(3) of FHPA].
Slide 31	Chart	The post-FHP bill should not follow the status quo trajectory between 2025 and 2028 – bill should be above status quo including rebates as the FAA is positive for those years (Fair Adjustment would be used to offset the majority of the CEA but the amount of the FAA would remain).
Slide 33	Acceleration Bullet	Should this reference cap in regulation? [MOF LSB]
Slide 36	First bullet	Consider removing references to “statutorily mandated”. Remittances from IESO are mandated under s. 9.1 of O. Reg. 206/17.
Slide 36	Guarantor	Should this refer to a limited guarantee to make relationship clear? [MOF LSB]
Slide 38	Political Risk	Consider reviewing the characterization of the risk to align with the risk as described in the Agreements.
Slide 38	Third bullet	Please note reference to ability to disconnect service for non-payment by LDCs isn’t fully reflective of the requirement, consider revising to be more reflective of the actual mechanism.

Fair Hydro Investor Presentation Comments

Slide #	Reference	Comment
Disclaimers	Last par.	How will this presentation be used, and is it in conjunction with the offering memorandum? [MOF LSB]
Slide 4	Images	Consider removing the nuclear and large hydro images as the plan only covers costs from renewables procurements, gas and conservation.
Slide 6	First bullet	Suggest using "proxy consumer" instead of "average" in this context, which would be more accurate and consistent with legislation as covered later in the presentation. [MOF LSB: Where is Proxy Consumer explained?]
Slide 6	Second bullet	Suggest changing “8% rebate in the provincial portion...” to “ 8% rebate equivalent to the provincial portion...”.
Slide 6	Third bullet	Language suggest that bills will increase back to status quo in 2021 – suggest adding language regarding increases back up to and past the status quo over time.
Slide 7	First bullet	Consider replacing the phrase starting from “in an amount...” with “in such an amount that the total OPG-held subordinated debt does not exceed 49% of all outstanding debt”, for clarity.
Slide 11	First bullet	Suggest rewording to the following: “As part of the restructuring of Ontario’s electricity industry under the Energy Competition Act, 1998, the municipal electricity utilities became municipally-owned business corporations, including local distribution companies (“LDCs”).” – Some LDCs continue to be municipally-owned, while others have been sold to or acquired by Hydro One or private-sector owners.”
Slide 14	Second bullet	Consider replacing “previously established regulated rate” with “regulated rate established in the first year of the Rate Reduction Period”.
Slide 14	Last bullet	Similar to comment on Slide 6 above, suggest referencing increases back up to and beyond status quo beyond the moratorium period over time.
Slide 15	Third bullet of Moratorium Period section	Consider adding in the words “in favour of the Trust” at the end of the bullet [IESO Security Agreement].
Slide 15	Last bullet	The \$2 billion credit facility is provided by the Ontario Financing Authority, not the OEFC. Also, consider rewording so as not to suggest that the \$2 billion facility is solely for “carrying costs”. Also, suggest that the last clause on security be a stand-alone bullet, not part of the OFA credit facility bullet, and should come before the other part of this bullet (i.e., become the third bullet of this section).

Slide 16	Second bullet	Consider rephrasing to align better with the offering memorandum and legislation.
Slide 16	Third bullet	Consider adding in the word “mainly” before “in respect of ...” [see O.Reg. 206/17 section 5]. [MOF LSB: This is a defined term in the Act.]
Slide 16	Bill image	Consider removing as text description should be sufficient.
Slide 17	Second bullet	Consider replacing the words “dealt with” with “mitigated” to avoid suggesting that the risk is eliminated.
Slide 17	Number 2 in the process chart	Consider adding in the word “amount” at the end [O.Reg. 206/17 section 8(2)].
Slide 17	Number 6 in the process chart	Consider replacing the words “in a trust” with “in trust” [FHPA section 16(3)].
Slide 18	Chart	Consider adding explanation of readjustment amount.
Slide 20	Chart	Should the Province’s indemnity to OPG [& IESO] be referred to here? [MOF LSB] Also consider whether Management Agreement should be included? [MOF LSB]
Slide 20	OEB’s relationship with OPG in the diagram	Consider replacing “review of OPG Fees” with “review and approval of OPG Fees” to better align with the language in O. Reg. 206/17. Consider replacing “Management Agreement” with “Regulation”.
Slide 20	IESO’s relationship with the Fair Hydro Trust	Note that the Acknowledgement and Indemnity Agreement is made to the Indenture Trustee. Consider editing to avoid confusion.
Slide 20	Ontario Caption	Suggest just having “Province of Ontario” (i.e., omit “(Ministry of Energy)”) [MOF LSB: Agree, as MOF is also signatory to some agreements.]
Slide 21	"Suspension Notice"	May wish to consider noting in the sentence that post-suspension refinancing is covered by the guarantee. As this was something Torsys made a point of including in the agreement for financeability, suggest including for investors.
Below is a track changes on slides 21 and 22		
Change of Law Protection Agreement		
Parties	Province of Ontario ~~as Obligor~~ and (2) Indenture Trustee as trustee of the FHT, on behalf of Specified Creditors, ~~as Beneficiaries~~ and (3) OPG as Financial Services Manager (“FSM”)	
Purpose	Provides assurance to Specified Creditors ~~investors~~ that upon the occurrence of a Protection Event, the Province of Ontario will ~~have an obligation to make payments~~ Approved Obligations on behalf of the Trust, with [limited rights of acceleration] [NTD: Consider how to phrase acceleration issue].	
Key Terms	Term: Continues for as long as any obligations of the Trust that are secured under the	

	Master Trust Indenture (MTI) remain outstanding <u>[MOF LSB: Only if such amounts are covered by the Limited Guarantee]</u> • Mandatory Payment: Upon the occurrence of a Protection Event, the Indenture Trustee has the right to require the Province to pay all <u>Approved</u> ~~o~~Obligations when due and payable • Priority of Payments: The priority of payments is governed by the waterfall provision under the MTI • Adherence Conditions: OPG as FSM is required to comply with certain conditions, including the delivery of an Adherence Compliance Certificate, prior to the issuance of debt which is to benefit from <u>C</u>change in ~~L~~Law ~~p~~Protection <u>Agreement</u> from the Province • Suspension Notice: The Province may deliver a suspension notice <u>upon the occurrence of a program breach, a default in performance, or misrepresentation by OPG as FSM, and any new funding after which date funding obligations that are incurred after the date of a suspension notice</u> will not have the benefit of the Change of Law Protection, <u>upon the occurrence of a program breach, a default in performance, or misrepresentation by OPG as FSM</u> <u>[MOF LSB: Should the pre-approved refinancing provisions be referred to here?]</u>
Protection Events	The occurrence of any of the following events: • The Legislature repeals (and does not replace on an equivalent basis) or amends the <u>FHP</u> Act or any portion thereof as in effect on the date hereof • The Legislature enacts or amends any other statute • The Lieutenant Governor in Council repeals (and does not replace on an equivalent basis) the regulations made under the Act or any portion thereof as in effect on the date hereof • The Lieutenant Governor in Council, <u>a minister of the Crown, an official of the government or a board or commission all the members of which are appointed by the Lieutenant Governor in Council makes or</u> amends any “regulation” (as defined in Part III of the Legislation Act, 2006) as in effect on the date hereof • The implementation of a change in the organization or structure of the IESO or Ontario’s electricity market undertaken at the initiative of the Province <u>or an entity controlled by the Province</u> • A court of competent jurisdiction determines that all or a portion of the Act or the regulations made under the Act, is ultra vires or invalid in a way that adversely affects the ability of the Trust to <u>adversely affects the ability of the Financing Entity to receive amounts in respect of its Investment Interest so that it can pay Approved Obligations when due and payable</u>~~pay its obligations~~ in each case that adversely affects the ability of the Trust to pay its obligations when due and payable, taking into account any funds available in reserve accounts, <u>any credit enhancement available</u> and any reasonably expected potential effect of a true-up amount

Slide 23	Key Terms – Moratorium Period (bullet 3)	Consider replacing “(until May 1, 2021)” to “(until April 30, 2021) and up to July 31, 2021” [see section 21(4) of FHPA and section 9.1 of O. Reg. 206/17]. Consider removing “which will be offered, as regulatory assets, for transfer to the Trust in a subsequent period”, since this is not expressly provided in the MTSA [also see section 16 of O. Reg. 206/17].
Slide 28	Third bullet	Consider replacing “fit under the fair allocation curve” with “ensure reasonable alignment with fair allocation amounts”. [see paragraph 1 of section 21(3) of FHPA].
Slide 31	Chart	The post-FHP bill should not follow the status quo trajectory between 2025 and 2028 – bill should be above status quo including rebates as the FAA is positive for those years (Fair Adjustment would be used to offset the majority of the CEA but the amount of the FAA would remain).
Slide 33	Acceleration Bullet	Should this reference cap in regulation? [MOF LSB]
Slide 36	First bullet	Consider removing references to “statutorily mandated”. Remittances from IESO are mandated under s. 9.1 of O. Reg. 206/17.
Slide 36	Guarantor	Should this refer to a limited guarantee to make relationship clear? [MOF LSB]
Slide 38	Political Risk	Consider reviewing the characterization of the risk to align with the risk as described in the Agreements.
Slide 38	Third bullet	Please note reference to ability to disconnect service for non-payment by LDCs isn’t fully reflective of the requirement, consider revising to be more reflective of the actual mechanism.

Fair Hydro Investor Presentation Comments

Slide #	Reference	Comment
Disclaimers	Last par.	How will this presentation be used, and is it in conjunction with the offering memorandum?
Slide 4	Images	Consider removing the nuclear and large hydro images as the plan only covers costs from renewables procurements, gas and conservation. [MOF LSB: Can we confirm whether this is true?]
Slide 6	First bullet	Suggest using "proxy consumer" instead of "average" in this context, which would be more accurate and consistent with legislation as covered later in the presentation. [MOF LSB: Where is Proxy Consumer explained? I am not sure what it means.]
Slide 6	Second bullet	Suggest changing "8% rebate in the provincial portion..." to "8% rebate equivalent to the provincial portion..."
Slide 6	Third bullet	Language suggest that bills will increase back to status quo in 2021 – suggest adding language regarding increases back up to and past the status quo over time.
Slide 7	First bullet	Consider replacing the phrase starting from "in an amount..." with "in such an amount that the total OPG-held subordinated debt does not exceed 49% of all outstanding debt", for clarity.
Slide 11	First bullet	Suggest rewording to the following: "As part of the restructuring of Ontario's electricity industry under the Energy Competition Act, 1998, the municipal electricity utilities became municipally-owned business corporations, including local distribution companies ("LDCs")." – Some LDCs continue to be municipally-owned, while others have been sold to or acquired by Hydro One or private-sector owners."
Slide 14	Second bullet	Consider replacing "previously established regulated rate" with "regulated rate established in the first year of the Rate Reduction Period".
Slide 14	Last bullet	Similar to comment on Slide 6 above, suggest referencing increases back up to and beyond status quo beyond the moratorium period over time.
Slide 15	Third bullet of Moratorium Period section	Consider adding in the words "in favour of the Trust" at the end of the bullet [IESO Security Agreement]. Also, can we clarify whether the \$2 billion credit facility is provided by the OFA or the OEFC? Who is the actual lender? [MOF LSB: Our understanding is that this credit facility comes from the OFA, not the OEFC.]
Slide 15	Last bullet	Also, consider rewording so as not to suggest that the \$2 billion facility is solely for "carrying costs". Also, suggest that the last clause on security be a stand-alone bullet, not part of the OFA credit facility bullet, and should come before

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

		<u>the other part of this bullet (ie, become the third bullet of this section).</u>
Slide 16	Second bullet	Consider rephrasing to align better with the offering memorandum and legislation.
Slide 16	Third bullet	Consider adding in the word “mainly” before “in respect of ...” [see O.Reg. 206/17 section 5]. <u>[MOF LSB: This is a defined term in the Act.]</u>
Slide 16	Bill image	Consider removing as text description should be sufficient.
Slide 17	Second bullet	Consider replacing the words “dealt with” with “mitigated” to avoid suggesting that the risk is eliminated.
Slide 17	Number 2 in the process chart	Consider adding in the word “amount” at the end [O.Reg. 206/17 section 8(2)].
Slide 17	Number 6 in the process chart	Consider replacing the words “in a trust” with “in trust” [FHPA section 16(3)].
Slide 18	Chart	Consider adding explanation of readjustment amount.
<u>Slide 20</u>	<u>Chart</u>	<u>Should the Province’s indemnity to OPG [& IESO] be referred to here?</u> <u>Also consider whether Management Agreement should be included?</u>
Slide 20	OEB’s relationship with OPG in the diagram	Consider replacing “review of OPG Fees” with “review and approval of OPG Fees” to better align with the language in O. Reg. 206/17. Consider replacing “Management Agreement” with “Regulation”.
Slide 20	IESO’s relationship with the Fair Hydro Trust	Note that the Acknowledgement and Indemnity Agreement is made to the Indenture Trustee. Consider editing to avoid confusion.
Slide 20	Ontario Caption	Suggest just having “Province of Ontario” (i.e., omit “(Ministry of Energy)”) <u>[MOF LSB: Agree, as MOF is also signatory to some agreements.]</u>
Slide 21	"Suspension Notice"	May wish to consider noting in the sentence that post-suspension refinancing is covered by the guarantee. As this was something Torsys made a point of including in the agreement for financeability, suggest including for investors.
<u>Below is a track changes on slides 21 and 22</u>		
Change of Law Protection Agreement		
Parties	Province of Ontario ~~as Obligor~~ and (2) Indenture Trustee <u>as trustee of the FHT</u>, on behalf of Specified Creditors, ~~as Beneficiaries~~ and (3) OPG as Financial Services Manager (“FSM”)	
Purpose	Provides assurance to <u>Specified Creditors</u> ~~investors~~ that upon the occurrence of a Protection Event, the Province of Ontario will ~~have an obligation to make payments~~ <u>Approved Obligations</u> on behalf of the Trust.	

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

	<u>with [limited rights of acceleration][NTD: Consider how to phrase acceleration issue].</u>
Key Terms	• Term: Continues for as long as any obligations of the Trust that are secured under the Master Trust Indenture (MTI) remain outstanding <u>[MOF LSB: Only if such amounts are covered by the Limited Guarantee]</u> • Mandatory Payment: Upon the occurrence of a Protection Event, the Indenture Trustee has the right to require the Province to pay all <u>Approved eObligations</u> when due and payable • Priority of Payments: The priority of payments is governed by the waterfall provision under the MTI • Adherence Conditions: OPG as FSM is required to comply with certain conditions, including the delivery of an Adherence Compliance Certificate, prior to the issuance of debt which is to benefit from <u>C</u>change in <u>L</u>aw <u>p</u>rotection <u>A</u>greement from the Province • Suspension Notice: The Province may deliver a suspension notice <u>upon the occurrence of a program breach, a default in performance, or misrepresentation by OPG as FSM, and any new funding after which date funding obligations that are incurred after the date of a suspension notice</u> will not have the benefit of the Change of Law Protection, <u>upon the occurrence of a program breach, a default in performance, or misrepresentation by OPG as FSM</u> <u>[MOF LSB: Should the pre-approved refinancing provisions be referred to here?]</u>
Protection Events	The occurrence of any of the following events: • The Legislature repeals (and does not replace on an equivalent basis) or amends the <u>FHP Act</u> or any portion thereof as in effect on the date hereof • The Legislature enacts or amends any other statute • The Lieutenant Governor in Council repeals (and does not replace on an equivalent basis) the regulations made under the Act or any portion thereof as in effect on the date hereof • The Lieutenant Governor in Council, <u>a minister of the Crown, an official of the government or a board or commission all the members of which are appointed by the Lieutenant Governor in Council</u> makes or amends any “regulation” (as defined in Part III of the Legislation Act, 2006) as in effect on the date hereof • The implementation of a change in the organization or structure of the IESO or Ontario’s electricity market undertaken at the initiative of the Province <u>or an entity controlled by the Province</u> • A court of competent jurisdiction determines that all or a portion of the Act or the regulations made under the Act, is ultra vires or invalid in a way that adversely affects the ability of the Trust to <u>adversely affects the ability of the Financing Entity to receive amounts in respect of its Investment Interest so that it can pay Approved Obligations when due and payable</u>~~pay its obligations~~ in each case that adversely affects the ability of the Trust to pay its obligations when due and payable, taking into account any funds available in reserve accounts, <u>any credit enhancement available</u> and any reasonably expected potential effect of a true-up amount

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Formatted: Font color: Red

Slide 23	Key Terms – Moratorium Period (bullet 3)	Consider replacing “(until May 1, 2021)” to “(until April 30, 2021) and up to July 31, 2021” [see section 21(4) of FHPA and section 9.1 of O. Reg. 206/17]. Consider removing “which will be offered, as regulatory assets, for transfer to the Trust in a subsequent period”, since this is not expressly provided in the MTSA [also see section 16 of O. Reg. 206/17].
Slide 28	Third bullet	Consider replacing “fit under the fair allocation curve” with “ensure reasonable alignment with fair allocation amounts”. [see paragraph 1 of section 21(3) of FHPA].
Slide 31	Chart	The post-FHP bill should not follow the status quo trajectory between 2025 and 2028 – bill should be above status quo including rebates as the FAA is positive for those years (Fair Adjustment would be used to offset the majority of the CEA but the amount of the FAA would remain).
Slide 33	Acceleration Bullet	Should this reference cap in regulation?
Slide 36	First bullet	Consider removing references to “statutorily mandated”. Remittances from IESO are mandated under s. 9.1 of O. Reg. 206/17.
Slide 36	Guarantor	Should this refer to a limited guarantee to make relationship clear?
Slide 38	Political Risk	Consider reviewing the characterization of the risk to align with the risk as described in the Agreements.
Slide 38	Third bullet	Please note reference to ability to disconnect service for non-payment by LDCs isn’t fully reflective of the requirement, consider revising to be more reflective of the actual mechanism.

Formatted: Font color: Red

Formatted: Font color: Red

Fair Hydro Investor Presentation Comments

Slide #	Reference	Comment
Disclaimers	Last par.	How will this presentation be used, and is it in conjunction with the offering memorandum? [MOF LSB]
Slide 4	Images	Consider removing the nuclear and large hydro images as the plan only covers costs from renewables procurements, gas and conservation.
Slide 6	First bullet	Suggest using "proxy consumer" instead of "average" in this context, which would be more accurate and consistent with legislation as covered later in the presentation. [MOF LSB: Where is Proxy Consumer explained?]
Slide 6	Second bullet	Suggest changing “8% rebate in the provincial portion...” to “8% rebate equivalent to the provincial portion...”.
Slide 6	Third bullet	Language suggest that bills will increase back to status quo in 2021 – suggest adding language regarding increases back up to and past the status quo over time.
Slide 7	First bullet	Consider replacing the phrase starting from “in an amount...” with “in such an amount that the total OPG-held subordinated debt does not exceed 49% of all outstanding debt”, for clarity.
Slide 11	First bullet	Suggest rewording to the following: “As part of the restructuring of Ontario’s electricity industry under the Energy Competition Act, 1998, the municipal electricity utilities became municipally-owned business corporations, including local distribution companies (“LDCs”).” – Some LDCs continue to be municipally-owned, while others have been sold to or acquired by Hydro One or private-sector owners.”
Slide 14	Second bullet	Consider replacing “previously established regulated rate” with “regulated rate established in the first year of the Rate Reduction Period”.
Slide 14	Last bullet	Similar to comment on Slide 6 above, suggest referencing increases back up to and beyond status quo beyond the moratorium period over time.
Slide 15	Third bullet of Moratorium Period section	Consider adding in the words “in favour of the Trust” at the end of the bullet [IESO Security Agreement].
Slide 15	Last bullet	The \$2 billion credit facility is provided by the Ontario Financing Authority, not the OEFC. Also, consider rewording so as not to suggest that the \$2 billion facility is solely for “carrying costs”. Also, suggest that the last clause on security be a stand-alone bullet, not part of the OFA credit facility bullet, and should come before the other part of this bullet (i.e., become the third bullet of this section).

Slide 16	Second bullet	Consider rephrasing to align better with the offering memorandum and legislation.
Slide 16	Third bullet	Consider adding in the word “mainly” before “in respect of ...” [see O.Reg. 206/17 section 5]. <u>[MOF LSB: This is a defined term in the Act.]</u>
Slide 16	Bill image	Consider removing as text description should be sufficient.
Slide 17	Second bullet	Consider replacing the words “dealt with” with “mitigated” to avoid suggesting that the risk is eliminated.
Slide 17	Number 2 in the process chart	Consider adding in the word “amount” at the end [O.Reg. 206/17 section 8(2)].
Slide 17	Number 6 in the process chart	Consider replacing the words “in a trust” with “in trust” [FHPA section 16(3)].
Slide 18	Chart	Consider adding explanation of readjustment amount.
<u>Slide 20</u>	<u>Chart</u>	<u>Should the Province’s indemnity to OPG [& IESO] be referred to here? [MOF LSB]</u> <u>Also consider whether Management Agreement should be included? [MOF LSB]</u>
Slide 20	OEB’s relationship with OPG in the diagram	Consider replacing “review of OPG Fees” with “review and approval of OPG Fees” to better align with the language in O. Reg. 206/17. Consider replacing “Management Agreement” with “Regulation”.
Slide 20	IESO’s relationship with the Fair Hydro Trust	Note that the Acknowledgement and Indemnity Agreement is made to the Indenture Trustee. Consider editing to avoid confusion.
<u>Slide 20</u>	<u>Ontario Caption</u>	<u>Suggest just having “Province of Ontario” (i.e., omit “(Ministry of Energy)”) [MOF LSB: Agree, as MOF is also signatory to some agreements.]</u>
Slide 21	"Suspension Notice"	May wish to consider noting in the sentence that post-suspension refinancing is covered by the guarantee. As this was something Torsys made a point of including in the agreement for financeability, suggest including for investors.
<u>Below is a track changes on slides 21 and 22</u>		
Change of Law Protection Agreement		
Parties	Province of Ontario ~~as Obligor~~ and (2) Indenture Trustee <u>as trustee of the FHT</u>, on behalf of Specified Creditors, ~~as Beneficiaries~~ and (3) OPG as Financial Services Manager (“FSM”)	
Purpose	Provides assurance to <u>Specified Creditors</u> ~~investors~~ that upon the occurrence of a Protection Event, the Province of Ontario will ~~have an obligation to make payments~~ <u>Approved Obligations</u> on behalf of the Trust, <u>with [limited rights of acceleration]</u> <u>[NTD: Consider how to phrase acceleration issue].</u>	
Key Terms	Term: Continues for as long as any obligations of the Trust that are secured under the	

	Master Trust Indenture (MTI) remain outstanding <u>[MOF LSB: Only if such amounts are covered by the Limited Guarantee]</u> • Mandatory Payment: Upon the occurrence of a Protection Event, the Indenture Trustee has the right to require the Province to pay all <u>Approved</u> ~~o~~Obligations when due and payable • Priority of Payments: The priority of payments is governed by the waterfall provision under the MTI • Adherence Conditions: OPG as FSM is required to comply with certain conditions, including the delivery of an Adherence Compliance Certificate, prior to the issuance of debt which is to benefit from <u>C</u>change in ~~l~~Law ~~p~~Protection <u>Agreement</u> from the Province • Suspension Notice: The Province may deliver a suspension notice <u>upon the occurrence of a program breach, a default in performance, or misrepresentation by OPG as FSM, and any new funding after which date funding obligations that are incurred after the date of a suspension notice</u> will not have the benefit of the Change of Law Protection, <u>upon the occurrence of a program breach, a default in performance, or misrepresentation by OPG as FSM</u> <u>[MOF LSB: Should the pre-approved refinancing provisions be referred to here?]</u>
Protection Events	The occurrence of any of the following events: • The Legislature repeals (and does not replace on an equivalent basis) or amends the <u>FHP</u> Act or any portion thereof as in effect on the date hereof • The Legislature enacts or amends any other statute • The Lieutenant Governor in Council repeals (and does not replace on an equivalent basis) the regulations made under the Act or any portion thereof as in effect on the date hereof • The Lieutenant Governor in Council, <u>a minister of the Crown, an official of the government or a board or commission all the members of which are appointed by the Lieutenant Governor in Council makes or</u> amends any “regulation” (as defined in Part III of the Legislation Act, 2006) as in effect on the date hereof • The implementation of a change in the organization or structure of the IESO or Ontario’s electricity market undertaken at the initiative of the Province <u>or an entity controlled by the Province</u> • A court of competent jurisdiction determines that all or a portion of the Act or the regulations made under the Act, is ultra vires or invalid in a way that adversely affects the ability of the Trust to <u>adversely affects the ability of the Financing Entity to receive amounts in respect of its Investment Interest so that it can pay Approved Obligations when due and payable</u>~~pay its obligations~~ in each case that adversely affects the ability of the Trust to pay its obligations when due and payable, taking into account any funds available in reserve accounts, <u>any credit enhancement available</u> and any reasonably expected potential effect of a true-up amount

Slide 23	Key Terms – Moratorium Period (bullet 3)	Consider replacing “(until May 1, 2021)” to “(until April 30, 2021) and up to July 31, 2021” [see section 21(4) of FHPA and section 9.1 of O. Reg. 206/17]. Consider removing “which will be offered, as regulatory assets, for transfer to the Trust in a subsequent period”, since this is not expressly provided in the MTSA [also see section 16 of O. Reg. 206/17].
Slide 25	“Equity Subscription Agreement” line	Replace “Equity Subscription Agreement” with “Master Share Subscription Agreement” Remove reference to ‘subordinated’ in this sentence: “....the Province provides equity injections to OPG to purchase subordinated debt issued by the Trust” - Rationale: While the equity injection is expected to be used for subordinated debt, this isn’t specified in the Master Share Subscription agreement.
Slide 28	Third bullet	Consider replacing “fit under the fair allocation curve” with “ensure reasonable alignment with fair allocation amounts”. [see paragraph 1 of section 21(3) of FHPA].
Slide 31	Chart	The post-FHP bill should not follow the status quo trajectory between 2025 and 2028 – bill should be above status quo including rebates as the FAA is positive for those years (Fair Adjustment would be used to offset the majority of the CEA but the amount of the FAA would remain).
Slide 33	Acceleration Bullet	Should this reference cap in regulation? [MOF LSB]
Slide 36	First bullet	Consider removing references to “statutorily mandated”. Remittances from IESO are mandated under s. 9.1 of O. Reg. 206/17.
Slide 36	Guarantor	Should this refer to a limited guarantee to make relationship clear? [MOF LSB]
Slide 38	Political Risk	Consider reviewing the characterization of the risk to align with the risk as described in the Agreements.
Slide 38	Third bullet	Please note reference to ability to disconnect service for non-payment by LDCs isn’t fully reflective of the requirement, consider revising to be more reflective of the actual mechanism.

This indicative term sheet accompanies, is incorporated by reference in and forms part of the confidential shelf offering memorandum (the “confidential shelf offering memorandum”) dated January 22, 2018 of Fair Hydro Trust (the “Issuer”) and is subject to all of the restrictions, conditions and limitations set out in the confidential shelf offering memorandum. This term sheet and the confidential shelf offering memorandum constitute an offering of these securities only in those jurisdictions and to those persons where and to whom they may be lawfully offered for sale. The Issuer is not obligated to accept an offer to purchase the securities described herein.

The summary below describes the principal terms of the Series 2018-1 Senior Notes (as defined below). Certain of the terms summarized below are subject to important limitations and exceptions. The following is not intended to be complete. Prospective investors should review the “Capital Markets Platform” and “Description of Senior Notes” sections of the confidential shelf offering memorandum which contain a more detailed description of certain terms of the Series 2018-1 Senior Notes and the trust indenture (the “Master Trust Indenture”) between the Issuer and BNY Trust Company of Canada, acting as trustee, dated December 21, 2017 (and to which the Series 2018-1 Senior Notes will be subject), as supplemented by the term senior series 2018-1 supplemental indenture to the Master Trust Indenture (the “Series 2018-1 Senior Supplemental Indenture”) pursuant to which the Series 2018-1 Senior Notes will be issued (together with the Master Trust Indenture, the “Indenture”). In the event of any inconsistency between this indicative term sheet and the confidential shelf offering memorandum, the terms of this indicative term sheet apply. Certain capitalized terms used and not otherwise defined in the summary below have the meanings given thereto in the confidential shelf offering memorandum.

New Issue by Way of Private Placement

January 22, 2018



FAIR HYDRO TRUST

●% SENIOR NOTES DUE MAY 15, 2033, SERIES 2018-1

Indicative Term Sheet

Issuer:	Fair Hydro Trust, a special purpose trust established under the laws of the Province of Ontario.		
Issue:	●% Senior Notes due May 15, 2033, Series 2018-1 (the “Series 2018-1 Senior Notes”).		
Expected Credit Ratings:	DBRS:	AAA(sf)	
	Moody’s:	Aa2(sf)	
Principal Amount:	\$● ⁽¹⁾		
Term:	15.25 years		
Launch Date:	●, 2018		
Pricing Date:	●, 2018		
Settlement Date:	●, 2018 (T+3)		
Interest Rate:	●% per annum (the “Series 2018-1 Interest Rate”)		
Issue Spread:	+● bps (+/-● bps) versus Government of Canada curve interpolated between CAN ●% due ● and CAN ●% due ●		
	+● bps (including a ● bps curve adjustment and +● bps delay adjustment), versus the CAN ●% due ● (priced at \$● to yield ●%)		

(1) The Issuer may offer and sell Series 2018-1 Senior Notes having a principal amount greater than the amount shown above. In that event, the Principal Accumulation Amounts, the principal amounts of the Series 2018-1 Subordinated Notes and the Series 2018-1 Junior Subordinated Notes and the use of proceeds amount will be increased proportionately.

Issue Yield:	●%
Issue Price:	\$● per \$1,000 principal amount of Series 2018-1 Senior Notes.
Agents Commission:	\$● per \$1,000 principal amount of Series 2018-1 Senior Notes sold (payable from existing cash resources of the Issuer)
Interest Payment Dates:	The Interest Payment Dates for the Series 2018-1 Senior Notes are as follows: (i) prior to the occurrence of an Amortization Event, interest on the Series 2018-1 Senior Notes shall be payable in equal semi-annual instalments (except the first interest payment) in arrears on May 15 and November 15 of each year, commencing May 15, 2018 (short first coupon); and (ii) following the occurrence of an Amortization Event, interest will be payable in arrears on the outstanding principal amount of the Series 2018-1 Senior Notes on each Payment Date thereafter at a rate equal to the monthly equivalent of the Series 2018-1 Interest Rate; that is, the interest rate that, when compounded monthly for six months on a stated outstanding principal amount, yields interest in an amount equal to the Series 2018-1 Interest Rate, multiplied by such outstanding principal amount and divided by two. The first interest payment on the Series 2018-1 Senior Notes will include accrued and unpaid interest for the period from, and including, the closing date of this Offering (the “Series 2018-1 Senior Notes Offering”) to, but excluding, the first Interest Payment Date. Subject to the occurrence of an Acceleration Event, the first interest payment will be in an amount equal to \$● per \$1,000 principal amount of Series 2018-1 Senior Notes. If an Interest Payment Date is not a business day in Toronto, then the payment will be made on the next business day with no adjustment. For any period less than a full semi-annual interest period, interest will be calculated on an actual/365 basis. The record date for each Interest Payment Date is the last day of the calendar month preceding such Interest Payment Date. “Amortization Event” means either an Acceleration Event has occurred with respect to the Series 2018-1 Senior Notes, or the outstanding principal amount of the Series 2018-1 Senior Notes has not been paid in full on the Expected Principal Payment Date (as defined below). An “Acceleration Event” means either (i) all Issuer Funding Obligations are declared due and payable in accordance with the provisions of the Master Trust Indenture, or (ii) the outstanding principal amount of the Series 2018-1 Senior Notes and all interest thereon is declared due and payable in accordance with the Indenture as a result of the occurrence of a Series 2018-1 Event of Default (as defined below).
Principal Payment Dates and Principal Payment Amount:	Subject to the occurrence of an Acceleration Event, the outstanding principal amount of the Series 2018-1 Senior Notes shall be due and payable on May 15, 2033 (such Payment Date, the “Expected Principal Payment Date”). Following the occurrence of an Amortization Event, each Payment Date thereafter shall be a Principal Payment Date in respect of the Series 2018-1 Senior Notes and the then outstanding principal amount of the Series 2018-1 Senior Notes shall be due and payable on each such Payment Date.
Principal Payment Default Date:	May 15, 2035

Principal Accumulation Amounts: Subject to the occurrence of an Amortization Event, the Series 2018-1 Senior Notes shall have the Principal Accumulation Amounts for the Payment Dates specified in Appendix A hereto.

Following the occurrence of an Amortization Event, the Principal Accumulation Amount with respect to each Payment Date thereafter shall be an amount equal to the outstanding principal amount of the Series 2018-1 Senior Notes.

Subordination: Concurrent with the issuance of the Series 2018-1 Senior Notes, OPG will subscribe for (i) \$● of ●% subordinated notes due May 15, 2033, Series 2018-1 (the “**Series 2018-1 Subordinated Notes**”); and (ii) \$● of ●% junior subordinated notes due May 15, 2033, Series 2018-1 (the “**Series 2018-1 Junior Subordinated Notes**”). The Series 2018-1 Subordinated Notes shall be subordinated to the Series 2018-1 Senior Notes (and all other Senior Funding Obligations), and the Series 2018-1 Junior Subordinated Notes shall be subordinated to the Series 2018-1 Senior Notes (and all other Senior Funding Obligations) and the Series 2018-1 Subordinated Notes (and all other Subordinated Funding Obligations), in each case in the manner described in the confidential shelf offering memorandum under the heading “*Capital Markets Platform – Subordination Provisions*”.

Optional Redemption: The Series 2018-1 Senior Notes will be redeemable at the option of the Issuer, in whole or in part, at any time and from time to time, on not less than 15 nor more than 60 days’ notice at the redemption price specified below. At any time prior to the Par Call Date, the redemption price will be equal to the greater of (i) the Series 2018-1 Canada Yield Price and (ii) par, plus, in each case, accrued and unpaid interest to, but not including, the date of redemption. On or after the Par Call Date, the redemption price will be equal to par, plus accrued and unpaid interest to, but not including, the date of redemption.

“**Par Call Date**” means November 15, 2032.

“**Series 2018-1 Canada Yield Price**” means a price equal to the price of the Series 2018-1 Senior Notes calculated to provide a yield to the Par Call Date, compounded semi-annually and calculated in accordance with generally accepted Canadian financial practice, equal to the Government of Canada Yield calculated at 10:00 a.m. (Toronto time) on the third business day preceding the date of redemption, plus ●% per annum.

“**Government of Canada Yield**” on any date means, in respect of the Series 2018-1 Senior Notes being redeemed, the yield from the redemption date to the Par Call Date compounded semi-annually and calculated in accordance with generally accepted Canadian financial practice, which a non-callable Government of Canada bond would carry if issued in Canadian dollars in Canada at 100% of its principal amount on such date with a term to maturity equal to the remaining term to the Par Call Date (calculated from the date of redemption), such yield being the average of the yields provided by two major Canadian investment dealers specified by the Issuer.

Limited Recourse:

The Series 2018-1 Senior Notes do not constitute a debt, liability or other obligation of, or interest in, OPG or any of its other affiliates (other than the Issuer). The Series 2018-1 Senior Notes are not a debt, liability or obligation of the Province of Ontario or any of its political subdivisions, agencies or instrumentalities. The Series 2018-1 Senior Notes will not be insured or guaranteed by the Province of Ontario, OPG or any of their respective affiliates or any other person or entity, except that the Province of Ontario has agreed to provide a limited guarantee in respect of the Series 2018-1 Senior Notes following the occurrence of certain events. See the confidential shelf offering memorandum under “*Change of Law Protection Agreement*”. The Series 2018-1 Senior Notes will be limited recourse obligations, secured only by the collateral described in the confidential shelf offering memorandum. See the confidential shelf offering memorandum under the heading “*Capital Markets Platform — Acceleration and Remedies — Limited Recourse*” and “*Risk Factors*”.

Use of Proceeds:

The proceeds from the Series 2018-1 Senior Notes Offering will be used to refinance \$● of indebtedness of the Issuer previously incurred to purchase an Investment Interest from the IESO pursuant to the Master Transfer and Servicing Agreement. See “*Consolidated Capitalization*”. Expenses of the Series 2018-1 Senior Notes Offering are to be paid from existing cash resources.

Ranking:

Subject to the applicable payment waterfalls in the Master Trust Indenture, the Series 2018-1 Senior Notes will be direct, secured and unsubordinated obligations of the Issuer, and will at all times rank equally and proportionately with each other and all other Senior Funding Obligations issued by the Issuer from time to time pursuant to the Indenture, without discrimination or preference.

Change of Law Protection Agreement:

The Series 2018-1 Senior Notes are Approved Obligations under the Change of Law Protection Agreement.

Series 2018-1 Events of Default:

In addition to the Events of Default contained in the Master Trust Indenture and described in the confidential shelf offering memorandum, each of the following events constitute a “**Series 2018-1 Events of Default**”:

- (a) failure to pay interest on the Series 2018-1 Senior Notes when due, subject to a 5-day cure period;
- (b) failure to pay principal on the Principal Payment Default Date for the Series 2018-1 Senior Notes;
- (c) breach of representation or warranty in the Series 2018-1 Senior Supplemental Indenture applicable to the Series 2018-1 Senior Notes, subject to materiality requirements and a 60-day cure period;
- (d) breach of a covenant in the Series 2018-1 Senior Supplemental Indenture, subject to materiality requirements and a 60-day cure period; and
- (e) an event occurs and as a result thereof, all or any portion of the principal amount of any other Senior Funding Obligation has been accelerated.

Acceleration upon a Series 2018-1 Event of Default:

Upon the occurrence of a Series 2018-1 Event of Default, the holders of Series 2018-1 Senior Notes may, by Ordinary Resolution, declare the outstanding principal and all accrued and unpaid interest on the Series 2018-1 Senior Notes to be immediately due and payable, whether or not all Issuer Funding Obligations have been accelerated pursuant to the Master Trust Indenture. For a discussion of the consequences of such declaration, see the confidential shelf offering memorandum under the headings “*Capital Markets Platform – Acceleration and Remedies*” and “*Risk Factors – If a Series of Senior Notes or all Senior Notes are accelerated, a holder of Senior Notes might receive payment of principal sooner or later than expected*”.

Rating Agency Condition:

“**Rating Agency Condition**” means with respect to any action in respect of the Series 2018-1 Senior Notes subject to such condition, the Issuer shall deliver written notice of the proposed action to such Rating Agency or Rating Agencies at least 10 business days prior to the effective date of such action (or if 10 business days prior notice is impractical, such advance notice as is practicable) and (i) the Rating Agencies shall not have informed the Issuer prior to the effective date of such action that such action will result in the reduction or withdrawal of the rating in effect with respect to the Series 2018-1 Senior Notes immediately before the taking of such action, or (ii) in the case of DBRS, or any successor thereto, DBRS shall have informed the Issuer in writing prior to the effective date of such action that such action will not result in the reduction or withdrawal of the rating in effect with respect to the Series 2018-1 Senior Notes immediately before the taking of such action.

Additional Security:

No Series Account will be established for the Series 2018-1 Senior Notes. No credit enhancement agreement or liquidity agreement has been entered into for the benefit of the Series 2018-1 Noteholders.

Currency:

Canadian dollars.

Minimum Subscription:

Minimum principal amount of \$150,000.

Form and Denomination:

Book entry only through participants in CDS. The Series 2018-1 Senior Notes will be issued in multiples of \$1,000.

CUSIP/ISIN:

CUSIP – ●
ISIN – ●

Agents:

CIBC World Markets Inc. (joint lead and joint bookrunner), Goldman Sachs Canada Inc. (joint lead), RBC Dominion Securities Inc. (joint lead and joint bookrunner), BMO Nesbitt Burns Inc., Scotia Capital Inc., National Bank Financial Inc., TD Securities Inc., Morgan Stanley Canada Limited, HSBC Securities (Canada) Inc., Laurentian Bank Securities Inc., Desjardins Securities Inc. and Casgrain & Company Limited.

Any statement contained in the confidential shelf offering memorandum or in any document incorporated or deemed to be incorporated by reference in the confidential shelf offering memorandum shall be deemed to be modified or superseded, to the extent that a statement contained herein or in any other subsequent document which is or is deemed to be incorporated by reference in the confidential shelf offering memorandum, modifies or supersedes such prior statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document which it modifies or supersedes. The making of such a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading

in light of the circumstances in which it was made. Any statement so modified or superseded shall not constitute a part of the confidential shelf offering memorandum, except as so modified or superseded.

CIBC World Markets Inc., RBC Dominion Securities Inc. and Goldman Sachs Canada Inc. are each, directly or indirectly, a wholly-owned or majority-owned subsidiary or affiliate of a financial institution which is a lender to the Issuer and to which the Issuer is currently indebted under the terms of the Warehouse Facilities (as described herein). The Issuer may use a portion of the net proceeds of the Series 2018-1 Senior Notes Offering to repay certain indebtedness under the Warehouse Facilities. Consequently, the Issuer may be considered to be a “connected issuer” of certain of the Agents for the purposes of securities regulations in certain provinces. See “Relationship between the Issuer and the Agents”.

CAPITALIZATION

On December 21, 2017, the Issuer entered into the following supplemental indentures under the Master Trust Indenture for the provision of an aggregate of approximately \$1.56 billion in short term indebtedness (collectively, the “Warehouse Facilities”), of which a total of \$1.179 billion is drawn as of the date hereof:

- (i) a warehouse senior series 2017-1 supplemental indenture with, among others, Royal Bank of Canada, as administrative agent for certain commercial paper conduit purchasers and financial institutions named therein, for the provision of an aggregate maximum principal amount of \$800,000,000 floating rate variable funding Senior Notes, Series 2017-1 (“**Senior Notes, Series 2017-1**”), of which \$601,290,000 is drawn. See “*Relationship between the Issuer and the Agents*”;
- (ii) a warehouse subordinated series 2017-1 supplemental indenture with, among others, OPG for the provision of an aggregate maximum principal amount of \$611,764,705.88 floating rate variable funding Subordinated Notes, Series 2017-1 (“**Subordinated Notes, Series 2017-1**”), of which \$459,810,000 is drawn; and
- (iii) a warehouse junior subordinated series 2017-1 supplemental indenture with, among others, OPG for the provision of an aggregate maximum principal amount of \$156,862,745.10 floating rate variable funding Junior Subordinated Notes, Series 2017-1 (“**Junior Subordinated Notes, Series 2017-1**”), of which \$117,900,000 is drawn.

The issuance of Senior Notes, Series 2017-1, Subordinated Notes, Series 2017-1 and Junior Subordinated Notes, Series 2017-1 under the Warehouse Facilities described above were used to acquire a \$1.179 billion Investment Interest from the IESO on December 21, 2017.

Concurrently with the issuance of the Series 2018-1 Senior Notes, OPG will also subscribe for the Series 2018-1 Subordinated Notes and the Series 2018-1 Junior Subordinated Notes.

The following table summarizes the capitalization of the Issuer as at the dates indicated before and after completion of the Series 2018-1 Senior Notes Offering.

	As at December 31, 2017 before giving effect to the Series 2018-1 Senior Notes Offering	As at December 31, 2017 after giving effect to the Series 2018-1 Senior Notes Offering
Cash and Cash Equivalents.....	Nil	\$●
Debt		
Long-term debt, including current portion.....	Nil	\$●
Short-term debt.....	\$1,179,000,000.00 ⁽²⁾	\$●
Bank indebtedness.....	Nil	\$●
Total Debt	\$1,179,000,000.00⁽²⁾	\$●
Equity		
Equity.....	\$10,000.01	\$10,000.01
Total Capitalization	\$1,179,010,000.01⁽²⁾	\$●

- (2) Representing Notes outstanding as of the date hereof under the Warehouse Facilities as follows: (i) \$601,290,000, or 51% of all short term debt, represented by Senior Notes, Series 2017-1; (ii) \$459,810,000, or 39% of all short term debt, represented by Subordinated Notes, Series 2017-1 held by OPG; and (iii) \$117,900,000, or 10% of all short term debt, represented by Junior Subordinated Notes, Series 2017-1 held by OPG.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Torys LLP and Osler, Hoskin & Harcourt LLP, the following summary describes the principal Canadian federal income tax considerations generally applicable under the Income Tax Act (Canada) (the “**Tax Act**”) to a holder who acquires Series 2018-1 Senior Notes as beneficial owner pursuant to the Series 2018-1 Senior Notes Offering and who, for purposes of the Tax Act and at all relevant times, deals at arm’s length and is not affiliated with the Issuer, and holds Series 2018-1 Senior Notes as capital property (a “**Holder**”). Generally, the Series 2018-1 Senior Notes will be capital property to a Holder provided that the Holder does not acquire or hold the Series 2018-1 Senior Notes in the course of carrying on a business or as part of an adventure or concern in the nature of trade. Certain holders who might not otherwise be considered to hold their Series 2018-1 Senior Notes as capital property may, in certain circumstances, be entitled to treat their Series 2018-1 Senior Notes and any other “Canadian security” (as defined in the Tax Act) owned by them in the taxation year of the election and all subsequent taxation years as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. Such holders are advised to consult their own tax advisors to determine whether such an election is available and desirable in their particular circumstances.

This summary is not applicable to a holder: (i) that is a “financial institution” (as defined in the Tax Act for purposes of the “mark to market property” and “specified debt obligation” rules); (ii) an interest in which is a “tax shelter investment” (as defined in the Tax Act); (iii) that reports its “Canadian tax results” (as defined in the Tax Act) in a currency other than Canadian dollars; or (iv) that has entered into or will enter into a “derivative forward agreement” as defined in the Tax Act in respect of the Series 2018-1 Senior Notes. Any such holders should consult their own tax advisors with respect to an investment in the Series 2018-1 Senior Notes. In addition, this summary does not address the deductibility of interest by a holder who has borrowed money to acquire Series 2018-1 Senior Notes.

On July 18, 2017, the Minister of Finance (Canada) released a consultation paper that included an announcement of its intention to amend the Tax Act to increase the amount of tax applicable to passive investment income earned through a private corporation. No specific amendments to the Tax Act were proposed in connection with this announcement and this summary does not consider the implications of this announcement. On November 18, 2017, the Minister of Finance (Canada) announced that the government intends to move forward with the planned amendments subject to further developments to address concerns of business owners the details of which are not yet available. Holders that are private corporations should consult their own tax advisors regarding the implications of these announcements with respect to their particular circumstances.

This summary is based upon the facts set out in the confidential shelf offering memorandum, the current provisions of the Tax Act and the regulations thereunder (the “**Regulations**”), all specific proposals to amend the Tax Act and the Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “**Tax Proposals**”) and counsel’s understanding of the current published administrative policies and practices of the Canada Revenue Agency. There can be no assurance that any Tax Proposals will be implemented in their current form or at all. This summary does not otherwise take into account or anticipate any changes in law or administrative policies and practices, whether by legislative, administrative or judicial action nor does it take into account provincial, territorial or foreign tax legislation or considerations, which may differ significantly from those discussed herein.

This summary is not exhaustive of all possible Canadian federal income tax considerations applicable to an investment in the Series 2018-1 Senior Notes. Moreover, the income and other tax consequences of acquiring, holding or disposing of the Series 2018-1 Senior Notes will vary depending on the Holder’s particular circumstances, including the province or territory, or provinces or territories, in which the Holder resides or carries on business. Accordingly, this summary is of a general nature only and is not intended to be legal or tax advice to any particular Holder, and no representations with respect to the income tax consequences to any Holder are made. Investors should consult their own tax advisors for advice with respect to the tax consequences of an investment in the Series 2018-1 Senior Notes based on their particular circumstances. This summary does not address any tax considerations applicable to persons other than Holders and such persons should consult their own tax advisors regarding the consequences of acquiring, holding and disposing of Series 2018-1 Senior Notes under the Tax Act and any jurisdiction in which they may be subject to tax.

Foreign Exchange

For purposes of the Tax Act, all amounts relating to the acquisition, holding or disposition of Series 2018-1 Senior Notes must be expressed in Canadian dollars, including any interest, adjusted cost base and proceeds of disposition. For purposes of the Tax Act, amounts denominated in a currency other than the Canadian dollar generally must be converted into Canadian dollars in accordance with the Tax Act on the date such amounts first arose. A Holder may realize a capital gain or a capital loss on the disposition or deemed disposition of a Series 2018-1 Senior Note by virtue of fluctuations in the value of the U.S. dollar relative to the Canadian dollar. The amount of interest or other amounts required to be included in computing the Holder's income for a taxation year will also be affected by fluctuations in the U.S. dollar relative to the Canadian dollar.

Interest on Series 2018-1 Senior Notes

A Holder that is a corporation, partnership, unit trust or any trust of which a corporation or partnership is a beneficiary will be required to include in computing its income for a taxation year all interest on the Series 2018-1 Senior Notes that accrues or is deemed to accrue to such Holder to the end of the particular taxation year or that becomes receivable or is received by the Holder before the end of that taxation year, including on a redemption or repayment on maturity, except to the extent that such interest was included in computing the Holder's income for a preceding taxation year.

Any other Holder, including an individual, will be required to include in computing its income for a taxation year all interest on the Series 2018-1 Senior Notes that is received or receivable by the Holder in that taxation year (depending upon the method regularly followed by the Holder in computing income), including on a redemption, purchase for cancellation, or repayment on maturity, except to the extent that the interest was included in the Holder's income for a preceding taxation year.

Any premium paid by the Issuer to a Holder on the redemption of a Series 2018-1 Senior Note or a purchase for cancellation of a Series 2018-1 Senior Note (other than in the open market in the manner any such obligation would normally be purchased in the open market by any member of the public), will generally be deemed to be interest received at the time by the Holder to the extent that such premium can reasonably be considered to relate to, and does not exceed the value at the time of the redemption of or purchase for cancellation of, the interest that, would have been paid or payable by the Issuer on the Series 2018-1 Senior Note for a taxation year ending after the redemption or purchase for cancellation, and to the extent such premium was not otherwise included in computing the Holder's income for that taxation year or a previous taxation year.

Where a Holder is required to include in income interest on a Series 2018-1 Senior Note that accrued before such Series 2018-1 Senior Note was acquired by the Holder, the Holder will be entitled to a deduction in computing income of an equivalent amount. The adjusted cost base to the Holder of the Series 2018-1 Senior Note will be reduced by the amount which is so deductible.

If a Series 2018-1 Senior Note is purchased by a Holder at a discount from its face value, the Holder may be required to include an amount equal to such discount in computing income, either in accordance with the deemed interest accrual rules contained in the Tax Act and Regulations or in the taxation year in which an amount in respect of the discount is received or receivable by the Holder. Holders should consult their own tax advisors in these circumstances as the treatment of the discount may vary with the facts and circumstances giving rise to the discount.

Disposition of Series 2018-1 Senior Notes

On a disposition or deemed disposition of a Series 2018-1 Senior Note (including a redemption, purchase for cancellation or repayment at maturity), a Holder will generally be required to include in income any premium deemed to be interest and the amount of interest accrued, or deemed to have accrued, on the Series 2018-1 Senior Note from the date of the last interest payment to the date of disposition to the extent that such amount has not otherwise been included in the Holder's income for the taxation year or a previous taxation year.

A disposition or deemed disposition by a Holder of a Series 2018-1 Senior Note will generally result in the Holder realizing a capital gain (or capital loss) equal to the amount by which the proceeds of disposition, net of any accrued interest or any amount deemed to be interest, exceed (or are exceeded by) the aggregate of the Holder's adjusted cost base thereof and any reasonable costs of disposition.

One half of any capital gain (a “**taxable capital gain**”) generally must be included in the Holder's income for the taxation year of the disposition, and one half of any capital loss (an “**allowable capital loss**”) realized in a taxation year must be deducted from taxable capital gains realized in that year. Allowable capital losses in excess of taxable capital gains realized in a taxation year may be deducted from net taxable capital gains realized in the three preceding taxation years or any subsequent taxation year, subject to detailed rules contained in the Tax Act in this regard. A capital gain realized by an individual (other than certain specified trusts) may give rise to a liability for alternative minimum tax.

Eligibility for Investment

The Series 2018-1 Senior Notes would, if acquired on the date hereof and if they (i) are issued as part of a single issue of debt of at least \$25 million and (ii) have an investment grade rating with certain rating agencies prescribed under the Tax Act, be qualified investments under the Tax Act for a trust governed by a registered retirement savings plan (“**RRSP**”), registered retirement income fund (“**RRIF**”), registered education savings plan (“**RESP**”), registered disability savings plan (“**RDSP**”), tax free savings account (“**TFSA**”) and deferred profit sharing plan (“**DPSP**”) (except for a trust governed by a DPSP to which the Issuer has made a contribution).

Even if the Series 2018-1 Senior Notes may be qualified investments for a trust governed by an RRSP, RRIF, RESP, RDSP or TFSA, if the Series 2018-1 Senior Notes are “prohibited investments” (as defined in section 207.01 of the Tax Act) for an RRSP, RRIF, RESP, RDSP or TFSA, then a holder of the TFSA or RDSP, a subscriber of the RESP or an annuitant of the RRSP or RRIF, as the case may be, will be subject to a penalty tax as set out in the Tax Act. The Series 2018-1 Senior Notes would not be prohibited investments on the date hereof, provided (i) the holder of the TFSA or RDSP, the subscriber of the RESP or the annuitant of the RRSP or RRIF, as the case may be, deals at arm's length with the Issuer within the meaning of the Tax Act, and (ii) does not have a “significant interest” within the meaning of subsection 207.01(4) of the Tax Act in the Issuer. Investors intending to hold the Series 2018-1 Senior Notes in a TFSA, RRSP, RRIF, RESP or RDSP should consult their own advisors as to whether the Series 2018-1 Senior Notes would be a prohibited investment in their particular circumstances.

RELATIONSHIP BETWEEN THE ISSUER AND THE AGENTS

CIBC World Markets Inc., RBC Dominion Securities Inc. and Goldman Sachs Canada Inc. are each, directly or indirectly, a wholly-owned or majority-owned subsidiary or affiliate of a financial institution which is a lender to the Issuer and to which the Issuer is currently indebted under the terms of the Warehouse Facilities. The Issuer may use a portion of the net proceeds of the Series 2018-1 Senior Notes Offering to repay certain indebtedness under the Warehouse Facilities. Consequently, the Issuer may be considered to be a “connected issuer” of certain of the Agents under applicable Canadian securities legislation. As of the date of this Term Sheet, the Issuer is in compliance with the terms of its indebtedness under the Warehouse Facilities. Since the indebtedness under the Warehouse Facilities was incurred, the financial position of the Issuer has not materially changed. As of ●, 2018, the Issuer had approximately \$● outstanding under the Warehouse Facilities. CIBC World Markets Inc., RBC Dominion Securities Inc. and Goldman Sachs Canada Inc. have each advised that the decision to act as Agents for the Series 2018-1 Senior Notes Offering was made independently of the lenders under the Warehouse Facilities and the lenders had no influence as to the determination of the terms of the distribution. None of CIBC World Markets Inc., RBC Dominion Securities Inc. and Goldman Sachs Canada Inc. will receive any benefit in connection with the Series 2018-1 Senior Notes Offering other than its respective portion of the Agents' commission payable by the Issuer.

LEGAL MATTERS

Certain Canadian legal matters in connection with the Series 2018-1 Senior Notes Offering will be passed upon by Torsys LLP on behalf of the Issuer and by Osler, Hoskin & Harcourt LLP on behalf of the Agents.

APPENDIX A
PRINCIPAL ACCUMULATION AMOUNTS AND PAYMENT DATES

Payment Date	Principal Accumulation Amount
January 15, 2030	\$●
February 15, 2030	\$●
March 15, 2030	\$●
April 15, 2030	\$●
May 15, 2030	\$●
June 15, 2030	\$●
July 15, 2030	\$●
August 15, 2030	\$●
September 15, 2030	\$●
October 15, 2030	\$●
November 15, 2030	\$●
December 15, 2031	\$●
January 15, 2031	\$●
February 15, 2031	\$●
March 15, 2031	\$●
April 15, 2031	\$●
May 15, 2031	\$●
June 15, 2031	\$●
July 15, 2031	\$●
August 15, 2031	\$●
September 15, 2031	\$●
October 15, 2031	\$●
November 15, 2031	\$●
December 15, 2031	\$●
January 15, 2032	\$●
February 15, 2032	\$●
March 15, 2032	\$●
April 15, 2032	\$●
May 15, 2032	\$●
June 15, 2032	\$●
July 15, 2032	\$●
August 15, 2032	\$●
September 15, 2032	\$●
October 15, 2032	\$●
November 15, 2032	\$●
December 15, 2033	\$●
January 15, 2033	\$●
February 15, 2033	\$●
March 15, 2033	\$●
April 15, 2033	\$●
May 15, 2033	\$●

This confidential shelf offering memorandum constitutes an offering of these securities only in those jurisdictions and to those persons where and to whom they may be lawfully offered for sale. This confidential shelf offering memorandum is not, and in no circumstances is to be construed as, a prospectus or advertisement or public offering of these securities. **No securities commission or similar authority in Canada or in any other jurisdiction has reviewed this material or in any way passed upon the merits of the securities offered hereunder and any representation to the contrary is an offence.** Persons who acquire securities pursuant to this confidential shelf offering memorandum will not have the benefit of the review of this material by any securities commission or similar authority. The information contained in this confidential shelf offering memorandum has been furnished or supplied by the Issuer based on the most accurate information available as at the date hereof and there is no representation or warranty by the Agents as to the accuracy or completeness of such information. These securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”) or any state securities laws and may not be offered or sold within the United States or to, or for the account of, U.S. persons (within the meaning of Regulation S under the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available. See “Plan of Distribution”. This confidential shelf offering memorandum is confidential and contains certain information not publicly disclosed. No one is authorized to make any representation or give any warranty on behalf of the Issuer other than those representations and warranties made or referred to in this confidential shelf offering memorandum.

The information contained in this confidential shelf offering memorandum and delivered in connection with the private placement of the Senior Notes by the Issuer is confidential, is for the confidential use of only those persons to whom it is delivered in connection with the offering solely for the purpose of considering the purchase of the Senior Notes and its use for any other purpose is prohibited. By accepting this confidential shelf offering memorandum, each prospective purchaser agrees that it will not transmit, reproduce or make available to anyone, other than their respective advisors (so long as they advise such advisors of the confidential nature of such document), this confidential shelf offering memorandum (including any Term Sheets) or any information contained herein, and will not use such information (or permit its advisors to use such information) for any purpose other than to evaluate an investment in the Senior Notes pursuant to an Offering.

CONFIDENTIAL SHELF OFFERING MEMORANDUM

New Issue By Way of Private Placement

January 22, 2018



FAIR HYDRO TRUST Senior Secured Notes

Fair Hydro Trust (the “**Issuer**”), a special purpose trust established under the laws of the Province of Ontario by Computershare Trust Company of Canada, acting as trustee of the Issuer, and caused to be established by Ontario Power Generation Inc. (“**OPG**”), as Financial Services Manager (as hereinafter defined), has created a program providing for the offering and issuance of senior secured notes (the “**Senior Notes**”), in one or several offerings. The Issuer was established in connection with the *Ontario Fair Hydro Plan Act, 2017* (together with the regulations promulgated thereunder, the “**FHPA**”). Under the FHPA, OPG is appointed as financial services manager (in such capacity, the “**Financial Services Manager**”) and is given the authority to, among other things, establish, or cause to be established, one or more financing entities (each, a “**Financing Entity**”) to incur payment obligations (referred to as “**Funding Obligations**”) for the purposes prescribed under the FHPA. The Issuer is a Financing Entity under the FHPA and the Senior Notes are Funding Obligations being offered for the purposes of the FHPA.

The Senior Notes do not constitute a debt, liability or other obligation of, or interest in, OPG or any of its other affiliates (other than the Issuer). The Senior Notes are not a debt, liability or obligation of the Province of Ontario or any of its political subdivisions, agencies or instrumentalities. The Senior Notes will not be insured or guaranteed by the Province of Ontario, OPG or any of their respective affiliates or any other person or entity, except that the Province of Ontario has agreed to provide a limited guarantee in respect of the Senior Notes following the occurrence of certain events. See “*Change of Law Protection Agreement*”. The Senior Notes will be limited recourse obligations, secured only by the collateral described in this confidential shelf offering memorandum. See “*Capital Markets Platform — Acceleration and Remedies — Limited Recourse*” and “*Risk Factors*”.

The specific terms of any offering of Senior Notes, including, without limitation, the aggregate principal amount of Senior Notes being offered, the currency of the Senior Notes, the issue price (at par, at a discount or at a premium), the issue, delivery and maturity dates, any redemption or repayment provisions, the rating of the Senior Notes at the time of such offering, the interest (either fixed or floating and the circumstances, if any, under which the rate may be adjusted), the interest rate basis and interest payment dates, will be established by the Issuer and set forth in a term sheet (a “**Term Sheet**”) that will accompany, be incorporated by reference in and form an integral part of this

confidential shelf offering memorandum. Unless otherwise specified in a Term Sheet, the Senior Notes will not be listed on any securities exchange.

The offering of Senior Notes from time to time (each, an “**Offering**”) will be made pursuant to exemptions from the prospectus requirements of applicable securities laws in each of the provinces of Canada only to “accredited investors” (as such term is defined in National Instrument 45-106 – *Prospectus Exemptions* (“**NI 45-106**”) and, in the case of a purchaser resident in Ontario, section 73.3(1) of the *Securities Act* (Ontario)) that are purchasing the Senior Notes as principal and that are not individuals unless those individuals are also “permitted clients” (as such term is defined in National Instrument 31-103 – *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (“**NI 31-103**”). Purchasers of Senior Notes will be obliged to establish their qualification to invest in accordance with the requirements of the securities laws of the jurisdiction in which they reside. See “*Representations and Agreements of Purchasers*”. As each Offering will be made pursuant to exemptions from prospectus requirements of applicable securities laws, there will be restrictions on the resale of the Senior Notes. See “*Risk Factors*” and “*Restrictions on Resale*”.

The Senior Notes may be sold by the Issuer directly pursuant to applicable statutory exemptions or through agents designated by the Issuer from time to time (the “**Agents**”). See “*Plan of Distribution*”. Each Term Sheet will identify the Agents engaged to conditionally offer the Senior Notes for sale on a best efforts basis, subject to prior sale, in connection with the applicable Offering of Senior Notes and will also set forth the terms of such Offering of Senior Notes, including the net proceeds to the Issuer and, to the extent applicable, any fees payable to the Agents.

Subscriptions for the Senior Notes will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. The Senior Notes will be delivered and recorded in book-entry form through CDS Clearing and Depository Services Inc. (“**CDS**”) or another depository selected by the Issuer in accordance with the master trust indenture governing the Senior Notes. The Senior Notes will be represented by fully registered book-entry notes held by, or on behalf of, such depository, or a successor thereof, as the custodian of the book-entry notes, in its name or the name of its nominee.

The Senior Notes will be issued under and will be entitled to the benefits of a master trust indenture dated as of December 21, 2017 between the Issuer, as issuer, and BNY Trust Company of Canada, as indenture trustee, as amended, supplemented, restated or otherwise modified from time to time.

In making an investment decision, prospective investors acknowledge that they have not relied on the Agents or any person affiliated with the Agents for investment or other advice and are relying on their own examination of the terms of an Offering, including the merits and risks involved and creditworthiness of the Issuer. Prospective investors are not to construe the contents of this document as legal, tax, accounting or investment advice. Prior to investing in the Senior Notes, prospective investors should consult with their legal, tax, accounting and investment advisors to determine the consequences of an investment in the Senior Notes. See “*Risk Factors*” for a discussion of certain factors that should be considered by prospective purchasers of Senior Notes.

The Issuer is not a “reporting issuer” (as such term is defined under applicable Canadian securities laws) in any jurisdiction. The Issuer will only distribute the Senior Notes in Canada under exemptions from the prospectus requirements of the securities laws of the provinces where they are sold. The Senior Notes may only be traded in Canada under exemptions from the prospectus requirements of the securities laws of the provinces in which they are traded and only through dealers registered or exempt from the dealer registration requirements of applicable Canadian securities laws. See “*Restrictions on Resale*”.

There is currently no secondary market for the Senior Notes. There can be no assurance that a secondary market will develop or, if a secondary market does develop, that it will provide holders of Senior Notes with liquidity for their investment or that it will continue for the term of the applicable Senior Notes. Accordingly, purchasers of the Senior Notes may be required to bear the financial risk of investing in such Senior Notes until the maturity date of such Senior Notes.

No person is authorized to give any information or make any representation other than those contained in this confidential shelf offering memorandum in connection with an Offering and any decision to purchase Senior Notes should be based solely on the information contained herein. The Term Sheet applicable to such Offering and the

investor presentation (the “**Investor Presentation**”), attached hereto as Exhibit 1, are incorporated by reference and included in, respectively, and form an integral part of, this confidential shelf offering memorandum. The information contained in the Investor Presentation is current only as of the date thereof. The Investor Presentation may be updated and replaced by the Issuer in connection with an Offering and such updated Investor Presentation will be attached as Exhibit 1, and will be included in, and form an integral part of, this confidential shelf offering memorandum delivered in respect of such Offering.

This confidential shelf offering memorandum, including the Investor Presentation attached hereto, and any Term Sheets, are provided on a confidential basis to prospective investors for informational use solely in connection with their consideration of the purchase of Senior Notes. Use for any other purpose is not authorized. Each Offering will be made solely on the basis of the information contained herein or incorporated by reference which has been furnished by the Issuer. No Agent makes any representation or warranty, express or implied, as to the accuracy, adequacy or completeness of such information. Furthermore, no Agent has independently verified the information in this confidential shelf offering memorandum and has no responsibility for the accuracy, adequacy or completeness of any such information.

This confidential shelf offering memorandum does not contain all of the information that would normally appear in a prospectus qualified under applicable Canadian securities laws. Neither the delivery of this confidential shelf offering memorandum, at any time, nor any sales made pursuant hereto, will imply that the information contained herein is correct as of any time subsequent to the date set forth on the face page hereof and the Issuer and the Agents will not update such information except as may be required by applicable law.

Capitalized terms used and not otherwise defined in this confidential shelf offering memorandum have the meanings ascribed to them in the glossary starting on page 95 of this confidential shelf offering memorandum. An index of defined terms used in this confidential shelf offering memorandum specifying on which page such terms are defined is provided starting on page 107 of this confidential shelf offering memorandum. All figures in this confidential shelf offering memorandum are in Canadian dollars unless otherwise noted.

TABLE OF CONTENTS

Page

CAUTION REGARDING FORWARD-LOOKING INFORMATION.....	v
CONFIDENTIALITY	vii
DOCUMENTS INCORPORATED BY REFERENCE	vii
MARKET AND INDUSTRY DATA.....	vii
REFERENCES TO THE FHPA AND RELATED REGULATIONS	viii
SUMMARY	1
THE ELECTRICITY INDUSTRY IN ONTARIO.....	16
ONTARIO'S FAIR HYDRO PLAN	20
CHANGE OF LAW PROTECTION AGREEMENT	26
THE ISSUER.....	31
THE MANAGER	33
SUBORDINATED DEBT.....	35
SHORT TERM INDEBTEDNESS	36
THE TRANSFEROR AND SERVICER.....	36
CREDIT RATINGS	39
RATING AGENCY CONDITION	39
CAPITAL MARKETS PLATFORM	39
DESCRIPTION OF SENIOR NOTES	63
DEPOSITORY SERVICES.....	66
PLAN OF DISTRIBUTION.....	67
RISK FACTORS	68
REPRESENTATIONS AND AGREEMENTS OF PURCHASERS	80
LANGUAGE OF DOCUMENTS	83
RESTRICTIONS ON RESALE	84
REPORTING REQUIREMENTS	84
STATUTORY RIGHTS OF ACTION	85
INDENTURE TRUSTEE.....	94
LEGAL MATTERS	94
GLOSSARY	95
INDEX OF DEFINED TERMS	107
SCHEDULE A – CANADIAN PROVINCIAL SECURITIES REGULATORY AUTHORITIES.....	109
EXHIBIT 1 – INVESTOR PRESENTATION	110

CAUTION REGARDING FORWARD-LOOKING INFORMATION

Some of the statements contained in this confidential shelf offering memorandum, including those relating to the Issuer's expectations, forecasts, strategic and other statements, are forward-looking information within the meaning of securities laws. Forward-looking information is contained in the summary and in the sections titled "*Ontario's Fair Hydro Plan — Fair Allocation Amount and Financing Plan*", "*Subordinated Debt*" and "*Risk Factors*" of this confidential shelf offering memorandum and "*Fair Allocation Amount*", "*Financing Plan / Strategy*", "*Financing Structure*", "*Aggregate Financing Program*" and "*Consumer Bill Forecast with FHP*" of the Investor Presentation. The forward-looking statements contained in this confidential shelf offering memorandum are presented for the purposes of assisting potential purchasers in making an investment decision regarding the Senior Notes and may not be appropriate for other purposes.

Often, but not always, forward-looking information can be identified by the use of forward-looking terminology such as "may", "will", "expect", "believe", "estimate", "plan", "could", "should", "would", "outlook", "forecast", "anticipate", "foresee", "continue" or the negative of these terms or variations of them or similar terminology. Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management of the Issuer made in light of its experience and perception of trends, current conditions and expected developments, as well as other factors that the Issuer believes to be relevant and reasonable at the date that such statements are made. A variety of factors, many of which are beyond the Issuer's control, may cause actual results to differ materially from the expectations expressed in the forward-looking statements. These factors include, but are not limited to, the following risks:

Judicial, Legislative or Regulatory Risks:

- Future legal action might challenge or invalidate the FHPA and materially adversely affect a holder's investment in the Senior Notes.
- Future legislative action to change the FHPA, the Change of Law Protection Agreement or the electricity market might materially adversely affect a holder's investment in the Senior Notes.
- Future regulatory action to change the rules applicable to the operation of the electricity market might materially adversely affect a holder's investment in the Senior Notes.
- Future judicial action could reduce the value of a holder's investment in the Senior Notes.
- Potential difficulties in enforcing civil liabilities against the Province of Ontario may arise.

Risks Associated with the Unusual Nature of the Investment Asset:

- Clean Energy Adjustments will not be payable until May 1, 2021 and until such time the IESO will be the sole source of funds for payment on the Senior Notes. Amounts paid by the IESO are not available to pay principal on the Senior Notes.
- The Issuer's ability to enforce security granted by the IESO may be significantly impaired or delayed.
- A holder of Senior Notes may experience material payment delays because the source of funds for payment after the Moratorium Period is limited.
- The Clean Energy Adjustment may not be billed after April 30, 2047, unless further regulations to extend that date are passed.
- Foreclosure of the Indenture Trustee's lien on the Investment Interest securing the Senior Notes might not be practical and acceleration of the Senior Notes before maturity might have little practical effect.
- The Issuer may issue multiple Series of Senior Notes secured by the Investment Interest and some decisions affecting holders of Senior Notes may require approval of all Series.
- If a Series of Senior Notes or all Senior Notes are accelerated, a holder of Senior Notes might receive payment of principal sooner or later than expected.
- The Issuer may have a co-ownership interest in the Investment Asset with other Financing Entities.
- If the Clean Energy Adjustment amounts and other funds held in the Issuer Accounts results in investment losses or the investments become illiquid, a holder of Senior Notes might receive payment of principal of and interest on the Senior Notes later than expected.

Servicing, Operating and Consumer Risks

- Payments on the Senior Notes depend on the performance of Electricity Vendors and the IESO in performing their respective obligations under the FHPA and, with respect to the IESO, the Master Transfer and Servicing Agreement.
- Payments on the Senior Notes depend on the performance of OPG as Financial Services Manager and as Manager.
- Inaccurate consumption forecasting or unanticipated delinquencies or write-offs might reduce or delay scheduled payments on the Senior Notes.
- Changes to billing and collection practices may reduce the amount of funds available for payments on the Senior Notes.
- Limits on rights to terminate service to Specified Consumers might make it more difficult to collect the Clean Energy Adjustment.
- It might be difficult for the Issuer to collect the Clean Energy Adjustment from Specified Consumers.
- Delinquent or partial payments of electricity bills may make principal payments on the Senior Notes occur later than expected.
- Indemnification obligations of OPG and the IESO are limited and might not be sufficient to protect the investments in the Senior Notes.
- Power outages could impair payment of the Senior Notes.
- Technological changes that make alternative energy sources more attractive in the future or significant population fluctuations may result in fewer Specified Consumers from whom to collect the Clean Energy Adjustment.

Insolvency-Related Risks

- If the Issuer were to become subject to Canadian Insolvency and Restructuring Laws, the Indenture Trustee's ability to enforce security granted by the Issuer may be significantly impaired or delayed.
- If the IESO were to become subject to Canadian Insolvency and Restructuring Laws, the Transfers of specified portions of the Regulatory Asset by the IESO may not be respected as true sales of the Regulatory Asset.
- If any Electricity Vendor or the IESO were to become subject to Canadian Insolvency and Restructuring Laws, collections that have been commingled may be unrecoverable and the Issuer's ability to enforce its rights against such Electricity Vendor or the IESO may be significantly impaired or delayed.
- If OPG were to become subject to Canadian Insolvency and Restructuring Laws, the Issuer's ability to enforce its rights against OPG may be significantly impaired or delayed and the Issuer's assets and liabilities may be substantively consolidated with those of OPG.
- If the Issuer Trustee were to become subject to Canadian Insolvency and Restructuring Laws, the assets and liabilities of the Issuer may be substantively consolidated with the Issuer Trustee.
- If a Specified Consumer were to become subject to Canadian Insolvency and Restructuring Laws, the Issuer's ability to collect Clean Energy Adjustment amounts from such Specified Consumer may be adversely affected.
- If amounts in the Issuer Accounts for any Series are invested with entities that become subject to insolvency proceedings, the Issuer's ability to make payments to holders of Senior Notes may be adversely affected.

Other Risks:

- The credit ratings are not an indication of the expected rate of payment of principal on the Senior Notes.
- If the ratings on the Senior Notes are withdrawn or revised downward, the value of a holder's investment in the Senior Notes may be adversely affected.
- The credit ratings of the IESO, OPG and the Province of Ontario might affect the market value of the Senior Notes.
- The absence of an established market for the Senior Notes might limit the ability to resell or refinance the Senior Notes.

- Restrictions on resale might limit the ability to resell the Senior Notes.

Please also see “*Risk Factors*”.

The Issuer does not intend, or assume any obligation, to update any forward-looking information except as may be required by applicable law.

CONFIDENTIALITY

THIS CONFIDENTIAL SHELF OFFERING MEMORANDUM IS FOR THE CONFIDENTIAL USE OF ONLY THOSE PERSONS, AND THEIR RESPECTIVE REPRESENTATIVES, TO WHOM IT IS TRANSMITTED, SOLELY TO ENABLE SUCH PERSONS TO EVALUATE AN INVESTMENT IN THE NOTES DESCRIBED IN THIS CONFIDENTIAL SHELF OFFERING MEMORANDUM. BY ACCEPTING A COPY OF THIS CONFIDENTIAL SHELF OFFERING MEMORANDUM, EACH PROSPECTIVE PURCHASER AGREES THAT ALL INFORMATION CONTAINED HEREIN, ALL DOCUMENTS DELIVERED IN CONNECTION HERewith AND ALL OTHER INFORMATION OBTAINED BY PROSPECTIVE PURCHASERS IN RELATION TO THE ISSUER (COLLECTIVELY, THE “**CONFIDENTIAL INFORMATION**”) IS CONFIDENTIAL, THAT NONE OF THE CONFIDENTIAL INFORMATION WILL BE COPIED, TRANSCRIBED, RECORDED OR TRANSMITTED BY THE RECIPIENT FOR ANY REASON OR USED FOR ANY PURPOSE OTHER THAN EVALUATING AN INVESTMENT IN THE NOTES, AND THAT THE RECIPIENT WILL HOLD ALL OF THE CONFIDENTIAL INFORMATION IN CONFIDENCE AND WILL NOT PROVIDE ANY OF IT TO ANY THIRD PARTIES OTHER THAN PERSONS RETAINED TO ADVISE THE RECIPIENT WITH RESPECT TO THE PURCHASE OF THE NOTES (SO LONG AS THEY ADVISE SUCH PERSONS OF THE CONFIDENTIAL NATURE OF SUCH CONFIDENTIAL INFORMATION), WITHOUT THE PRIOR WRITTEN CONSENT OF THE ISSUER.

DOCUMENTS INCORPORATED BY REFERENCE

A Term Sheet containing the specific variable terms in respect of an Offering will be delivered to prospective purchasers of Senior Notes together with this confidential shelf offering memorandum and will be deemed to be incorporated into this confidential shelf offering memorandum as of the date of such Term Sheet, solely for the purposes of the Senior Notes issued under such Term Sheet.

Any statement contained in the confidential shelf offering memorandum or in any document incorporated or deemed to be incorporated by reference in the confidential shelf offering memorandum shall be deemed to be modified or superseded, to the extent that a statement contained herein or in any other subsequent document which is or is deemed to be incorporated by reference in the confidential shelf offering memorandum, modifies or supersedes such prior statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document which it modifies or supersedes. The making of such a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not constitute a part of the confidential shelf offering memorandum, except as so modified or superseded.

The information contained in the Investor Presentation is current only as of the date thereof. The Investor Presentation may be updated and replaced by the Issuer in connection with a future Offering and such updated Investor Presentation will be attached as Exhibit 1, and will be included in, and form an integral part of, this confidential shelf offering memorandum delivered in respect of such Offering.

MARKET AND INDUSTRY DATA

Certain of the information contained herein concerning the electricity industry in Ontario is based upon or derived from information provided by third party sources, including industry publications and other publicly available industry sources. Neither the Issuer nor the Agents guarantee the accuracy of such information and neither the Issuer

nor the Agents have independently verified the assumptions upon which projections of future trends and performance are based. This information and data is subject to change and cannot always be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey of market or industry data. As a result, prospective purchasers should be aware that the information and data set forth herein, and estimates and beliefs based on such information and data, may not be reliable.

REFERENCES TO THE FHPA AND RELATED REGULATIONS

This confidential shelf offering memorandum describes certain provisions of the *Ontario Fair Hydro Plan Act, 2017* and the regulations made pursuant to that Act. These descriptions include simplified and summary descriptions of the terms and requirements of the legislation and do not purport to be comprehensive, definitive or determinative. All references in this confidential shelf offering memorandum to the terms and requirements of the *Ontario Fair Hydro Plan Act, 2017* and the regulations made pursuant to that Act are qualified in their entirety by reference to the specific terms and requirements set forth in such legislation, copies of which are available at www.ontario.ca/laws/statute/17o16.

SUMMARY

This summary does not contain all the information prospective purchasers should consider before investing in the Senior Notes. Prospective purchasers should read this entire confidential shelf offering memorandum carefully, including the section entitled “Risk Factors”. Capitalized terms used and not otherwise defined in this summary have the meanings ascribed to them in the glossary starting on page 95 of this confidential shelf offering memorandum. An index of defined terms used in this summary is provided starting on page 107 of this confidential shelf offering memorandum.

Issuer: Fair Hydro Trust, a special purpose trust established under the laws of the Province of Ontario.

Manager: Ontario Power Generation Inc. (“OPG”), pursuant to the terms of the Management Agreement.

Limitations: The Senior Notes do not constitute a debt, liability or other obligation of, or interest in, OPG or any of its other affiliates (other than the Issuer) or of the IESO. The Senior Notes are not a debt, liability or obligation of the Province of Ontario or any of its political subdivisions, agencies or instrumentalities. The Senior Notes will not be insured or guaranteed by the Province of Ontario, OPG, IESO or any of their respective affiliates or any other person or entity, except that the Province of Ontario has agreed to provide a limited guarantee in respect of the Senior Notes following the occurrence of certain events. See “—*Change of Law Protection Agreement*”.

Ontario Fair Hydro Plan Act: On June 1, 2017, the Ontario Legislature passed the Ontario Fair Hydro Plan Act, 2017 (the “FHPA”). The FHPA was enacted to: (i) ensure that Clean Energy Costs and Clean Energy Benefits are fairly allocated among present and future Specified Consumers (a category of consumers that generally is comprised of residential consumers, small businesses and farms); (ii) recognize that Clean Energy Benefits have accrued and will accrue over time and will continue to benefit present and future electricity consumers in Ontario; and (iii) align Clean Energy Costs with Clean Energy Benefits, in order to provide fairness for Specified Consumers over time. As a result, from July 1, 2017 until April 30, 2018, electricity rates payable by Specified Consumers will in effect be the rate that would result in a representative consumer being charged an invoice amount that is 25%¹ less than the rate that would otherwise have been determined by the Ontario Energy Board (the “OEB”) under its Regulated Price Plan² for that period.

Under the FHPA, OPG is appointed as Financial Services Manager and is given the authority to, among other things, establish, or cause to be established, one or more Financing Entities to incur Funding Obligations for the purposes prescribed under the FHPA. The Issuer is a Financing Entity under the FHPA and the Notes are Funding Obligations being offered for the purposes of the FHPA. See “*Ontario’s Fair Hydro Plan — Background*”.

¹ The 25% reduction includes an 8% rebate equivalent to the provincial portion of the harmonized sales tax previously granted by the Ontario government.

² Specified Consumers, as a class, are not a one-to-one equivalent class to the RPP consumer class.

Summary of the Fair Hydro Financing Program:

The implementation of the Fair Hydro Plan is intended to be financed by the Issuer through the Fair Hydro financing program. The program provides for the offering and issuance by the Issuer of Senior Notes, in any number of Series, in one or several Offerings. A Term Sheet will describe particulars of the terms of each Series of Senior Notes and will be incorporated by reference and form an integral part of this confidential shelf offering memorandum. Each Series of Senior Notes will be issued under the Master Trust Indenture, as supplemented by a Supplemental Indenture authorizing that Series.

Transferor and Servicer:

The Independent Electricity System Operator (the “**IESO**”) is a non-share corporation established under the *Electricity Act, 1998* (Ontario). As a non-share capital corporation, the IESO does not have any shareholders or owners and is governed by an independent board of directors appointed by the Minister of Energy. The IESO manages the operation and reliability of Ontario’s bulk power system and administers the wholesale electricity market.

Each month, the IESO will determine the shortfall resulting from the rate reduction mandated by the FHPA and record the amount in a variance account. The IESO has the right, exercisable in accordance with the FHPA, to recover the balance recorded in the variance account from Specified Consumers (such right, the “**Regulatory Asset**”). Pursuant to the Master Transfer and Servicing Agreement, the IESO may, on a monthly basis, offer to Transfer specified portions of the Regulatory Asset to the Issuer in accordance with the FHPA. See “*The Transferor and Servicer*”.

Investment Interest:

Upon completion of a Transfer by the IESO of a specified portion of the Regulatory Asset, the Issuer will acquire an Investment Interest in the Investment Asset, which is a current and irrevocable property right consisting of the rights specified in the FHPA, including the right to impose, invoice, collect, receive and recover the Clean Energy Adjustment from Specified Consumers in accordance with the FHPA. See “— *Clean Energy Adjustment*” below and “*Ontario’s Fair Hydro Plan — Regulatory Asset*”, “*Ontario’s Fair Hydro Plan — Investment Interest*” and “*The Transferor and Servicer*”.

Clean Energy Adjustment:

The FHPA imposes an irrevocable and non-bypassable charge referred to as the Clean Energy Adjustment that will be determined by the Financial Services Manager and will be converted by the OEB into a cent per kWh rate and added to the electricity invoices sent to Specified Consumers. See “— *Statutory Duties of the OEB*” below.

The required Clean Energy Adjustment will be determined by the Financial Services Manager for each month in a Reference Period and consists of the sum (without duplication) of: (i) the estimated Finance Amount in respect of the Reference Period, which will include an estimate of all repayments, redemptions, funding costs (including interest and principal on the Senior Notes), derivative payments, required reserve account deposits, Issuer expenses and taxes, and other amounts paid or payable during such Reference Period, and (ii) the True-up Amount for such Reference Period, all divided by the number of months in the applicable Reference Period.

The “**True-up Amount**” is comprised of the cumulative Finance Amounts in respect of all preceding Reference Periods less the cumulative Clean Energy Adjustment amounts remitted to the Issuer in respect of all preceding Reference Periods plus other anticipated shortfalls. The True-up Amount will also reflect any historical and reasonably foreseeable differences between the estimated and actual Finance Amount; between amounts invoiced and amounts collected due to various factors, including applicable taxes, consumer defaults and delays, billing lags and write-offs; and variations in billings due to variations in electricity consumption. In determining such differences, the Financial Services Manager is required to have regard to amounts payable that were not collected and any amounts in respect of which an overpayment was made, which may include amounts resulting from a default of Specified Consumers, an Electricity Vendor or the IESO, whether in its capacity as an Electricity Vendor or its activities as agent or otherwise under the FHPA. The Financial Services Manager is obligated to calculate the True-up Amount in respect of each Reference Period so long as all Funding Obligations and other Finance Amounts have not been paid in full. The Financial Services Manager may also, at any time during a Reference Period, determine an interim True-up Amount if, among other things, it reasonably forecasts that the collection of the Clean Energy Adjustment will be insufficient to pay the estimated Finance Amount for a Reference Period.

Commencing May 1, 2021, a charge in respect of the Clean Energy Adjustment will be included on invoices sent to Specified Consumers, and collected and remitted to the Issuer to pay amounts owing on the Senior Notes and all other administrative and other financing expenses of the Issuer. Based on the Fair Allocation Amount determined and provided by the Province, from July 1, 2017 until April 30, 2021 (the “**Moratorium Period**”), no Clean Energy Adjustment amounts are permitted to be collected from Specified Consumers. During the Moratorium Period, the sole source of funds for payment of interest on the Senior Notes, and the Issuer’s other Carrying Costs, will be the amounts the IESO is obligated to pay under the Regulations during such period. See “*Ontario’s Fair Hydro Plan — Clean Energy Adjustment*”. Amounts so contributed by the IESO are not available to pay principal on the Senior Notes.

Non-bypassability:

The FHPA mandates that an amount in respect of the Clean Energy Adjustment shown on an invoice issued to a Specified Consumer is determinative of the amount of the consumer’s indebtedness resulting from the Clean Energy Adjustment, and is irrevocable on invoicing such Specified Consumer and may not be set off or bypassed. See “*Ontario’s Fair Hydro Plan — Clean Energy Adjustment*”.

**Payment of Carrying Costs
until 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 any amounts charged to the IESO by the Issuer in respect of Carrying Costs incurred in respect of the period from June 1, 2017 to July 31, 2021. 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 (such as principal on the Senior Notes).

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 carrying costs statement, the IESO is required to deliver the amount specified therein to the Issuer. See "*The Transferor and Servicer*". The IESO has a \$2 billion unsecured credit facility provided by the Ontario Financing Authority, expiring September 30, 2022, which is permitted to be used by the IESO to pay the Carrying Costs to the Issuer. The amounts paid by the IESO to fund these Carrying Costs will be recorded by the IESO in the variance account and form part of the Regulatory Asset that the IESO is expected to Transfer to the Issuer in a subsequent period. Upon such Transfer, the Issuer will acquire a corresponding Investment Interest.

As security for the performance of the IESO's obligation under the Regulations to pay the Carrying Costs to the Issuer, the IESO has granted the Issuer a first-priority security interest in all accounts receivable owing to the IESO from Electricity Vendors, including amounts owing with respect to the global adjustment charge. See "*The Transferor and Servicer*". For a further description of the global adjustment charge, see "*The Electricity Industry in Ontario — Electricity Prices*".

Acceleration of Indebtedness:

A holder of Senior Notes must rely solely on the Clean Energy Adjustment amounts collected and any available reserve accounts for repayment of principal on the Senior Notes. Accordingly, if all or any portion of the principal amount of any indebtedness of the Issuer (including one or more Series of Senior Notes) becomes due and payable during the Moratorium Period and before its scheduled payment date, maturity date or redemption date, the source of funds for repayment of principal may be limited.

If all or any portion of the principal amount of any indebtedness of the Issuer (including one or more Series of Senior Notes) becomes due and payable after the Moratorium Period and before its scheduled payment date, maturity date or redemption date, then the estimated Finance Amount used by the Financial Services Manager to determine the Clean Energy Adjustment for a period will be determined without regard to the fact that such amount has become due and payable, unless and only to the extent that the amount of the Clean Energy Adjustment is capable of being increased based on the Fair Allocation Amount for such period. See "*— Fair Allocation Amount & Financing Plan*" below. However, upon such acceleration, all accelerated Senior Notes will be repaid in full before any further payments of principal are made to holders of subordinated indebtedness, including the subordinated debt held by OPG; therefore, collections of the Clean Energy Adjustment that would otherwise have been available to repay the principal amount of subordinated indebtedness in the absence of acceleration of the Senior Notes will instead be applied to repay accelerated Senior Notes. See "*— Subordinated Debt*" below.

Statutory Duties of the OEB:

The OEB is an independent public regulatory agency established under the *Ontario Energy Board Act, 1998*. The *Ontario Energy Board Act, 1998* provides the OEB with the authority to regulate participants (e.g.

OEB licensees) in Ontario's electricity market, including the activities of transmitters and distributors as well as the IESO (all of whom are Electricity Vendors for the purposes of the FHPA).

Under the Regulations, the OEB is responsible for determining the rates at which Specified Consumers are to be invoiced to recover the Clean Energy Adjustment. The rates are expressed as a cent per kWh rate and are determined by the OEB by dividing (i) the aggregate Clean Energy Adjustment as determined by the Financial Services Manager in respect of the relevant period of time by (ii) a forecast of electricity consumption of Specified Consumers in respect of such period, based on forecast information provided by the IESO to the OEB. See "*The Transferor and Servicer*".

Statutory Duties of Electricity Vendors:

Electricity is distributed to almost all Specified Consumers in Ontario through a network of local distributors. See "*The Electricity Industry in Ontario*" and the Investor Presentation attached as Exhibit 1 to this confidential shelf offering memorandum for more details regarding the Ontario electricity market and these local distributors.

The FHPA requires Electricity Vendors to invoice their Specified Consumers for a charge in respect of the Clean Energy Adjustment, as determined by applying the rate set by the OEB, which is required to be included as a separate line item on each invoice sent to Specified Consumers. Electricity Vendors are also required to collect, as agent of the Issuer and any other Financing Entities that may be established, amounts in respect of the Clean Energy Adjustment, deposit such amounts into a segregated account established for the purpose of receiving those amounts and hold such amounts in trust for the benefit of the Financing Entities until remitted to the IESO for the benefit of the Financing Entities (initially, only the Issuer). If an Electricity Vendor does not receive payment in full of an invoice issued to a Specified Consumer, the Electricity Vendor shall allocate any payment received to the Clean Energy Adjustment and the other amounts payable under the particular invoice in the manner set out in the FHPA. It is a deemed condition of their distribution license issued by the OEB that Electricity Vendors comply with the FHPA.

As security for any failure of an Electricity Vendor that does not have an investment grade rating from DBRS and Moody's to remit Clean Energy Adjustment amounts collected under the FHPA, the IESO is required, pursuant to the Master Transfer and Servicing Agreement, to provide to the Issuer on or prior to the first day of the first billing period when the Clean Energy Adjustment is being invoiced to Specified Consumers, a letter of credit from a provider that satisfies the Rating Agency Condition or a performance guarantee or such other form of security that is acceptable to the Issuer and that satisfies the Rating Agency Condition. The amount of the security required is based on a formula as set out in the Master Transfer and Servicing Agreement and will be equal to: (a) the product of (i) 50% of estimated Clean Energy Adjustment amounts that are to be collected over a twelve-month period by all such non-investment grade rated Electricity Vendors, and (ii) a fraction equal to 45/365 (representing the 45-day period during which funds are expected to be held by such non-investment grade rated Electricity Vendors prior to being remitted to the Issuer); or (b) such

other lesser amount that satisfies the Rating Agency Condition. See *“The Transferor and Servicer.”*

Management Duties of OPG:

Pursuant to the Management Agreement, the Issuer has delegated to OPG, as Manager, all of the powers and duties of managing the Issuer, including determining whether to incur Funding Obligations (including Offerings of Senior Notes) to acquire an Investment Interest or refinance existing Funding Obligations; negotiating and executing, on behalf of the Issuer, all agreements; maintaining accounts and banking records; preparing any offering documents to be furnished by the Issuer to prospective purchasers of Funding Obligations (including the Senior Notes); and preparing financial statements and tax filings on behalf of the Issuer.

In addition to the powers and duties delegated to the Manager under the Management Agreement, OPG is also required to comply with its duties as Financial Services Manager under the FHPA, including preparing the Financing Plan to evaluate whether potential Funding Obligations should be incurred for the purposes of Financing Entities acquiring and financing an Investment Interest, determining the amount of the Clean Energy Adjustment inclusive of the calculation of any True-up Amount, notifying the OEB of the Clean Energy Adjustment inclusive of any True-up Amount and ensuring that Funding Obligations are incurred in a manner consistent with the Financing Plan. OPG may also administer the Investment Interest on behalf of the Issuer and any other Financing Entities. Subject to OEB approval and as provided for in the FHPA, OPG is entitled to charge the Issuer a fee, comprised of a base fee and a variable fee, to earn a return and to recover costs and expenditures incurred by OPG on behalf of the Issuer or in relation to the establishment, management and administration of the Issuer and its Investment Interest. The priority of the Manager’s entitlement to fees is subject to the payment priorities set forth in the Master Trust Indenture. The Province of Ontario is the sole shareholder of OPG and thereby has the power to determine the composition of OPG’s board of directors. See *“The Electricity Industry in Ontario — Key Industry Participants — Ontario Power Generation Inc.”* and *“The Manager”*.

Statutory and Servicing Duties of the IESO:

Following the Moratorium Period, the IESO is required, as agent of the Financing Entities (of which the Issuer is currently the only one), to receive Clean Energy Adjustment amounts paid to it from Electricity Vendors, deposit such amounts promptly into a segregated account established for the purpose of receiving amounts in respect of the Clean Energy Adjustment, hold such amounts in trust on behalf of the Financing Entities (of which the Issuer is currently the only one) and remit such amounts on a monthly basis, subject to daily remittance being required in certain limited circumstances. Pursuant to the Master Transfer and Servicing Agreement, monthly remittances of amounts received in respect of the Clean Energy Adjustment will occur on the 18th business day of each calendar month. In addition, the IESO will provide certain reporting and other servicing duties in favour of the Issuer, including providing forecast information to the OEB and the Issuer, which forecast information will be used by the OEB to forecast electricity consumption of Specified Consumers in respect of the relevant period, making commercially reasonable efforts to cause Electricity Vendors to establish segregated accounts into which Clean Energy Adjustment amounts are deposited, remitting such amounts and

fulfilling certain additional reporting requirements. Generally, all servicing duties provided by the IESO to the Issuer are provided at no cost to the Issuer. However, the Issuer will reimburse the IESO for certain direct costs relating to the performance by the IESO of its duties and obligations under the Master Transfer and Servicing Agreement that are otherwise not recovered or recoverable by the IESO under the *Electricity Act, 1998* (Ontario). See *"The Transferor and Servicer."*

Change of Law Protection Agreement:

Pursuant to the Change of Law Protection Agreement, upon a Protection Event and delivery by the Indenture Trustee of a written payment demand, the Province of Ontario is required to make payments in respect of all "Approved Obligations" when due and payable into the Protection Account (which includes payments of amounts that are due and payable in respect of Senior Notes), although the amount of the Province of Ontario's payment obligations in a particular period may differ depending on whether an Acceleration has occurred. See *"Change of Law Protection Agreement"*. The Issuer and the Indenture Trustee must ensure that amounts deposited into the Protection Account are applied to pay Specified Creditors to whom amounts are due and payable under an Approved Obligation in accordance with the provisions of the Master Trust Indenture. See *"Capital Markets Platform"*.

Generally, an "Approved Obligation" under the Change of Law Protection Agreement includes all obligations of the Issuer (except for amounts required to be deposited into any capital account or finance reserve account, or any obligation for the Issuer to pay itself any remaining amounts in the Collection Account pursuant to the Master Trust Indenture), including obligations of the Issuer under the Notes, subject to the satisfaction of certain adherence conditions for those obligations that constitute "Certified Primary Obligations", as defined in the Change of Law Protection Agreement. Subject to certain limited exceptions for refinancings, a "Certified Primary Obligation" includes all Notes, as well as certain other obligations of the Issuer under derivative agreements or under contracts with terms of greater than three years that are not terminable by the Issuer on less than three years' notice under which the Manager, acting reasonably, expects aggregate payments by the Issuer during the term of the contract in an amount in excess of \$5,000,000.

It will be a condition to any Offering of Senior Notes that such Senior Notes constitute Approved Obligations under the Change of Law Protection Agreement.

Protection Event:

Each of the following constitutes a "**Protection Event**" for purposes of the Change of Law Protection Agreement:

- (a)
 - (i) the Ontario legislature repeals, and does not replace on an equivalent basis, or amends, the Act or any portion thereof, as in effect on the date hereof;
 - (ii) the Ontario legislature enacts or amends any other statute;

- (iii) the Lieutenant Governor in Council repeals, and does not replace on an equivalent basis, the regulations made under the Act or any portion thereof, as in effect on the date hereof;
- (iv) the Lieutenant Governor in Council, a minister of the Crown, an official of the government or a board or commission all the members of which are appointed by the Lieutenant Governor in Council makes or amends any “regulation” (as defined in Part III of the *Legislation Act, 2006*) as in effect on the date hereof; or
- (v) the implementation of a change in the organization or structure of the IESO or Ontario’s electricity market undertaken at the initiative of the Province of Ontario or an entity controlled by the Province of Ontario,

in each case, that (X) adversely affects the ability of the Issuer to receive amounts in respect of its Investment Interest so that it can pay Approved Obligations when due and payable, in each case determined after taking into account and having regard to (i) any funds available at such time to apply to such Approved Obligations, including in any finance reserve account, capital account or collateral posting account applicable under a derivative agreement, (ii) the availability of any credit enhancement agreement to which the Issuer is a party and (iii) any reasonably expected potential effect of a True-up Amount in the Reference Period immediately following the occurrence of an event described in any of clauses (i) to (v) above, or (Y) adversely affects the enforceability of, or adversely changes, the terms and conditions of the Change of Law Protection Agreement or of any of the agreements under which Approved Obligations arise; or

- (b) a court of competent jurisdiction determines that all or a portion of the Act, as in effect on the date hereof, is *ultra vires* or invalid in a way that adversely affects the ability of the Issuer to receive amounts in respect of its Investment Interest so that it can pay Approved Obligations when due and payable and that has the effect of the Issuer not in fact having sufficient funds to pay such Approved Obligations that have become due and payable, in each case determined after taking into account and having regard to (i) any funds available at such time to apply to such Approved Obligations, including in any finance reserve account, capital account or collateral posting account applicable under a derivative agreement, (ii) the availability of any credit enhancement agreement to which the Issuer is a party and (iii) any reasonably expected potential effect of a True-up Amount in the Reference Period immediately following the occurrence of an event described in this paragraph (b).

The occurrence of a Protection Event in and of itself will not result in the acceleration of the Senior Notes.

The Province of Ontario’s obligation to make payments under the Change of Law Protection Agreement upon a Protection Event and

subsequent delivery of a written payment demand by the Indenture Trustee is referred to as the “**Limited Guarantee**”.

Upon paying amounts when due and payable in respect of Approved Obligations, including the Senior Notes, into the Protection Account, the Province of Ontario will be subrogated and entitled to all of the rights and interests of applicable Specified Creditors (including Noteholders) under and in respect of the Approved Obligations to the extent of the amounts paid.

Under the Change of Law Protection Agreement, the right to deliver a written payment demand on occurrence of a Protection Event to enforce the Limited Guarantee is the only remedy available to the Indenture Trustee (and to Specified Creditors, to the extent they are permitted to exercise any rights, interests or elections under and in accordance with the Master Trust Indenture). Specified Creditors are not permitted to exercise any rights, interests, or elections under the Change of Law Protection Agreement, other than in the manner and to the extent effected and exercised under, in accordance with and subject to the limitations set forth in the Master Trust Indenture (in effect as of the date hereof). See “Capital Markets Platform — Acceleration and Remedies — Rights of Specified Creditors”.

*Approved Obligations &
Adherence Conditions:*

Under the Management Agreement, the Manager is required to ensure that all obligations of the Issuer are and remain Approved Obligations under the Change of Law Protection Agreement.

The Limited Guarantee shall apply to all Certified Primary Obligations that meet the following adherence conditions:

- (a) the Certified Primary Obligation when incurred is an Obligation Secured under the Master Trust Indenture;
- (b) OPG, as Financial Services Manager, delivers a certificate to the Indenture Trustee on or before the incurrence of such obligation certifying that it has complied with all of its obligations to the Province of Ontario and internal requirements and processes in connection with the adherence of the Limited Guarantee to the Certified Primary Obligation; and
- (c) the Province of Ontario has not provided a Suspension Notice to the Indenture Trustee, OPG and the Issuer.

All Senior Notes shall constitute Obligations Secured under the Master Trust Indenture and therefore condition (a) above will be satisfied for all Offerings of Senior Notes. It will be a condition to any Offering of Senior Notes that OPG deliver the adherence certificate required pursuant to (b) above or that the Province of Ontario designates in writing that the Senior Notes are Approved Obligations. The Change of Law Protection Agreement provides that delivery of an adherence certificate shall be determinative of satisfaction of this adherence condition, notwithstanding that such certificate may include

*Suspension Notice &
Post-Suspension Refinancing*

inaccuracies, be incomplete or otherwise be defective or deficient, and such certificate may be relied upon as conclusive evidence of same.

The Change of Law Protection Agreement will remain in full force and effect until the indefeasible payment, observance and performance in full of the Approved Obligations, including all Senior Notes.

However, in the following limited circumstances, the Province of Ontario may deliver a Suspension Notice under the Change of Law Protection Agreement: (i) if there has been an acceleration of Funding Obligations in accordance with the provisions of the Master Trust Indenture or an event of default, early amortization event, termination event or similar event or circumstance (including any event that with the passage of time or the giving of notice would become such an event) of or in respect of the obligations of any party under any Program Agreement; (ii) if there has been an uncured breach of covenant, uncured default in performance, or uncured representation, warranty or certification that proves to be incorrect in any material respect on the date made, in each case of OPG (or its officers, in the case of a certification) to the Province of Ontario in connection with its obligations to the Province of Ontario pursuant to internal requirements and processes in connection with the provision or adherence of the Limited Guarantee to or in respect of any Certified Primary Obligations; or (iii) if the Financial Services Manager is no longer the Manager or actions have been taken by or on behalf of the Indenture Trustee to remove the Financial Services Manager as the Manager.

Upon delivery of a Suspension Notice, the Limited Guarantee shall not apply in respect of obligations incurred by the Issuer (excluding certain refinancings of Approved Obligations as described below) and certain material amendments of outstanding obligations of the Issuer.

Notwithstanding delivery of a Suspension Notice, the Limited Guarantee shall continue to apply to: (i) any Approved Obligations that were incurred prior to the suspension and (ii) any Funding Obligations incurred by the Issuer following a suspension that satisfy the terms and conditions of the Change of Law Protection Agreement, provided that the proceeds of such incurrence are to be used for the purpose of repaying one or more series of Approved Obligations. Accordingly, subject to compliance with the Change of Law Protection Agreement, any Senior Notes or other Funding Obligations that may be issued following a suspension to refinance Senior Notes that were Approved Obligations issued prior to a suspension will continue to have the benefit of the Limited Guarantee.

See “*Change of Law Protection Agreement*”.

**Fair Allocation Amount &
Financing Plan:**

The Fair Allocation Amount is an amount calculated under the FHPA by the Minister of Energy in respect of each Reference Period that, among other things, allocates the estimated value of Clean Energy Costs in proportion to the relative attribution of the value of Clean Energy Benefits among Specified Consumers. See “*Ontario’s Fair Hydro Plan*”.

The Financial Services Manager is required to prepare a Financing Plan under the FHPA to evaluate whether potential Funding Obligations

should be incurred by the Issuer or other Financing Entities for the purposes of acquiring an Investment Interest or for the purposes of a Refinancing. In preparing the Financing Plan, the Financial Services Manager must have regard to certain principles, including that Funding Obligations should be incurred such that, along with any Funding Obligations already incurred, the estimated Finance Amount that would, subject to any Refinancing, become due and payable during a Reference Period will reasonably align with the Fair Allocation Amount determined in respect of such Reference Period as of the date the Funding Obligations were incurred.

In other words, the Financing Plan should contemplate the issuance of Funding Obligations from time to time, with terms that would result in Clean Energy Adjustments being payable by Specified Consumers that align with the purposes of the FHPA. Notwithstanding the above, the FHPA provides that each Funding Obligation that is issued is deemed to be consistent with the Financing Plan and to provide for the reasonable alignment of the estimated Finance Amount with the Fair Allocation Amount.

The Financing Plan allows for the issuance of a variety of short and long term debt. See the Investor Presentation attached as Exhibit 1 to this confidential shelf offering memorandum for more details regarding the Financing Plan and the Fair Allocation Amount.

Subordinated Debt:

Concurrent with every issuance of senior debt by the Issuer, including any Offering of Senior Notes, it is expected that OPG will subscribe for subordinated debt and junior subordinated debt of the Issuer in an amount equal to no more than 49% of all of the Issuer's Funding Obligations, approximately 44% of which is expected to be funded through equity investments in OPG by the Province of Ontario with the remaining 5% being funded from OPG's available funds, including all or a portion of the proceeds of any offerings by OPG of medium term notes.

Under the Master Trust Indenture, the Issuer will be required at all times to ensure that: (i) the aggregate outstanding principal amount of all subordinated debt and junior subordinated debt be not less than 35% of the aggregate outstanding principal amount of all of the Issuer's Funding Obligations; and (ii) the aggregate outstanding principal amount of all junior subordinated debt be not less than 10% of the aggregate outstanding principal amount of all of the Issuer's Funding Obligations.

Use of Proceeds:

The proceeds from each Offering may be used for one or more of the following purposes: (i) to acquire an Investment Interest pursuant to the FHPA and the Master Transfer and Servicing Agreement, (ii) to refinance indebtedness of the Issuer (including other Series of Senior Notes), (iii) to pay Offering and related costs of the Issuer and (iv) to fund specific reserve accounts as required.

The Term Sheet for each Offering of Senior Notes will identify the amount of proceeds that will be used for such specified purposes.

Interest Rate:	Fixed, floating or otherwise, as determined by the Issuer and as set out in the Term Sheet applicable to such Offering.
Interest Payment Dates:	As determined from time to time by the Issuer and as set out in the Term Sheet applicable to such Offering.
Principal Accumulation Amount(s):	As determined from time to time by the Issuer and as set out in the Term Sheet applicable to such Offering.
Principal Payment Date(s) and Principal Payment Amount(s):	As determined from time to time by the Issuer and as set out in the Term Sheet applicable to such Offering.
Principal Payment Default Date:	As determined from time to time by the Issuer and as set out in the Term Sheet applicable to such Offering.
Ranking:	Subject to the applicable payment waterfalls set out in the Master Trust Indenture, the Senior Notes will be direct, secured and unsubordinated obligations of the Issuer, and will at all times rank equally and proportionately with each other and all other senior indebtedness issued by the Issuer from time to time pursuant to the Indenture, without discrimination or preference. See “ <i>Capital Markets Platform — Subordination Provisions</i> ”, “ <i>Capital Markets Platform — Acceleration and Remedies — Payment Waterfall Upon Acceleration</i> ”.
Security:	All indebtedness and other obligations of the Issuer, including the Senior Notes, will be secured by a first ranking charge against all property and assets of the Issuer, including each Issuer Account (and all funds and property credited thereto), all rights and benefits, and powers of the Issuer under the FHPA and all rights, benefits and power under all Program Agreements, including under the Limited Guarantee. Under the Master Trust Indenture, the Issuer is required to maintain certain reserves: the IESO Cash Reserve Deposit Amount (an amount equal to the aggregate of (i) 0.50% of the aggregate amount of all outstanding senior, subordinated and junior subordinated funding obligations determined as of April 15, 2021, and (ii) an amount estimated as the amount of Carrying Costs payable during May, June and July 2021, provided such amount in (ii) satisfies the Rating Agency Condition) will be deposited by the IESO by April 30, 2021. There is also a Program Cash Reserve Account which will begin to be funded from Clean Energy Adjustments following the Moratorium Period until it reaches the Program Cash Reserve Required Amount (on each Payment Date on and after May 15, 2021, an amount equal to 0.50% of the aggregate amount of all outstanding senior, subordinated and junior subordinated funding obligations determined as of such date, or such lesser amount that satisfies the Rating Agency Condition). Funds in the IESO Cash Reserve Account will be applied to pay Carrying Costs after April 2021 to the extent that funds can be so applied such that the aggregate amount of funds in the IESO Cash Reserve Account and Program Cash Reserve Account is maintained at the Program Cash Reserve Required Amount. In connection with the incurrence of any Series of Notes, the Issuer may (i) establish a Series Account for purposes of accumulating funds used to make principal payments or for purposes of reserving funds to pay finance charges, and/or (ii) enter into a credit enhancement agreement

or liquidity agreement. Whether a Series of Senior Notes has the benefit of a Series Account or any credit enhancement agreement or liquidity agreement will be determined from time to time by the Issuer and set out in the Term Sheet applicable to such Offering.

See “*Capital Markets Platform — Security*”.

Priority of Payments:

Prior to an Event of Default and acceleration of the Issuer Funding Obligations (other than Derivative Funding Obligations), amounts available for disbursement will generally be applied in the following order of priority:

- taxes;
- trustee fees, expenses and reimbursement amounts (up to a specified cap);
- payment of or accumulations in respect of interest for Senior Funding Obligations, *pari passu* with payments under derivative agreements (other than termination payments);
- payment of or accumulations in respect of interest for Subordinated Funding Obligations;
- payments of or accumulations in respect of interest for Junior Subordinated Funding Obligations;
- payment of or accumulations in respect of principal for Warehouse Obligations (see “*Warehouse Facilities*”);
- accumulations in respect of principal for Senior Funding Obligations (other than Warehouse Obligations), *pari passu* with termination payments under derivative agreements (other than as provided below);
- fees and other amounts (other than principal and interest) on Senior Funding Obligations;
- the Manager’s fees, expenses and reimbursement amounts;
- payment of or accumulations in respect of principal for Subordinated Funding Obligations;
- fees and other amounts (other than principal and interest) on Subordinated Funding Obligations;
- payment of or accumulations in respect of principal for Junior Subordinated Funding Obligations;
- replenishment of Program Cash Reserve Account;
- replenishment of Series Accounts (other than accounts established for Subordinated Funding Obligations or Junior Subordinated Funding Obligations);
- replenishment of Series Accounts established for Subordinated Funding Obligations;
- fees and other amounts (other than principal and interest) on Junior Subordinated Funding Obligations;
- replenishment of Series Accounts established for Junior Subordinated Funding Obligations;
- termination payments under derivative agreements where the counterparty is the defaulting party or sole affected party;
- beneficiaries of the Issuer;
- indemnity amounts owing to the Manager; and
- all other obligations not specifically dealt with above.

After an Event of Default and acceleration of the Issuer Funding Obligations (other than Derivative Funding Obligations), amounts available to the Issuer or otherwise held by the Indenture Trustee will generally be applied in the following order of priority:

- taxes;
- trustee fees, expenses and reimbursement amounts;
- interest, fees and other amounts (other than principal) on Senior Funding Obligations and payments under derivative agreements (other than termination payments), *pari passu*, then Subordinated Funding Obligations (other than principal) and then Junior Subordinated Funding Obligations (other than principal);
- principal for Warehouse Obligations;
- *pari passu*, principal on Senior Funding Obligations (other than Warehouse Obligations) and termination payments under derivative agreements (other than where the counterparty is the defaulting party or sole affected party);
- the Manager's fees, expenses and reimbursement amounts;
- principal for Subordinated Funding Obligations and then Junior Subordinated Funding Obligations; and
- all other obligations not specifically dealt with above.

Notwithstanding the above, amounts held in a Series Account will be applied in accordance with the relevant Funding Obligation Agreement and amounts held in the Protection Account will be applied in accordance with the specific written payment statement and would not otherwise modify the provisions of the applicable payment waterfalls set out in the Master Trust Indenture.

See “*Capital Markets Platform — Payment Waterfall Prior to Acceleration*” and “*Capital Markets Platform — Acceleration and Remedies — Payment Waterfall Upon Acceleration*”.

Currency:	Senior Notes may be denominated in any currency. The currency for a particular Series of Senior Notes will be set out in the Term Sheet applicable to such Offering.
Minimum Subscription:	Minimum principal amount of 100,000 units of the applicable currency and integral multiple of 1,000 units of the applicable currency. The minimum subscription and denomination of the Senior Notes may be varied as set out in the Term Sheet applicable to such Offering.
Optional Redemption:	Senior Notes may be subject to redemption prior to maturity at the times and redemption price set out in the Term Sheet applicable to such Offering.
Purchase for Cancellation:	The Issuer may, at any time, purchase at any price all or any of the Senior Notes in the market or by invitation for tenders or by private contract. Any Senior Notes so purchased shall be cancelled.
Distribution Method:	The Senior Notes may be offered and sold by the Issuer on a private placement basis in Canada to “accredited investors” (as such term is defined in NI 45-106 and, in the case of a purchaser resident in Ontario, section 73.3(1) of the <i>Securities Act</i> (Ontario)) who purchase the Senior

Notes as principal and that are not individuals unless those individuals are also “permitted clients” (as such term is defined in NI 31-103).

By purchasing Senior Notes and accepting a purchase confirmation in respect thereof, a purchaser will be agreeing with and representing to the Issuer and any Agent participating in the trade that the purchaser is an accredited investor purchasing as principal along with certain other matters. See “*Representations and Agreements of Purchasers*”.

Book-Entry Form:

The Senior Notes will be delivered and recorded in book-entry form only through CDS or another depository selected by the Issuer in accordance with the Master Trust Indenture. Each Series of Senior Notes will be evidenced by a global note held by such depository, registered in its name or the name of its nominee, on behalf of all holders of such Series of Senior Notes. Subject to limited exceptions, no purchasers of Senior Notes will be entitled to a certificate or other instrument from the Issuer or CDS evidencing that purchaser’s ownership thereof, and no holder of a Senior Note will be shown on the records maintained by CDS except through book-entry accounts of a participant of CDS acting on behalf of owners. See “*Depository Services*”.

Resale Restrictions:

Resale of the Senior Notes will be subject to restrictions under applicable securities legislation which vary depending on the relevant jurisdictions. **The Senior Notes may only be sold on a basis that is in accordance with, or pursuant to an exemption from, the prospectus requirements of applicable provincial securities laws and only through an appropriately registered dealer or pursuant to an exemption from the dealer registration requirements of applicable provincial securities laws.** See “*Restrictions on Resale*”.

Risk Factors:

The purchase of the Senior Notes is subject to risks. Prospective investors should carefully consider the risk factors and other information in this confidential shelf offering memorandum and the Term Sheet for each Offering before purchasing Senior Notes, including the discussion set forth under “*Risk Factors*”, and any additional disclosure set out in the Term Sheet for each Offering.

Indenture Trustee:

BNY Trust Company of Canada.

Issuer Trustee:

Computershare Trust Company of Canada.

THE ELECTRICITY INDUSTRY IN ONTARIO

General Overview

The following summary of the electricity industry in Ontario does not purport to be comprehensive or definitive. It is a general and high-level overview of the historical context and the current manner in which the industry operates, including how real-time energy supply needs are met.

The Ontario electricity industry is principally comprised of three components:

- *Generation*: the production of electricity from various forms of energy, such as wind, solar, hydroelectric, natural gas and nuclear;
- *Transmission*: the transfer of electricity across high-voltage power lines from large generating facilities to local distribution systems and large transmission-connected consumers, as well as to and from inter-jurisdictional entities; and
- *Distribution*: the delivery of electricity within local areas to homes and businesses, as well as the delivery of electricity from small distribution-connected generating facilities, using low voltage power lines.

The structure of Ontario's electricity industry underwent significant changes in the late 1990s and early 2000s. Prior to April 1, 1999, Ontario Hydro, a Crown corporation, supplied most of Ontario's electricity generation and transmission needs. Consistent with initiatives taken in other electricity markets in North America at the time, the electricity industry was restructured in order to encourage greater competition. Ontario's competitive wholesale electricity market was opened by the IESO on May 1, 2002 and the market is used to administer the purchase and sale of wholesale electricity in Ontario.

Since the opening of the competitive market, Ontario's power supply mix has experienced significant change. As a result of provincial government policy, coal-fired generation has been eliminated and a significant amount of new capacity has been added as a result of new natural gas powered capacity, new wind and solar capacity and additional baseload nuclear generation capacity. These changes, along with the transmission and distribution system investments needed to support these changes, have resulted in significantly increased costs of electricity to consumers in Ontario.

While electricity supply in Ontario has increased, the province's electricity demand as reported by the IESO has fallen over the last decade, largely due to changes in economic conditions and conservation measures. Moreover, the addition of smaller scale wind and solar generation embedded in the distribution system has reduced the level of demand that is supplied by transmission-connected generation. Reducing electricity demand by encouraging conservation and demand management has been a key part of the Government of Ontario's plan to reduce greenhouse gas emissions from the province's electricity sector. Shorter-term fluctuations in electricity demand are impacted by variations in seasonal weather conditions.

Real-time energy supply needs are met through the wholesale electricity market administered by the IESO. Generators offer their generation into this real-time energy market, or "spot market", to be scheduled and dispatched by the IESO. The IESO receives hourly offers from electricity generators and importers to provide energy, along with bids to withdraw energy by certain domestic loads and exporters, and then schedules the lowest-cost offers and bids needed to meet demand. Most generators in Ontario also have bilateral contracts with the IESO (i.e. power purchase agreements) and one large generator, OPG, receives OEB-regulated prices, or payment amounts, that provide for payments in addition to wholesale market settlements that are paid to generators.

Key Industry Participants

Ontario Power Generation Inc.

OPG is a corporation formed under the *Business Corporation Act* (Ontario). The Province of Ontario is the sole shareholder of OPG and thereby has the power to determine the composition of OPG's board of directors. In 1999, when Ontario Hydro was split up in anticipation of deregulation, OPG was formed to hold the generation assets of the former Ontario Hydro. OPG has divested itself of certain of those assets, but remains the largest generator in Ontario.

OPG is Ontario's largest clean energy generator. As at the date hereof, OPG operated two nuclear generating stations, 66 hydroelectric generating stations, three thermal generating stations, and one wind power facility. OPG's mandate is to provide low cost power in a safe, clean, reliable and sustainable manner for the benefit of its customers and its sole shareholder, the Province of Ontario. OPG's electricity generation accounts for a significant portion of the total energy generated and injected into Ontario's electricity transmission system. OPG is one of the most experienced and largest generating companies in Canada with a broad set of relationships and capabilities. OPG is also experienced in successful complex financing arrangements of large capital projects, including the recently completed Lower Mattagami project.

Additional information about OPG is provided in the Investor Presentation attached as Exhibit 1 to this confidential shelf offering memorandum and is available at www.opg.com.

The IESO

The IESO is a non-share capital corporation created under the *Electricity Act, 1998* (Ontario). It was created as an amalgamation of two predecessor entities, one of which was also called the IESO ("**Predecessor IESO**") and the other of which was called the Ontario Power Authority ("**OPA**"). Predecessor IESO was responsible for managing the reliability of the provincial transmission system and operating the wholesale electricity markets in Ontario. The OPA was formed to plan the provincial power system and to procure electricity resources. The OPA entered into bilateral power or capacity purchase contracts with generators and other electricity resource providers. These two entities were merged statutorily on January 1, 2015 into the IESO, which now carries out all of these functions. As a non-share capital corporation, the IESO does not have any shareholders or owners and is governed by an independent board of directors appointed by the Minister of Energy.

Additional information about the IESO is provided in the Investor Presentation attached as Exhibit 1 to this confidential shelf offering memorandum and is available at www.ieso.ca.

The Ontario Energy Board

The OEB is a non-share capital corporation created under the *Ontario Energy Board Act, 1998*. The OEB is an independent and impartial administrative tribunal and public regulatory agency. The *Ontario Energy Board Act, 1998* provides the OEB with the authority to license and regulate the participants in Ontario's electricity market, including the activities of the IESO, transmitters and distributors. The IESO and distributors are Electricity Vendors for the purposes of the FHPA.

The OEB has the following objectives in relation to the electricity industry:

- (a) to protect the interests of consumers with respect to prices and the adequacy, reliability and quality of electricity service;
- (b) to promote the education of consumers;
- (c) to promote economic efficiency and cost effectiveness in the generation, transmission, distribution, sale and demand management of electricity and to facilitate the maintenance of a financially viable electricity industry;

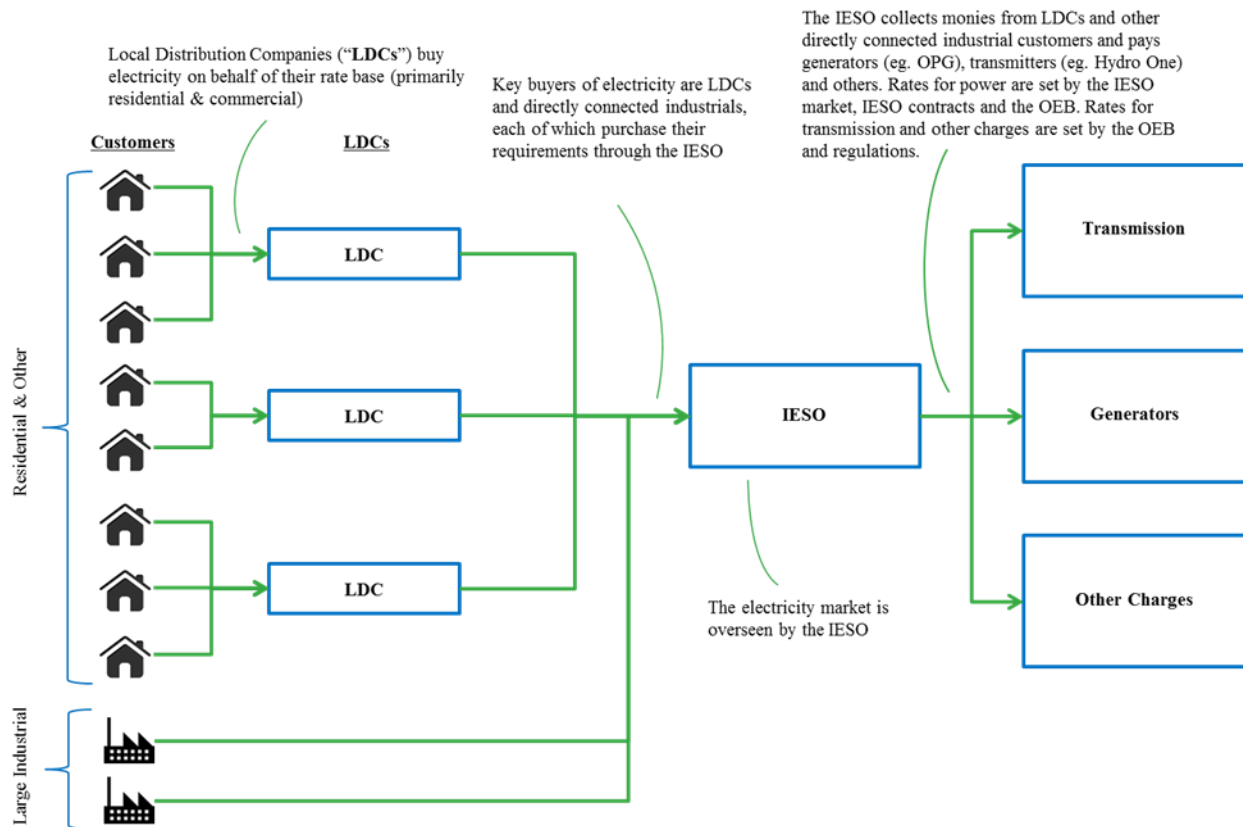
- (d) to promote electricity conservation and demand management in a manner consistent with the policies of the Province of Ontario, including having regard to the consumer's economic circumstances;
- (e) to facilitate the implementation of a smart grid in Ontario; and
- (f) to promote the use and generation of electricity from renewable energy sources in a manner consistent with the policies of the Ontario government, including the timely expansion or reinforcement of transmission systems and distribution systems to accommodate the connection of renewable energy generation facilities.

The OEB is responsible for, among other things, approving transmission and distribution rates in Ontario, as well as payment amounts for OPG's nuclear and hydroelectric generation. It also approves the construction, expansion, or reinforcement of transmission lines greater than two kilometres in length, as well as mergers, acquisitions, amalgamations and divestitures affecting regulated assets and regulated entities, such as distributors and transmitters. The activities of transmitters and distributors are subject to the conditions of their transmission and distribution licenses, as applicable, which require compliance with a number of industry codes issued by the OEB, as well as with the market rules that are administered by the IESO. These codes and other requirements prescribe minimum standards of conduct and service for licensed participants in the electricity market.

Electricity Vendors

As part of the restructuring of Ontario's electricity industry, the province's municipally-owned electricity distributors were reorganized into separate business corporations. These distributors are typically referred to in Ontario as local distribution companies, or "**LDCs**". An LDC is responsible for distributing electricity to customers in its OEB-licensed service territory, and in some cases to other distributors. A service territory may cover large portions or all of a particular municipality, or an otherwise-defined geographic area. Distribution customers include residential, commercial and industrial end-users, as well as institutions such as governments, schools and hospitals. At multi-unit buildings within an LDC's service territory, there may be a unit sub-metering service provider that provides metering services for each individual unit. These sub-metering service providers are also licensed by the OEB.

The following diagram depicts the flow of funds between the key industry participants:



See the Investor Presentation attached as Exhibit 1 to this confidential shelf offering memorandum for more details regarding LDCs.

Electricity Prices

There are two main components that make up the commodity cost of electricity in Ontario, the Hourly Ontario Energy Price ("HOEP") and the global adjustment charge.

- The HOEP is set by the IESO based on bids and offers in the real-time energy market that is administered by the IESO.
- The global adjustment charge is established monthly by the IESO in accordance with regulations and is the amount of money necessary to pay certain other costs to generators and other suppliers that are not compensated by the HOEP, including the cost of energy supply contracts with generators and payments made to OPG pursuant to OEB-established payment amounts.

Prior to the FHPA being passed, the amount collected generally over an annual basis by the IESO on account of the HOEP and global adjustment charge was approximately equal to the IESO's current payables to generators and other electricity resource suppliers, subject to certain periodic true-ups, fees and adjustments to keep the IESO whole.

At the request of the Minister of Energy in 2004, the OEB created the "**Regulated Price Plan**" or "**RPP**", which establishes time-of-use and tiered prices primarily for residential, farm and small commercial customers. Prior to the introduction of the FHPA, the RPP prices were reviewed and changed every six months by the OEB based on an updated forecast and any accumulated differences between the amounts collected from RPP consumers and the amount paid to generators in previous periods. RPP prices are now established in accordance with the FHPA. Most

Specified Consumers are billed for electricity based on the Regulated Price Plan, although some Specified Consumers may be invoiced the HOEP and the global adjustment charge by their LDC for electricity they have consumed. The IESO has also stated that there is one Specified Consumer connected directly to the transmission system and settled by the IESO, not an LDC.

While most residential and small commercial consumers in Ontario choose to purchase their electricity under the RPP, consumers in Ontario may instead choose to buy their electricity from an OEB-licensed retailer pursuant to a retail contract that provides a rate for electricity over a specified period. These customers are also required to pay the global adjustment charge in addition to the rate under their retail contract.

In addition to the HOEP and global adjustment charges, or RPP prices, as the case may be, electricity consumers pay a number of other uplifts and charges, such as transmission and distribution tariffs.

ONTARIO'S FAIR HYDRO PLAN

Background

On June 1, 2017, the Ontario Legislature passed the FHPA. From July 1, 2017 until April 30, 2018, electricity rates payable by Specified Consumers (a category of consumers that generally is comprised of residential consumers, small businesses and farms) will in effect be the rate that would result in a representative consumer being charged an invoice amount that is 25%³ less than the rate that would otherwise have been determined by the OEB for that period absent Ontario's Fair Hydro Plan (such adjustment, together with the further adjustments described below in this section, the "**Fair Adjustment**").

Under the FHPA, a "**Specified Consumer**" is:

- (a) a person who has an account with an Electricity Vendor for the supply of electricity in the Province of Ontario and meets any one of the following criteria:
 - (i) the person has a demand for electricity of 50 kilowatts or less, or such other amount as may be prescribed by the Regulations;
 - (ii) the person annually uses not more than 250,000 kilowatt hours of electricity, or such other amount as may be prescribed by the Regulations;
 - (iii) the person carries on a business that is a farming business for the purposes of the *Farm Registration and Farm Organizations Funding Act, 1993* and either holds a valid registration number assigned under that Act or has had the obligation to file a farming business registration form waived pursuant to an order made under subsection 22(6) of that Act;
 - (iv) the person's account with the Electricity Vendor relates to
 - (A) a dwelling;
 - (B) a property within the meaning of the *Condominium Act, 1998*;
 - (C) a residential complex within the meaning of subsection 2(1) of the *Residential Tenancies Act, 2006*, without regard to section 5 of that Act; or
 - (D) a property that includes one or more housing units and that is owned or leased by a co-operative within the meaning of the *Co-operative Corporations Act*; or

³ The 25% reduction includes an 8% rebate equivalent to the provincial portion of the harmonized sales tax previously granted by the Ontario government.

- (v) the person satisfies such criteria as may be prescribed by the Regulations; or
- (b) such other person as may be prescribed by the Regulations.

Electricity bills for Specified Consumers for the period between May 1, 2018 and April 30, 2019 are to increase by the rate of inflation (or remain unchanged in the event inflation is negative). Permitted increases after April 30, 2019 will be determined by the Ontario government through additional regulations, though the Ontario government has indicated that rate increases will be held to the rate of inflation until 2021.

Under the FHPA, OPG is appointed as Financial Services Manager and given the authority to, among other things, establish, or cause to be established, one or more Financing Entities to incur Funding Obligations to fund the acquisition of an Investment Interest. The Issuer is a Financing Entity under the FHPA and the Senior Notes are Funding Obligations under the FHPA.

Regulatory Asset

Under the FHPA, each month the IESO determines the shortfall that results from the Fair Adjustment as compared to what the IESO would have been entitled to receive without the Fair Adjustment and records this amount, together with the costs of financing the shortfall, the amounts charged to the IESO by the Issuer in respect of the Carrying Costs of the Issuer, when applicable, and certain other amounts in a variance account. The IESO has the right, exercisable in accordance with the FHPA, to recover the balance recorded in the variance account from Specified Consumers (such right, the “**Regulatory Asset**”). The FHPA provides that the OEB shall, from time to time and in accordance with the Regulations, determine and set rates payable by Specified Consumers to allow for the IESO to recover the balance recorded in the variance account and that the IESO shall not be entitled to collect all or part of the balance recorded in the variance account from Specified Consumers before May 1, 2021. The IESO may, in accordance with the FHPA, Transfer a specified portion of the Regulatory Asset to a Financing Entity for a cash purchase price equal to the amount recorded in the variance account in respect of such specified portion of the Regulatory Asset. Upon receipt by the IESO of payment by the Financing Entity, the IESO retains no further right, title or interest in the corresponding Investment Interest.

Investment Interest

By acquiring an Investment Interest, the Financing Entity is financing a portion of the shortfall that gives rise to the Regulatory Asset and, as an owner of the Investment Interest, will be entitled to recover its Finance Amount (the costs of such financing). While a Financing Entity may choose to acquire an Investment Interest by accepting a Transfer of the corresponding specified portion of a Regulatory Asset, it is under no obligation to do so.

If the IESO and a Financing Entity agree to the Transfer of a specified portion of the Regulatory Asset from the IESO, such Transfer results in the creation of a current and irrevocable property right that is immediately vested in the Financing Entity, free and clear of any adverse claim (such right, the “**Investment Asset**”, and an ownership interest therein, an “**Investment Interest**”). The Investment Asset consists, collectively, of the following rights and interests of Financing Entities that own an Investment Interest (among other things):

- (a) the right and interest to impose, invoice, collect, receive and recover the Clean Energy Adjustment from Specified Consumers, including the right to determine the Clean Energy Adjustment in accordance with the FHPA;
- (b) the right to receive, collect and recover the Clean Energy Adjustment that is imposed, invoiced and recoverable under the FHPA, including any amounts in respect of the Clean Energy Adjustment that are held by Electricity Vendors or the IESO;
- (c) the right to enforce the duties and obligations under the FHPA of each Electricity Vendor to impose, attribute, charge and invoice for the Clean Energy Adjustment;
- (d) the right to enforce the duties and obligations under the FHPA of each Electricity Vendor and the IESO to collect, receive and remit amounts received by it in respect of the Clean Energy Adjustment,

including all collections and the proceeds of any enforcement action undertaken by any Electricity Vendor to recover payment of the Clean Energy Adjustment;

- (e) all rights of any kind related to any of the other property rights or interests that comprise the Investment Interest; and
- (f) all revenue, collections, claims, payments, money and proceeds of or derived from the rights described in paragraphs (a) to (e), regardless of whether it is invoiced, collected and maintained together with or commingled with other revenue, collections, claims, payments, money and proceeds.

Clean Energy Adjustment

The “**Clean Energy Adjustment**” is the amount calculated in accordance with the FHPA and payable by Specified Consumers to cover the cost of financing the shortfall that gives rise to the Regulatory Asset. The Financial Services Manager will determine the amount of the Clean Energy Adjustment payable by Specified Consumers for each month of a Reference Period. The Clean Energy Adjustment is based on an estimate of the amount payable by a Financing Entity in a Reference Period in respect of the Finance Amount and the True-up Amount (each as described below).

The “**Finance Amount**” in respect of the Issuer for a period of time is an amount determined by the Financial Services Manager as follows:

- (a) after eliminating any duplication in the following amounts, calculating the sum of the following amounts:
 - (i) amounts paid or payable during the period in respect of the payment by or on behalf of the Issuer or the provision by or on behalf of the Issuer for the payment of all or a portion of the principal amount advanced to the Issuer under a Funding Obligation;
 - (ii) interest, commitment fees or other similar costs payable by or on behalf of the Issuer in respect of Funding Obligations that are paid or payable during the period;
 - (iii) amounts payable by or on behalf of the Issuer to redeem, prepay or repurchase Funding Obligations incurred by or on behalf of the Issuer, including any premium, make-whole or other amount payable to give effect to the prepayment redemption or repurchase, that are paid or payable during the period;
 - (iv) payments required to be made in respect of any derivative agreements during the period, including ordinary course payments, payments on termination and payments made in connection with margining or collateral arrangements;
 - (v) amounts deposited, as required under the governing documents of Funding Obligations, into capital accounts or finance reserve accounts during the Reference Period;
 - (vi) Issuer expenses, including fees (including fees charged by the Financial Services Manager), charges, costs, indemnities, reimbursements and other amounts incurred or committed to by or on behalf of the Issuer as a result of an activity authorized or permitted under the FHPA, and any taxes on such amounts, in each case that are paid or payable during the period;
 - (vii) taxes paid or payable by or on behalf of the Issuer, incurred directly or indirectly by the Issuer, or for which the Issuer is otherwise liable as a result of any activity, undertaking, transaction or event authorized or permitted under the FHPA that are payable during the period; and

- (viii) amounts paid or payable by or on behalf of the Issuer during the period to any guarantor or surety that made a payment of an amount due and payable under a Funding Obligation, including pursuant to a guarantee, indemnity, contract of insurance or agreement entered into under subsection 5(2) or (3) of the FHPA;
- (b) after eliminating any duplication in the following amounts, calculating the sum of the following amounts:
 - (i) amounts withdrawn, as required under the governing documents of Funding Obligations, from capital accounts or finance reserve accounts during the period;
 - (ii) amounts received during the period in respect of Carrying Costs;
 - (iii) the aggregate of all amounts received by or on behalf of the Issuer in respect of Funding Obligations during the period;
 - (iv) the principal amount of Funding Obligations incurred by the Issuer that are applied to refinance existing Funding Obligation during the period;
 - (v) any payments received in connection with a derivative agreement, including ordinary course receipts, payments received on termination and payments received in connection with margining or collateral arrangements, in each case during the period;
 - (vi) amounts received by or on behalf of the Issuer as a refund of tax during the period; and
- (c) subtracting the sum calculated under (b) from the sum calculated under (a).

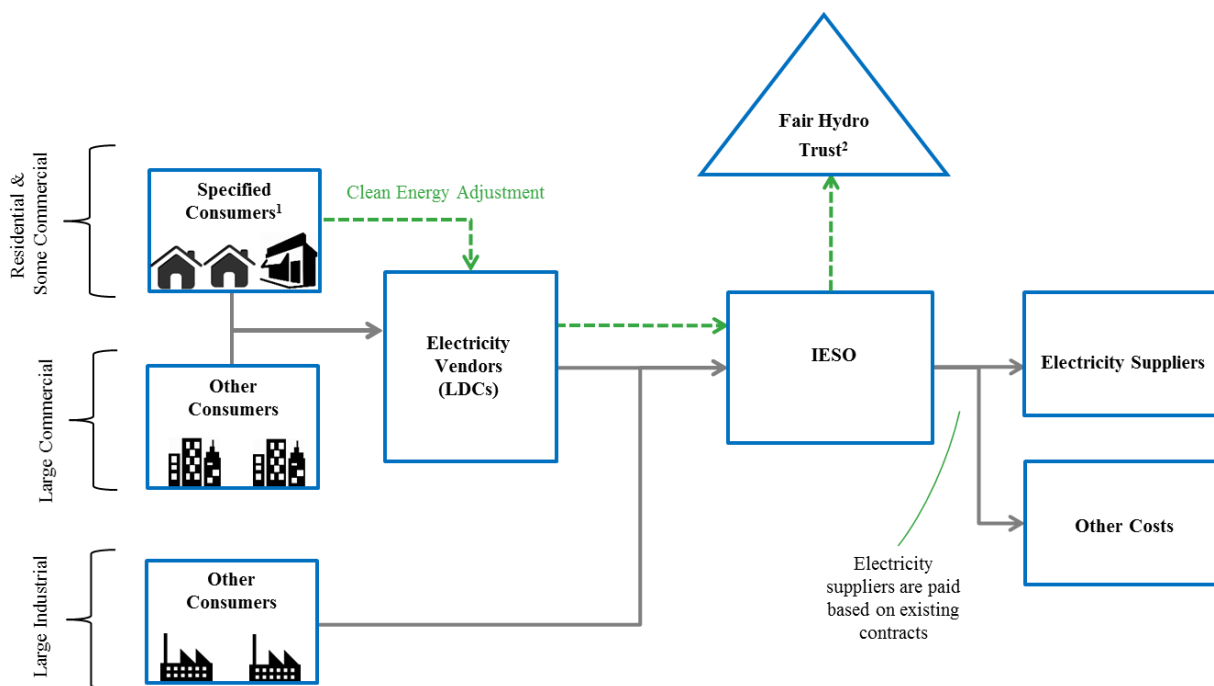
In determining the Clean Energy Adjustment, the Financial Services Manager must also calculate a “**True-up Amount**” in accordance with the Regulations. The True-up Amount is comprised of the cumulative Finance Amounts in respect of all preceding Reference Periods less the cumulative Clean Energy Adjustment amounts remitted to the Issuer in respect of all preceding Reference Periods plus other anticipated shortfalls. The True-up Amount will also reflect any historical and reasonably foreseeable differences between the estimated and actual Finance Amount; between amounts invoiced and amounts collected due to various factors, including applicable taxes, consumer defaults and delays, billing lags and write-offs; and variations in billings due to variations in electricity consumption. In determining such differences, the Financial Services Manager is required to have regard to amounts payable that were not collected and any amounts in respect of which an overpayment was made, which may include amounts resulting from a default of Specified Consumers, an Electricity Vendor or the IESO, whether in its capacity as an Electricity Vendor or its activities as agent or otherwise under the FHPA. The Regulations obligate the Financial Services Manager to calculate the True-up Amount in respect of each Reference Period so long as all Funding Obligations and other Finance Amounts have not been paid in full. After the final scheduled payment date of the Funding Obligation that has the latest maturity date of all outstanding Funding Obligations, the Financial Services Manager will calculate the True-up Amount quarterly. The Financial Services Manager may also at any time during a Reference Period determine an interim True-up Amount if, among other things, it reasonably forecasts that the collection of the Clean Energy Adjustment will be insufficient to pay the estimated Finance Amount for a Reference Period.

The Financial Services Manager must notify the OEB of the Clean Energy Adjustment for each Reference Period. The OEB must accept this amount and will determine the rates at which Specified Consumers are to be invoiced to recover the Clean Energy Adjustment. The rates are expressed as a cent per kWh amount and are determined by the OEB by dividing (i) the Clean Energy Adjustment provided by the Financial Services Manager in respect of the relevant period by (ii) a forecast of electricity consumption of Specified Consumers in respect of such period based on forecast information provided by the IESO. Electricity Vendors are required to invoice their Specified Consumers for the Clean Energy Adjustment, as determined by applying the rate set by the OEB, which is required to be included as a separate line item on each invoice. Electricity Vendors are required to collect, as agent of the Financing Entities (of which the Issuer is currently the only one), amounts in respect of the Clean Energy Adjustment, deposit such amounts into a segregated account established for the purpose of receiving those amounts, and hold such amounts in trust for the benefit of the Financing Entities (of which the Issuer is currently the only one) until remitted

to the IESO for the benefit of the Financing Entities (of which the Issuer is currently the only one). If an Electricity Vendor does not receive payment in full of an invoice issued to a Specified Consumer, the Electricity Vendor shall allocate any payment received to the Clean Energy Adjustment and the other amounts payable under the particular invoice in the manner set out in the FHPA. It is a deemed condition of their licenses that Electricity Vendors comply with their obligations under the FHPA.

An amount in respect of the Clean Energy Adjustment shown on an invoice issued to a Specified Consumer is determinative of the amount of such Specified Consumer's indebtedness resulting from the Clean Energy Adjustment and is irrevocable upon invoicing and may not be set off or bypassed, except to the extent that the invoice reflects a clerical, typographical or calculation-related error. Commencing May 1, 2021, a charge in respect of the Clean Energy Adjustment will be included on invoices sent to Specified Consumers, and collected and remitted to the Issuer to pay amounts owing on the Senior Notes and all other administrative and other financing expenses of the Issuer. From July 1, 2017 until April 30, 2021 (the "**Moratorium Period**"), no Clean Energy Adjustments are permitted to be collected from Specified Consumers. During the Moratorium Period, the sole source of funds for payment on the Senior Notes, and the Issuer's other Carrying Costs, will be the amounts the IESO is obligated to pay to the Issuer under the Regulations during such period. See "*— IESO Payment of Carrying Costs during the Moratorium Period*" below. Once it starts being included on such invoices, the Clean Energy Adjustment will be collected until all outstanding Funding Obligations and other Finance Amounts have been repaid in full. Subject to the FHPA, the Clean Energy Adjustment will be collected and remitted to the Issuer to pay the Finance Amount, including the principal and interest on the Senior Notes and all other administrative and other financing expenses of the Issuer.

The following diagram illustrates the flow of funds under the Fair Hydro Plan.



¹ There is currently one Specified Consumer that is directly connected to the IESO and, accordingly, makes payments, including in respect of the Clean Energy Adjustment, once applicable, directly to the IESO.

² Pursuant to the Master Transfer and Servicing Agreement, the IESO may periodically Transfer specified portions of the Regulatory Asset to the Issuer for a corresponding purchase price. Upon completion of a Transfer by the IESO of a specified portion of the Regulatory Asset following payment by the Issuer of the corresponding purchase price, the Issuer will acquire an Investment Interest.

Fair Allocation Amount and Financing Plan

The FHPA was enacted to: (i) ensure that Clean Energy Costs and Clean Energy Benefits are fairly allocated among present and future Specified Consumers; (ii) recognize that Clean Energy Benefits have accrued and will accrue over time and will continue to benefit present and future electricity consumers in Ontario; and (iii) align Clean Energy Costs with Clean Energy Benefits, in order to provide fairness for Specified Consumers over time. Under the FHPA, the Minister of Energy calculates a “**Fair Allocation Amount**”, which is an amount for every Reference Period that, among other things, allocates the estimated Clean Energy Costs in proportion to the relative attribution of Clean Energy Benefits among Specified Consumers. Under the FHPA, the Minister of Energy is responsible for determining the Fair Allocation Amount prior to the incurrence of the first Funding Obligation. The Fair Allocation Amount may be changed from time to time in accordance with the FHPA, provided that no change of the Fair Allocation Amount shall affect any Clean Energy Adjustment that arises as a result of a Funding Obligation that has been incurred prior to such change.

OPG, as Financial Services Manager, is required to prepare a Financing Plan to evaluate whether and when potential Funding Obligations should be incurred by a Financing Entity to acquire an Investment Interest or for the purposes of a Refinancing. The Financial Services Manager is required to prepare the Financing Plan having regard to certain prescribed principles, including that Funding Obligations should be incurred such that, along with any Funding Obligations already incurred, the estimated Finance Amount that would, subject to any Refinancing, become due and payable during a Reference Period will reasonably align with the Fair Allocation Amount determined in respect of such Reference Period as of the date the Funding Obligations were incurred. In other words, the Financing Plan should contemplate the issuance of Funding Obligations from time to time, with terms that would result in Clean Energy Adjustments being payable by Specified Consumers that align with the purposes of the FHPA. Notwithstanding the above, the FHPA provides that each Funding Obligation that is issued is deemed to be consistent with the Financing Plan and to provide for the reasonable alignment of the estimated Finance Amount with the Fair Allocation Amount.

The Financing Plan allows for the issuance of a variety of short and long term debt. See the Investor Presentation attached as Exhibit 1 to this confidential shelf offering memorandum for more details regarding the Financing Plan and the Fair Allocation Amount.

Payment of Carrying Costs until July 31, 2021

Commencing May 1, 2021, a charge in respect of the Clean Energy Adjustment will be included on invoices sent to Specified Consumers, and collected and remitted to the Issuer to pay amounts owing on the Senior Notes and all other administrative and financing expenses of the Issuer. 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 incurred in respect of the period from June 1, 2017 to July 31, 2021. 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). The amounts paid by the IESO to the Issuer to fund these Carrying Costs will be recorded by the IESO in the variance account and form part of the Regulatory Asset that the IESO is expected to Transfer to the Issuer in a subsequent period. Upon such Transfer, the Issuer will acquire a corresponding Investment Interest pursuant to the FHPA.

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 statement, the IESO is required to deliver the amount specified in the carrying costs statement to the Issuer. See “*The Transferor and Servicer*”. The IESO has a \$2 billion unsecured credit facility provided by the Ontario Financing Authority, expiring September 30, 2022, which is permitted to be used by the IESO to pay the Carrying Costs to the Issuer. Furthermore, as security for the performance of its obligations under the Regulations to pay the Carrying Costs to the Issuer, the IESO has granted the Issuer a first-priority security interest in all accounts receivable owing to the IESO from Electricity Vendors, including amounts owing with respect to the global adjustment charge. See “*The Transferor and Servicer*”.

Other Statutory Protections

The FHPA provides certain protection and assurances in respect of the obligations of Specified Consumers to pay amounts in respect of the Clean Energy Adjustment. Generally, no action or omission by the OEB, the Minister of Energy or the Crown, and no regulation under the FHPA, will be effective to reduce, impair, postpone or terminate the obligations of Specified Consumers to pay amounts in respect of the Clean Energy Adjustment or to impair or postpone the invoicing, collection or remittance of the Clean Energy Adjustment. If an Electricity Vendor, the IESO or the Financial Services Manager, has failed, or will fail, to comply with the FHPA, the Issuer may apply to an Ontario court to make an order directing such party to comply and requiring compensation to be provided to the Issuer by such non-compliant party. Additional contractual protections are provided in the Change of Law Protection Agreement described below.

CHANGE OF LAW PROTECTION AGREEMENT

The following brief summary of certain provisions of the Change of Law Protection Agreement does not purport to be comprehensive or definitive. All references in this confidential shelf offering memorandum to the Change of Law Protection Agreement are qualified in their entirety by reference to the Change of Law Protection Agreement and the detailed provisions thereof. The Change of Law Protection Agreement may be reviewed at the principal office of the Manager in Toronto, Ontario during normal business hours while any Senior Notes are outstanding.

Pursuant to the Change of Law Protection Agreement, upon a Protection Event and delivery by the Indenture Trustee of a written payment demand, the Province of Ontario is required to make payments of amounts that are due and payable in respect of all Approved Obligations when due and payable into the Protection Account. The Issuer and Indenture Trustee must ensure that amounts deposited into the Protection Account are applied to pay Specified Creditors to whom amounts are due and payable under an Approved Obligation in accordance with the provisions of the Master Trust Indenture. See *“Capital Markets Platform”*. The Province of Ontario’s obligation to make such payments under the Change of Law Protection Agreement upon a Protection Event and delivery by the Indenture Trustee of a written payment demand is referred to as the **“Limited Guarantee”**.

The payment obligations of the Province of Ontario under the Limited Guarantee differ depending on whether an Acceleration has occurred. If no Acceleration has occurred in respect of any Senior Notes on or before a date on which the Province of Ontario is to perform the Limited Guarantee, the Change of Law Protection Agreement provides that the Province of Ontario is to pay the amounts due and payable on such date in respect of Approved Obligations. If an Acceleration has occurred in respect of any Senior Notes on or before a date on which the Province of Ontario is to perform the Limited Guarantee, the Province of Ontario is to pay the amounts that would be available to be paid on such date in respect of the Approved Obligation on an applicable payment date in respect of the Approved Obligation under the applicable payment provisions of the Master Trust Indenture, determined on the assumption that the amount available for allocation to Specified Creditors in accordance with such applicable payment provisions of the Master Trust Indenture in respect of each relevant month during each Reference Period is equal to the estimated Finance Amount determined in respect of such Reference Period, divided by the number of months in such Reference Period. See *“Capital Markets Platform — Acceleration and Remedies — Limitation on Available Amounts on Acceleration”* for a description of the amounts that would be available to be paid under the Master Trust Indenture in such circumstances.

The Province of Ontario is not obligated to pay or indemnify the Indenture Trustee or any Specified Creditor for consequential, special or punitive damages, or for economic loss or loss of profits (provided that economic loss does not include payments of amounts that are due and payable in respect of the Senior Notes).

Under the Change of Law Protection Agreement, the right to deliver a written payment demand on occurrence of a Protection Event to enforce the Limited Guarantee is the only remedy available to the Indenture Trustee (and to Specified Creditors, to the extent they are permitted to exercise any rights, interests or elections under and in accordance with the Master Trust Indenture). Specified Creditors are not permitted to exercise any rights, interests, or elections under the Change of Law Protection Agreement, other than in the manner and to the extent effected and exercised under, in accordance with and subject to the limitations set forth in the Master Trust Indenture as at December 21, 2017.

In connection with the provision of the Limited Guarantee, OPG, as Financial Services Manager, has entered into a process agreement with the Province of Ontario pursuant to which OPG is required to satisfy certain reporting and other requirements regarding the Issuer's incurrence of, and material amendments to, any Issuer Funding Obligations.

Protection Event

Each of the following constitutes a "**Protection Event**" under the Change of Law Protection Agreement:

- (a)
 - (i) the Ontario legislature repeals, and does not replace on an equivalent basis, or amends, the Act or any portion thereof, as in effect on the date hereof;
 - (ii) the Ontario legislature enacts or amends any other statute;
 - (iii) the Lieutenant Governor in Council repeals, and does not replace on an equivalent basis, the regulations made under the Act or any portion thereof, in whole or in part, as in effect on the date hereof;
 - (iv) the Lieutenant Governor in Council, a minister of the Crown, an official of the government or a board or commission all the members of which are appointed by the Lieutenant Governor in Council makes or amends any "regulation" (as defined in Part III of the *Legislation Act, 2006*) as in effect on the date hereof; or
 - (v) the implementation of a change in the organization or structure of the IESO or Ontario's electricity market undertaken at the initiative of the Province of Ontario or an entity controlled by the Province of Ontario,

in each case, that (X) adversely affects the ability of the Issuer to receive amounts in respect of its Investment Interest so that it can pay Approved Obligations when due and payable, in each case determined after taking into account and having regard to (i) any funds available at such time to apply to such Approved Obligations, including in any finance reserve account, capital account or collateral posting account applicable under a derivative agreement, (ii) the availability of any credit enhancement agreement to which the Issuer is a party and (iii) any reasonably expected potential effect of a True-up Amount in the Reference Period immediately following the occurrence of an event described in any of clauses (i) to (v) above, or (Y) adversely affects the enforceability of, or adversely changes, the terms and conditions of the Change of Law Protection Agreement or of any of the agreements under which Approved Obligations arise; or

- (b) a court of competent jurisdiction determines that all or a portion of the Act, as in effect on the date hereof, is *ultra vires* or invalid in a way that adversely affects the ability of the Issuer to receive amounts in respect of its Investment Interest so that it can pay Approved Obligations when due and payable and that has the effect of the Issuer not in fact having sufficient funds to pay such Approved Obligations that have become due and payable, in each case determined after taking into account and having regard to (i) any funds available at such time to apply to such Approved Obligations, including in any finance reserve account, capital account or collateral posting account applicable under a derivative agreement, (ii) the availability of any credit enhancement agreement to which the Issuer is a party and (iii) any reasonably expected potential effect of a True-up Amount in the Reference Period immediately following the occurrence of an event described in this paragraph (b).

The occurrence of a Protection Event in and of itself will not result in the acceleration of the Senior Notes.

On a Protection Event and payment by the Province of Ontario of amounts in respect of Approved Obligations that are due and payable into the Protection Account, such deposited amounts are applied by the Issuer and Indenture Trustee in the priority of payments governed by the Master Trust Indenture.

Upon the Province of Ontario's payment of amounts in respect of Approved Obligations that are due and payable into the Protection Account, the Province of Ontario will be subrogated and entitled to all of the rights of applicable Specified Creditors (including Noteholders) under and in respect of the Approved Obligations to the extent of the amounts paid. Applicable Specified Creditors in respect of whom amounts were deposited into the Protection Account will not have continuing rights, interests or entitlements (including rights as a secured party) in respect of Approved Obligations to the extent so paid; the Province of Ontario will be the absolute assignee of such rights. The Province of Ontario will have the right to be paid from the Issuer the amounts that the Province of Ontario paid in respect of the Approved Obligations ("**Subrogation Amounts**"), such Subrogation Amounts being payable in the same order of priority and with the same entitlements accruing to the Province of Ontario as applied to the amounts in respect of the Approved Obligations previously owing to Specified Creditors that the Province of Ontario has paid. The Province of Ontario will also be entitled to the benefit of the Collateral and proceeds therefrom to the extent of the amounts paid under the Limited Guarantee.

As payee of Subrogation Amounts, the Province of Ontario will be a Specified Creditor under the Master Trust Indenture. Further, the entitlements of the Province of Ontario to Subrogation Amounts arising in respect of Approved Obligations that are interest and principal obligations on Notes will be treated for all purposes of the Master Trust Indenture as interest and principal obligations, respectively, arising under Notes, having the same priority and any applicable voting rights as under the related Approved Obligations, and accordingly the Province of Ontario will be entitled to all of the rights, entitlements, interests and privileges of a holder of such Notes in accordance with the Master Trust Indenture, as supplemented by the supplemental indenture or other indenture document under which the related Approved Obligations were issued, provided that for purposes of determining voting rights with respect to Notes, Notes in which the Province of Ontario has an interest will be deemed not to be outstanding at any time that a Specified Creditor other than the Province of Ontario has an interest in such Class of Notes.

Approved Obligations & Adherence Conditions

Under the Management Agreement, the Manager is required to ensure that all obligations of the Issuer are and remain Approved Obligations under the Change of Law Protection Agreement.

An "**Approved Obligation**" under the Change of Law Protection Agreement means: (i) a Certified Primary Obligation if the adherence conditions applicable thereto have been satisfied at the time such obligation was incurred; (ii) all other Primary Obligations that are not Certified Primary Obligations (except any Primary Obligation to which the Limited Guarantee will not apply on or after delivery of a Suspension Notice as described below); and (iii) all Certified Primary Obligations that the Province of Ontario, in its sole discretion, designates in writing is an Approved Obligation.

It will be a condition to any Offering of Senior Notes that such Senior Notes constitute Approved Obligations under the Change of Law Protection Agreement.

A "**Primary Obligation**" under the Change of Law Protection Agreements means any Obligation Secured under the Master Trust Indenture (i) that is a Funding Obligation or (ii) that otherwise is a payment obligation of the Issuer that gives rise to a Finance Amount, in each case other than (x) any amounts required to be deposited by or on behalf of the Issuer into any capital account or finance reserve account; and (y) any obligation to pay the Issuer or on the Issuer's direction any remaining amounts in the Collection Account pursuant to the Master Trust Indenture.

A "**Certified Primary Obligation**" means a Primary Obligation: (i) incurred by or on behalf of the Issuer to fund its ownership of an Investment Interest, including any Refinancing, other than a Post-Suspension Refinancing or a Pre-Approved Refinancing (each as defined below), of such a Primary Obligation (for greater certainty, including, in the case of any Certified Primary Obligation permitting funding transactions pursuant to a Funding Obligation Agreement applicable to the Certified Primary Obligation, each individual borrowing or funding utilization thereunder), (ii) incurred by or on behalf of the Issuer upon the Issuer entering into a derivative agreement, in which case the Certified Primary Obligation therefor shall be the Master Agreement applicable to such derivative agreement and not any individual trade confirmation other than a trade confirmation that modifies or purports to override the express terms or conditions of the related Master Agreement, or (iii) incurred by or on behalf of the Issuer upon entering into a contract that has a term of more than three (3) years which is not terminable by the Issuer giving three (3) years' notice or less and expected (as determined by the Manager, acting reasonably) aggregate payments by the

Issuer thereunder during the term of such contract are or would be in excess of \$5,000,000 (that, for greater certainty, is not otherwise captured in clauses (i) and (ii) above).

The Limited Guarantee shall apply to all Certified Primary Obligations that meet the following adherence conditions:

- (a) the Certified Primary Obligation when incurred is an Obligation Secured under the Master Trust Indenture;
- (b) OPG, as Financial Services Manager, delivers a certificate to the Indenture Trustee on or before the inurrence of such obligation certifying, among other things, that OPG has delivered a certificate to the Province of Ontario confirming that OPG has complied with all of its obligations to the Province of Ontario and internal requirements and processes in connection with the adherence of the Limited Guarantee to the Certified Primary Obligation (an “**Adherence Compliance Certificate**”); and
- (c) the Province of Ontario has not provided a Suspension Notice to the Indenture Trustee, OPG and the Issuer.

All Senior Notes shall constitute Obligations Secured under the Master Trust Indenture and therefore condition (a) above will be satisfied for all Offerings of Senior Notes. It will be a condition to any Offering of Senior Notes that OPG deliver the adherence certificate required pursuant to (b) above or that the Province of Ontario designates in writing that the Senior Notes are Approved Obligations. The Change of Law Protection Agreement provides that delivery of an adherence certificate shall be determinative of satisfaction of this adherence condition, notwithstanding that such certificate may include inaccuracies, be incomplete or otherwise be defective or deficient, and such certificate may be relied upon as conclusive evidence of same.

Suspension Notice & Post-Suspension Refinancings

The Change of Law Protection Agreement will remain in full force and effect until the indefeasible payment, observance and performance in full of the Approved Obligations, including the Senior Notes.

However, in the following limited circumstances, the Province of Ontario may deliver a written notice (a “**Suspension Notice**”) to the Indenture Trustee, the Financial Services Manager and the Issuer:

- (a) an acceleration of Funding Obligations in accordance with the provisions of the Master Trust Indenture or an event of default, early amortization event, termination event or similar event or circumstance (including any event that with the passage of time or the giving of notice would become such an event) of or in respect of the obligations of any party under any Program Agreement;
- (b) a default in the performance, or breach, of any covenants of OPG, as Financial Services Manager, or OPG, in its corporate capacity, in each case to the Province of Ontario in connection with its obligations to the Province of Ontario pursuant to internal requirements and processes in connection with the provision or adherence of the Limited Guarantee to or in respect of any Certified Primary Obligation and the expiration of any applicable cure period;
- (c) a representation or warranty made by OPG or a certification made by one or more officers of OPG, in each case whether as Financial Services Manager or in its corporate capacity, to the Province of Ontario in connection with its obligations to the Province of Ontario and its internal requirements and processes in connection with the provision or adherence of the Limited Guarantee to or in respect of any Certified Primary Obligations, proves to be incorrect in any material respect on the date made and the expiration of any applicable cure period; or
- (d) the Financial Services Manager no longer being the Manager or actions having been taken by or on behalf of the Indenture Trustee to remove the Financial Services Manager as the Manager;

If a Suspension Notice has been provided under the Change of Law Protection Agreement (the provision of such notice being a “**Suspension Event**”), the Limited Guarantee shall not apply in respect of: (i) any Primary Obligation incurred, excluding any Post-Suspension Refinancing, or (ii) any amendment of any Primary Obligation that has a Material Effect, unless otherwise agreed to by the Province of Ontario, in each case, on or after the time such Suspension Notice is delivered.

Following the occurrence of a Suspension Event, the Limited Guarantee shall continue to apply in respect of any Post-Suspension Refinancing; provided that prior to the Financing Entity incurring any Primary Obligation constituting a Post-Suspension Refinancing, the Manager shall provide the Province of Ontario with at least 30 days’ notice of its intention to seek a Post-Suspension Refinancing and during such 30-day period the Province of Ontario may, but is not obligated to, offer to fund such Post-Suspension Refinancing or arrange for another Person to fund such Post-Suspension Refinancing on the same terms as set out in the notice or on such other terms as may be considered by the Province of Ontario to be not more onerous on the Financing Entity and that are acceptable on that basis to the Financing Entity, acting reasonably.

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.

A “**Pre-Approved Refinancing**” means a Refinancing of a Certified Primary Obligation in respect of which the Province of Ontario has, prior to the incurrence of such Certified Primary Obligation, agreed shall be an Approved Obligation, subject to compliance with such conditions and requirements as may be specified in such agreement.

A “**Material Effect**” means a material adverse effect on the obligations or the rights of the Province of Ontario under the Limited Guarantee that relates to, and in each case, differs in any material respect from the terms or conditions applicable to any transaction document to which the Limited Guarantee applies and which was previously provided to the Province of Ontario, the following: (i) the timing of or circumstances under which Primary Obligations would or may become due or accrue (including as a result of any default, acceleration, termination, wind-up, liquidation or realization) that, in each case, is inconsistent with the Fair Allocation Amount; (ii) the appointment, obligations or duties of OPG as the Manager; (iii) the existence, powers or authority of the Issuer or the Issuer Trustee; (iv) the obligations of the Indenture Trustee to or in respect of the Province of Ontario as a Specified Creditor; (v) the payment provisions and associated priorities set forth in the Master Trust Indenture; (vi) compliance by the Financial Services Manager with the then applicable Financing Plan; (vii) compliance by the Financial Services Manager or the Issuer with the FHPPA; or (viii) the Province of Ontario’s rights of subrogation or assignment or its interests as a subrogee or an assignee, that would arise as a result of performing the Limited Guarantee in respect of the applicable Primary Obligation.

Accordingly, notwithstanding delivery of a Suspension Notice, the Limited Guarantee shall continue to apply to: (i) any Approved Obligations that were incurred prior to the Suspension Event and (ii) any Funding Obligations incurred by the Issuer following a Suspension Event if the terms and conditions of the Change of Law Protection Agreement are satisfied and the proceeds of such incurrence are to be used for the purpose of repaying one or more series of Approved Obligations. Accordingly, subject to compliance with the Change of Law Protection Agreement, any Senior Notes or other Funding Obligations that may be issued following a Suspension Event to refinance Senior Notes that were issued prior to a Suspension Event will continue to have the benefit of the Limited Guarantee.

THE ISSUER

The Issuer is an unincorporated open-ended unit trust established under the laws of the Province of Ontario pursuant to the Declaration of Trust. The Issuer Trustee is the sole trustee of the Issuer, which is a Financing Entity established to incur Funding Obligations for the purpose of acquiring Investment Interests pursuant to the FHPA. The principal business address and head office of the Issuer is in Ontario, in the care of the Issuer Trustee at the following address: 100 University Avenue, 11th Floor, Toronto, Ontario M5J 2Y1.

The following brief summary of certain provisions of the Declaration of Trust does not purport to be comprehensive or definitive. All references in this confidential shelf offering memorandum to the Declaration of Trust are qualified in their entirety by reference to the Declaration of Trust and the detailed provisions thereof. The Declaration of Trust may be reviewed at the principal office of the Manager in Toronto, Ontario during normal business hours while any Senior Notes are outstanding.

The Declaration of Trust establishes the Issuer to carry on activities for the exclusive benefit of its unitholders, FHP2017 Inc., a wholly-owned subsidiary of OPG, and BNY Trust Company of Canada, the Indenture Trustee under the Master Trust Indenture (collectively, the “**Unitholders**”). The beneficial interest and rights generally of the Unitholders in the Issuer are limited to the right to participate in distributions when and as declared by the Issuer Trustee and distributions upon the termination of the Issuer. The legal ownership of the trust property and the right to conduct the activities of the Issuer are vested exclusively in the Issuer Trustee and no Unitholder has any right of ownership in any of the trust property. Except in limited circumstances provided in the Declaration of Trust, no Unitholder is entitled to interfere with or give any direction to the Issuer Trustee with respect to the affairs of the Issuer or in connection with the exercise of any powers or authorities conferred upon the Issuer Trustee under the Declaration of Trust. The Issuer Trustee will generally have, free from any power or control on the part of the Unitholders, full authority over the trust property and the activities of the Issuer to the same extent as if the Issuer Trustee were the sole and absolute owner thereof. The Unitholders will also not be subject to any liability arising out of the activities of the Issuer.

The Issuer Trustee, on behalf of the Issuer, has entered into a management agreement with OPG, as Manager, whereby all of the powers and duties of managing the Issuer have been delegated to the Manager. See “*The Manager.*”

The permitted activities of the Issuer are limited to:

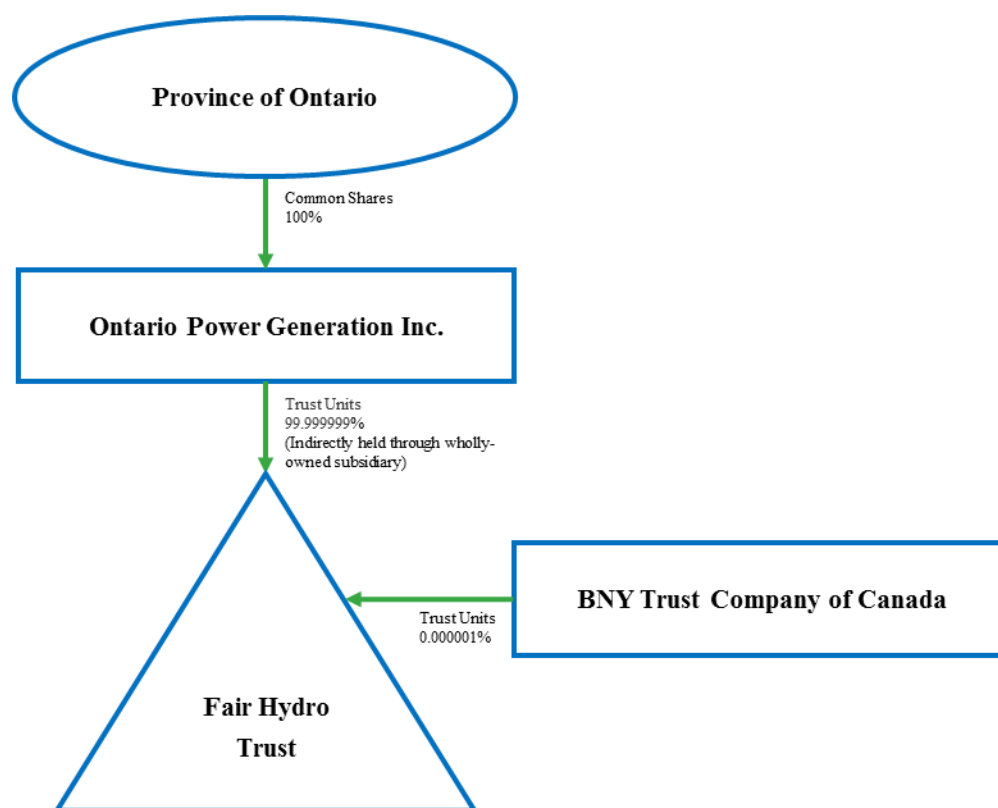
- (a) acquiring, owning, holding, administering or entering into agreements regarding the acquisition and servicing of Investment Interests, along with certain other related assets;
- (b) managing, selling, assigning, pledging and collecting amounts due on or otherwise dealing with Investment Interests and certain other related assets in accordance with the terms of the Program Agreements;
- (c) negotiating, authorizing, executing, delivering, assuming the obligations under and performing its duties under the Program Agreements;
- (d) filing with any applicable securities commission one or more prospectuses, offering memoranda, registration statements or documents necessary or desirable to register one or more series of Funding Obligations under the securities laws of any applicable jurisdiction;
- (e) authorizing, executing, delivering, issuing and registering one or more series of Funding Obligations;
- (f) making payments on Funding Obligations;
- (g) pledging its interest in Investment Interests and related assets to the Indenture Trustee in order to secure Funding Obligations; and
- (h) engaging in any lawful act or activity that is incidental to the above-mentioned purposes.

The Issuer Trustee may amend the Declaration of Trust under specified circumstances without the consent of Unitholders provided (i) the amendment will not materially adversely affect the interest of any Unitholder, unless that Unitholder has approved of the amendment in writing, and (ii) in respect of any material amendment, the Rating Agency Condition has been satisfied. The Issuer Trustee is required to provide the Rating Agencies and the Indenture Trustee with a copy of any amendment, variation, supplement, replacement or restatement of the Declaration of Trust.

The consent of the Indenture Trustee, in addition to all other Unitholders, will be required to wind up the Issuer or voluntarily institute or consent to insolvency proceedings against the Issuer while any Funding Obligations remain outstanding. The Issuer Trustee may be removed by the Unitholders at any time by notice in writing delivered to the Issuer Trustee not less than 90 days prior to the date such removal is to take effect. The Issuer Trustee may also be removed by the Unitholders with no prior written notice if it becomes bankrupt or insolvent or it is unable to exercise its duties under the Declaration of Trust. The Issuer Trustee may resign on 120 days' prior written notice to the Unitholders, the Indenture Trustee and the Rating Agencies. No such resignation will be effective until a replacement issuer trustee acceptable to the Unitholders and the Indenture Trustee has been appointed and the Rating Agency Condition has been satisfied.

Each of the Issuer Trustee and its directors, officers, agents, representatives and employees will be indemnified from and against all claims (including any claim arising out of the assessment of any tax on income by a taxing authority), demands, levies, penalties, suits, losses, actions, causes of action, costs, charges, fees and expenses, damages and liabilities whatsoever arising out of, among other things, any action or omission in relation to the execution of the duties of the Issuer Trustee or in relation to the trust property or the activities of the Issuer, except, in each case, for wilful misconduct, gross negligence or failure to comply with the standard of care established by the Declaration of Trust.

The following diagram illustrates the structure of the Issuer and its affiliates.



THE MANAGER

Pursuant to the Management Agreement, the Issuer has delegated to OPG, as Manager, all of the powers and duties of managing the Issuer. The following brief summary of certain provisions of the Management Agreement does not purport to be comprehensive or definitive. All references in this confidential shelf offering memorandum to the Management Agreement are qualified in their entirety by reference to the Management Agreement and the detailed provisions thereof. The Management Agreement may be reviewed at the principal office of the Manager in Toronto, Ontario during normal business hours while any Senior Notes are outstanding.

The powers and duties delegated to the Manager under the Management Agreement include, among others:

- (a) negotiating and executing, on behalf of the Issuer, the Program Agreements;
- (b) maintaining accounts and banking records;
- (c) enforcing the rights of the Issuer under the Program Agreements and the FHPA;
- (d) determining, in accordance with the Financing Plan, when it is appropriate for the Issuer to incur Funding Obligations;
- (e) ensuring that all Primary Obligations of the Issuer are and remain Approved Obligations;
- (f) administering all activities of the Issuer in connection with the issuance, sale, payment, repurchase and redemption of the Issuer's Funding Obligations;
- (g) preparing, in accordance with applicable securities laws, any offering documents to be furnished by the Issuer to prospective purchasers of Funding Obligations, including the Senior Notes, and ensuring that all statements of the Issuer made therein are at all times true and correct in all material respects;
- (h) arranging for compliance by the Issuer with any continuous disclosure obligations;
- (i) arranging for the retention of legal counsel, accountants and an auditor for the Issuer;
- (j) preparing financial statements and paying taxes on behalf of the Issuer;
- (k) preparing a monthly portfolio report setting out information regarding incoming and outgoing cash flows; and
- (l) providing such other services as are incidental to the foregoing or as may be agreed upon between the Issuer and the Manager.

The Manager is also required to work with the IESO to develop, on or before January 31, 2020, a written implementation plan identifying the actions to be taken by the IESO and the Issuer to facilitate the OEB, the Issuer, the IESO and Electricity Vendors being prepared to perform their obligations under the FHPA when setting, invoicing and collecting the Clean Energy Adjustment. The Manager will deliver written progress reports to the Issuer and the Indenture Trustee on the status of the implementation plan on or before June 30, 2020, October 31, 2020 and January 31, 2021.

Following the Moratorium Period, the Manager will review a monthly servicer report required to be delivered to the Issuer by the IESO under the Master Transfer and Servicing Agreement and make commercially reasonable efforts to resolve any Electricity Vendor failures or discrepancies identified in such report that have not been remedied or adequately explained by Electricity Vendors. The Manager is obligated to institute any proceedings necessary to compel performance by Electricity Vendors of any obligations or duties under the FHPA, including with respect to the invoicing, collection and remittance of Clean Energy Adjustment amounts. Commencing May 1, 2021 and pursuant to its rights under the Regulations, the Manager (on behalf of the Issuer) shall review, or cause to be reviewed,

on an annual basis, or less frequently as may be determined by the Manager and subject to satisfaction of the Rating Agency Condition, the records maintained by Electricity Vendors with respect to the Clean Energy Adjustment and if there is evidence of material non-compliance by an Electricity Vendor, the Manager will promptly review or cause to be reviewed the records of such Electricity Vendor.

The Manager is obligated to perform its duties under the Management Agreement diligently and in conformity with the Issuer's obligations under each of the Program Agreements and with the FHPA, as applicable, and honestly, in good faith and in the best interest of the Issuer. The Manager must exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

In addition to the powers and duties delegated to OPG pursuant to the Management Agreement, OPG has also agreed to comply with its duties under the FHPA in its capacity as Financial Services Manager, including:

- (a) preparing the Financing Plan to evaluate whether potential Funding Obligations should be incurred by Financing Entities for the purposes of acquiring Investment Interests;
- (b) determining the amounts of the Clean Energy Adjustment, inclusive of any True-up Amount;
- (c) calculating the True-up Amount;
- (d) notifying the OEB of the Clean Energy Adjustment, inclusive of any True-up Amount;
- (e) administering the Investment Interests on behalf of Financing Entities in accordance with the Program Agreements;
- (f) ensuring that Funding Obligations are incurred in a manner that is consistent with the Financing Plan; and
- (g) establishing and charging fees for the services provided under the Management Agreement.

Subject to OEB approval, OPG is entitled to charge the Issuer a fee, comprised of a base fee and a variable fee, to earn a return and to recover costs and expenditures incurred by OPG on behalf of the Issuer or in relation to the establishment, management and administration of the Issuer and its Investment Interest. The priority of the Manager's entitlement to fees is subject to the payment priorities set forth in the Master Trust Indenture.

The Manager is not entitled to resign from its duties or terminate the Management Agreement as long as Funding Obligations remain outstanding. The Manager may be terminated by the Issuer Trustee, with the consent of the Indenture Trustee, or by the Indenture Trustee in accordance with the Master Trust Indenture. No termination of the Manager will be effective until a replacement manager that satisfies the Rating Agency Condition has been approved and has entered into a management agreement with the Issuer whereby the replacement manager agrees to assume, in substance, the obligations of the Manager under the Management Agreement. If the Manager ceases to perform, or inadequately performs, its management duties under the Management Agreement, it might be difficult to find a replacement for the Manager or a successor manager. See *"Risk Factors — Payments on the Senior Notes depend on the performance of OPG as Financial Services Manager and as Manager."*

The Manager shall provide to the Issuer Trustee an annual certificate confirming compliance with certain matters, including: (i) accurate maintenance of the books and records of the Issuer; (ii) all debt obligations and expenses due and payable by the Issuer have been paid to date; (iii) all required filings with tax and regulatory authorities have been completed to date; and (iv) all material statements and reports to be delivered by the Issuer under the Program Agreements have been delivered and all material statements and reports to be received by the Issuer under the Program Agreements have been received.

The Manager indemnifies the Issuer under the Management Agreement for any losses incurred by the Issuer as a result of the failure of the Manager to perform its obligations under the Management Agreement or any breach by the Manager of its representations and warranties under the Management Agreement or any other Program Agreement to which it is a party, except to the extent such losses result from the willful misconduct, bad faith or gross

negligence of the Issuer. Notwithstanding the foregoing, the Manager is not obligated to indemnify the Issuer under the Management Agreement for any losses resulting from: (i) a breach or failure to perform by a third party under any Program Agreement, the FHPA (excluding any delegation by the Manager under the Management Agreement to a third party); (ii) changes in law, (iii) the validity or applicability of the Change of Law Protection Agreement; (iv) the collectability or sufficiency of the Clean Energy Adjustment or Carrying Costs to satisfy the Issuer Funding Obligations, including the Senior Notes; or (v) any liability of the Issuer incurred after termination of the Management Agreement unless attributable to the actions or omissions of the Manager prior to such termination or in respect of a representation, warranty or covenant that survives such termination.

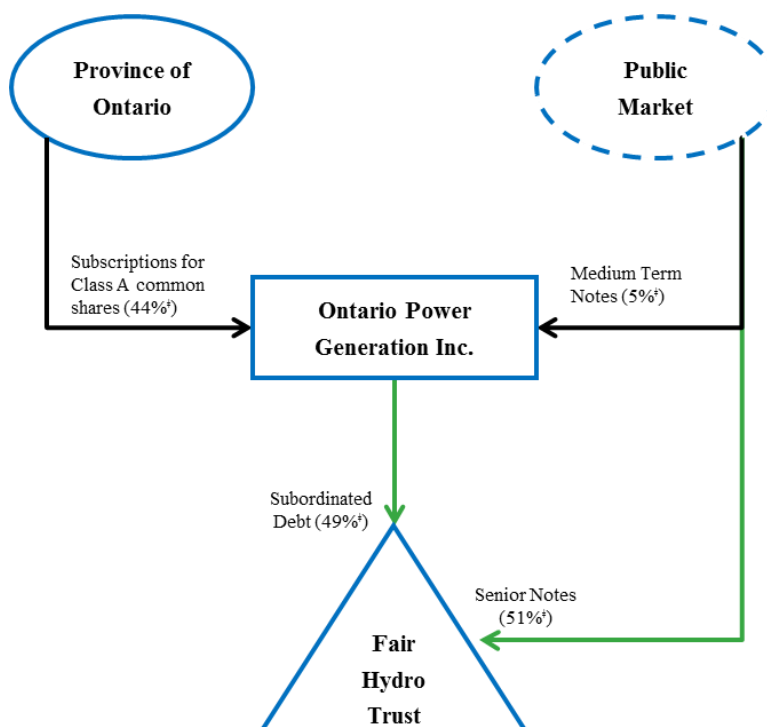
SUBORDINATED DEBT

Concurrent with every issuance of senior debt by the Issuer, including any Offering of Senior Notes, it is expected that OPG will subscribe for subordinated debt and junior subordinated debt of the Issuer in an amount of no more than 49% of all of the Issuer's Funding Obligations, approximately 44% of which is expected to be funded through equity investments in OPG by the Province of Ontario with the remaining approximately 5% being funded from OPG's available funds, including all or a portion of the proceeds of any offerings by OPG of medium term notes.

Under the Master Trust Indenture, the Issuer will be required at all times to ensure that: (i) the aggregate outstanding principal amount of all subordinated debt and junior subordinated debt be equal to not less than 35% of the aggregate outstanding principal amount of all of the Issuer's Funding Obligations; and (ii) the aggregate outstanding principal amount of all junior subordinated debt be equal to not less than 10% of the aggregate outstanding principal amount of all of the Issuer's Funding Obligations.

The Issuer is structured to be bankruptcy remote from OPG insofar as none of OPG, its subsidiaries or holders of its indebtedness will have any recourse whatsoever against the Issuer or its assets other than OPG's rights and remedies as a holder of subordinated debt of the Issuer in accordance with the provisions of that indebtedness. From an accounting perspective, however, the Issuer will be consolidated with OPG.

The following diagram illustrates the expected structure of OPG's investments in subordinated debt of the Issuer.



* OPG is expected to acquire up to 49% of the Issuer's outstanding debt in the form of subordinated debt. Actual amounts may vary if OPG acquires less than 49% of the Issuer's outstanding debt.

SHORT TERM INDEBTEDNESS

On December 21, 2017, the Issuer entered into the following supplemental indentures under the Master Trust Indenture for the provision of an aggregate of approximately \$1.56 billion in short term indebtedness (collectively, the “**Warehouse Facilities**”), of which a total of \$1.179 billion is drawn as of the date hereof:

- (a) a warehouse senior series 2017-1 supplemental indenture with, among others, Royal Bank of Canada, as administrative agent for certain commercial paper conduit purchasers and financial institutions named therein, for the provision of an aggregate maximum principal amount of \$800,000,000 floating rate variable funding Senior Notes, Series 2017-1 (“**Senior Notes, Series 2017-1**”), of which \$601,290,000 is drawn;
- (b) a warehouse subordinated series 2017-1 supplemental indenture with, among others, OPG for the provision of an aggregate maximum principal amount of \$611,764,705.88 floating rate variable funding Subordinated Notes, Series 2017-1 (“**Subordinated Notes, Series 2017-1**”), of which \$459,810,000 is drawn; and
- (c) a warehouse junior subordinated series 2017-1 supplemental indenture with, among others, OPG for the provision of an aggregate maximum principal amount of \$156,862,745.10 floating rate variable funding Junior Subordinated Notes, Series 2017-1 (“**Junior Subordinated Notes, Series 2017-1**”), of which \$117,900,000 is drawn.

The issuance of Senior Notes, Series 2017-1, Subordinated Notes, Series 2017-1 and Junior Subordinated Notes, Series 2017-1 under the Warehouse Facilities described above were used to acquire a \$1.179 billion Investment Interest on December 21, 2017.

THE TRANSFEROR AND SERVICER

Pursuant to the Master Transfer and Servicing Agreement, the IESO may periodically Transfer specified portions of the Regulatory Asset to the Issuer. Additional information regarding the IESO, including its most recently published financial statements, is available at www.ieso.ca. Such information does not form part of this confidential shelf offering memorandum and neither the Issuer nor the Agents guarantee the accuracy of such information or has independently verified the accuracy or completeness of any such information or to determine if there has been any omission by the IESO to disclose any facts, information or events which may affect the significance or accuracy of any such financial statements or other information.

The following brief summary of certain provisions of the Master Transfer and Servicing Agreement does not purport to be comprehensive or definitive. All references in this confidential shelf offering memorandum to the Master Transfer and Servicing Agreement are qualified in their entirety by reference to the Master Transfer and Servicing Agreement and the detailed provisions thereof. The Master Transfer and Servicing Agreement may be reviewed at the principal office of the Manager in Toronto, Ontario during normal business hours while any Senior Notes are outstanding.

Under the Master Transfer and Servicing Agreement, the IESO may offer, no more frequently than monthly, to Transfer to the Issuer a specified portion of the Regulatory Asset. The Issuer has the right, but not the obligation, to accept the IESO’s offer. The IESO is responsible for servicing the Issuer’s Investment Interest in accordance with the Regulations and the Master Transfer and Servicing Agreement. Its responsibilities including, among others:

- (a) establishing a segregated account to be used for the sole purpose of receiving the Clean Energy Adjustment in respect of the Issuer’s Investment Interest and making commercially reasonable efforts to cause Electricity Vendors to do the same;
- (b) making commercially reasonable efforts to cause each Electricity Vendor to establish procedures for the invoicing of amounts in respect of the Clean Energy Adjustment;

- (c) responding to inquiries by Electricity Vendors with respect to the Clean Energy Adjustment and amounts payable in respect thereof;
- (d) reviewing reports submitted to the IESO by Electricity Vendors regarding the collection of Clean Energy Adjustment amounts for material manifest discrepancies;
- (e) contacting Electricity Vendors on the occurrence of certain events;
- (f) holding Clean Energy Adjustment amounts received in respect of the Issuer's Investment Interest in trust for the benefit of the Issuer and remitting such amounts to the Issuer on the 18th business day of each month, subject to daily remittance being required in certain limited circumstances;
- (g) together with the Issuer, settling a form of monthly servicer report to be provided to the Issuer; and
- (h) providing forecast information to the OEB and the Issuer, which forecast information will be used by the OEB to forecast electricity consumption of Specified Consumers in respect of the relevant period.

The IESO must follow standards, policies and procedures in performing its servicing duties that are customary for an electricity market operator and administrator that regularly performs settlement functions. The Master Transfer and Servicing Agreement provides for various limitations on the duties and responsibilities of the IESO including that: (i) the IESO provides no guarantee that collections of the Clean Energy Adjustment from Electricity Vendors will equal amounts invoiced or that Clean Energy Adjustment amounts will be sufficient to satisfy the Issuer's Funding Obligations, (ii) the IESO is under no responsibility or obligation to the Issuer with respect to the nature or extent of the Investment Interest, the collectability of the Clean Energy Adjustment or that Clean Energy Adjustment amounts received will be sufficient to satisfy the Issuer's Funding Obligations, (iii) the IESO shall have no liability or responsibility to any person in respect of any forecasts or other information provided, provided only that such forecasts or other information has been prepared and provided in good faith and (iv) the IESO is not responsible for, or in respect of, any amounts not collected by Electricity Vendors from Specified Consumers or not remitted by Electricity Vendors to the IESO. See "*Ontario's Fair Hydro Plan — Clean Energy Adjustment*" and "*Ontario's Fair Hydro Plan — Other Statutory Protections*" with respect to the manner in which the risks associated with incorrect forecasts by the IESO, and shortfalls in Clean Energy Adjustments as a result of amounts not being collected by Electricity Vendors or remitted by Electricity Vendors, are mitigated.

The IESO is required to work with the Manager to develop, on or before January 31, 2020, a written implementation plan identifying the actions to be taken by the IESO and the Issuer to facilitate the OEB, the Issuer, the IESO and Electricity Vendors being prepared to perform their obligations under the FHPA when setting, invoicing and collecting Clean Energy Adjustment amounts. The IESO and the Manager will deliver to the Issuer written progress reports on the status of the implementation plan on or before June 30, 2020, October 31, 2020 and January 31, 2021. The IESO is also required to work with the Issuer to settle a form of monthly servicer report, which will be provided to the Manager on or before the 20th business day after the end of each month in which Clean Energy Adjustment amounts are collected by Electricity Vendors from Specified Consumers, and which report is expected to contain available information regarding the Clean Energy Adjustment amounts billed, collected and remitted by Electricity Vendors, actual electricity consumption compared to forecast electricity consumption and such other information as may be agreed to by the IESO.

Generally, all servicing duties provided by the IESO to the Issuer are provided at no cost to the Issuer. However, the Issuer will reimburse the IESO for its direct costs relating to the performance by the IESO of its duties and obligations under the Master Transfer and Servicing Agreement that are not otherwise recovered by the IESO under the *Electricity Act, 1998* (Ontario), excluding any costs relating to the performance of the IESO's duties and obligations under the FHPA, including its obligation to pay the Carrying Costs to the Issuer.

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. 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 September 30, 2022, which is permitted to be used by the IESO to pay the Carrying Costs to the Issuer.

As security for the performance of its obligation to pay the Carrying Costs to the Issuer, the IESO has granted the Issuer a first-priority security interest in all accounts receivable owing to the IESO from Electricity Vendors, including amounts owing with respect to the global adjustment charge. The amounts paid by the IESO to fund these Carrying Costs will be recorded by the IESO in the variance account and form part of the Regulatory Asset which is expected to be offered by the IESO for Transfer to the Issuer in a subsequent period. Upon completion of such Transfer, the Issuer will acquire an Investment Interest pursuant to the FHPA.

As security for any failure of Non-Investment Grade Rated Electricity Vendors to remit Clean Energy Adjustment amounts collected under the FHPA, the IESO is required, pursuant to the Master Transfer and Servicing Agreement, to provide to the Issuer on or prior to the first day of the first billing period when the Clean Energy Adjustment is being invoiced to Specified Consumers, a letter of credit from a provider that satisfies the Rating Agency Condition or a performance guarantee or such other form of security that is acceptable to the Issuer and that satisfies the Rating Agency Condition. A **"Non-Investment Grade Rated Electricity Vendor"** means any Electricity Vendor that does not have a rating of: (i) "Baa3" or higher by Moody's, unless otherwise agreed to by Moody's; and (ii) "BBB(low)" or higher by DBRS, unless otherwise agreed to by DBRS.

The amount of security required from the IESO will be calculated on an annual basis and will be equal to the amount determined by the following formula:

$$((A / B) \times C \times D / 365 \times E)$$

where A, B, C, D and E are as follows:

A = for the most recently completed twelve-month period, the aggregate amount of energy consumed by Specified Consumers of all Non-Investment Grade Rated Electricity Vendors.

B = for the same twelve-month period used for A, the aggregate amount of energy consumed by all Specified Consumers.

C = for the most current twelve-month forecast period available, the Clean Energy Adjustment amounts estimated to be payable by all Specified Consumers.

D = 45, representing the estimated number of days that total Clean Energy Adjustment amounts are expected to be held by Electricity Vendors or such other number as mutually agreed to in writing by the Issuer and the IESO and that satisfies the Rating Agency Condition.

E = 0.50 or another value as mutually agreed to in writing by the Issuer and the IESO and that satisfies the Rating Agency Condition.

The Master Transfer and Servicing Agreement sets out specific servicer defaults. Upon the occurrence of a servicer default, the Issuer will be entitled to appoint a replacement servicer that will perform the IESO's duties as servicer under the Master Transfer and Servicing Agreement. Any replacement servicer must be permitted under the FHPA to perform the duties of servicer, the Rating Agency Condition must be satisfied and the replacement servicer must enter into a master transfer and servicing agreement with the Issuer having substantially the same terms as the Master Transfer and Servicing Agreement.

The IESO has agreed to indemnify the Issuer for any losses incurred by the Issuer as a result of the failure of the IESO to perform its obligations under the Master Transfer and Servicing Agreement or any other Program

Agreement to which it is a party or the breach by the IESO of any of its representations or warranties under the Master Transfer and Servicing Agreement or any other Program Agreement to which the IESO is a party, except to the extent such losses result from the willful misconduct, bad faith or gross negligence of the Issuer. Notwithstanding the foregoing, the IESO is not obligated to indemnify the Issuer under the Master Transfer and Servicing Agreement for any losses resulting from: (i) a breach or failure to perform by a third party under any Program Agreement or the FHPA (excluding any delegation by the IESO under the Master Transfer and Servicing Agreement to a third party); (ii) changes in law, (iii) the collectability or sufficiency of the Clean Energy Adjustment to satisfy the Issuer's Funding Obligations, including the Senior Notes; or (iv) any liability of the Issuer incurred after termination of the Master Transfer and Servicing Agreement unless attributable to the actions or omissions of the IESO prior to such termination or in respect of a representation, warranty or covenant that survives such termination.

CREDIT RATINGS

Credit ratings are intended to provide investors with an independent measure of the credit quality of securities and are indicators of the likelihood of the payment capacity and willingness of an issuer to meet its financial commitment on an obligation in accordance with the terms of such obligation. The credit ratings accorded to the Senior Notes are not recommendations to purchase, hold or sell such securities inasmuch as such ratings are not a comment upon the market price of the securities or their suitability for a particular investor. There is no assurance that any rating will remain in effect for any given period of time or that any rating will not be revised or withdrawn entirely by a rating agency in the future if, in its judgment, circumstances so warrant.

The Term Sheet for each Offering will identify the rating of the applicable Senior Notes at the time of such Offering.

RATING AGENCY CONDITION

The Program Agreements provide that certain actions are subject to the “**Rating Agency Condition**”. In each such case, satisfaction of the Rating Agency Condition requires: (a) that the Issuer has delivered written notice of the proposed action to the Rating Agencies at least ten business days prior to the effective date of such action; and (b) that the Rating Agencies shall have informed the Issuer prior to the effective date of such action that such action will not result in the reduction or withdrawal of the rating in effect with respect to the Notes immediately before the taking of such action. If the Rating Agency Condition is to be satisfied without specifying one or more specific Series or Tranches of Notes, the Rating Agency Condition must be satisfied with respect to all outstanding Series or Tranches of Notes.

CAPITAL MARKETS PLATFORM

The Financial Services Manager has developed a Financing Plan for the Issuer which encompasses an ongoing program which allows for the issuance of a variety of short and long term debt, as well as interest rate and currency swaps and other hedging instruments.

The Master Trust Indenture establishes common security and a set of common covenants given by the Issuer for the benefit of all of its creditors. Notes are issued under Supplemental Indentures and in certain cases, Terms Documents. Borrowings are incurred pursuant to liquidity agreements or loan agreements. Notes and Borrowings incurred by the Issuer are Issuer Funding Obligations. Each Issuer Funding Obligation will be part of a Class and Series of Issuer Funding Obligations, and may include one or more Tranches. A Class designation determines the relative seniority for receipt of cash flows. See “— *Subordination Provisions*”, “— *Payment Waterfalls Prior to Acceleration*” and “— *Acceleration and Remedies — Payment Waterfall Upon Acceleration*”. Tranches of Issuer Funding Obligations may differ from each other as to the interest rate, maturity and the timing, sequential order and amount of payments of principal or interest, or both.

The following summary of the principal provisions contained in the Master Trust Indenture does not purport to be comprehensive or definitive. This overview summarizes certain provisions of the Master Trust Indenture and omits descriptions of many provisions which may be considered to be of a customary nature. All references in this confidential shelf offering memorandum to the Master Trust Indenture are qualified in their entirety by reference to

the Master Trust Indenture and the detailed provisions thereof. The Master Trust Indenture may be reviewed at the principal office of the Manager in Toronto, Ontario during normal business hours while any Notes are outstanding.

Indenture Trustee

BNY Trust Company of Canada, a trust company governed by the laws of Canada, is the Indenture Trustee under the Master Trust Indenture.

Under the terms of the Master Trust Indenture, the Issuer has agreed to pay the Indenture Trustee reasonable compensation for the performance of its duties under the Master Trust Indenture. The Indenture Trustee has agreed to perform only those duties expressly set forth in the Master Trust Indenture. Many of the duties of the Indenture Trustee are described throughout this confidential shelf offering memorandum. Under the terms of the Master Trust Indenture, the Indenture Trustee's limited responsibilities include the following:

- to authenticate, deliver, cancel and otherwise administer the Notes;
- to serve as the registrar in respect of the Notes;
- to establish and maintain all Issuer Accounts and to maintain accurate records of activity in those accounts;
- to serve as the Paying Agent and distribute and transfer funds at the direction of the Manager in accordance with the terms of the Master Trust Indenture;
- to invest funds in the Issuer Accounts at the direction of the Manager (or its agent);
- to deliver to Specified Creditors notice of any Default, Event of Default, Acceleration Event, Protection Event or Servicer Default of which it has received notice, as required under the Master Trust Indenture; and
- to perform certain other administrative functions identified in the Master Trust Indenture.

In the exercise of its duties, the Indenture Trustee will use the same degree of care and skill as a reasonably prudent person would use in comparable circumstances. When all Issuer Funding Obligations have been satisfied and discharged (see “— *Satisfaction and Discharge*”), the Indenture Trustee will no longer act as Indenture Trustee and will have no fiduciary responsibilities to any remaining Specified Creditors and will act only as security agent for those remaining Specified Creditors. The Indenture Trustee is not liable for any errors of judgment as long as the errors are made in good faith and the Indenture Trustee was not negligent. Furthermore, the Indenture Trustee will not be liable for any action taken or not taken by it in good faith if directed to do so by Extraordinary Resolution. The Indenture Trustee is not required to expend or risk its own funds, or incur any financial liability in the exercise of its duties under the Master Trust Indenture and it will not be obliged to exercise any of its rights under the Master Trust Indenture at the request of any Controlling Class Creditor unless such Controlling Class Creditor has provided it with security or an indemnity reasonably satisfactory to it.

In addition to the Indenture Trustee's compensation and the reimbursement of the Indenture Trustee's expenses in connection with the Master Trust Indenture, the Issuer will indemnify the Indenture Trustee for any loss, liability or expense incurred without negligence or bad faith on its part, arising out of or in connection with the administration of the trusts under the Master Trust Indenture. The payment of all such amounts will be subject to the payment waterfalls set out in the Master Trust Indenture and in certain instances, such amounts will be higher in priority than payments to Noteholders. See “— *Payment Waterfalls Prior to Acceleration — Collection Account*”, “— *Payment Waterfalls Prior to Acceleration — Protection Account*” and “— *Acceleration and Remedies — Payment Waterfall Upon Acceleration*”.

The Indenture Trustee may resign at any time by giving written notice to the Issuer and it may be removed for any reason by Ordinary Resolution of Controlling Class Creditors. The Indenture Trustee must resign if a material

conflict of interest arises in its role as an Indenture Trustee under the Master Trust Indenture and such conflict of interest is not eliminated within 90 days after the Indenture Trustee becomes aware of such material conflict of interest. The Issuer may remove, or any Controlling Class Creditor who has been a *bona fide* Controlling Class Creditor for at least six months may, on behalf of itself and all other Debtholders, petition any court of competent jurisdiction for the removal of the Indenture Trustee if (i) the Indenture Trustee is no longer eligible to act as trustee under the Master Trust Indenture (and any Supplemental Indenture) and fails to resign after it has received a written request to do so by the Issuer or by any Controlling Class Creditor, (ii) the Indenture Trustee becomes incapable of acting, or (iii) the Indenture Trustee becomes subject to any bankruptcy or insolvency related events. In all such circumstances, the Issuer must appoint a successor Indenture Trustee. Any resignation or removal of the Indenture Trustee and appointment of a successor Indenture Trustee will not become effective until the successor Indenture Trustee accepts the appointment. If an instrument of acceptance by a successor Indenture Trustee has not been delivered to the Indenture Trustee within 30 days of giving notice of resignation or removal, the Indenture Trustee may petition a court of competent jurisdiction to appoint a successor Indenture Trustee.

Any successor Indenture Trustee will execute and deliver to the Issuer and its predecessor Indenture Trustee an instrument accepting such appointment. The successor Indenture Trustee must be a bank, a trust company or a corporation organized and doing business under the laws of Canada or of any province or territory thereof, authorized under such laws to carry on a trust business in each of the provinces and territories of Canada. The Issuer may not, nor may any person directly or indirectly controlling, controlled by, or under common control with the Issuer, serve as Indenture Trustee.

The Indenture Trustee may become the owner or pledgee of Notes and may otherwise deal with the Issuer with the same rights it would have if it were not the Indenture Trustee (subject to its obligation to resign if there is a material conflict).

Conditions Precedent to Incurrence of Obligations Secured

There is no limit on the aggregate amount of indebtedness or other obligations which may be secured under the Master Trust Indenture. However, the Issuer will not be permitted to incur any Issuer Funding Obligations or other obligations unless the Issuer meets the conditions described below under “— *Issuer Funding Obligations*” and “— *Other Obligations Secured*”.

Issuer Funding Obligations

The Issuer may not incur any new Issuer Funding Obligations, or renew or extend any existing Issuer Funding Obligations (in each case, other than Derivative Funding Obligations), unless the conditions described below are met on or prior to the date that the Issuer enters into a definitive agreement in respect of such Issuer Funding Obligations:

- (a) the Issuer delivers to the Indenture Trustee and each Rating Agency notice of such incurrence;
- (b) the Issuer delivers to the Indenture Trustee and each Rating Agency a certificate to the effect that:
 - (i) the Issuer reasonably believes that such incurrence will not cause an Adverse Effect; an “**Adverse Effect**” means that such action will at the time of its occurrence (a) result in the occurrence of an Event of Default or any event which with the giving of notice or passage of time, or both, would become an Event of Default, (b) adversely affect the amount or timing of any payment to be made to any Debtholder or Derivative Counterparty pursuant to the Master Trust Indenture or any Program Agreement, (c) materially adversely affect the amount or timing of payments to be made to the Specified Creditors (other than Debtholders and Derivative Counterparties) pursuant to this Indenture or any Program Agreement, or (d) adversely affect the security interest and the rights and remedies of the Indenture Trustee in respect thereof;
 - (ii) all instruments furnished to the Indenture Trustee conform to the requirements of the Master Trust Indenture and constitute sufficient authority under the Master Trust Indenture for the Indenture Trustee to (A) in the case of an issuance of Notes only, authenticate and

- deliver such Notes, and (B) in the case of all other Issuer Funding Obligations, execute and deliver the applicable Funding Obligation Agreement;
- (iii) in the case of an issuance of Notes only, the form and terms of the Notes have been established in conformity with the provisions of the Master Trust Indenture;
 - (iv) the incurrence of such Issuer Funding Obligation is consistent in all material respects with the Financing Plan; see “*Ontario Fair Hydro Plan — Fair Allocation Amount and Financing Plan*”;
 - (v) the conditions set out in clauses (c), (d), (g) and (k) below are met; and
 - (vi) such other matters as the Indenture Trustee may reasonably request;
- (c) the representations and warranties of the Issuer in the Master Trust Indenture are true and correct in all material respects;
 - (d) the Rating Agency Condition is satisfied with respect to all outstanding Series or Tranches of Issuer Funding Obligations;
 - (e) the Indenture Trustee receives either:
 - (i) a certified copy of the instrument whereby the Province of Ontario designated in writing that such Issuer Funding Obligation is an Approved Obligation as contemplated by the Change of Law Protection Agreement; or
 - (ii) both (A) an Adherence Compliance Certificate addressed to the Indenture Trustee with respect to such Issuer Funding Obligation delivered in accordance with the Change of Law Protection Agreement; and (B) a certificate signed by the Manager certifying that the Province of Ontario has not provided a Suspension Notice;
 - (f) the Issuer delivers to the Indenture Trustee copies of the applicable Funding Obligation Agreement, including in the case of Notes, a Supplemental Indenture relating to the applicable Series or Tranche of Notes and, if applicable, a Terms Document relating to the applicable Tranche of Notes;
 - (g) in the case of Senior Funding Obligations only, the Issuer has Subordinated Funding Obligations and Junior Subordinated Funding Obligations in an aggregate outstanding principal amount equal to not less than 35% of the aggregate outstanding principal amount of the aggregate Senior Funding Obligations, Subordinated Funding Obligations and Junior Subordinated Funding Obligations (after giving effect to such incurrence) and in the case of Subordinated Funding Obligations only, the Issuer has Junior Subordinated Funding Obligations in an aggregate outstanding principal amount equal to not less than 10% of the aggregate outstanding principal amount of the aggregate Senior Funding Obligations, Subordinated Funding Obligations and Junior Subordinated Funding Obligations (after giving effect to such incurrence);
 - (h) except in the case of Notes, the Issuer delivers to the Indenture Trustee an updated list of the Specified Creditors;
 - (i) each Debtholder in respect of such Issuer Funding Obligation (or an authorized agent on their behalf) has made the acknowledgements and agreements described below under “— *Acknowledgements of Specified Creditors*”;
 - (j) the Change of Law Protection Agreement is in full force and effect against the Province of Ontario or has been replaced with a new agreement that is in form and substance satisfactory to Controlling Class Creditors pursuant to an Ordinary Resolution;

- (k) the conditions precedent, if any, specified in the applicable Funding Obligation Agreement are satisfied; and
- (l) in the case of an issuance of Notes only:
 - (i) the Indenture Trustee receives a certificate for the certification and delivery of the Notes and specifying the particulars relating to such Notes;
 - (ii) in the case of Notes described in section 163(f)(2)(A) of the Internal Revenue Code, if such Notes are not in registered form (including by reason of a book entry system described in section 163(f) of the United States Internal Revenue Code of 1986), then such Notes are described in section 4701(b)(1)(B) of the United States Internal Revenue Code of 1986 and such section will apply to such Notes; and
 - (iii) in the case of foreign currency Notes, the Issuer appoints one or more Paying Agents in the appropriate countries, if requested by the Indenture Trustee.

Periodic drawdowns under existing Funding Obligation Agreements will not constitute a new incurrence of Issuer Funding Obligations. However, an increase in the aggregate commitment under an existing Funding Obligation Agreement or the issuance of additional Notes of an outstanding Series or Tranche of Notes will constitute a new incurrence of Issuer Funding Obligations.

The Indenture Trustee is not required to and, except as otherwise provided in a Funding Obligation Agreement, the Issuer is not required to, provide prior notice to or obtain the consent of any Debtholder or any other Specified Creditor to issue any Issuer Funding Obligations.

Other Obligations Secured

The Issuer may incur other obligations (including Derivative Funding Obligations) so long as:

- (a) the Issuer delivers to the Indenture Trustee a copy of the agreement giving rise to such obligations;
- (b) the Issuer delivers to the Indenture Trustee an updated list of the Specified Creditors;
- (c) the counterparty to the agreement giving rise to such obligations makes the acknowledgements and agreements described below under “— *Acknowledgements of Specified Creditors*”;
- (d) if the obligations are Certified Primary Obligations, the Indenture Trustee receives either:
 - (i) a certified copy of the instrument whereby the Province of Ontario designated in writing that such obligation is an Approved Obligation as contemplated by the Change of Law Protection Agreement; or
 - (ii) both (A) an Adherence Compliance Certificate addressed to the Indenture Trustee with respect to such obligation delivered in accordance with the Change of Law Protection Agreement; and (B) a certificate signed by the Manager certifying that the Province of Ontario has not provided a Suspension Notice;

provided that, in respect of derivative agreements, the Issuer will provide notice to each Rating Agency of the identity of the Derivative Counterparty and the terms of any applicable master agreement and schedule.

Derivative Agreements

The Issuer may, from time to time, enter into one or more derivative agreements, which would consist of a currency swap or interest rate swap, a cap (obligating a Derivative Counterparty to make payments if a reference rate is greater than a specified rate), a floor (obligating a Derivative Counterparty to make payments if a reference rate is less than a

specified rate), or a collar (obligating a Derivative Counterparty to make payments if a reference rate is greater than a specified rate and entitling the Derivative Counterparty to receive payments if the same reference rate is less than a lower specified rate), with various counterparties. In general, the Issuer will receive payments from the Derivative Counterparty in exchange for the Issuer's payments to them, to the extent required under the derivative agreements. Payments received by the Issuer will constitute Available Collections.

Acknowledgements of Specified Creditors

Each Specified Creditor must acknowledge and agree in favour of the Indenture Trustee that it is a Specified Creditor under the Master Trust Indenture and that its entitlements as a Specified Creditor are subject to the provisions applicable to Specified Creditors under the Master Trust Indenture including, without limitation, those described under “— *Indenture Trustee*”, “— *Payment Waterfalls Prior to Acceleration*”, “— *Debtholder Approvals and Meetings — Access to Debtholder Lists*”, “— *Acceleration and Remedies — Payment Waterfall Upon Acceleration*”, “— *Acceleration and Remedies — Rights of Specified Creditors*”, “— *Acceleration and Remedies — Limited Recourse*” and “— *Acceleration and Remedies — No Petition*”.

Subordination Provisions

Under the Master Trust Indenture, the Issuer can issue the following classes of Issuer Funding Obligations: “Senior Funding Obligations”, “Subordinated Funding Obligations” or “Junior Subordinated Funding Obligations” (each, a “**Class**”). The payment of interest on Subordinated Funding Obligations shall be subordinate and rank junior to the payment of interest on Senior Funding Obligations and Derivative Funding Obligations. The payment of interest on Junior Subordinated Funding Obligations shall be subordinate and rank junior to the payment of interest on Senior Funding Obligations, Derivative Funding Obligations and Subordinated Funding Obligations. The payment of principal on Subordinated Funding Obligations shall be subordinate and rank junior to the payment of principal on Senior Funding Obligations and Derivative Funding Obligations. The payment of principal on Junior Subordinated Funding Obligations shall be subordinate and rank junior to the payment of principal on Senior Funding Obligations, Derivative Funding Obligations and Subordinated Funding Obligations. In each case, the subordinations are the to the extent and in the manner set forth in the Master Trust Indenture and described under “— *Payment Waterfalls Prior to Acceleration*” and “— *Acceleration and Remedies — Payment Waterfall Upon Acceleration*”.

Subject to the applicable payment waterfall, (i) all Senior Funding Obligations will in all respects be equally and ratably entitled to the benefits of the Master Trust Indenture with respect to such Series or Tranche without preference, priority or distinction on account, (ii) all Subordinated Funding Obligations will in all respects be equally and ratably entitled to the benefits of the Master Trust Indenture with respect to such Series or Tranche without preference, priority or distinction and (iii) all Junior Subordinated Funding Obligations of each Series or Tranche will in all respects be equally and ratably entitled to the benefits of the Master Trust Indenture with respect to such Series or Tranche without preference, priority or distinction, in each case, except as set out in a related Funding Obligation Agreement.

Security

To secure the payment of all Obligations Secured, including principal of and interest on the Issuer Funding Obligations, the Issuer has granted to the Indenture Trustee a security interest in all of its right, title and interest (whether now owned or hereafter acquired or arising) in and to the following property: (i) the Investment Interest acquired by the Issuer; (ii) each Issuer Account (including all sub-accounts); (iii) all Eligible Investments and all investment property, money and other property held in any Issuer Accounts (including all sub-accounts); (iv) all rights, benefits and powers of the Issuer under any Program Agreement; (v) all rights, benefits and powers of the Issuer under the FHPA; (vi) all present and future claims, demands, causes of and choses in action in respect of any of the foregoing and all interest, principal, payments and distributions of any nature or type on any of the foregoing; (vii) all accounts, general intangibles, chattel paper, instruments, documents, goods, money, investment property, deposit accounts, letters of credit and letter-of-credit rights consisting of, arising from, or relating to any of the foregoing; (viii) all debts, accounts, claims, monies and choses in action due or to become due with respect to all of the foregoing and also all securities, bills, notes, evidences of deposits of money, and other documents now held or owned or which may be hereafter taken, held or owned by the Issuer, or anyone on behalf of the Issuer, and all renewals thereof, accretions thereto, substitutions therefor and all interest, income and revenue arising therefrom or by virtue thereof; (ix) all

amounts received with respect to all of the foregoing; and (x) all proceeds of the foregoing (collectively, the “**Collateral**”).

Issuer Accounts

Pursuant to the Master Trust Indenture, the Issuer will establish various accounts (“**Issuer Accounts**”) – Program Accounts, Series Accounts and Securities Accounts. Each Issuer Account will be under the sole dominion and exclusive control of the Indenture Trustee. Each Program Account and each Series Account will be established as a segregated trust account with an Eligible Institution (an “**Eligible Deposit Account**”). If the institution holding any Program Account or Series Account ceases to be an Eligible Institution, the Issuer will establish a new Program Account or Series Account that is an Eligible Deposit Account and transfer any funds or other property from such existing Program Account or Series Account to such new Program Account or Series Account. Each Securities Account will be established as a segregated securities trust account with an affiliate of an Eligible Institution, which affiliate is licensed to maintain securities accounts (an “**Eligible Securities Account**”). If the institution holding any Securities Account ceases to be an affiliate of an Eligible Institution, the Issuer will establish a new Securities Account that is an Eligible Securities Account and transfer any funds or other property from such existing Securities Account to such new Securities Account. The Indenture Trustee has no obligation to reconcile any Issuer Account against another Issuer Accounts or against the Program Agreements.

Program Accounts

Collection Account

Pursuant to the Master Trust Indenture, the Issuer has established an Eligible Deposit Account in the name of the Indenture Trustee (the “**Collection Account**”). The Indenture Trustee will hold the Collection Account for the benefit of the Indenture Trustee and the Specified Creditors. All Available Collections received by the Issuer will be credited to the Collection Account. “**Available Collections**” means: (i) all amounts received by the Servicer in respect of the Clean Energy Adjustment from Specified Consumers, (ii) IESO Carrying Cost payments (other than the IESO Cash Reserve Deposit Amount); and (iii) amounts received by the Issuer pursuant to derivative agreements. See “*Ontario Fair Hydro Plan*” and “*The Transferor and Servicer*”.

Interest Accumulation Account

Pursuant to the Master Trust Indenture, the Issuer has established an Eligible Deposit Account in the name of the Indenture Trustee (the “**Interest Accumulation Account**”). The Indenture Trustee will hold the Interest Accumulation Account for the benefit of the Indenture Trustee and the Specified Creditors. The Interest Accumulation Account has been established for the purposes of pre-funding, collateralizing, over-collateralizing or establishing reserves for the payment of interest in respect of all Issuer Funding Obligations.

Principal Accumulation Account

Pursuant to the Master Trust Indenture, the Issuer has established an Eligible Deposit Account in the name of the Indenture Trustee (the “**Principal Accumulation Account**”). The Indenture Trustee will hold the Principal Accumulation Account for the benefit of the Indenture Trustee and the Specified Creditors. The Principal Accumulation Account has been established for the purpose of accumulating funds to be used to make repayments in respect of all Issuer Funding Obligations.

IESO Cash Reserve Account

Pursuant to the Master Trust Indenture, the Issuer has established an Eligible Deposit Account in the name of the Indenture Trustee (the “**IESO Cash Reserve Account**”). The Indenture Trustee will hold the IESO Cash Reserve Account for the benefit of the Indenture Trustee and the Specified Creditors. The Issuer will deposit the IESO Cash Reserve Deposit Amount in the IESO Cash Reserve Account on the earlier of (x) April 30, 2021, and (y) the receipt by the Issuer of the IESO Cash Reserve Deposit Amount from the IESO. Amounts in the IESO Cash Reserve Account are not available to pay principal on the Senior Notes.

Program Cash Reserve Account

Pursuant to the Master Trust Indenture, the Issuer has established an Eligible Deposit Account in the name of the Indenture Trustee (the “**Program Cash Reserve Account**”). The Indenture Trustee will hold the Program Cash Reserve Account for the benefit of the Indenture Trustee and the Specified Creditors. The Issuer will deposit the Program Cash Reserve Required Amount in the Program Cash Reserve Account during the Reference Period commencing May 1, 2021 pursuant to the application of amounts available therefor under the Collection Account Waterfall. Amounts in the Program Cash Reserve Account will be available to pay interest and principal on the Senior Notes.

Refinancing Account

Pursuant to the Master Trust Indenture, the Issuer has established an Eligible Deposit Account in the name of the Indenture Trustee (the “**Refinancing Account**”). The Indenture Trustee will hold the Refinancing Account for the benefit of the Indenture Trustee and the Specified Creditors. All proceeds arising from Notes and Borrowings related to Refinancings will be credited to the Refinancing Account.

Protection Account

Pursuant to the Master Trust Indenture, before the making of any demand for payment under the Change of Law Protection Agreement, the Issuer will establish an Eligible Deposit Account in the name of the Indenture Trustee (the “**Protection Account**”). The Indenture Trustee will hold the Protection Account for the benefit of the Indenture Trustee and the Specified Creditors. On the occurrence of a Protection Event and a written payment demand from the Indenture Trustee to the Province of Ontario, all payments received from the Province of Ontario under the Change of Law Protection Agreement will be credited to the Protection Account.

Series Accounts

Series Capital Reserve Account

In connection with the creation of a Series of Issuer Funding Obligations, the Issuer may establish an Eligible Deposit Account in the name of the Indenture Trustee (a “**Series Capital Reserve Account**”). The Indenture Trustee will hold each Series Capital Reserve Account for the benefit of the Indenture Trustee and the applicable Debtholders or Derivative Counterparties. A Series Capital Reserve Account may be established for the sole purpose of allowing the Issuer to accumulate funds to be used to make repayments in respect of a Series of Issuer Funding Obligations. Details of any period of accumulation and the amounts to be accumulated will be specified in the applicable Funding Obligation Agreement.

Series Finance Reserve Account

In connection with the creation of a Series of Issuer Funding Obligations, the Issuer may establish an Eligible Deposit Account in the name of the Indenture Trustee (a “**Series Finance Reserve Account**”). The Series Finance Reserve Account will be under the sole dominion and exclusive control of the Indenture Trustee. The Indenture Trustee will hold each Series Finance Reserve Account for the benefit of the applicable Debtholders or Derivative Counterparties. A Series Finance Reserve Account may be established for the sole purpose of allowing the Issuer to reserve funds to pay finance charges for a Series of Issuer Funding Obligations. Details of any reserve requirements will be specified in the applicable Funding Obligation Agreement.

Securities Accounts

In connection with the establishment of any Program Account (other than the Protection Account) or Series Account, the Issuer may establish an Eligible Securities Account in the name of the Indenture Trustee (a “**Securities Account**”). The Indenture Trustee will hold each Securities Account for the benefit of the applicable Specified Creditors. A Securities Account may be established for the purpose of allowing the Issuer to invest funds held in any Program Account or Series Account in Eligible Investments. Each Securities Account may relate to only one Program Account or Series Account. Funds in each Program Account and Series Account will be invested in Eligible

Investments at the direction of the Manager using the associated Securities Account. Additionally, neither the Indenture Trustee nor the Manager will be responsible for any losses incurred in the investment of any funds in any Eligible Investments and any insufficiency in an Issuer Account resulting from any loss on Eligible Investments.

Credit Enhancement Agreements and Liquidity Agreements

A Series or Tranche of Issuer Funding Obligations may have the benefit of one or more additional forms of credit enhancement—referred to herein as credit enhancement agreements—such as a letter of credit, surety bond or loan facility. In addition, a Series or Tranche of Notes may have the benefit of one or more forms of liquidity agreements—referred to herein as liquidity agreements—such as a liquidity facility. Whether a Series or Tranche of Issuer Funding Obligations has the benefit of a credit enhancement agreement or a liquidity agreement, including how any payments made pursuant to such agreement will be applied, will be set out in the applicable Funding Obligation Agreement and the related Term Sheet (where applicable).

Payment Waterfalls Prior to Acceleration

All amounts received by the Issuer and all amounts to be paid by the Issuer from a Program Account or Series Account will be made in accordance with the payment waterfalls described below. All payments or transfers described in the sections below will be made by the Paying Agent based on payment instructions provided by the Manager. See “— *Covenants of the Issuer — Payment Instructions*”.

Collection Account

Subject to the paragraph below, on each Payment Date (after giving effect to the distributions described in the first paragraph under “— *IESO Cash Reserve Account*”), all amounts on deposit in the Collection Account will be distributed in the following order of priority (*pro rata* in proportion to the claims represented by each paragraph below except as otherwise noted) (the “**Collection Account Waterfall**”):

- (a) first, to the payment or remittance of taxes for which a governmental authority is given priority over the Specified Creditors under the laws of the applicable jurisdiction;
- (b) second, to pay fees, expenses and reimbursement amounts owing to the Issuer Trustee and the Indenture Trustee up to a maximum aggregate amount equal to (i) \$150,000, multiplied by (ii) the number of Series of Senior Funding Obligations outstanding on such Payment Date, divided by (iii) 12;
- (c) third, *pari passu* (i) to transfer to the Interest Accumulation Account, the Interest Accrual Amount (Senior) for such Payment Date, and (ii) to pay all Derivative Funding Obligations (other than termination payments);
- (d) fourth, to transfer to the Interest Accumulation Account, the Interest Accrual Amount (Subordinated) for such Payment Date;
- (e) fifth, to transfer to the Interest Accumulation Account, the Interest Accrual Amount (Junior Subordinated) for such Payment Date;
- (f) sixth, to transfer to the Principal Accumulation Account, the Principal Accumulation Amount (Warehouse) for such Payment Date;
- (g) seventh, *pari passu* (i) to transfer to the Principal Accumulation Account, the Principal Accumulation Amount (Senior) for such Payment Date, and (ii) to pay termination payments owing to Derivative Counterparties where the Derivative Counterparty is not the defaulting party or the sole affected party;
- (h) eighth, to pay all fees and other amounts (other than principal or interest) owing in respect of Senior Funding Obligations;

- (i) ninth, to pay fees, expenses and reimbursement amounts owing to the Manager;
- (j) tenth, to transfer to the Principal Accumulation Account, the Principal Accumulation Amount (Subordinated) for such Payment Date;
- (k) eleventh, to pay all fees and other amounts (other than principal or interest) owing in respect of Subordinated Funding Obligations;
- (l) twelfth, to transfer to the Principal Accumulation Account, the Principal Accumulation Amount (Junior Subordinated) for such Payment Date;
- (m) thirteenth, to transfer to the Program Cash Reserve Account, the amount, if any, by which the amount on deposit in the Program Cash Reserve Account is less than the Program Cash Reserve Required Amount;
- (n) fourteenth, to transfer to any Series Account (other than any Series Account related solely to Subordinated Funding Obligations or Junior Subordinated Funding Obligations), the amount required to replenish such Series Account as required by any related Funding Obligation Agreement;
- (o) fifteenth, to transfer to any Series Account related solely to Subordinated Funding Obligations, the amount required to replenish such Series Account as required by any related Funding Obligation Agreement;
- (p) sixteenth, to pay all fees and other amounts (other than principal or interest) owing in respect of Junior Subordinated Funding Obligations;
- (q) seventeenth, to transfer to any Series Account related solely to Junior Subordinated Funding Obligations, the amount required to replenish such Series Account as required by any related Funding Obligation Agreement;
- (r) eighteenth, to pay termination payments owing to Derivative Counterparties where the Derivative Counterparty is the defaulting party or the sole affected party;
- (s) nineteenth, to pay the amount required pursuant to the Declaration of Trust to the Issuer Trustee for the account of the beneficiaries of the Issuer;
- (t) twentieth, to pay all indemnity amounts owing to the Manager;
- (u) twenty-first, *pari passu* (i) to pay fees, expenses, reimbursement and indemnity amounts owing to the Issuer Trustee and the Indenture Trustee not previously paid pursuant to paragraph (b), (ii) to the payment or remittance of taxes not previously paid pursuant to paragraph (a), and (iii) to pay all amounts owing to Specified Creditors not specifically referred to above; in each case, including, for each referenced party, any amounts payable to their respective affiliates under the terms of any relevant indemnity; and
- (v) twenty-second, any amounts remaining (i) to be held in the Collection Account for distribution in the above order of priority on the next Payment Date; or (ii) after all Issuer Funding Obligations have been paid in full and discharged, and all other amounts have been paid in full, to pay to the Issuer.

Notwithstanding the foregoing, (i) the transfer of any amounts deposited by the IESO into the Collection Account on account of the IESO Cash Reserve Deposit Amount to the IESO Cash Reserve Account, and (ii) the transfer of any amounts deposited in the Collection Account on account of one-time transaction costs and expenses in connection with the incurrence of Issuer Funding Obligations on or within three business days of the closing date of such transaction, will, in each case, be made without reserving for or paying amounts which are senior in priority to such obligation under the Collection Account Waterfall.

Interest Accumulation Account

On each Interest Payment Date, the Paying Agent will distribute all amounts on deposit in the Interest Accumulation Account in the following order of priority (*pro rata* in proportion to the claims represented by each paragraph below except as otherwise noted):

- (a) first, to pay all interest that is due and payable on Senior Funding Obligations on such Interest Payment Date;
- (b) second, to pay all interest that is due and payable on Subordinated Funding Obligations on such Interest Payment Date, so long as after making this payment, the amount remaining on deposit in the Interest Accumulation Account at least equals the amount of accrued and unpaid interest on Senior Funding Obligations as of such Interest Payment Date; and
- (c) third, to pay all interest that is due and payable on Junior Subordinated Funding Obligations on such Interest Payment Date, so long as after making this payment, the amount remaining in the Interest Accumulation Account at least equals the amount of accrued and unpaid interest on Senior Funding Obligations and Subordinated Funding Obligations as of such Interest Payment Date.

Any amounts remaining after the applications referred to above: (i) to be held in the Interest Accumulation Account for distribution in the above order of priority on the next Interest Payment Date; or (ii) after all Issuer Funding Obligations have been paid in full, to be transferred to the Collection Account.

Principal Accumulation Account

On each Interest Payment Date (after making the applications provided for in the waterfall under “— *Interest Accumulation Account*”), if any interest that is due and payable on Senior Funding Obligations, Subordinated Funding Obligations or Junior Subordinated Funding Obligations has not been paid, an amount equal to such deficiency will be withdrawn from the Principal Accumulation Account and applied to the payment of interest due and payable on such Interest Payment Date, provided that if the amount to be applied pursuant to this paragraph is insufficient to pay all such interest, the application of such amounts will be made first to Senior Funding Obligations, then to Subordinated Funding Obligations, and finally to Junior Subordinated Funding Obligations, in each case, on a *pro rata* basis.

On each Principal Payment Date (after making the applications provided for in the previous paragraph), the Paying Agent will distribute all amounts on deposit in the Principal Accumulation Account in the following order of priority (*pro rata* in proportion to the claims represented by each paragraph below except as otherwise noted):

- (a) first, to pay all principal that is due and payable on Warehouse Obligations on such Principal Payment Date;
- (b) second, to pay all principal that is due and payable on Senior Funding Obligations (other than Warehouse Obligations) on such Principal Payment Date;
- (c) third, to pay all principal that is due and payable on Subordinated Funding Obligations on such Principal Payment Date, so long as after making this payment, the amount remaining in the Principal Accumulation Account at least equals the Required Principal Accumulation Amount (Senior) as of such Principal Payment Date; and
- (d) fourth, to pay all principal that is due and payable on Junior Subordinated Funding Obligations on such Principal Payment Date, so long as after making this payment, the amount remaining in the Principal Accumulation Account at least equals the sum of the Required Principal Accumulation Amount (Senior) and the Required Principal Accumulation Amount (Subordinated) as of such Principal Payment Date.

Any amounts remaining after the applications referred to above: (i) to be held in the Principal Accumulation Account for distribution in the above order of priority on the next Interest Payment Date or Principal Payment Date; or (ii) after all Issuer Funding Obligations have been paid in full, to be transferred to the Collection Account.

IESO Cash Reserve Account

On each Payment Date beginning in November, 2021, an amount equal to the lesser of (i) the amounts to be paid or transferred pursuant to items (a) through (e) of the Collection Account Waterfall, and (ii) the amount, if any, by which the amount on deposit in the IESO Cash Reserve Account exceeds the IESO Cash Reserve Required Amount will be withdrawn from the IESO Cash Reserve Account and applied to the making of such payments or transfers in the order provided for in the Collection Account Waterfall.

On each Payment Date, if the amounts available for distribution from the Collection Account and from the preceding sentence are insufficient to pay or transfer items (a) through (e) of the Collection Account Waterfall, an amount equal to such deficiency will be withdrawn from the IESO Cash Reserve Account and applied to the making of such payments or transfers in the order provided for in the Collection Account Waterfall. Amounts in the IESO Cash Reserve Account are not available to pay principal on the Senior Notes. Once all funds in the IESO Cash Reserve Account have been paid out, the IESO Cash Reserve Account will be closed.

Program Cash Reserve Account

If, on any Payment Date, the amount on deposit in the Interest Accumulation Account is less than the sum of the Interest Accrual Amount (Senior), the Interest Accrual Amount (Subordinated) and the Interest Accrual Amount (Junior Subordinated), an amount equal to such deficiency will be withdrawn from the Program Cash Reserve Account and deposited in the Interest Accumulation Account.

If, on any Principal Payment Date, the amount available in the Principal Accumulation Account (in accordance with the provisions applicable thereto) is insufficient to pay all principal that is due and payable on Warehouse Obligations, other Senior Funding Obligations, Subordinated Funding Obligations or Junior Subordinated Funding Obligations, as applicable (see “— *Principal Accumulation Account*”), on such Principal Payment Date (after making the applications provided for in the previous paragraph), amounts on deposit in the Program Cash Reserve Account will be used in the following order of priority (*pro rata* in proportion to the claims represented by each paragraph below except as otherwise noted):

- (a) first, to pay the deficiency on principal that is due and payable on Warehouse Obligations on such Principal Payment Date;
- (b) second, to pay the deficiency on principal that is due and payable on Senior Funding Obligations (other than Warehouse Obligations) on such Principal Payment Date;
- (c) third, to pay the deficiency on principal that is due and payable on Subordinated Funding Obligations on such Principal Payment Date; and
- (d) fourth, to pay the deficiency on principal that is due and payable on Junior Subordinated Funding Obligations on such Principal Payment Date.

Any amounts remaining after the applications referred to above: (i) to be held in the Program Cash Reserve Account for distribution in the above order of priority on the next Interest Payment Date or Principal Payment Date; or (ii) after all Issuer Funding Obligations have been paid in full, to be transferred to the Collection Account.

Refinancing Account

On each Principal Payment Date, the Paying Agent will transfer from the Refinancing Account to the Principal Accumulation Account the lesser of (i) the amount on deposit in the Refinancing Account, and (ii) the amount by which the sum of the Principal Accumulation Amounts for all Senior Funding Obligations, Subordinated Funding Obligations and Junior Subordinated Funding Obligations on such Principal Payment Date (without reference

to any refinancing notice) exceeds the amount on deposit in the Principal Accumulation Account. After all Issuer Funding Obligations have been paid in full, any amounts remaining in the Refinancing Account will be transferred to the Collection Account.

Protection Account

On each date in respect of which the Province of Ontario makes a payment pursuant to the Change of Law Protection Agreement, the Paying Agent will, prior to making any payments under any other payment waterfall, distribute all amounts in the Protection Account solely to satisfy payments in respect of Approved Obligations as set out in the written payment statement delivered by the Manager to the Province of Ontario under the Change of Law Protection Agreement in the order of priority the applicable Obligation Secured has under the applicable payment waterfall.

On the Province of Ontario paying any amount in respect of an Approved Obligation into the Protection Account, the Province of Ontario will be subrogated and entitled to each applicable Specified Creditor's rights and interests under and in respect of the Approved Obligation to the extent of the amounts paid to the Specified Creditor out of the Protection Account, and shall be entitled to the right to be paid the applicable Subrogation Amount, the benefits of the Collateral and all proceeds therefrom.

Series Accounts

If, after giving effect to payments made on any Payment Date, the amount in the Collection Account is insufficient to make all required payments to Specified Creditors on such date, amounts on deposit in any Series Account may be withdrawn from such Series Account and allocated to the applicable Specified Creditors in accordance with the related Funding Obligation Agreement.

Covenants of the Issuer

Payment of Principal and Interest

The Issuer will duly and punctually pay the principal of and interest due on the Issuer Funding Obligations in the manner specified in the Master Trust Indenture and any related Funding Obligation Agreement.

Use of Proceeds

The Issuer will use the proceeds of such indebtedness solely for: (i) the acquisition by the Issuer of an Investment Interest; (ii) the redemption, repayment or repurchase of any existing Issuer Funding Obligations; (iii) the funding of Issuer Accounts; and (iv) the payment of transaction fees and expenses in connection with the incurrence of Issuer Funding Obligations.

Legal Existence

The Issuer will do or cause to be done all things necessary to preserve its existence and maintain its status as a Financing Entity.

Separateness Covenants

The Issuer will take all reasonable steps to maintain its identity as a distinct entity with assets and liabilities distinct from those of the Manager and any of its affiliates. Such steps include: (i) conducting all transactions with the Manager strictly on an arm's length basis and in good faith; (ii) allocating all overhead expenses for items shared between the Issuer and the Manager on the basis of actual use to the extent practicable; (iii) conducting its affairs strictly in accordance with the Declaration of Trust; (iv) maintaining its books and records separate from those of the Manager or any affiliate thereof; (v) preparing its financial statements separately from those of the Manager and ensuring that any consolidated financial statements of the Manager that include the Issuer have notes clearly stating that the Issuer is a separate entity; (vi) only maintaining bank accounts or other depository accounts to which the Issuer alone is the account party and from which only the Issuer or its agent has the power to make withdrawals; (vii) paying

its operating expenses from its own assets (including, reimbursing the Manager for any such expenses); (viii) maintaining its property in such a manner that it is not costly or difficult to segregate, ascertain or otherwise identify its individual assets from or against those of the Manager or any affiliate thereof; and (ix) not becoming liable to any person for any obligations of the Manager or any affiliate thereof.

Performance of Obligations

The Issuer agrees that it will (i) perform and observe all of its obligations and agreements contained in the Master Trust Indenture, the Declaration of Trust, the Master Transfer and Servicing Agreement, the other Program Agreements and in the instruments and agreements relating to the Collateral; (ii) diligently pursue any and all actions to enforce its rights each instrument or agreement included in the Collateral except as expressly provided in any Program Agreement; and (iii) enforce the Servicer's material obligations under the Master Transfer and Servicing Agreement and the Manager's material obligations under the Management Agreement.

Funding Obligations

The Issuer will ensure that all indebtedness is incurred pursuant to and in accordance with the provisions of the Master Trust Indenture, as described under “— *Conditions Precedent to Incurrence of Obligations Secured — Issuer Funding Obligations*”. The Issuer will not enter into any Funding Obligation Agreement (other than a Funding Obligation Agreement relating to Warehouse Obligations) that the Manager believes, acting reasonably, would likely require the Issuer to pay principal on such Issuer Funding Obligation by means of a Refinancing (other than a Pre-Approved Refinancing).

Financial Statements; Statement as to Compliance

The Issuer will deliver, or cause to be delivered to the Indenture Trustee and the Rating Agencies: (i) within 140 days after the end of each fiscal year, audited financial statements of the Issuer; (ii) within 90 days after the end of each fiscal quarter (other than the last fiscal quarter of each fiscal year), unaudited financial statements of the Issuer; and (iii) on an annual basis on or before March 31 of each year, a written statement concerning compliance with the conditions and covenants contained in the Master Trust Indenture and confirming that no Default or Event of Default has occurred or if a material Default or Event of Default has occurred, specifying the details thereof.

Payment Instructions

The Issuer will deliver to the Indenture Trustee and the Paying Agent (if the Paying Agent is not the Indenture Trustee) on a monthly basis, a payment instruction in respect of the Collection Account, which instruction shall set out the payments to be made on the following Payment Date and setting forth, among other things, (i) the amount of the payment to Debtholders (including a breakdown of principal and interest), (ii) any other transfers and payments to be made on such Payment Date, including amounts paid to the Indenture Trustee, the Issuer Trustee and the Manager, and (iii) the amounts on deposit in the Collection Account after giving effect to the foregoing payments. Similar payment instructions will also be delivered in respect of each other Program Account and Series Account, as and when payments are to be made from those accounts.

Notice of Certain Events; Protection Event

The Issuer will give the Indenture Trustee and each Rating Agency prompt written notice of (i) each Event of Default, (ii) each breach on the part of the Issuer or the Servicer of its respective obligations under the Master Transfer and Servicing Agreement (including any Servicer Default), (iii) each breach on the part of the Manager of its obligations under the Management Agreement, (iv) any default of the Issuer or a Derivative Counterparty under a derivative agreement, and (v) any Protection Event.

No Other Business

The Issuer will not engage in any activity other than the activities set forth in the Declaration of Trust or the other Program Agreements, the material provisions of which are described in this confidential shelf offering memorandum under “The Issuer”.

Amendments to Program Agreements

Unless the Rating Agency Condition is satisfied, the Issuer will not make any material amendments to any Program Agreement (other than the Master Trust Indenture and individual trade confirmations under derivative agreements), or enter into any Co-Owner Agreement. Without limiting the foregoing sentence, the Issuer will not:

- (a) enter into any Co-Owner Agreement without the consent of Controlling Class Creditors by Ordinary Resolution;
- (b) amend, supplement, modify, restate or replace, or waive or consent to a postponement of compliance with the terms and conditions on the part of any other party to, any of the Program Agreements (other than the Master Trust Indenture, the derivative agreements and the Declaration of Trust) if any such amendment, supplement, modification, restatement or replacement, or waiver or consent, could reasonably be considered to be materially prejudicial to the rights or interests of any Specified Creditor(s), except as expressly permitted by such Specified Creditor(s) and subject to the Province of Ontario having been given prior notice;
- (c) consent, if consent is required, to the resignation of the Manager under the Management Agreement; or
- (d) amend the Declaration of Trust if such amendment would have or reasonably be expected to have an Adverse Effect; provided that if such amendment would have such result, such amendment may only be made if the Issuer has obtained the consent of the Debtholders affected by such amendment by Ordinary Resolution.

Regarding amendments to the Master Trust Indenture or a Supplemental Indenture, see “— *Amendments to Master Trust Indenture*”.

Consolidation; Sale of Assets

The Issuer may not consolidate with or merge into any other person, or sell, convey, exchange, transfer or otherwise dispose of any of its properties or assets included in the Collateral to any person (each, a “**transaction**”), unless:

- (a) the entity formed by or surviving the consolidation or merger (if other than the Issuer) or the entity that acquires by conveyance or transfer formed by or surviving the consolidation or merger, by conveyance or transfer, as applicable: (i) is a financing entity; (ii) is organized under the laws of Canada or any province or territory thereof; (iii) is not a non-resident for purposes of the *Income Tax Act* (Canada); (iv) is not subject to regulation as an “investment company” under the Investment Company Act, (v) expressly assumes, pursuant to an assignment and/or assumption agreement or supplement, the due and punctual payment of all Obligations Secured then outstanding and the performance or observance of all of the Issuer’s agreements and covenants under each of the Program Agreements to which the Issuer is a party; and (vi) in the case of a conveyance or transfer only, expressly agrees, pursuant to such assignment and/or assumption agreement or supplement, that (A) all right, title and interest conveyed or transferred is subject and subordinate to the security interest of the Indenture Trustee and (B) it will make all filings required by applicable securities laws in connection with any Notes;
- (b) no Event of Default has occurred and is continuing immediately after the transaction;
- (c) the Issuer has delivered to the Indenture Trustee an officer’s certificate and an opinion of counsel, each stating that (i) such transaction and the agreements delivered in connection with such transaction comply with the terms and conditions in the Master Trust Indenture, (ii) all conditions precedent in the Master Trust Indenture relating to the transaction have been complied with, and (iii) each agreement delivered in connection with such transaction has been duly authorized,

executed and delivered, and are valid, binding and enforceable against the surviving entity or transferee, as applicable;

- (d) the Rating Agency Condition has been satisfied with respect to such transaction; and
- (e) any action as is necessary to maintain the first priority perfected security interest in the Collateral has been taken.

No Borrowing; Guarantees, Loans; Restricted Payments

The Issuer will not issue, incur, assume, guarantee or otherwise become liable for any indebtedness except for Funding Obligations. Additionally, the Issuer will not, except as contemplated by the Master Trust Indenture or the Declaration of Trust, make any loan or advance or credit to, or guarantee, endorse or otherwise become contingently liable in connection with the obligations of, or own, purchase or acquire any stock, obligations, assets or securities of, or any other interest in, or make any capital contribution to, any other person.

The Issuer is permitted to declare or make payable any amounts to the owner of units in the Issuer as permitted by and in accordance with the Declaration of Trust, and redeem, purchase, retire or otherwise acquire for value any units in the Issuer, provided that the Issuer may only satisfy the distribution declared or made payable, or the redemption or purchase price of such units to the extent that cash or property is available for such purpose, subject to the payment waterfalls provided for in the Master Trust Indenture. If the Issuer is restricted from satisfying the foregoing amounts in cash or property, then the Issuer will satisfy such amounts through the issuance of additional units and/or a promissory note to its unitholders in accordance with the Declaration of Trust.

Subordinated Funding Obligations and Junior Subordinated Funding Obligations

Notwithstanding anything in a Funding Obligation Agreement to the contrary, the Issuer may not redeem any Series or Tranche of Subordinated Funding Obligations or Junior Subordinated Funding Obligations unless the following conditions are satisfied: (i) no Default or Event of Default has occurred and is continuing; (ii) all Issuer Accounts are fully funded in accordance with the Master Trust Indenture and any applicable Funding Obligation Agreement; and (iii) the aggregate outstanding principal amount of Subordinated Funding Obligations and Junior Subordinated Funding Obligations after giving effect to such redemption will not be less than 35% of the aggregate outstanding principal amount of Senior Funding Obligations, Subordinated Funding Obligations and Junior Subordinated Funding Obligations.

The Issuer will not permit (i) the aggregate outstanding principal amount of Subordinated Funding Obligations and Junior Subordinated Funding Obligations to be less than 35% of the aggregate outstanding principal amount of Senior Funding Obligations, Subordinated Funding Obligations and Junior Subordinated Funding Obligations, or (ii) the aggregate outstanding principal amount of Junior Subordinated Funding Obligations to be less than 10% of the aggregate outstanding principal amount of Senior Funding Obligations, Subordinated Funding Obligations and Junior Subordinated Funding Obligations.

Security Matters

The Issuer will not (i) permit any lien, charge, excise, claim, security interest, mortgage or other encumbrance (other than permitted liens) to be created on or extend to the Collateral, (ii) release any security or guarantee in respect of the Collateral, (iii) sell, transfer, exchange or otherwise dispose of any of the Collateral except as expressly permitted under the Master Trust Indenture, or (vi) change its name, jurisdiction of formation or type of organization, unless it has provided the Indenture Trustee and each Rating Agency with prior written notice and it has first made all filings and taken all actions necessary to continue and maintain the Indenture Trustee's first priority security interest in the Collateral.

Other Covenants

In addition to the covenants contained in any Supplemental Indenture or any other Funding Obligation Agreement and the other covenants described in this section, the Issuer agrees that:

- upon the written request of the Indenture Trustee, it will use reasonable commercial efforts, following any (i) termination or resignation of the Servicer, the Manager or the Paying Agent, or (ii) termination, non-renewal or expiry of a liquidity agreement or a credit enhancement agreement, to appoint and enter into an agreement with a successor to such Servicer, Manager or Paying Agent, or replace or renew such liquidity agreement or credit enhancement agreement, in form and substance the same as the previously existing Program Agreement;
- it will not claim any credit on or make any deduction from the principal and interest payable on the Notes or Borrowings (other than amounts withheld or deducted in accordance with the Master Trust Indenture); or
- it will not take any action that would cause it to be treated as engaged in a “trade or business within the United States” for U.S. federal income tax purposes.

Amendments to Master Trust Indenture

Amendments not Requiring Consent of Specified Creditors

The Issuer and the Indenture Trustee may amend, supplement or otherwise modify the Master Trust Indenture or any Supplemental Indenture without the consent of any Specified Creditor upon prior notice to each Rating Agency and the Province of Ontario and delivery by the Issuer to the Indenture Trustee of an officer’s certificate to the effect that the Issuer reasonably believes that such amendment will not and is not reasonably expected to have an Adverse Effect. Such amendments to the Master Trust Indenture or any Supplemental Indenture may:

- evidence the succession or successive successions of another Financing Entity to the Issuer, and the assumption by such successor of the covenants of the Issuer in the Master Trust Indenture and the Notes;
- add to the covenants of the Issuer, or have the Issuer surrender any of its rights or powers under the Master Trust Indenture (or any Supplemental Indenture), for the benefit of the Debtholders of any or all Classes, Series or Tranches of Issuer Funding Obligations;
- cure any ambiguity, correct or supplement any provision in the Master Trust Indenture which may be inconsistent with any other provision in the Master Trust Indenture (or any Supplemental Indenture), to correct a clear clerical or administrative error, or make any other provisions for matters or questions arising under the Master Trust Indenture;
- provide for the issuance of any Series or Tranche of Notes and to set forth the terms thereof, and/or to add to the rights of the Noteholders of any Class, Series or Tranche;
- provide for the acceptance of a successor Indenture Trustee under the Master Trust Indenture;
- add any Events of Default relating to any or all Classes, Series or Tranches of Issuer Funding Obligations;
- provide for the consolidation of any financing entity and the Issuer into a single entity or the transfer of assets in any financing entity to the Issuer;
- if the IESO is replaced under the Master Transfer and Servicing Agreement, make any necessary changes to the Master Trust Indenture;
- provide for additional forms of credit enhancement for any Class, Series or Tranche of Issuer Funding Obligations;
- facilitate the issuance of foreign currency Issuer Funding Obligations;

- comply with any regulatory, accounting or tax laws, or changes to any ratings criteria;
- enable the Issuer to file a registration statement for the offering of securities registered under the Securities Act and to comply with Regulation AB thereunder; or
- qualify for sale treatment under generally accepted accounting principles.

The Master Trust Indenture or any Supplemental Indenture may also be amended by the Issuer and the Indenture Trustee without the consent of any Specified Creditor (but with prior notice to each Rating Agency and the Province of Ontario) in the following circumstances, provided that the Issuer delivers to the Indenture Trustee an officer's certificate to the effect that (i) the Issuer reasonably believes that such amendment will not and is not reasonably expected to have an Adverse Effect, and (ii) such amendment is required to comply with law, or to conform or be consistent with the statements contained in this confidential shelf offering memorandum:

- to facilitate compliance with changes in laws or regulations applicable to the Issuer or the transactions governed by the Program Agreements; or
- to cause the provisions of the Master Trust Indenture to conform to or be consistent with or in furtherance of the statements made in this confidential shelf offering memorandum with respect to the Master Trust Indenture or any Supplemental Indenture.

Additionally, the Master Trust Indenture or any Supplemental Indenture may also be amended by the Issuer and the Indenture Trustee without the consent of any Specified Creditor (but with prior notice to each Rating Agency and the Province of Ontario) in the following circumstances, provided that (i) the Issuer delivers to the Indenture Trustee an officer's certificate to the effect that the Issuer reasonably believes that such amendment will not and is not reasonably expected to have an Adverse Effect and (ii) the Rating Agency Condition is satisfied with respect to such amendment:

- to add provisions to, or change in any manner or eliminate any of the provisions of, the Master Trust Indenture or any Supplemental Indenture;
- to modify in any manner the rights of the Specified Creditors under the Master Trust Indenture or any Supplemental Indenture; or
- to provide for those changes necessary for compliance with securities law requirements or banking laws or regulations.

The Indenture Trustee may, but is not obligated to, enter into any amendment which adversely affects its rights, duties, benefits, protections, privileges or immunities under the Master Trust Indenture (or any Supplemental Indenture).

Amendments Requiring Consent of Debtholders

The Issuer and the Indenture Trustee may amend, supplement or otherwise modify and amend the Master Trust Indenture or any Supplemental Indenture for reasons other than those stated in the prior section (“— *Amendments not Requiring Consent of Specified Creditors*”), with prior notice to each Rating Agency and the Province of Ontario, the consent of Debtholders of each Class, Series or Tranche of Issuer Funding Obligations affected by that amendment, supplement or other modification by Ordinary Resolution, and satisfaction of the Rating Agency Condition. However, if the amendment, supplement or other modification would result in any of the following events occurring, it may be made only with the consent of each Debtholder of Issuer Funding Obligations affected thereby and satisfaction of the Rating Agency Condition:

- a change in an Interest Payment Date, Principal Payment Date or Principal Payment Default Date for any Issuer Funding Obligation;

- a reduction in the principal amount of, or interest rate on, any Note, or a change in the method of computing the outstanding principal amount in a manner that is adverse to any Debtholder;
- a reduction in the amount of a discount note payable upon its acceleration;
- a reduction in the percentage in outstanding principal amount of Issuer Funding Obligations of any Class, Series or Tranche, the consent of whose holders is required for modification or amendment of the Master Trust Indenture, any Supplemental Indenture or any related agreement or for waiver of compliance with provisions of the Master Trust Indenture or for waiver of defaults and their consequences provided for in the Master Trust Indenture;
- a modification of any of the provisions governing the amendment of the Master Trust Indenture or any Supplemental Indenture, or waivers of past defaults, except to increase any percentage of Debtholders required to consent to any such amendment or waiver, or to provide that certain other provisions of the Master Trust Indenture cannot be modified or waived without the consent of each Debtholder affected by such modification;
- a change in the city or political subdivision so designated with respect to any Class, Series or Tranche of Notes where any principal of, or interest on, any Note is payable; or
- a change in the method of computing the amount of principal of, or interest on, any Note on any date.

Debtholder Approvals and Meetings

Access to Debtholder Lists

The Indenture Trustee will preserve the names and addresses of all Specified Creditors received by it in its capacity as Note registrar and those which it has received from the Issuer in accordance with the Master Trust Indenture. Three or more Debtholders of any Series or Tranche, each of whom has owned an Issuer Funding Obligation of such Series or Tranche for at least six months, may, by application to the Indenture Trustee in the prescribed form, obtain access to the current list of Debtholders held by the Indenture Trustee for purposes of communicating with other Debtholders concerning their rights under the Master Trust Indenture (or any Supplemental Indenture) or under the applicable Program Agreement.

Debtholder Meetings

The Master Trust Indenture sets out the mechanics for meetings of Debtholders. The Master Trust Indenture provides for meetings of Debtholders of any Class, Series or Tranche of Issuer Funding Obligations, of all Issuer Funding Obligations, of Controlling Class Obligations of a Series or of all Controlling Class Obligations (each of such groups of Debtholders being a “**Debtholder Group**”). The Indenture Trustee will call a meeting of a Debtholder Group upon request of the Issuer or Debtholders of at least 25% in aggregate outstanding principal amount of the applicable Issuer Funding Obligations. If the Indenture Trustee fails to convene, or cause to be convened, such a meeting after 30 days, the Issuer or those Debtholders may convene the meeting. The Indenture Trustee may call a meeting of a Debtholder Group at any time for any purpose. The quorum for any meeting is one or more persons holding (personally or as proxies) not less than 25% of the outstanding principal amount of the Issuer Funding Obligations of the Debtholder Group entitled to vote at such meeting. Each Debtholder who is present, whether in person or by proxy, will have one vote for every \$1,000 of outstanding principal amount of applicable Issuer Funding Obligations of which he or she shall be the holder.

Every question submitted to a meeting, except those matters requiring an Extraordinary Resolution, shall be decided by a majority of the votes (an “**Ordinary Resolution**”). Any matter requiring an Extraordinary Resolution shall be decided by the affirmative vote of Controlling Class Creditors holding not less than 66⅔% of the outstanding principal amount of all Controlling Class Obligations (an “**Extraordinary Resolution**”). Such matters include:

- after the security has become enforceable, authorizing the Indenture Trustee to accept, in satisfaction or partial satisfaction, all or any part of the Collateral;
- after the security has become enforceable, sanctioning the selling of the Collateral or any part thereof or interest therein;
- after the security has become enforceable, authorizing the Indenture Trustee or any other person to bid or tender at any sale of the Collateral or any part thereof and take such actions in connection with such sale as it determines to be in the best interests of all Controlling Class Creditors;
- consenting to any compromise or arrangement by the Issuer with any creditor, creditors or class or classes of creditors or with the holders of any securities of the Issuer whose claims are payable from the Collateral;
- restraining any Debtholder from taking or instituting any suit, action or proceeding for the purpose of realizing on the Collateral or for the execution of any trust or power hereunder or for the appointment of a liquidator, receiver or trustee in bankruptcy or to have the Issuer liquidated or for any other remedy hereunder and to direct such Debtholder to waive any Event of Default on which any suit or proceeding is founded;
- requiring the Indenture Trustee (subject to receipt by the Indenture Trustee of reasonable funding and indemnity) to exercise or refrain from exercising any other powers conferred upon it by the Master Trust Indenture of general application to all Classes of Issuer Funding Obligations, including the exercise of any rights of the Issuer under any of the Program Agreements upon the occurrence and during the continuance of an Event of Default, or cancel any declaration of acceleration made pursuant to the Master Trust Indenture upon such terms and/or conditions as may be decided;
- authorizing the Indenture Trustee, for and on behalf of all Debtholders, to file and prove a claim or debt against the Issuer or its property for an amount equivalent to the aggregate amount which may be payable in respect of all Issuer Funding Obligations, to value the Collateral, and to vote such claim or debt at meetings of creditors and generally act for and on behalf of all Debtholders in such proceedings as such Extraordinary Resolution may provide; and
- appointing a committee to exercise, on behalf of all Controlling Class Creditors, any powers of such Controlling Class Creditors as are exercisable by Extraordinary Resolution or other resolution (as specified in the Extraordinary Resolution appointing such committee).

Any resolution or instrument signed by the requisite number of Debtholders or Controlling Class Creditors, as applicable, shall have the same force and effect as a resolution duly passed at a meeting of such Debtholders or Controlling Class Creditors.

Any action or vote taken at a meeting (including by way of written instrument) of Debtholders of a Debtholder Group duly held in accordance with the Master Trust Indenture will be binding on all Debtholders of that Debtholder Group. An Extraordinary Resolution shall bind all Debtholders and all other Specified Creditors.

In determining whether Noteholders of the requisite principal amount have taken any action under the Master Trust Indenture, (i) Senior Notes owned by the Issuer, the Manager or any affiliate of either of them, and (ii) any Class of Notes (or portion thereof) in which the Province of Ontario has an interest will, in each case, be disregarded and deemed not to be outstanding at any time that a Specified Creditor other than the Province of Ontario has an interest in such Class of Notes. In determining whether the Indenture Trustee will be protected in relying upon any such action, only Senior Notes (or, in the case of the Province of Ontario, any Notes) which a responsible officer of the Indenture Trustee knows to be owned by the Issuer, OPG or any affiliate of either of them, or with respect to which the Province of Ontario has an interest pursuant to the Change of Law Protection Agreement, will be so disregarded.

Whenever an action may be taken by Debtholders of a specified percentage of outstanding principal amount of Issuer Funding Obligations and at such time there are outstanding Issuer Funding Obligations of any relevant Series denominated in a foreign currency, then the principal amount of the Issuer Funding Obligations of such Series which will be deemed to be outstanding for purposes of taking such action will be the amount of Canadian dollars which could be obtained for such principal amount at the market exchange rate on the applicable date.

Events of Default

General

Each of the following events is an “**Event of Default**”:

- (a) the Issuer’s failure, for a period of 5 days, to pay interest on any Controlling Class Obligations when such interest becomes due and payable;
- (b) the Issuer’s failure to pay the principal of any Controlling Class Obligations at the Principal Payment Default Date;
- (c) any representation or warranty in the Master Trust Indenture proves to be incorrect in any material respect when made and if capable of remedy, such incorrect representation or warranty is not remedied for a period of 60 days after the Indenture Trustee or Controlling Class Creditors holding at least 25% of the outstanding principal amount of all Controlling Class Obligations have provided written notice to the Issuer requesting remedy of that default and stating that as a result of such default, the interests of such Controlling Class Creditors are materially and adversely affected and continue to be materially and adversely affected during the 60-day period;
- (d) the Issuer’s default in the performance, or breach, of any other of its covenants or warranties in the Master Trust Indenture, for a period of 60 days after the Indenture Trustee or Controlling Class Creditors holding at least 25% of the outstanding principal amount of all Controlling Class Obligations have provided written notice to the Issuer requesting remedy of that default and stating that as a result of such default, the interests of such Controlling Class Creditors are materially and adversely affected and continue to be materially and adversely affected during the 60-day period;
- (e) certain events of bankruptcy or insolvency of the Issuer, or the Issuer fails to maintain its existence or status as a Financing Entity;
- (f) the Change of Law Protection Agreement ceases to be in full force and effect against the Province of Ontario, or the validity thereof, or the applicability thereof to the Province of Ontario or any Controlling Class Obligations is disaffirmed by the Province of Ontario;
- (g) an Acceleration Event has occurred and Controlling Class Creditors holding at least 25% of the outstanding principal amount of all Controlling Class Obligations have provided written notice to the Issuer and the Indenture Trustee specifying the default;
- (h) the Issuer’s default in the performance of its covenant to deliver payment instructions for a period of three days after the Indenture Trustee has provided written notice thereof;
- (i) at any time, the amounts withdrawn from the Program Cash Reserve Account prior to such time exceed the aggregate of (x) 0.50% of the largest outstanding principal amount of all Senior Funding Obligations, Subordinated Funding Obligations and Junior Subordinated Funding Obligations on or prior to such time, (y) the sum of all amounts deposited to the Program Cash Reserve Account, and (z) all interest and earnings (net of losses and investment expenses), if any, on funds credited to the Program Cash Reserve Account; or
- (j) a Servicer Default occurs.

If Controlling Class Obligations constituting 25% or more of the outstanding principal amount of all Controlling Class Obligations have been accelerated in accordance with their Funding Obligation Agreements, the thresholds required in clauses (c), (d) or (g) will be deemed to have been met.

Waiver of Default

Subject to the summary provided for below under “*Acceleration and Remedies — General*”, Controlling Class Creditors may, by Ordinary Resolution, waive any past Default under the Master Trust Indenture so long as the Rating Agency Condition in respect of each Series or Tranche of Controlling Class Obligations has been satisfied.

Acceleration and Remedies

General

If an Event of Default (other than an Event of Default described in paragraph (e) or (f)) occurs and is continuing, either the Indenture Trustee or Controlling Class Creditors holding not less than 50% of the outstanding principal amount of all Controlling Class Obligations (treated as one class) may declare the outstanding principal amount of all Issuer Funding Obligations (other than Derivative Funding Obligations) to be immediately due and payable. If Controlling Class Obligations constituting 50% or more of the outstanding principal amount of all Controlling Class Obligations have been accelerated in accordance with their Funding Obligation Agreements, the 50% threshold required will be deemed to have been met. The occurrence of an Event of Default described in paragraph (e) or (f) results in an automatic acceleration of all Issuer Funding Obligations (other than Derivative Funding Obligations).

A declaration of acceleration or an automatic acceleration may be rescinded by Extraordinary Resolution if (i) the Issuer has paid all overdue interest, principal that has become due (other by reason of acceleration) on Controlling Class Obligations and other amounts set out in the Master Trust Indenture, and (ii) all Events of Default (other than non-payment of principal) have been cured or waived.

If Controlling Class Obligations are accelerated, the Indenture Trustee may amongst other things, (i) apply to a court for an order of sequestration and payment of amounts in respect of the Clean Energy Adjustment in accordance with the FHFA, (ii) take possession of the Collateral, (iii) appoint a receiver with respect to the Collateral, (iv) initiate proceedings in any court for the appointment of a receiver or for sale or foreclosure, (v) exercise rights, remedies, powers, privileges and claims under any Program Agreement, including the right to terminate and replace the Manager or the Servicer, or (vi) take any other action, suit, remedy or proceeding authorized or permitted by the Master Trust Indenture or by applicable law. The Indenture Trustee is not obligated to exercise any of its rights or powers under the Master Trust Indenture at the request or direction of any Controlling Class Creditors unless Controlling Class Creditors offer the Indenture Trustee a reasonable indemnity.

See “*Risk Factors — Risks Associated with the Unusual Nature of the Investment Asset*” and “*Risk Factors — Insolvency-Related Risks Relating to the Issuer*”.

Limitation on Available Amounts on Acceleration

If all or any portion of the principal amount of any indebtedness of the Issuer (including one or more Series of Senior Notes) becomes due and payable after the Moratorium Period and before its scheduled payment date, maturity date or redemption date, the estimated Finance Amount used by the Financial Services Manager to determine the Clean Energy Adjustment for a period will be determined based on the extent, if any, to which the amount of the Clean Energy Adjustment is capable of being increased based on the Fair Allocation Amount for such period. See “*Ontario’s Fair Hydro Plan — Fair Allocation Amount and Financing Plan*”. However, upon such acceleration, all accelerated Senior Notes will be repaid in full before any further payments of principal are made to holders of subordinated indebtedness, including the subordinated debt held by OPG; therefore, collections of the Clean Energy Adjustment that would otherwise have been available to repay the principal amount of subordinated indebtedness in the absence of acceleration of the Senior Notes will instead be applied to repay accelerated Senior Notes. See “*Capital Markets Platform*”.

Payment Waterfall Upon Acceleration

After acceleration of the Issuer Funding Obligations (other than derivative agreements), any money or other property standing to the credit of an Issuer Account (except as set out below) or otherwise collected by the Indenture Trustee will be applied in the following priority:

- (a) first, to the payment or remittance of taxes for which a governmental authority is given priority over the Specified Creditors under the laws of the applicable jurisdiction;
- (b) second, to pay fees, expenses and reimbursement amounts owing to the Issuer Trustee and the Indenture Trustee;
- (c) third, *pari passu* (i) to pay interest, fees and other amounts (other than principal) owing in respect of Senior Funding Obligations and (ii) to pay all Derivative Funding Obligations (other than termination payments);
- (d) fourth, to pay interest, fees and other amounts (other than principal) owing in respect of Subordinated Funding Obligations;
- (e) fifth, to pay interest, fees and other amounts (other than principal) owing in respect of Junior Subordinated Funding Obligations;
- (f) sixth, to pay principal owing in respect of Warehouse Obligations;
- (g) seventh, *pari passu* (A) to pay principal owing in respect of Senior Funding Obligations (other than Warehouse Obligations) and (B) to pay termination payments owing to Derivative Counterparties where the Derivative Counterparty is not the defaulting party or the sole affected party;
- (h) eighth, to pay fees, expenses and reimbursement amounts owing to the Manager;
- (i) ninth, to pay principal owing in respect of Subordinated Funding Obligations;
- (j) tenth, to pay principal owing in respect of Junior Subordinated Funding Obligations;
- (k) eleventh, to pay termination payments owing to Derivative Counterparties where the Derivative Counterparty is the defaulting party or the sole affected party;
- (l) twelfth, to pay all indemnity amounts owing to the Manager;
- (m) thirteenth, *pari passu* (i) to the payment or remittance of taxes not previously paid pursuant to paragraph (a), and (ii) to pay all amounts owing to Specified Creditors not specifically referred to above; in each case, including, for each referenced party, any amounts payable to their respective affiliates under the terms of any relevant indemnity; and
- (n) fourteenth, to pay any remaining amounts to the Issuer.

However, amounts on deposit in a Series Account will first be used to satisfy all obligations owing to the Debtholders or Derivative Counterparties for whom such Series Account was established. Thereafter, such amounts will be applied in accordance with the priorities set out above. In addition, amounts on deposit in the Protection Account will only be used to satisfy the obligations for which those amounts were deposited.

Rights of Specified Creditors

No Specified Creditor will have the right to institute any proceeding, judicial or otherwise, with respect to the Master Trust Indenture, or for the appointment of a receiver or trustee or similar official, or for any other remedy under the Master Trust Indenture. A Controlling Class Creditor may exercise such rights if:

- (a) the Issuer or a Controlling Class Creditor has previously given to the Indenture Trustee written notice of a continuing Event of Default;
- (b) Controlling Class Creditors, by Ordinary Resolution, have made written request of the Indenture Trustee to institute the proceeding in its own name as Indenture Trustee;
- (c) Controlling Class Creditors have offered the Indenture Trustee a satisfactory indemnity; and
- (d) the Indenture Trustee has, for 60 days, failed to institute the proceeding.

Subject to certain powers which may only be exercised by Extraordinary Resolution, Controlling Class Creditors, by Ordinary Resolution, will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Indenture Trustee, or exercising any trust or power conferred on the Indenture Trustee with respect to all Issuer Funding Obligations. However, the Indenture Trustee may decline to follow such direction if it determines (based on advice from counsel) that such direction (i) conflicts with applicable law or the Master Trust Indenture, (ii) has a substantial likelihood of involving the Indenture Trustee in personal liability or (iii) is unjustly prejudicial to Controlling Class Creditors not taking part such direction. See “— *Debtholder Approvals and Meetings — Debtholder Meetings*” for a description of certain powers which may only be exercised by Extraordinary Resolution. Specified Creditors (other than Debtholders) do not have any right to direct the time, method and place of conducting any proceeding for any remedy available to the Indenture Trustee, or exercising any trust or power conferred on the Indenture Trustee. Specified Creditors (other than Debtholders) will only have the right to receive proceeds following an Event of Default.

Limited Recourse

The obligation of the Issuer to pay principal of and interest on the Issuer Funding Obligations or any other amount payable to any Specified Creditor is subject to the allocation and payment provisions in the Master Trust Indenture and the applicable Funding Obligation Agreement and limited to amounts available from the Collateral. Neither the Indenture Trustee, the Manager nor the Issuer Trustee in its individual capacity, nor any holder of any unit in the Issuer, nor any of their respective owners, beneficiaries, agents, officers, directors, employees, successors or assigns will, in the absence of an express agreement to the contrary, be personally liable for the payment of the principal of or interest on the Notes or any other Issuer Funding Obligation, or for the Issuer’s covenants and agreements contained in the Master Trust Indenture.

No Petition

Each Specified Creditor, by accepting its rights as a beneficiary under the Master Trust Indenture, agrees that until one year and one day following repayment in full of all Issuer Funding Obligations, it will not commence (or join in commencing) a bankruptcy, insolvency or similar proceeding under the laws of any jurisdiction against the Issuer.

Force Majeure

The Indenture Trustee and the Issuer Trustee will not be responsible or liable for any failure or delay in the performance of their obligations under the Master Trust Indenture arising out of or caused by, directly or indirectly, forces beyond their control, including loss or malfunctions of utilities, communications or computer services.

Satisfaction and Discharge

The Master Trust Indenture will cease to be of further effect with respect to any Class, Series or Tranche of Issuer Funding Obligations when:

- (a) (x) in the case of Notes, all Notes of that Class, Series or Tranche which had been outstanding, with certain exceptions set forth in the Master Trust Indenture, have been delivered to the Indenture Trustee for cancellation or been cancelled, or (y) in the case of all other Issuer Funding Obligations, all Issuer Funding Obligations of that Class, Series or Tranche have been paid in full, as certified by the Issuer;
- (b) the Issuer has paid all other sums payable by it under the Master Trust Indenture with respect to that Class, Series or Tranche of Issuer Funding Obligations; and
- (c) the Issuer has delivered to the Indenture Trustee an officer's certificate and an opinion of external counsel each stating that the conditions precedent in the Master Trust Indenture relating to the satisfaction and discharge with respect to that Class, Series or Tranche of Issuer Funding Obligations have been complied with.

The Master Trust Indenture will cease to be of further effect when all Issuer Funding Obligations have been satisfied and discharged in accordance with the previous paragraph and all other Obligations Secured have been paid in full, as certified by the Issuer.

DESCRIPTION OF SENIOR NOTES

The following description of the Senior Notes is a summary of certain of their material attributes and characteristics, and does not purport to be complete. The terms and conditions set forth in this “*Description of Senior Notes*” section will apply to each Senior Note unless otherwise specified in the Term Sheet applicable to such Offering. For further particulars, reference should be made to the Master Trust Indenture and the Supplemental Indenture and Terms Document, if any, relating to the particular Series or Tranche of Senior Notes.

General

The Senior Notes will be issued under the Master Trust Indenture and will be Funding Obligations issued in connection with the financing program described under the heading “*Capital Markets Platform*”. The specific terms and conditions of each Series of Senior Notes will be set forth in the Supplemental Indenture authorizing that Series and the specific terms and conditions of any Tranche of Senior Notes will be set forth in the Supplemental Indenture or the Terms Document authorizing that Tranche.

Under the Master Trust Indenture, the Issuer may issue an unlimited principal amount of Senior Notes. See “*Capital Markets Platform — Conditions Precedent to Incurrence of Obligations Secured — Issuer Funding Obligations*”. The Senior Notes will be direct obligations of the Issuer and secured in the manner provided for under the Master Trust Indenture. See “*Capital Markets Platform — Security*”.

The Supplemental Indenture or Terms Document will describe the following terms of the Senior Notes:

- the Series designation;
- stated principal amount of the Senior Notes;
- whether such Senior Notes are of a particular Tranche of Senior Notes;
- the currency or currencies in which such Senior Notes will be denominated and in which payments of principal of, and interest on, such Senior Notes will or may be payable;

- the price at which such Series or Tranche of Senior Notes will be issued;
- the times at which such Series or Tranche of Senior Notes may, pursuant to any optional redemption provisions, be redeemed, and the other terms and provisions of any such redemption;
- the rate per annum at which such Series or Tranche of Senior Notes will bear interest, if any, or the formula or index on which such rate will be determined;
- each Interest Payment Date, each Principal Payment Date and the Principal Payment Default Date for such Series or Tranche of Senior Notes;
- the Principal Accumulation Date(s), if any, and Principal Accumulation Amount(s) for such Series of Senior Notes;
- the initial principal amount of such Senior Notes, and the means for calculating the outstanding principal amount of such Series or Tranche of Senior Notes;
- whether or not application will be made to list such Series or Tranche of Notes on any securities exchange;
- any events of default with respect to such Series or Tranche of Senior Notes;
- if such Series or Tranche of Senior Notes will be issued in whole or in part in the form of a global note, the terms and conditions, if any, upon which such global note may be exchanged for other individual Senior Notes, and the depository for such global note;
- if such Class, Series or Tranche of Senior Notes will be issued in whole or in part in registered form, bearer form or both, and if such Senior Notes will be issued with or without coupons;
- if such Class, Series or Tranche will have the benefit of a credit enhancement agreement or liquidity agreement, and the terms and provisions of the applicable agreement;
- the record date for any Interest Payment Date or Principal Payment Date of such Series or Tranche of Senior Notes, if different from the last of the month before the related Interest Payment Date or Principal Payment Date; and
- whether and under what conditions, additional amounts will be payable to Noteholders of such Series or Tranche of Notes.

Limitations

The Senior Notes do not constitute a debt, liability or other obligation of, or interest in, OPG or any of its other affiliates (other than the Issuer) or of the IESO. The Senior Notes are not a debt, liability or obligation of the Province of Ontario or any of its political subdivisions, agencies or instrumentalities. The Senior Notes will not be insured or guaranteed by the Province of Ontario, OPG or any of their respective affiliates or any other person or entity, except that the Province of Ontario has agreed to provide a limited guarantee in respect of the Senior Notes following the occurrence of certain events. See “*Change of Law Protection Agreement*”.

Payments of Principal and Interest

Interest will accrue on the principal balance of each Series or Tranche of Senior Note at the interest rate specified in the related Term Sheet and will be payable on the Interest Payment Date(s) specified in the related Term Sheet. Principal of each Series or Tranche of Senior Notes will be payable in the amounts and on the Principal Payment Date(s) specified in the related Term Sheet. The Term Sheet applicable to a Series or Tranche of Senior Notes will

also set out the Principal Payment Default Date for such Senior Notes, which is the date on which failure to pay the principal amount of such Senior Notes will result in an Event of Default.

On each Payment Date, the Issuer will, to the extent funds are available therefor from the Collection Account (see “*Capital Markets Platform — Payment Waterfalls Prior to Acceleration — Collection Account*”), transfer to the Interest Accumulation Account the aggregate amount of interest that has accrued on each Series of Senior Notes (together with all other amounts to be accrued for other Issuer Funding Obligations). On each Interest Payment Date for a Series or Tranche of Senior Notes, the Paying Agent will pay to the holders of such Senior Notes interest then due on such Senior Notes using amounts available therefor from the Interest Accumulation Account, the Principal Accumulation Account, the IESO Cash Reserve Account, the Program Cash Reserve Account and the Protection Account. See “*Change of Law Protection Agreement*” and “*Capital Markets Platform — Payment Waterfalls Prior to Acceleration*”.

On each Payment Date, the Issuer will, to the extent funds are available therefor from the Collection Account (see “*Capital Markets Platform — Payment Waterfalls Prior to Acceleration — Collection Account*”), transfer to the Principal Accumulation Account the aggregate of the amounts the Issuer is required to accumulate for each Series of Senior Notes (together with all other amounts to be accumulated for other Issuer Funding Obligations). The Term Sheet applicable to a Series or Tranche of Senior Notes will set out the Principal Accumulation Amount(s) and the Payment Dates on which such amounts are to be accumulated for such Senior Notes. On each Principal Payment Date for a Series or Tranche of Senior Notes, the Paying Agent will pay to the holders of such Senior Notes the principal then due on such Senior Notes using amounts available therefor from the Principal Accumulation Account, the Program Cash Reserve Account and the Protection Account. See “*Change of Law Protection Agreement*” and “*Capital Markets Platform — Payment Waterfalls Prior to Acceleration*”. Holders of Senior Notes may receive principal payments earlier than an expected Principal Payment Date if an optional redemption occurs and may receive principal payments later than an expected Principal Payment Date if there are insufficient Available Collections. See “*Risk Factors*” for a discussion of factors that may affect the timing of principal payments on a Series or Tranche of Senior Notes. It is not an Event of Default if the stated principal amount of a Series or Tranche of Senior Notes is not paid in full on an expected Principal Payment Date. If the stated principal amount of a Senior Note is not paid in full by its Principal Payment Default Date, an Event of Default will occur. See “*Capital Markets Platform — Events of Default*”.

Unless otherwise specified in a Term Sheet, the Issuer has designated the Indenture Trustee as its Paying Agent for all Senior Notes having a place of payment in Toronto, Ontario.

Optional Redemption of Senior Notes

If a Supplemental Indenture for any Series or Tranche of Senior Notes states that such Senior Notes will be redeemable, in whole at any time or in part from time to time, such Senior Notes will be redeemable at the option of the Issuer at the redemption price specified in the Supplemental Indenture. If less than all the Senior Notes of any Series or Tranche are to be redeemed at one time, the Senior Notes of such Series or Tranche to be redeemed will be selected by the Indenture Trustee on a pro rata basis according to the principal amount of such Senior Notes registered in the name of each holder thereof, or in such other manner as the Indenture Trustee may consider equitable.

Notice of any redemption will be delivered to each holder of the Senior Notes to be redeemed, electronically or by mail (postage prepaid) at the address of such holder appearing in the Note register (or published in an authorized newspaper in the case of Senior Notes held in bearer form) or otherwise in accordance with the procedures of the depository, at least 15 days but not more than 30 days before the redemption date, except that redemption notices may be delivered more than 30 days prior to the redemption date if the notice is issued in connection with a satisfaction and discharge of the Master Trust Indenture with respect to such Series or Tranche of Senior Notes. The notice of redemption will state (i) the portion of the principal amount thereof to be redeemed (provided that no Senior Notes in an aggregate principal amount of 1,000 units of the applicable currency or less will be redeemed in part), (ii) the redemption date and (iii) the redemption price. Unless the Issuer defaults in payment of the redemption price, on and after the redemption date, interest will cease to accrue on the Senior Notes or portions of the Senior Notes called for redemption. A replacement note in principal amount equal to the unredeemed portion thereof will be issued in the name of the holder thereof upon cancellation of the original note; provided, however, that, in the case of a global note, an appropriate notation may instead be made on such note to decrease the principal amount thereof to an amount equal to the unredeemed portion thereof.

The Term Sheet for each Offering will identify the redemption provisions of the applicable Notes at the time of such Offering.

Purchase for Cancellation

The Issuer may purchase or otherwise acquire, at any time or from time to time, all or any of the outstanding Senior Notes of any Series or Tranche in the market or by invitation for tenders or by private contract at such prices as it may determine in its sole discretion. All such Senior Notes purchased by the Issuer will be cancelled. If, upon a tender, more Senior Notes of a Series or Tranche are tendered at the same lowest price than the Issuer is prepared to accept, the Senior Notes of such Series or Tranche to be purchased will be selected by the Indenture Trustee on a pro rata basis according to the principal amount of such Senior Notes registered in the name of each holder thereof, or in such other manner as the Indenture Trustee may consider equitable.

DEPOSITORY SERVICES

Except as otherwise provided below, the Senior Notes will be issued in “book-entry only” form and must be purchased, transferred, redeemed or exchanged through participants (“**Participants**”) in the depository service of a depository chosen by the Issuer (the “**depository**”) or its nominee, which include securities brokers and dealers, banks and trust companies. On the closing date of an Offering, the Issuer will cause a global certificate representing the Senior Notes to be delivered to, and registered in the name of, the depository or its nominee. Except as described below, no purchaser of Senior Notes will be entitled to a certificate or other instrument from the Issuer or the depository evidencing that purchaser’s ownership thereof, and no purchaser will be shown on the records maintained by the depository except through a book-entry account of a Participant acting on behalf of such purchaser. Each purchaser of Senior Notes will typically receive a customer confirmation of purchase from the registered dealer from which the Senior Notes are purchased in accordance with the practices and procedures of that registered dealer. The practices of registered dealers may vary, but generally, customer confirmations are issued promptly after execution of a customer order. The depository will be responsible for establishing and maintaining book-entry accounts for its Participants having interests in the Senior Notes.

Neither the Issuer, the Indenture Trustee nor the Agents will assume any liability for: (i) any aspect of the records relating to the beneficial ownership of the Senior Notes held by the depository or the payments relating thereto; (ii) maintaining, supervising or reviewing any records relating to the Senior Notes; or (iii) any advice or representation made by or with respect to the depository or those contained in this confidential shelf offering memorandum and relating to the rules governing the depository or any action to be taken by the depository or at the direction of its Participants. The rules governing the depository provide that it acts as the agent and depository for the Participants. As a result, Participants must look solely to the depository and persons, other than Participants, having an interest in the Senior Notes must look solely to Participants for payments made by or on behalf of the Issuer to the depository in respect of the Senior Notes.

If: (i) required by applicable law; (ii) the depository notifies the Issuer in writing that the depository is no longer willing or able to discharge properly the responsibilities of a depository with respect to the Senior Notes and the Issuer is unable to locate a qualified successor; (iii) the Issuer determines the Senior Notes in book-entry only form should be exchanged for definitive certificates and the Issuer delivers a written notice to such effect to the Indenture Trustee; (iv) an Event of Default has occurred and Noteholders holding more than 50% of the Controlling Class Obligations of any Series of Senior Notes determine such book-entry system is no longer in the best interests of the holders of that Series; or (v) the book-entry system is terminated, then certificates representing the Senior Notes will be issued to the beneficial owners of Senior Notes.

Interest on the Senior Notes will be paid directly to CDS while the book-entry only system is in effect. If definitive certificates are issued, interest will be paid by wire transfer of immediately available funds to the accounts specified by the holders thereof or, if no such account is specified, by mailing a cheque to each such holder’s registered address. Payment of principal, and the interest due, at maturity, will be paid directly to CDS while the book-entry only system is in effect. If definitive certificates are issued, payment of principal, and interest due, at maturity, will be paid upon surrender thereof at any office of the Trustee or as otherwise specified in the Indenture.

Manner of Effecting Transfer or Redemption

A transfer or redemption of Senior Notes held in “book-entry form” only will be effected through records maintained by the depository or its nominee with respect to interests of Participants, and on the records of Participants with respect to interests of persons other than Participants. Purchasers of such Senior Notes who are not Participants, but who desire to purchase, sell or otherwise transfer ownership of or other interests in the Senior Notes, may do so only through Participants.

DTC, Euroclear and Clearstream, Luxembourg

Where CDS acts as depository for a series of Senior Notes, to the extent the Issuer makes such series of Senior Notes eligible with The Depository Trust Company (“**DTC**”), Euroclear Bank S.A./N.V., as operator of the Euroclear System (“**Euroclear**”) and Clearstream Banking, société anonyme (“**Clearstream, Luxembourg**”), and the Issuer specifies as such in the Term Sheet with respect to the particular series of Senior Notes, holders may hold such series of Senior Notes through the accounts maintained by DTC, Euroclear or Clearstream, Luxembourg, as applicable, as participants in CDS only if they are participants of those systems, or indirectly through organizations which are participants of those systems.

In such case, DTC, Euroclear and Clearstream, Luxembourg will hold omnibus book-entry positions on behalf of their participants through customers’ securities accounts in their respective depositories which in turn will hold such positions in customers’ securities accounts in the names of the nominees of the depositories on the books of CDS. All securities in DTC, Euroclear and Clearstream, Luxembourg are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts.

Transfers of such Senior Notes by persons holding through Euroclear or Clearstream, Luxembourg participants, as applicable, will be effected through CDS, in accordance with CDS rules, on behalf of the relevant European international clearing system by its depositaries; however, such transactions will require delivery of transfer instructions to the relevant European international clearing system by the participant in such system in accordance with its rules and procedures and within its established deadlines (European time). The relevant European international clearing system will, if the transfer meets its requirements, deliver instructions to its depositaries to take action to effect the transfer of the Senior Notes on its behalf by delivering Senior Notes through CDS and receiving payment in accordance with its normal procedures for next-day funds settlement. Payments with respect to the Senior Notes held through Euroclear or Clearstream, Luxembourg will be credited to the cash accounts of Euroclear participants or Clearstream, Luxembourg participants in accordance with the relevant system’s rules and procedures, to the extent received by its depositaries.

All information in this confidential shelf offering memorandum concerning CDS, DTC, Euroclear and Clearstream, Luxembourg, reflects the Issuer’s understanding of the policies of such organizations which may change at any time without notice.

PLAN OF DISTRIBUTION

The Senior Notes may be sold by the Issuer directly pursuant to applicable statutory exemptions or through agents designated by the Issuer from time to time. Each Term Sheet will identify the Agents engaged in connection with the applicable Offering of Senior Notes and will also set forth the terms of the Offering of Senior Notes, including the net proceeds to the Issuer and, to the extent applicable, any fees payable to the Agents. The Agents will conditionally offer the Senior Notes for sale on a “best efforts” basis, if, as and when issued and delivered by the Issuer in accordance with the conditions contained in an agency agreement (the “**Agency Agreement**”) between the Issuer, OPG and the Agents to be entered into on or about the date of each Term Sheet. The Agents will be paid a fee by the Issuer for their services rendered to the Issuer in connection with the offering, issue and sale of the Senior Notes. The obligations of the Agents under the Agency Agreement may be terminated upon the occurrence of certain stated events. The Agents may over-allot or effect transactions which stabilize or maintain the market price of the Senior Notes at a level different than that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time.

The Senior Notes may not be offered or sold, directly or indirectly, in Canada or to or for the account of any Canadian resident except, in the case of sales made in any province of Canada, pursuant to an exemption from the prospectus requirements in Section 2.3 of NI 45-106 and, in the case of a purchaser resident in Ontario, section 73.3(2) of the *Securities Act* (Ontario), also known as the “accredited investor” exemption. In addition, Senior Notes will not be offered or sold, directly or indirectly, to individuals unless those individuals are also “permitted clients” within the meaning of NI 31-103.

Resale of the Senior Notes will be subject to restrictions under applicable securities legislation which vary depending on the relevant jurisdictions. **The Senior Notes may only be sold on a basis that is exempt from the prospectus requirements of applicable securities legislation through an appropriately registered dealer or pursuant to an exemption from the registration requirements of applicable securities legislation.** See “*Restrictions on Resale*”.

This confidential shelf offering memorandum does not constitute an offer to sell or a solicitation of an offer to buy any of the Senior Notes in the United States. The Senior Notes have not been and will not be registered under the U.S. Securities Act or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as such term is defined in Regulation S under the U.S. Securities Act) unless the Senior Notes are registered under the U.S. Securities Act and applicable state securities laws or an exemption therefrom is available. In addition, until 40 days after the commencement of an Offering, any offer or sale of the Senior Notes within the United States by any dealer (whether or not participating in an Offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with an exemption from the registration requirements of the U.S. Securities Act. Each Agent has agreed that, except as permitted by an Agency Agreement, it will not offer or sell the Senior Notes as part of the distribution of the Senior Notes at any time within the United States or to, or for the account or benefit of, U.S. persons.

RISK FACTORS

An investment in Senior Notes involves certain risks. Prospective investors in the Senior Notes should carefully consider all the information included in this confidential shelf offering memorandum, including the risks described below, before deciding to invest in the Senior Notes. This section does not describe all risks applicable to the Issuer and is intended only as a summary of certain material risks. In addition, prospective investors should consult their own financial and other legal and tax advisors, and should carefully consider, among other matters, the following discussion of risks before deciding whether to purchase Senior Notes.

Judicial, Legislative or Regulatory Risks

Future legal action might challenge or invalidate the FHPA and materially adversely affect a holder’s investment in the Senior Notes.

The Investment Asset is a creation of the FHPA, which became effective on June 1, 2017. The Issuer will be the first Financing Entity under the FHPA to issue Funding Obligations as contemplated under the FHPA. The FHPA or any provisions thereof might be directly contested in courts or otherwise become the subject of litigation. The FHPA is novel legislation in Canada and therefore there are no precedents to rely on to support the validity of the FHPA.

As of the date of this confidential shelf offering memorandum, no such litigation has arisen; however, there can be no assurance that a lawsuit challenging the validity of some portion or all of the FHPA will not be filed in the future or that, if filed, such lawsuit will not be successful. If such a lawsuit were successful, and an invalidation of any relevant underlying legislative or regulatory provision were to result that did not constitute a Protection Event under the Change of Law Protection Agreement, a holder of Senior Notes may lose some or all of their investment in the Senior Notes or experience significant delays in recovering their investment in the Senior Notes. Even if the successful lawsuit constitutes a Protection Event, under the terms of the Change of Law Protection Agreement, the Province of Ontario is not obligated to pay or indemnify the Indenture Trustee or any Specified Creditor for consequential, special or punitive damages, or for economic loss or loss of profits (provided that economic loss does not include any amount in respect of an amount due and payable to a Specified Creditor under the Limited Guarantee).

Future legislative action to change the FHPA, the Change of Law Protection Agreement or the electricity market might materially adversely affect a holder's investment in the Senior Notes.

The FHPA provides that no act or omission of the Crown shall be effective to reduce, impair, postpone or terminate the obligations of Specified Consumers to pay amounts in respect of the Clean Energy Adjustment or to impair or postpone the invoicing, collection or remittance of the Clean Energy Adjustment. Ontario does not have a referendum or initiative process by which the FHPA may be amended or repealed. Therefore, the only way for such provisions of the FHPA to be amended or repealed would be through a subsequent legislative action by the Province of Ontario. A determination by the Province of Ontario that, for political or other reasons, the FHPA should no longer be law in Ontario or that the FHPA should be amended to limit or delay the recovery of Clean Energy Adjustments, could result in a decision to make such an amendment, repeal or revocation. Any such action that adversely affects the ability of the Issuer to receive amounts in respect of the Investment Interest so that it can pay Approved Obligations when due and payable (determined after taking into account certain factors described above in the definition of "Protection Event") would be subject to the Change of Law Protection Agreement. Under the Change of Law Protection Agreement, the Province of Ontario is not obligated to pay or indemnify the Indenture Trustee or any Specified Creditor for consequential, special or punitive damages, or for economic loss or loss of profits (provided that economic loss does not include any amount in respect of an amount due and payable to a Specified Creditor under the Limited Guarantee). See "*Change of Law Protection Agreement*". However, future legislative action by the Province of Ontario could also be taken that would have the effect of voiding or otherwise rendering invalid the Change of Law Protection Agreement.

Canada does not have any constitutional protection of property rights. While an adverse impact of statutory measures on private property has, in some circumstances, been judicially held to entitle property owners to compensation, such entitlements themselves can also be extinguished by legislation. Accordingly, if the provisions of the FHPA referenced in the previous paragraph were amended or repealed through subsequent legislative action of the Province of Ontario and future legislative action was also taken by the Province of Ontario that had the effect of voiding or otherwise rendering invalid the Change of Law Protection Agreement, a holder of Senior Notes may lose some or all of their investment in the Senior Notes or experience significant delays in recovering their investment in the Senior Notes.

Future judicial action could reduce the value of a holder's investment in the Senior Notes.

The Investment Asset is the creation of the FHPA. There is uncertainty associated with investing in Senior Notes payable from an interest in an asset that depends on legislation for its existence because there is no juridical or regulatory experience implementing and interpreting the legislation or similar legislation in Canada. Because the Investment Asset is a creation of the FHPA, any judicial determination interpreting the FHPA or the Investment Asset might have an adverse effect on a holder of Senior Notes' investment in the Senior Notes.

Potential difficulties in enforcing civil liabilities against the Province of Ontario may arise.

Under the *Proceedings Against the Crown Act* (Ontario), the remedies of injunction and specific performance are not available against the Crown, nor may an order for execution or attachment be made against the Crown, although the remedy of damages is available. Nothing in the Change of Law Protection Agreement or the Program Agreements affects the rights, protections and immunities of the Crown under the *Proceedings Against the Crown Act* (Ontario). As a result, if the Province of Ontario fails to comply with the Change of Law Protection Agreement, the Indenture Trustee's ability to obtain an effective remedy against the Province of Ontario is limited and holders of Senior Notes may lose some or all of their investments in the Senior Notes or experience significant delays in recovering their investments.

Risks Associated with the Unusual Nature of the Investment Asset

Clean Energy Adjustments will not be payable until May 1, 2021 and until such time the IESO will be the sole source of funds for payment on the Senior Notes. Amounts paid by the IESO are not available to pay principal on the Senior Notes.

During the Moratorium Period, no Clean Energy Adjustments are permitted to be collected from Specified Consumers. During the Moratorium Period, a holder of Senior Notes must rely for payment by the Issuer of interest on the Senior

Notes, and the Issuer must rely for payment of all of its Carrying Costs, upon the IESO who is obligated under the Regulations to pay these Carrying Costs to the Issuer. The amounts paid by the IESO with respect to Carrying Costs cannot be applied on account of principal on the Senior Notes. The IESO has granted the Issuer a first-priority security interest in all its accounts receivable from Electricity Vendors, which includes the amounts receivable by the IESO from Electricity Vendors with respect to the global adjustment charge, as security for the performance of its regulatory obligation to pay the Carrying Costs to the Issuer. The IESO also has a \$2 billion unsecured credit facility agreement with the Ontario Financing Authority, expiring September 30, 2022, which can be used to pay the Carrying Costs to the Issuer. There can be no assurance that the IESO will continue to have sufficient funds available to pay the Carrying Costs to the Issuer during the Moratorium Period. If the Issuer enforces the security granted to the Issuer by the IESO during this period, there can be no assurance that the IESO's accounts receivable from Electricity Vendors will be sufficient to pay the Carrying Costs to the Issuer and a holder of Senior Notes may suffer material payment delay on the Senior Notes during the Moratorium Period.

The Issuer's ability to enforce security granted by the IESO may be significantly impaired or delayed.

Under various Canadian bankruptcy, insolvency and restructuring statutes or Canadian federal or provincial receivership laws, including the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), the *Canada Business Corporations Act*, the *Winding-up and Restructuring Act*, and various provincial corporate statutes (collectively, "**Canadian Insolvency and Restructuring Laws**"), the Issuer's ability to enforce security granted by the IESO may be significantly impaired or delayed. In view of the broad discretionary powers of courts under Canadian Insolvency and Restructuring Laws, it is not possible to predict how long payments of Carrying Costs by the IESO or enforcement of any letter of credit or performance guarantee provided by the IESO could be delayed following commencement of a proceeding under Canadian Insolvency and Restructuring Laws by the IESO or whether or when the Issuer would be able to repossess or dispose of the assets over which it holds a security interest. Canadian Insolvency and Restructuring Laws also contemplate the granting of super priority security interests or charges (which could be in priority to the security of existing secured creditors) on the assets of the debtor company to secure the repayment of any amounts to be borrowed to facilitate the insolvency proceeding, any amounts owing for the fees and costs of professionals involved in the insolvency proceeding, obligations of directors of the company with respect to their statutory liabilities and sometimes other amounts.

Canadian Insolvency and Restructuring Laws also contain provisions enabling an obligor to prepare and file a proposal or a plan of arrangement or reorganization for consideration by all or some of its creditors, to be voted on by the various classes of creditors affected thereby. Such a restructuring proposal or plan of arrangement or reorganization, if accepted by the requisite majority of each class of affected creditors and if approved by the relevant Canadian court, would be binding on all creditors of the applicable obligor within the affected classes, including the Issuer, whether or not the Issuer votes in favour of the restructuring proposal or plan of arrangement or reorganization. Such a proposal or plan of arrangement or reorganization may have the effect of compromising certain rights available to the Issuer with respect to the payment of Carrying Costs or enforcement of any security provided by the IESO.

A holder of Senior Notes may experience material payment delays because the source of funds for payment after the Moratorium Period is limited.

A holder of Senior Notes may suffer material payment delays on the Senior Notes if the collateral securing the Senior Notes is insufficient to pay the accrued interest on and the principal amount of those Senior Notes in full. During the Moratorium Period, a holder of Senior Notes must rely for payment by the Issuer of interest on the Senior Notes, and the Issuer must rely on the IESO for the funds necessary to pay its Carrying Costs, upon the IESO who is obligated under the Regulations to pay these Carrying Costs to the Issuer. Amounts paid by the IESO are not available to pay principal on the Senior Notes. After the Moratorium Period, the only source of funds for payments of interest on and principal of the Senior Notes will be the collateral. The collateral for the Senior Notes will include:

- the Investment Interest, including the right to impose, bill, collect and receive Clean Energy Adjustment amounts, inclusive of the True-up Amount;
- the cash and investments on deposit in the accounts held by the Indenture Trustee; and

- the Issuer's rights under various contracts described in this confidential shelf offering memorandum and under the FHPA.

The Senior Notes will not be insured or guaranteed by the Province of Ontario, the IESO, OPG or any of their respective affiliates, the Indenture Trustee or any other person or entity, except pursuant to the Limited Guarantee provided by the Province of Ontario upon the occurrence of a Protection Event. See "*Change of Law Protection Agreement*". The Senior Notes will be nonrecourse obligations, secured only by the collateral. Delays in payment on the Senior Notes might result in a reduction in the market value of the Senior Notes and, therefore, the value of a holder's investment in the Senior Notes.

The Senior Notes do not constitute a debt, liability or other obligation of, or interest in, OPG or any of its other affiliates (other than the Issuer). The Senior Notes are not a debt or general obligation of the Province of Ontario or any of its political subdivisions, agencies or instrumentalities. However, insofar as the Province of Ontario or any such political subdivision, agency or instrumentality is a Specified Consumer, such governmental entity will be obligated, in its capacity as a Specified Consumer, to pay Clean Energy Adjustment amounts that will be collected and remitted to the Issuer in respect of its Investment Interest securing the Senior Notes.

A holder of Senior Notes must rely for payment of principal of and interest on the Senior Notes solely upon the FHPA, rights to enforcement of the FHPA and of various agreements described in this confidential shelf offering memorandum, collections of Clean Energy Adjustment amounts and cash and investments on deposit in the related accounts held pursuant to the Master Trust Indenture.

The Clean Energy Adjustment may not be billed after April 30, 2047, unless further regulations to extend that date are passed.

The Clean Energy Adjustment may not be billed to Specified Consumers after April 30, 2047, unless further regulations to extend that date are passed. If Clean Energy Adjustment amounts billed through this period are not sufficient to repay the Senior Notes in full and further regulations to extend this date are not passed, apart from amounts in the capital accounts, if any, no other funds will be available to pay the unpaid balance due on the Senior Notes.

Foreclosure of the Indenture Trustee's lien on the Investment Interest securing the Senior Notes might not be practical and acceleration of the Senior Notes before maturity might have little practical effect.

Under the Master Trust Indenture, the Indenture Trustee on behalf of the holders of Senior Notes and other creditors has the right to foreclose or otherwise enforce the lien granted to the Indenture Trustee by the Issuer on the collateral securing the Senior Notes. However, in the event of foreclosure, there is likely to be a limited market, if any, for the collateral. Therefore, foreclosure might not be a realistic or practical remedy. Moreover, although principal of the Senior Notes will be due and payable upon acceleration of the Senior Notes before maturity, under the Regulations, the amount of the Clean Energy Adjustment may not be increased to take into account such acceleration (subject to limited exceptions depending on the Fair Allocation Amount at the time). As a result, this limitation on increases to the Clean Energy Adjustment at the time of any acceleration of the Senior Notes prior to maturity will result in principal of the Senior Notes being paid on acceleration as funds become available. However, upon such acceleration, the priority of principal payments to creditors of the Issuer will result in all accelerated Senior Notes being repaid in full before any further payments of principal are made to holders of subordinated indebtedness of the Issuer. In the event of an acceleration, holders of Senior Notes may be paid sooner or later than originally expected.

The Issuer may issue multiple Series of Senior Notes secured by the Investment Interest and some decisions affecting holders of Senior Notes may require the approval of all Series.

The Issuer may issue multiple Series of Senior Notes all of which will be secured by the collateral securing the Senior Notes. The Issuer may not issue additional Series of Senior Notes if the issuance would not satisfy the Rating Agency Condition and certain other conditions precedent in the Master Trust Indenture. See "*Capital Markets Platform — Conditions Precedent to Incurrence of Obligations Secured — Issuer Funding Obligations*". If additional Series of Senior Notes are issued, Clean Energy Adjustment amounts collected by or for the benefit of the Issuer will be prorated among the Series of Senior Notes based on the respective amounts of interest and principal due and payable or required to be accumulated in respect of each Series of Senior Notes. Any issuance of additional Series of Senior Notes by the

Issuer could cause reductions or delays in payment on the Senior Notes. In addition, some matters relating to the Senior Notes issued by the Issuer may require the vote of the holders of all Series of Senior Notes. The interests of holders of a particular Series of Senior Notes in these votes might conflict with the interests of the holders of another Series of Senior Notes. Thus, these votes could result in an outcome that is materially unfavorable to holders of a particular Series of Senior Notes.

The Master Trust Indenture contains Events of Default (other than those pertaining to the insolvency of the Issuer or invalidity of the Change of Law Protection Agreement) that can only be declared by Debtholders who hold at least 25% of the outstanding Controlling Class Obligations. If any such Event of Default has occurred and is continuing, Debtholders who hold at least 50% of the outstanding Controlling Class Obligations may accelerate all Issuer Funding Obligations (other than Derivative Funding Obligations). However, it is possible for individual Series of Senior Notes to have their own acceleration events such that those individual Series of Senior Notes may be accelerated while other Series of Issuer Funding Obligations would not be accelerated. In such a case, (i) the allocation of Available Collections to the holders of accelerated Series of Issuer Funding Obligations in a Class would be higher relative to the non-accelerated Series of Issuer Funding Obligations of that Class than it would otherwise be, and (ii) after payment in full of accelerated Senior Notes and other Senior Funding Obligations and once all amounts due and payable on non-accelerated Senior Notes and other Senior Funding Obligations have been satisfied on any principal payment date, amounts remaining for payment of principal would be allocated to the repayment of principal on both accelerated and non-accelerated subordinated debt, as applicable. In certain cases, a declaration of acceleration or an automatic acceleration may also be rescinded by Extraordinary Resolution if (i) the Issuer has paid all overdue interest, principal that has become due (other than by reason of acceleration) on Controlling Class Obligations and other amounts set out in the Master Trust Indenture, and (ii) all Events of Default (other than non-payment of principal) have been cured or waived. See *“Capital Markets Platform — Acceleration and Remedies — General”*.

If a Series of Senior Notes or all Senior Notes are accelerated, a holder of Senior Notes might receive payment of principal sooner or later than expected.

Under certain circumstances it is possible that all outstanding Senior Notes will be accelerated as a Class or that certain Series of Senior Notes will be accelerated while other Series of Senior Notes will not be accelerated. See *“Capital Markets Platform – Acceleration and Remedies”*. The possibility of certain Series of Senior Notes accelerating while other Series of Senior Notes do not accelerate would arise if (i) an Event of Default occurs but Noteholders holding at least 50% of all outstanding Senior Notes do not approve the acceleration of all outstanding Senior Notes, and (ii) holders of Senior Notes of a particular Series approve the acceleration of the Senior Notes of that Series by the requisite majority of holders of that Series as set out in the applicable supplemental indenture for that Series.

If all Senior Notes are accelerated the application of available funds will be as described under *“Capital Markets Platform -- Acceleration and Remedies”* for all Senior Notes. It is possible that holders of 50% or more of the outstanding principal balance of all Senior Notes will approve the acceleration of all Senior Notes even if holders of a particular Series of Senior Notes do not vote in favour of the acceleration of the Senior Notes of that Series.

If only certain Series of Senior Notes are accelerated, then the outstanding principal balance of those Series of Senior Notes will become immediately due and payable but the payment due dates of those Series of Senior Notes that have not been accelerated will not change. In this case, the application of available funds will continue as described under *“Capital Markets Platform -- Payment Waterfalls Prior to Acceleration”*.

Where all Series of Senior Notes or only certain Series of Senior Notes are accelerated, available funds that would otherwise be used to pay the principal amount of subordinated indebtedness will be applied to repay principal of the accelerated Senior Notes. This could result in a holder of Senior Notes that have been accelerated receiving payment of principal sooner than expected. If a Series of Senior Notes has not been accelerated, the payment of principal on such Senior Notes should not occur earlier than expected as the payment due dates for such Senior Notes will not have been accelerated.

Where all Series of Senior Notes or only certain Series of Senior Notes are accelerated, available funds that would otherwise be used to pay the principal amount of the Senior Notes in accordance with the original repayment schedules of such Senior Notes may be applied to repay principal of the accelerated Senior Notes *pari passu* with the principal due on all outstanding Senior Notes (subject to the payment priority given to Warehouse Obligations). If accelerated Senior Notes were not expected to be repaid before a particular Series of Senior Notes at the time the accelerated Senior Notes were issued, the acceleration of such Senior Notes could result in the holder of a particular Series of Senior Notes receiving payment of principal later than expected.

The Issuer may have a co-ownership interest in the Investment Asset with other Financing Entities.

The FHPA authorizes the establishment of one or more Financing Entities that may incur Funding Obligations for the purpose of acquiring Investment Interests. The Master Trust Indenture does not contain any restrictions on the establishment of other Financing Entities or any restrictions on the Transfer by the IESO of specified portions of the Regulatory Asset to other Financing Entities. If additional Funding Obligations are incurred by other Financing Entities to acquire an Investment Interest, the Investment Asset will be co-owned by all Financing Entities (including the Issuer) and consequently Clean Energy Adjustment amounts collected by or for the benefit of the Financing Entities will be prorated among all Investment Interest owners based on the respective amounts of Clean Energy Adjustment amounts invoiced and not yet paid. Any issuance of Funding Obligations by other Financing Entities could cause reductions or delays in payment on the Senior Notes.

If the Clean Energy Adjustment amounts and other funds held in the Issuer Accounts results in investment losses or the investments become illiquid, a holder of Senior Notes might receive payment of principal of and interest on the Senior Notes later than expected.

Funds held in the Issuer Accounts will be invested in Eligible Investments. Eligible Investments include, among other categories, money market funds having a rating in the highest investment category from each applicable Rating Agency. Although investments in these money market funds have traditionally been viewed as highly liquid with a low probability of principal loss, illiquidity and principal losses have been experienced by investors in certain of these funds as a result of disruptions in the financial markets in recent years. If investment losses or illiquidity are experienced, a holder of Senior Notes might experience a delay in payments of principal and interest and a decrease in the value of their investment in the Senior Notes.

Servicing, Operating and Consumer Risks

Payments on the Senior Notes depend on the performance of Electricity Vendors and the IESO.

The Issuer's receipt of Clean Energy Adjustment amounts, which will be used to make payments on the Senior Notes, will depend in part on the skill and diligence of Electricity Vendors and the IESO and their respective successors in performing their respective duties under the FHPA and, with respect to the IESO, the Master Transfer and Servicing Agreement.

The FHPA and the Master Transfer and Servicing Agreement impose new duties and obligations on the IESO and Electricity Vendors. There can be no assurances that the new duties and obligations of the IESO and the Electricity Vendors will be assumed and implemented without difficulty and in accordance with the provisions of the FHPA and the Master Transfer and Servicing Agreement. If the IESO ceases to perform, or inadequately performs, its collection, remittance, forecasting and other functions under the terms of the FHPA and the Master Transfer and Servicing Agreement, it might be difficult to enforce these obligations against the IESO. While the Indenture Trustee has the right to replace the IESO, as servicer, on an Event of Default upon receipt of an Ordinary Resolution, it might be difficult to find a replacement for the IESO or a successor servicer. Also, any successor servicer might have less experience and ability than the IESO and might experience difficulties in collecting Clean Energy Adjustment amounts or providing forecast information, resulting in delays or disruptions to the setting and collection of the Clean Energy Adjustment. Any successor servicer would likely charge fees for the provision of such services and such fees could be material.

If an Electricity Vendor or the IESO fails to collect or remit sufficient Clean Energy Adjustment amounts for any reason, then the IESO's payments to the Issuer in respect of the Clean Energy Adjustments might be delayed or

reduced. In that event, payments on the Senior Notes might be delayed or reduced. In addition, any person into which the IESO may be merged, converted or amalgamated or that may succeed to the properties and assets of the IESO substantially as a whole will assume the role of servicer under the Master Transfer and Servicing Agreement, subject only to the satisfaction of the conditions set forth therein. These conditions do not include either the consent of holders of Senior Notes or satisfaction of the Rating Agency Condition.

Payments on the Senior Notes depend on the performance of OPG as Financial Services Manager and as Manager.

The FHPA imposes new duties and obligations on OPG, as Financial Services Manager, and the Program Agreements impose new duties and obligations on OPG, as Manager. There can be no assurances that the new duties and obligations of OPG will be assumed and implemented without difficulty and in accordance with the provisions of the FHPA and the Program Agreements. If OPG, as Financial Services Manager, ceases to perform, or inadequately performs, its statutory duties under the FHPA, including determining the Clean Energy Adjustment (inclusive of the True-up Amount), the Indenture Trustee will have no right to replace OPG as Financial Services Manager. If OPG ceases to perform, or inadequately performs, its management duties under the Management Agreement, the Indenture Trustee has the right to replace the Manager on an Event of Default upon receipt of an Ordinary Resolution but it might be difficult to find a replacement for OPG or a successor manager. Also, any successor manager might have less experience and ability than OPG, resulting in delays or disruptions to the setting and collection of the Clean Energy Adjustment. Any successor manager would likely charge fees for the provision of such services and such fees could be materially higher than the fees charged by OPG.

Inaccurate consumption forecasting or unanticipated delinquencies or write-offs might reduce or delay scheduled payments on the Senior Notes.

Clean Energy Adjustment amounts will be calculated based upon a forecast of Specified Consumer usage to be newly developed based on forecast information provided by the IESO. Under the Regulations, the IESO is required to provide forecast information to the OEB and the Issuer, which forecast information will be used by the OEB to forecast electricity consumption of Specified Consumers in respect of the relevant period. The amount of the Clean Energy Adjustment collected in any period will depend in part on actual electricity usage by Specified Consumers and the amount of collections and write-offs for Specified Consumers. If the IESO or a successor inaccurately forecasts electricity consumption or if OPG uses inaccurate consumer delinquency or write-off data when setting or adjusting the Clean Energy Adjustment, there could be a shortfall or material delay in collections, which might result in missed or delayed payments of principal and interest on the Senior Notes.

Inaccurate forecasting of electricity consumption by the IESO might result from, among other things unanticipated weather, resulting in less electricity consumption than forecast; general economic conditions being worse than expected, causing Specified Consumers to reduce their electricity consumption; the occurrence of a natural disaster, wind storm or an act of terrorism, cyber-attack or other catastrophic event unexpectedly disrupting electrical service and reducing electricity consumption; unanticipated changes in the market structure of the electric industry; Specified Consumers unexpectedly ceasing business or departing from the Province of Ontario; dramatic and unexpected changes in energy prices resulting in decreased electricity consumption; Specified Consumers consuming less electricity than anticipated because of increased energy prices, unanticipated increases in conservation efforts or unanticipated increases in electricity consumption efficiency; differences or changes in forecasting methodology; or Specified Consumers switching to alternative sources of energy, including self-generation or co-generation of electric power in some cases without using Ontario's transmission or distribution system. Self-generators that receive no transmission or distribution service from the Province of Ontario are not liable for the Clean Energy Adjustment. The FHPA does not require exit fees to be charged to any Specified Consumers that might leave the grid to self-generate.

Inaccurate forecasting of delinquencies or write-offs by OPG could result from, among other things unexpected deterioration of the economy, the occurrence of a natural disaster, an act of war or terrorism or other catastrophic events causing greater write-offs than expected or forcing Electricity Vendors to grant additional payment relief to Specified Consumers; the failure of Electricity Vendors to submit accurate and timely information regarding their collections and write-offs; an unexpected change in law that makes it more difficult for Electricity Vendors to terminate service to nonpaying Specified Consumers, or that requires Electricity Vendors to apply more lenient credit standards for Specified Consumers.

Changes to billing and collection practices may reduce the amount of funds available for payments on the Senior Notes.

The methodology for determining the amount of the Clean Energy Adjustment invoiced to each Specified Consumer is specified in FHPA. None of OPG, the IESO or any Electricity Vendor, as it performs its billing and collection functions on the Issuer's behalf, may change this methodology. However, subject to applicable law, tariff and regulatory requirements, billing and collection arrangements with each Specified Consumer may be changed in a manner that delays or reduces the payments to the Issuer in respect of the Clean Energy Adjustment, which might result in missed or delayed payments of principal and interest on the Senior Notes.

Limits on rights to terminate service to Specified Consumers might make it more difficult to collect the Clean Energy Adjustment.

To the extent that Specified Consumers do not pay for their electricity service, Electricity Vendors will not be able to collect the Clean Energy Adjustment from these Specified Consumers. Electricity Vendors have the ability to terminate service for non-payment subject to the terms of their conditions of service, which conditions must be consistent with the OEB's rules regarding disconnection. Under OEB rules, Electricity Vendors are prohibited from disconnecting or threatening to disconnect homes for non-payment during the winter from November 15 to April 30 every year. Historical rates of non-payment are included in the calculations of the Clean Energy Adjustment, but increases in the rates of non-payment would reduce the Clean Energy Adjustment until it is adjusted through the True-up Amount in a subsequent Reference Period.

It might be difficult for the Issuer to collect the Clean Energy Adjustment from Specified Consumers

Under the FHPA, the Issuer may bring an action against a Specified Consumer for non-payment of the Clean Energy Adjustment, but only an Electricity Vendor may terminate service for failure to pay the Clean Energy Adjustment. The FHPA provides that partial payment of electricity invoices shall be allocated pro rata among the Clean Energy Adjustment and other charges on the invoice. Since the Issuer does not have the threat of termination of service available to enforce payment of the Clean Energy Adjustment, it would need to rely on the Electricity Vendor to threaten to terminate service for nonpayment of other portions of the electricity invoice. This inability might reduce the value of a holder's investment in the Senior Notes.

Delinquent or partial payments of electricity bills may make payments on the Senior Notes occur later than expected.

The amount and the rate of collection of the Clean Energy Adjustment, including the True-up Amount, will impact whether there is a delay in the scheduled payments on the Senior Notes. If the Clean Energy Adjustment amounts are collected at a slower rate than expected, OPG might have to make adjustments to the Clean Energy Adjustment for a subsequent Reference Period through the True-up Amount. Until such adjustments are made or, if those adjustments are not timely and accurate, there may be a delay in payments of principal and interest and a decrease in the value of the Senior Notes.

Indemnification obligations of OPG and the IESO are limited and might not be sufficient to protect the investments in the Senior Notes.

OPG will be obligated under the Management Agreement to indemnify the Issuer and the Indenture Trustee only in specified circumstances. Likewise, the IESO will be obligated under the Master Transfer and Servicing Agreement and the Acknowledgement and Indemnity Agreement to indemnify the Issuer and the Indenture Trustee only in specified circumstances.

Furthermore, neither OPG nor the IESO may have sufficient funds available to satisfy its indemnification obligations, and the amount of any indemnification paid by OPG or the IESO, as applicable, might not be sufficient for holders of Senior Notes to recover all of their investment in the Senior Notes. In addition, if OPG or the IESO becomes obligated to provide indemnification, the ratings on the Senior Notes might be downgraded as a result of the circumstances causing the breach.

Power outages could impair payment of the Senior Notes.

Ontario experiences seasonal conditions typical of southeastern Canada. Summers are usually hot with high temperatures in excess of 20° Celsius. Winters include snow and icy conditions that can be damaging to overhead power lines. Transmission and/or distribution and generation facilities could be damaged depending on weather conditions and usage of electricity could be interrupted temporarily or for long periods of time, reducing the Clean Energy Adjustment amounts collected in one or more Reference Periods.

Technological changes that make alternative energy sources more attractive in the future or significant population fluctuations may result in fewer Specified Consumers from whom to collect the Clean Energy Adjustment.

Technological developments and/or tax or other economic incentives might result in the introduction of economically attractive, more fuel-efficient, more environmentally-friendly and/or more cost-effective alternatives to purchasing electricity through Electricity Vendors for increasing numbers of Specified Consumers. Manufacturers of self-generation facilities may develop smaller-scale, more fuel-efficient on-site generating and/or storage units that can be cost-effective options for a greater number of Specified Consumers. Moreover, an increase in self-service power may result if extreme weather conditions result in regular shortages of grid-supplied energy or if other factors cause grid-supplied energy to be less reliable. Specified Consumers who self-generate their electricity may use it to offset, or eliminate, their consumption from the grid thereby reducing, or eliminating, the Clean Energy Adjustment amounts payable by such Specified Consumers. Technological developments might allow greater numbers of Specified Consumers to reduce or even altogether avoid the payment of Clean Energy Adjustment amounts under such provisions through on-site generation, including where coupled with on-site storage capacity. This might reduce the kilowatt-hours of electric energy delivered to Specified Consumers by means of an Electricity Vendor's system, thereby causing Clean Energy Adjustment charges to the remaining Specified Consumers to increase. Such increases may reduce the collectability of the Clean Energy Adjustment.

Unexpected significant population decreases in the Province of Ontario or Specified Consumers unexpectedly ceasing business or departing from the Province of Ontario may adversely affect the amount of the Clean Energy Adjustment to be invoiced, collected and recovered from Specified Consumers. The decrease in the population of the Province of Ontario may result in fewer Specified Consumers from whom to collect the Clean Energy Adjustment. The increased impact on the remaining Specified Consumers could lead to increased potential consumer defaults and delays, billing lags and write-offs or variations in billing due to variations in electricity consumption.

Insolvency-Related Risks

If the Issuer were to become subject to Canadian Insolvency and Restructuring Laws, the Indenture Trustee's ability to enforce security granted by the Issuer may be significantly impaired or delayed.

Trusts such as the Issuer ordinarily cannot seek protection under the principal Canadian Insolvency and Restructuring Laws (other than a receivership). However, in view of the broad discretionary powers of courts under Canadian Insolvency and Restructuring Laws, the courts' inherent jurisdiction and otherwise, it is not possible to state with certainty that the Issuer could not become subject to Canadian Insolvency and Restructuring Laws. If the Issuer were to become subject to Canadian Insolvency and Restructuring Laws, the Indenture Trustee's ability to enforce security granted by the Issuer may be significantly impaired or delayed. It is not possible to predict how long payments under the Senior Notes could be delayed following commencement of a proceeding under Canadian Insolvency and Restructuring Laws by the Issuer or whether or when the Indenture Trustee would be able to enforce upon or dispose of the assets over which it holds a security interest. Canadian Insolvency and Restructuring Laws also contemplate the granting of super priority security interests or charges (which could be in priority to the security of existing secured creditors) on the assets of the debtor company to secure the repayment of any amounts to be borrowed to facilitate the insolvency proceeding, any amounts owing for the fees and costs of professionals involved in the insolvency proceeding, obligations of directors of the company with respect to their statutory liabilities and sometimes other amounts.

Canadian Insolvency and Restructuring Laws also contain provisions enabling an obligor to prepare and file a proposal or a plan of arrangement or reorganization for consideration by all or some of its creditors, to be voted on by the various classes of creditors affected thereby. Such a restructuring proposal or plan of arrangement or reorganization,

if accepted by the requisite majority of each class of affected creditors and if approved by the relevant Canadian court, would be binding on all creditors of the applicable obligor within the affected classes, including the Indenture Trustee and the Noteholders, whether or not the Indenture Trustee or any holders of Senior Notes votes in favour of the restructuring proposal or plan of arrangement or reorganization. Such a proposal or plan of arrangement or reorganization may have the effect of compromising certain rights available to the Indenture Trustee and the holders of Senior Notes under the Master Trust Indenture or in respect of the collateral.

If the IESO were to become subject to Canadian Insolvency and Restructuring Laws, the Transfers of specified portions of the Regulatory Asset by the IESO may not be respected as true sales of the Regulatory Asset.

Ordinarily, the interests of the Issuer as acquirer of an Investment Interest may be subordinate to statutory deemed trusts and other non-consensual liens, trusts and claims created or imposed by statute or rule of law on the property of the IESO arising prior to the time the corresponding Regulatory Asset was Transferred to the Issuer. This could reduce the amounts that may be available to the Issuer in respect of the Investment Interest and, consequently, the holders of Senior Notes. Section 27(3) of the Act provides that at the time of the Transfer of the Regulatory Asset to a Financing Entity, such Transfer shall be deemed to have been perfected, vested, valid and binding against the IESO and all other persons who have claims of any kind against the IESO. Section 27(4) of the Act provides that section 27(3) applies regardless of whether the persons who have claims have received notice of the Transfer and the property rights and interests acquired by the Transferee shall have priority over any liens in favour of those persons. However, in the event that the IESO becomes insolvent, its insolvency would be subject to federal bankruptcy and insolvency legislation and the effect of these provisions of the Act in such circumstances is untested. The Transfers of the Regulatory Asset to the Issuer will be made in accordance with section 26 of the Act. Section 27(1) of the Act provides that a Transfer of a specified portion of the Regulatory Asset under section 26 constitutes a valid and enforceable absolute assignment, conveyance and sale of the corresponding Investment Interest to the Transferee. Therefore, the Investment Interest would not form part of the assets of the IESO and would not be available to the creditors of the IESO. However, with respect to certain insolvency events relating to the IESO, it is possible that an insolvency administrator or a creditor of the IESO may attempt to argue that the transactions between the IESO and the Issuer are not true sales of the Regulatory Asset. This position, if accepted by a court applying federal bankruptcy and insolvency laws, could prevent timely or ultimate payment of amounts due to the Issuer and, consequently, due from the Issuer to holders of Senior Notes.

These risks are in addition to the insolvency risks of the IESO noted above under “*Risks Associated with the Unusual Nature of the Investment Asset*”.

If the IESO or any Electricity Vendor were to become subject to Canadian Insolvency and Restructuring Laws, collections that have been commingled may be unrecoverable and the Issuer’s ability to enforce its rights against the IESO or such Electricity Vendor may be significantly impaired or delayed.

Under the Master Transfer and Servicing Agreement, collections received by the IESO are to be held by the IESO in a segregated account. Until Clean Energy Adjustments are remitted to the IESO by Electricity Vendors, amounts collected by the Electricity Vendors are to be held by Electricity Vendors in segregated accounts. If the IESO or any Electricity Vendor fails to hold collections in a segregated account, then to the extent that funds are commingled and used for the benefit of the IESO or such Electricity Vendor prior to making required deposits, in the event of the liquidation, insolvency, receivership or administration or other proceeding under Canadian Insolvency and Restructuring Laws of the IESO or the Electricity Vendor, the ability of the Issuer to enforce its rights to the collections in a timely manner may be adversely affected and collections that have been commingled may be unrecoverable. In the event of the insolvency of the IESO, the right of the Issuer under the Master Transfer and Servicing Agreement to appoint a replacement servicer may be stayed or prevented.

These risks are in addition to the insolvency risks of the IESO noted above under “*Risks Associated with the Unusual Nature of the Investment Asset*”.

If OPG were to become subject to Canadian Insolvency and Restructuring Laws, the Issuer's ability to enforce its rights against the Manager may be significantly impaired or delayed and the Issuer's assets and liabilities may be substantively consolidated with those of OPG.

Section 53.1 of the *Electricity Act, 1998* (Ontario), as amended by the *Fair Hydro Act, 2017* (Ontario), provides that, regardless of whether a Financing Entity is or is not a subsidiary of OPG: (a) the assets and liabilities of the Financing Entity shall not form part of the assets and liabilities of OPG or any of its subsidiaries (excluding the Financing Entity if it is a subsidiary); and (b) the assets and liabilities of OPG or any of its subsidiaries (excluding the Financing Entity if it is a subsidiary) shall not form part of the assets and liabilities of the Financing Entity. However, in the event that OPG becomes insolvent, its insolvency would be subject to federal bankruptcy and insolvency legislation and the effect of these provisions of the *Electricity Act, 1998* (Ontario), as amended by the *Fair Hydro Act, 2017* (Ontario), in such circumstances is untested. In particular, in the event of the liquidation, insolvency, receivership or administration or other proceeding under Canadian Insolvency and Restructuring Laws of OPG, the ability of the Issuer to enforce certain of its rights in and to the Investment Interest in a timely manner may be adversely affected. Such affected rights may include the right to appoint a replacement Manager. It is possible that the creditors of OPG may attempt to substantively consolidate the assets and liabilities of OPG and the Issuer. The Issuer and OPG have taken steps to minimize this risk. However, no assurance can be given that, in the case of the insolvency of OPG, a court would not order that the Issuer's assets and liabilities be substantively consolidated with those of OPG. Such substantive consolidation would result in all creditors of OPG and the Issuer being paid out of a common pool of assets, with no distinction as to which assets are property of OPG and which assets are property of the Issuer, and could cause payment of the claims of the beneficial owners of the Senior Notes to be subject to substantial delay and to adjustment in timing and amount.

If the Issuer Trustee were to become subject to Canadian Insolvency and Restructuring Laws, the assets and liabilities of the Issuer may be substantively consolidated with the Issuer Trustee.

In the case of the insolvency of the Issuer Trustee, it is possible that the creditors of the Issuer Trustee may attempt to argue that the assets of the Issuer are held by the Issuer Trustee in its personal capacity (and not as trustee of the Issuer) and are to be available to the creditors of the Issuer Trustee. Assuming that the Issuer Trustee deals with the assets of the Issuer in accordance with the provisions of the Declaration of Trust, the assets of the Issuer would not constitute property of the Issuer Trustee available for distribution to the creditors of the Issuer Trustee. An insolvency administrator appointed with respect to the Issuer Trustee may be able to recover from the property of the Issuer a portion of its costs that are incurred until a replacement for the Issuer Trustee, as trustee of the Issuer, is appointed or pending any proceeding in respect of the property of the Issuer. Such costs may exceed the compensation provided for in the Declaration of Trust.

If a Specified Consumer were to become subject to Canadian Insolvency and Restructuring Laws, the Issuer's ability to collect Clean Energy Adjustment amounts from such Specified Consumer may be adversely affected.

The application to a Specified Consumer of Canadian Insolvency and Restructuring Laws and related provincial laws could also affect the ability to collect the Clean Energy Adjustments due for the period prior to the insolvency. Federal bankruptcy laws generally discharge bankrupt Specified Consumers who are individuals of their obligation to pay Clean Energy Adjustment amounts due for the period prior to the individual being discharged from bankruptcy.

If amounts in the Issuer Accounts for any Series are invested with entities that become subject to insolvency proceedings, the Issuer's ability to make payments to holders of Senior Notes may be adversely affected.

Amounts that are on deposit from time to time in the Issuer Accounts for any Series may be invested in Eligible Investments. If insolvency proceedings were to be commenced by or against any entity with which an Eligible Investment is made or which is an issuer, obligor or guarantor of any Eligible Investment, the ability of the Indenture Trustee to enforce its rights in respect of any such Eligible Investment and the ability of the Issuer to make payments to holders of Senior Notes in a timely manner may be adversely affected. In order to reduce this risk, the Eligible Investments must satisfy certain ratings criteria. See "Rating Agency Condition".

Other Risks

The credit ratings are not an indication of the expected rate of payment of principal on the Senior Notes.

The Senior Notes will be rated by one or more established rating agencies. A rating is not a recommendation to buy, sell or hold the Senior Notes. The ratings merely analyze the probability that the Issuer will repay the total principal amount of each series of Senior Notes at its final principal payment date (which is later than the Principal Payment Date(s)) and will make timely interest payments. The ratings are not an indication that the rating agencies believe that principal payments are likely to be paid on time according to any expected sinking fund schedule. Thus, the Issuer might repay the principal of a holder of Senior Notes later than expected, which might materially reduce the value of a holder's investment in the Senior Notes.

If the ratings on the Senior Notes are withdrawn or revised downward, the value of a holder's investment in the Senior Notes may be adversely affected.

There is no assurance that any credit rating will remain in effect for any given period of time. The ratings on the Senior Notes may be withdrawn or revised downward at any time without notice, which may have an adverse effect on the market price of the Senior Notes. A rating is not a recommendation to buy, sell or hold the Senior Notes. The ratings merely analyze the probability that the Issuer will repay the total principal amount of each series of Senior Notes at its final principal payment date (which is later than the Principal Payment Date(s)) and will make timely interest payments. The ratings are not an indication that the rating agencies believe that principal payments are likely to be paid on time according to any expected sinking fund schedule. Ratings on the Senior Notes may be lowered, qualified or withdrawn at any time without notice.

The credit ratings of the IESO, OPG and the Province of Ontario might affect the market value of the Senior Notes.

The Senior Notes will not be insured or guaranteed by the Province of Ontario, IESO, OPG or any of their respective affiliates or any other person or entity, except that the Province of Ontario has agreed to provide a limited guarantee in respect of the Senior Notes following the occurrence of certain events. See "*Change of Law Protection Agreement*". Although neither the IESO nor OPG are obligors in respect of the Senior Notes, a downgrading of the current credit ratings of the IESO, OPG or the Province of Ontario might have an adverse effect on the market value of the Senior Notes, particularly, with respect to the IESO, during the Moratorium Period when no Clean Energy Adjustments are permitted to be collected from Specified Consumers. Credit ratings might change at any time. A rating agency has the authority to revise or withdraw its rating based solely upon its own judgment.

The absence of an established market for the Senior Notes might limit the ability to resell or refinance the Senior Notes.

There is no public market for the Senior Notes, and the Issuer does not intend to apply for a listing of the Senior Notes on any stock exchange. There can be no assurance as to the liquidity of the trading market for the Senior Notes or that a trading market for the Senior Notes will develop.

There is currently no secondary market for the Senior Notes. There can be no assurance that a secondary market will develop or, if a secondary market does develop, that it will provide holders of such Senior Notes with liquidity for their investment or that it will continue for the term of such Senior Notes. Accordingly, purchasers of the Senior Notes may be required to bear the financial risk of investing in the Senior Notes until the maturity date of the Senior Notes.

If an active market does develop for the Senior Notes, the market price on the Senior Notes will depend on many factors including, but not limited to, (i) the Issuer's credit rating and the credit rating of the Senior Notes; (ii) the prevailing interest rates being paid on similar securities; (iii) the Issuer's financial condition and future prospects; and (iv) the overall condition of the economy and the financial markets. The condition of the financial markets and prevailing interest rates have fluctuated in the past and are likely to fluctuate in the future. Fluctuations could have an adverse effect on the market price of the Senior Notes.

The Financial Services Manager has the ability to determine whether to refinance Senior Notes maturing after May 2024 through the issuance of another Series of Senior Notes. However, there can be no assurance that Senior Notes can be refinanced on or before their applicable Principal Payment Default Date.

Restrictions on resale might limit the ability to resell the Senior Notes.

The Senior Notes may not be offered or sold, directly or indirectly, in Canada or to or for the account of any Canadian resident except, in the case of sales made in any province of Canada, pursuant to an exemption from the prospectus requirements under applicable securities laws. The Issuer currently does not intend to file a prospectus or similar document with any securities regulatory authority in Canada qualifying the resale of the Senior Notes to the public in any province of Canada in connection with any Offering of Senior Notes. As a result, the Senior Notes purchased pursuant to this confidential shelf offering memorandum will be subject to restrictions on resale, and may only be resold if a further statutory exemption may be relied upon by the investor or if an appropriate discretionary order or consent is obtained pursuant to applicable securities laws. See “Restrictions on Resale”.

REPRESENTATIONS AND AGREEMENTS OF PURCHASERS

The distribution of the Senior Notes in Canada is being made on a private placement basis. By purchasing Senior Notes and accepting a purchase confirmation in respect thereof, a purchaser in Canada will be deemed to have represented to the Issuer and the Agents that, as at the date of such purchaser’s purchase of Senior Notes:

- (a) none of the Issuer, the Agents or any person representing the Issuer or the Agents has made any representations to it (written or oral) with respect to the Issuer, any Offering or sale of the Senior Notes, other than the information contained in this confidential shelf offering memorandum which has been delivered to it;
- (b) it is resident in a province of Canada (each an “**Offering Jurisdiction**”) and is entitled under applicable securities laws of such Offering Jurisdiction to purchase the Senior Notes without the benefit of a prospectus qualified under those securities laws and any act, solicitation, conduct or negotiation directly or indirectly in furtherance of such purchase and sale has occurred only in one of the provinces of Canada;
- (c) the purchaser has been provided the opportunity to receive a copy of the Master Trust Indenture and each of the Supplemental Indentures;
- (d) the purchaser has reviewed and acknowledges the terms referred to below under the section entitled “Restrictions on Resale”;
- (e) it is basing its investment decision solely on this confidential shelf offering memorandum and not on any other information or statement concerning the Issuer or any Offering and it has not become aware of any advertisement in printed media of general and regular paid circulation (or other printed public media), radio, television or telecommunications or other form of advertisement (including electronic display) with respect to the distribution of the Senior Notes;
- (f) it has been independently advised as to restrictions with respect to trading in the Senior Notes imposed by applicable securities laws in the jurisdiction in which it resides, confirms that no representation (written or oral) has been made to it by or on behalf of the Issuer or an Agent with respect thereto, acknowledges that it is aware of the characteristics of the Senior Notes, the risks relating to an investment in the Senior Notes and of the fact that it may not be able to resell the Senior Notes except in accordance with limited exemptions under applicable securities legislation and regulatory policy and compliance with the other requirements of applicable law; and it agrees that any certificates representing the Senior Notes will bear a legend indicating that the resale of such Senior Notes is restricted; the purchaser further acknowledges that it has been advised to consult its own legal counsel in its jurisdiction of residence for full particulars of the resale restrictions applicable to it and has reviewed and acknowledges the terms referred to under the heading “Restrictions on Resale”; and the purchaser further acknowledges that if it resells the Senior

Notes in compliance with applicable law it will give notice to the subsequent transferee during the restricted period noted under the heading “Restrictions on Resale” of such restrictions;

- (g) it acknowledges the risks relating to an investment in the Senior Notes and it has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of its prospective investment in the Senior Notes, it and any accounts for which it is acting have the ability to bear the economic risks of the prospective investment and can afford the complete loss of such investment and it acknowledges that it and any accounts for which it is acting may be required to bear the financial risks of this investment for an indefinite period of time;
- (h) it acknowledges that: (i) no securities commission or similar regulatory authority has reviewed or passed on the merits of the Senior Notes; and (ii) there is no government or other insurance covering the Senior Notes;
- (i) it acknowledges that no person has made any oral or written representation to it that any person will re-sell or re-purchase the Senior Notes, or refund any part or all of the purchase price of the Senior Notes, or that the Senior Notes will be listed on any exchange or quoted on any quotation and trade reporting system, or that any application has been or will be made to list the Senior Notes on any exchange or quote the notes on any quotation and trade reporting system, and no person has given any undertaking to such purchaser relating to the future value or price of the Senior Notes;
- (j) none of the funds being used to purchase the Senior Notes are, to the best of the purchaser’s knowledge, (i) proceeds obtained by or derived, directly or indirectly, as a result of illegal activities, or (ii) being tendered on behalf of a person or entity who has not been identified to the purchaser;
- (k) the funds being used to purchase the Senior Notes and advanced by or on behalf of the purchaser to the Agents do not represent proceeds of crime for the purposes of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada);
- (l) the purchaser is responsible to obtain independent investment, legal and tax advice with respect to its purchase of the Senior Notes and accordingly has had the opportunity to acquire an understanding of the transaction described in this confidential shelf offering memorandum and the meanings of all the terms contained herein relevant to such purchase for the purpose of giving acknowledgements, representations and agreements under this confidential shelf offering memorandum;
- (m) it (i) is an “accredited investor” (as such term is defined in NI 45-106 and, in the case of a purchaser resident in Ontario, section 73.3(1) of the *Securities Act* (Ontario)) that is not an individual, unless such individual is also a “permitted client” (as such term is defined in NI 31-103); (ii) is either (A) purchasing the Senior Notes as principal, (B) a trust company or trust corporation registered or authorized to carry on business under the *Trust and Loan Companies Act* (Canada) or under comparable legislation of a jurisdiction of Canada (other than a trust company or trust corporation registered solely under the laws of the Province of Prince Edward Island) or a foreign jurisdiction, acting on behalf of a fully managed account managed by the trust company or trust corporation, as the case may be, or (C) a person acting on behalf of a fully managed account managed by that person, if that person is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or foreign jurisdiction; and (iii) was not created or used solely to purchase or hold securities as an accredited investor as described in paragraph (m) of the definition of “accredited investor” in NI 45-106;
- (n) the purchaser has provided applicable certifications and/or other information or documentation to the Agents and the Issuer to evidence its status and criteria for compliance with the relevant category of “accredited investor,” understands that the Agents and the Issuer may be required to verify that the purchaser satisfies such criteria, and that the purchaser may be required to provide additional information or documentation to the Agents and the Issuer to evidence such compliance;

- (o) the purchaser, if resident in the Province of Québec, has agreed that all documents relating to such purchase be in English only, as more particularly described under the heading “Language of Documents”. *L’acquéreur, s’il réside dans la Province de Québec, accepte que tous les documents liés à son acquisition soient en langue anglaise uniquement, tel qu’il est plus amplement décrit sous la rubrique «Langue des documents»;*
- (p) it will execute, deliver and file such reports, undertakings and other documents relating to his, her or its purchase of the Senior Notes as may be required by applicable securities laws, regulations and rules, or assist the Issuer and the Agents, as applicable, in obtaining and filing such reports, undertakings and other documents;
- (q) it is not a U.S. person (as such term is defined in Regulation S under the U.S. Securities Act), none of the Senior Notes are being or will be acquired, directly or indirectly, for the account or benefit of a U.S. person, the purchaser was not offered any of the Senior Notes in the United States, the purchaser did not execute or deliver any agreement in connection herewith in the United States, and the purchaser is aware that the Senior Notes have not been and will not be registered under the U.S. Securities Act or the securities laws of any State of the United States and that the Senior Notes may not be offered or sold in the United States without registration under the U.S. Securities Act or except in compliance with the requirements of an exemption from registration;
- (r) if the purchaser is acquiring any Senior Notes as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the acknowledgements, representations and agreements contained herein on behalf of each such account;
- (s) the offer and sale of the Senior Notes is conditional upon the offer and sale being exempt from the prospectus filing requirements of applicable securities law;
- (t) the purchaser acknowledges that the Issuer may be required to disclose to applicable securities regulatory authorities the identity of the purchaser and any person with a beneficial interest in the Senior Notes;
- (u) except for any rating reports that may have been issued by the applicable Rating Agencies, no agency, governmental authority, regulatory body, stock exchange or other entity has made any finding or determination as to the merit for investment of, nor have any such agencies or governmental authorities, regulatory bodies, stock exchanges or other entities made any recommendation or endorsement with respect to the Senior Notes;
- (v) if the purchaser is:
 - (i) a corporation, it is duly incorporated and is validly subsisting under the laws of its jurisdiction of incorporation and has all requisite legal and corporate power and authority to purchase the Senior Notes and to make such representations and agreements as contemplated herein and has obtained all necessary approvals in respect thereof;
 - (ii) a partnership, syndicate or other form of unincorporated organization, it has the necessary legal capacity and authority to purchase the Senior Notes and to make such representations and agreements as contemplated herein and has obtained all necessary approvals in respect thereof; or
 - (iii) an individual, he or she is of the full age of majority, is a “permitted client” as such term is defined in NI 31-103 and is legally competent to purchase the Senior Notes and to make such representations and agreements as contemplated herein;
- (w) the purchaser is not an “insider” of the Issuer (within the meaning of Canadian securities laws) and is not registered or required to be registered as a dealer, adviser or otherwise under the securities

laws of any province of Canada (unless in either case it has specifically provided written advice to the contrary to the Issuer and to the Agents);

- (x) it will, if requested by the Issuer or the Agent from whom the purchase confirmation is received, provide evidence of the basis of its above representations; and
- (y) the Issuer, the Agents and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and it agrees that if any of the acknowledgements, representations or agreements deemed to have been made by its purchase of the Senior Notes are no longer accurate, it shall promptly notify the Issuer and the Agents for the applicable Offering of Senior Notes.

In addition, each purchaser of Senior Notes, by purchasing Senior Notes and accepting a purchase confirmation in respect thereof, represents to the Issuer and the Agents for the applicable Offering of Senior Notes that the purchaser:

- (a) has been notified by the Issuer:
 - (i) that the Issuer is required to provide information pertaining to the purchaser of Senior Notes required to be disclosed in Schedule 1 of Form 45-106F1 under NI 45-106 (including its name, address, telephone number and the number and value of securities purchased), which Form 45-106F1 the Issuer is required to file under NI 45-106;
 - (ii) that such personal information will be delivered to the applicable Canadian securities regulatory authorities (the “**Commissions**”) in accordance with NI 45-106;
 - (iii) that such personal information is being collected indirectly by the applicable Commission under the authority granted to it in securities legislation;
 - (iv) that such personal information is being collected for the purposes of the administration and enforcement of securities legislation; and
 - (v) that the public official in the provinces of Canada who can answer questions about the indirect collection of such personal information is set out in Schedule A of this confidential shelf offering memorandum, and
- (b) has authorized the indirect collection of the personal information by the applicable Commission.

By purchasing Senior Notes, the purchaser also acknowledges that its name and other specified information, including the number of Senior Notes it has purchased, may be disclosed to other Canadian securities regulatory authorities and become available to the public in accordance with the requirements of applicable laws and consents to the disclosure of that information. Furthermore, by purchasing the Senior Notes, the purchaser acknowledges that certain information as to its status as an “accredited investor” that the purchaser may have provided to any Agent involved in the trade may be required to be delivered by such Agent to the Issuer under the terms of an Agency Agreement between the Issuer, OPG and the Agents referred to under “Plan of Distribution”. By purchasing the Senior Notes, the purchaser consents to the disclosure of such information.

LANGUAGE OF DOCUMENTS

Upon receipt of this confidential shelf offering memorandum, each purchaser hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the Senior Notes described herein (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. *En recevant le présent document, chaque acquéreur confirme par les présentes qu’il a expressément demandé que tous les documents qui attestent la vente des débentures décrites dans les présentes ou qui s’y rapportent de quelque manière que ce soit (y compris, plus particulièrement, une confirmation d’achat ou un avis) soient rédigés en langue anglaise seulement.*

RESTRICTIONS ON RESALE

The distribution of the Senior Notes in the provinces of Canada is being made on a private placement basis and is therefore exempt from the requirement that the Issuer prepare and file a prospectus with the relevant Canadian securities regulatory authorities. Accordingly, any resale of the Senior Notes must be made: (a) through an appropriately registered dealer or pursuant to an exemption from the dealer registration requirements of applicable provincial securities laws; and (b) in accordance with, or pursuant to an exemption from, the prospectus requirements of applicable provincial securities laws. These resale restrictions may in some circumstances apply to resales made outside of Canada. Purchasers are advised to seek legal advice prior to any resale of the Senior Notes.

Purchasers are advised that the Issuer does not intend to file a prospectus or similar document with any securities regulatory authority in Canada qualifying the resale of the Senior Notes to the public in any province of Canada in connection with any Offering.

Furthermore, each purchaser of Senior Notes, by its purchase thereof, will be deemed to have represented, acknowledged or confirmed, as the case may be, to the Issuer and any dealer who is involved in the sale of the Senior Notes to such purchaser that such purchaser understands that the Senior Notes are subject to transfer and resale restrictions in Canada and that the certificates representing the Senior Notes (or the relevant ownership statement under a direct registration system or other book-entry system) or other applicable document or notice (including this document) will bear or will notify the purchaser of the following legend:

“EXCEPT IN THE PROVINCE OF MANITOBA, IN ACCORDANCE WITH NATIONAL INSTRUMENT 45-102 — RESALE OF SECURITIES, UNLESS OTHERWISE PERMITTED UNDER CANADIAN SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE THE DATE THAT IS FOUR MONTHS AND A DAY AFTER THE LATER OF (I) THE DATE ON WHICH THE SECURITY IS ISSUED; AND (II) THE DATE THE ISSUER BECOMES A REPORTING ISSUER IN ANY PROVINCE OR TERRITORY OF CANADA.

IN THE PROVINCE OF MANITOBA, UNLESS OTHERWISE PERMITTED UNDER APPLICABLE CANADIAN SECURITIES LAWS OR WITH THE PRIOR WRITTEN CONSENT OF THE APPLICABLE REGULATORS, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE THE DATE THAT IS TWELVE MONTHS AND A DAY AFTER THE DATE THE PURCHASER ACQUIRED THE SECURITY.”

The Issuer is not and does not intend to become a reporting issuer.

There is currently no secondary market for the Senior Notes. There can be no assurance that a secondary market will develop or, if a secondary market does develop, that it will provide holders of such Series of Senior Notes with liquidity for their investment or that it will continue for the life of such Senior Notes. Accordingly, purchasers of the Senior Notes may be required to bear the financial risk of investing in the Senior Notes until the maturity date.

REPORTING REQUIREMENTS

The Issuer is not a reporting issuer or the equivalent thereof under the securities legislation in any jurisdiction. Accordingly, the Issuer is not subject to the continuous reporting and disclosure requirements prescribed by such securities legislation. Therefore, there is no requirement that the Issuer comply with such requirements, including, without limitation, the requirements to provide prompt notification of material changes by way of press releases, to formally file disclosure documents with applicable securities regulatory authorities or to prepare and file annual audited financial statements or quarterly unaudited financial statements. However, the Issuer will provide audited annual financial statements and unaudited quarterly financial statements in accordance with the terms of the Master Trust Indenture. See “*Capital Markets Platform — Covenants of the Issuer — Financial Statements; Statement as to Compliance*”.

STATUTORY RIGHTS OF ACTION

Securities legislation in certain of the provinces of Canada provides purchasers, in addition to any other rights they may have at law, with a remedy for rescission or damages where an offering memorandum or any amendment to it, and in some cases, advertising and sales literature used in connection therewith, contains a misrepresentation. These remedies, or notice with respect thereto, must be exercised or delivered, as the case may be, by the purchaser within the time limit prescribed, and are subject to the defences contained, in the applicable securities legislation. Purchasers should refer to the applicable provisions of the securities legislation of their province for the particulars of these rights or consult with a legal advisor. The following is a summary of the rights of rescission or rights to damages available to purchasers of the Senior Notes.

Rights for Purchasers in Ontario

Section 5.2 of Ontario Securities Commission Rule 45-501 — *Ontario Prospectus and Registration Exemptions* provides that when an offering memorandum, such as this confidential shelf offering memorandum, is delivered to an investor to whom securities are distributed in reliance upon the “accredited investor” prospectus exemption in section 73.3 of the *Securities Act* (Ontario) or a predecessor exemption to section 73.3 of the *Securities Act* (Ontario) the right of action referred to in section 130.1 of the *Securities Act* (Ontario) (“**Section 130.1**”) is applicable, unless the prospective purchaser is:

- (a) an association governed by the *Cooperative Credit Associations Act* (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of that Act;
- (b) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada;
- (c) a Schedule III bank, meaning an authorized foreign bank named in Schedule III of the *Bank Act* (Canada);
- (d) the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada); or
- (e) a subsidiary of any person referred to in paragraphs (a), (b), (c) or (d), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by the directors of the subsidiary.

Section 130.1(1) provides such investors who purchase securities offered by an offering memorandum with a statutory right of action against the Issuer of securities for rescission or damages in the event that the offering memorandum and any amendment to it contains a “misrepresentation”. The term “misrepresentation” is defined to mean an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make any statement not misleading in the light of the circumstances in which it was made. These remedies, or notice with respect to these remedies, must be exercised or delivered, as the case may be, by the purchaser within the time limits prescribed by applicable securities laws.

Where this confidential shelf offering memorandum is delivered to a prospective purchaser of Senior Notes in connection with a trade made in reliance on section 73.3 of the *Securities Act* (Ontario), and this document contains a misrepresentation, the purchaser will have, without regard to whether the purchaser relied on the misrepresentation, a statutory right of action against the Issuer for damages or, while still the owner of Senior Notes, for rescission, in which case, if the purchaser elects to exercise the right of rescission, the purchaser will have no right of action for damages, provided that the right of action for rescission will be exercisable by the purchaser only if the purchaser commences the action not more than 180 days after the date of the transaction that gave rise to the cause of action; or, in the case of any action other than an action for rescission, the earlier of: (i) 180 days after the plaintiff first had knowledge of the facts giving rise to the cause of action, or (ii) three years after the date of the transaction that gave rise to the cause of action.

The Issuer will not be liable for a misrepresentation if it proves that the purchaser purchased the Senior Notes with knowledge of the misrepresentation.

In an action for damages, the Issuer will not be liable for all or any portion of the damages that the Issuer proves do not represent the depreciation in value of the Senior Notes as a result of the misrepresentation relied upon.

In no case will the amount recoverable for the misrepresentation exceed the price at which the Senior Notes were offered.

The liability of all persons and companies referred to above is joint and several. The Issuer, however, shall not be liable where it is not receiving any proceeds from the distribution of the securities being distributed and the misrepresentation was not based on information provided by the Issuer, unless the misrepresentation, (a) was based on information that was previously publicly disclosed by the Issuer, (b) was a misrepresentation at the time of its previous public disclosure and (c) was not subsequently publicly corrected or superseded by the Issuer prior to the completion of the distribution of the securities being distributed.

The foregoing statutory right of action for rescission or damages conferred is in addition to and without derogation from any other right the purchaser may have at law.

This summary is subject to the express provisions of the *Securities Act* (Ontario) and the regulations and rules made under it, and prospective investors should refer to the complete text of those provisions.

Rights for Purchasers in Saskatchewan

Section 138 of *The Securities Act, 1988* (Saskatchewan), as amended (the “**Saskatchewan Act**”) provides that where an offering memorandum (such as this confidential shelf offering memorandum) or any amendment to it is sent or delivered to a purchaser and it contains a misrepresentation (as defined in the Saskatchewan Act), a purchaser who purchases a security covered by the offering memorandum or any amendment to it has, without regard to whether the purchaser relied on the misrepresentation, a right of action for rescission against the Issuer or a selling security holder on whose behalf the distribution is made or has a right of action for damages against:

- (a) the Issuer or a selling security holder on whose behalf the distribution is made;
- (b) every promoter and trustee of the Issuer or the selling security holder, as the case may be, at the time the offering memorandum or any amendment to it was sent or delivered;
- (c) every person or company whose consent has been filed respecting the offering, but only with respect to reports, opinions or statements that have been made by them;
- (d) every person who or company that, in addition to the persons or companies mentioned in (a) to (c) above, signed the offering memorandum or the amendment to the offering memorandum; and
- (e) every person who or company that sells securities on behalf of the Issuer or selling security holder under the offering memorandum or amendment to the offering memorandum.

Such rights of rescission and damages are subject to certain limitations including the following:

- (a) if the purchaser elects to exercise its right of rescission against the Issuer or selling security holder, it will have no right of action for damages against that party;
- (b) in an action for damages, a defendant will not be liable for all or any portion of the damages that he, she or it proves do not represent the depreciation in value of the securities resulting from the misrepresentation relied on;
- (c) no person or company, other than the Issuer or a selling security holder, will be liable for any part of the offering memorandum or any amendment to it not purporting to be made on the authority of

an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company failed to conduct a reasonable investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation or believed that there had been a misrepresentation;

- (d) in no case will the amount recoverable exceed the price at which the securities were offered; and
- (e) no person or company is liable in an action for rescission or damages if that person or company proves that the purchaser purchased the securities with knowledge of the misrepresentation.

In addition, no person or company, other than the Issuer or selling security holder, will be liable if the person or company proves that:

- (a) the offering memorandum or any amendment to it was sent or delivered without the person's or company's knowledge or consent and that, on becoming aware of it being sent or delivered, that person or company immediately gave reasonable general notice that it was so sent or delivered; or
- (b) with respect to any part of the offering memorandum or any amendment to it purporting to be made on the authority of an expert, or purporting to be a copy of, or an extract from, a report, an opinion or a statement of an expert, that person or company had no reasonable grounds to believe and did not believe that: (i) there had been a misrepresentation, or (ii) the part of the offering memorandum or any amendment to it did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

Not all defences upon which the Issuer or others may rely are described herein. Please refer to the full text of the Saskatchewan Act for a complete listing.

The liability of all persons and companies referred to above is joint and several.

Similar rights of action for damages and rescission are provided in section 138.1 of the Saskatchewan Act in respect of a misrepresentation in advertising and sales literature disseminated in connection with an offering of securities.

Section 138.2 of the Saskatchewan Act also provides that, subject to certain limitations and defences, where an individual makes a verbal statement to a purchaser that contains a misrepresentation relating to the security purchased and the verbal statement is made either before or contemporaneously with the purchase of the security, the purchaser has, without regard to whether the purchaser relied on the misrepresentation, a right of action for damages against the individual who made the verbal statement.

Section 141(1) of the Saskatchewan Act provides a purchaser with the right to void the purchase agreement and to recover all money and other consideration paid by the purchaser for the securities if the securities are sold in contravention of the Saskatchewan Act, the regulations to the Saskatchewan Act or a decision of the Financial and Consumer Affairs Authority of Saskatchewan.

Section 141(2) of the Saskatchewan Act also provides a right of action for rescission or damages to a purchaser of securities to whom an offering memorandum or any amendment to it was not sent or delivered prior to or at the same time as the purchaser enters into an agreement to purchase the securities, as required by Section 80.1 of the Saskatchewan Act.

The rights of action for damages or rescission under the Saskatchewan Act are in addition to and do not derogate from any other right which a purchaser may have at law.

Section 147 of the Saskatchewan Act provides that no action will be commenced to enforce any of the foregoing rights more than:

- (a) in the case of an action for rescission or cancellation, 180 days after the date of the transaction that gave rise to the cause of action; or
- (b) in the case of any other action, other than an action for rescission or cancellation, the earlier of:
 - (i) one year after the plaintiff first had knowledge of the facts giving rise to the cause of action; or
 - (ii) six years after the date of the transaction that gave rise to the cause of action.

The Saskatchewan Act also provides that a purchaser who has received an amended offering memorandum delivered in accordance with subsection 80.1(3) of the Saskatchewan Act has a right to withdraw from the agreement to purchase the securities by delivering a notice to the person who or company that is selling the securities, indicating the purchaser's intention not to be bound by the purchase agreement, provided such notice is delivered by the purchaser within two business days of receiving the amended offering memorandum.

This summary is subject to the express provisions of the Saskatchewan Act and the regulations and rules made under it, and prospective investors should refer to the complete text of those provisions.

Rights for Purchasers in Nova Scotia

The right of action for rescission or damages described herein is conferred by section 138 of the *Securities Act* (Nova Scotia). Section 138 provides, in the relevant part, that in the event that this confidential shelf offering memorandum (which shall for the purposes hereof be considered to include any document or record incorporated or deemed to be incorporated by reference herein), together with any amendments hereto (which shall for the purposes hereof be considered to include any document or record incorporated or deemed to be incorporated by reference therein), or any advertising or sales literature (as defined in the *Securities Act* (Nova Scotia)) contains an untrue statement of material fact or omits to state a material fact that is required to be stated or that is necessary in order to make any statements contained herein or therein not misleading in light of the circumstances in which it was made (a "misrepresentation"), a purchaser of Senior Notes is deemed to have relied upon such misrepresentation if it was a misrepresentation at the time of purchase and has, subject to certain limitations and defences, a statutory right of action for damages against the Issuer, its trustees, any person who signed this confidential shelf offering memorandum, any selling security holder and the directors of any such selling security holder at the date of this confidential shelf offering memorandum or, alternatively, while still the owner of the Senior Notes, may elect instead to exercise a statutory right of rescission against the Issuer, in which case the purchaser will have no right of action for damages against any person listed above, including the Issuer, provided that, among other limitations:

- (a) no action may be commenced to enforce the right of action for rescission or damages by a purchaser resident in Nova Scotia under Section 138 later than 120 days after the date payment was made for the Senior Notes (or after the date on which initial payment was made for the Senior Notes where payments subsequent to the initial payment are made pursuant to a contractual commitment assumed prior to, or concurrently with, the initial payment);
- (b) no person will be liable if it proves that the purchaser purchased the Senior Notes with knowledge of the misrepresentation;
- (c) no person or company, other than the Issuer, is liable under Section 138 if the person or company proves that:
 - (i) this confidential shelf offering memorandum, or any amendment hereto, was sent or delivered to the purchaser without the person's or company's knowledge or consent and that, on becoming aware of its delivery, the person or company gave reasonable general notice that it was delivered without the person's or company's knowledge or consent;
 - (ii) after delivery of this confidential shelf offering memorandum, or the amendment hereto, and before the purchase of the Senior Notes by the purchaser, on becoming aware of any

misrepresentation in this confidential shelf offering memorandum, or the amendment hereto, or any record incorporated or deemed incorporated by reference herein, the person or company withdrew the person's or company's consent to this confidential shelf offering memorandum, or amendment hereto, or such record, and gave reasonable general notice of the withdrawal and the reason for it; or

- (iii) with respect to any part of this confidential shelf offering memorandum, or amendment hereto, or any record incorporated or deemed to be incorporated by reference herein, purporting to be made on the authority of an expert, or to be a copy of, or an extract from a report, an opinion or a statement of an expert, the person or company had no reasonable grounds to believe and did not believe that there had been a misrepresentation, or that the relevant part of this confidential shelf offering memorandum, or amendment hereto, or such record, did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or extract from, the report, opinion or statement of the expert;
- (d) no person or company, other than the Issuer, is liable under Section 138 with respect to any part of this confidential shelf offering memorandum, or amendment hereto, or any record incorporated or deemed incorporated by reference herein, not purporting to be made on the authority of an expert, or to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company failed to conduct a reasonable investigation to provide reasonable grounds for a belief that there had been no misrepresentation, or believed that there had been a misrepresentation;
- (e) in the case of an action for damages, no person will be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the Senior Notes resulting from the misrepresentation; and
- (f) in no case will the amount recoverable under Section 138 in any action exceed the price at which the Senior Notes were offered to the purchaser.

The liability of all persons or companies referred to above is joint and several with respect to the same cause of action. A defendant who is found liable to pay a sum in damages may recover a contribution, in whole or in part, from a person or company who is jointly and severally liable to make the same payment in the same cause of action unless, in all the circumstances of the case, the court is satisfied that it would not be just and equitable.

The foregoing statutory right of action for rescission or damages conferred by Section 138 of the *Securities Act* (Nova Scotia) is in addition to and without derogation from any other right or remedy available at law or otherwise to the purchaser. This summary is subject to the express provisions of the *Securities Act* (Nova Scotia) and the regulations and rules made under it, and prospective investors should refer to the complete text of those provisions may have at law.

Rights for Purchasers in New Brunswick

Section 2.1 of New Brunswick Securities Commission Rule 45-802 provides that the statutory rights of action in rescission or damages referred to in Section 150 of the *Securities Act* (New Brunswick) ("**Section 150**") apply to information relating to an offering memorandum, such as this confidential shelf offering memorandum, that is provided to a purchaser of securities in connection with a distribution made in reliance on the "accredited investor" prospectus exemption in Section 2.3 of NI 45-106. Section 150 provides investors who purchase securities offered for sale in reliance on an exemption from the prospectus requirements of the *Securities Act* (New Brunswick) with a statutory right of action for damages against (i) the Issuer; (ii) the selling security holder on whose behalf the distribution was made; (iii) every person who was a director of the Issuer as at the date of the offering memorandum; and (iv) every person who signed the offering memorandum in the event that an offering memorandum provided to such investor contains a "misrepresentation". Alternatively, if the investor purchased the securities from a person referred to in (i) or (ii) above, an investor may elect a right of rescission, in which case the investor shall have no right of action for damages. "Misrepresentation" means an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

Where this confidential shelf offering memorandum is delivered to a prospective purchaser of Senior Notes in connection with a trade made in reliance on Section 2.3 of NI 45-106, and this document (including any documentation incorporated or deemed to be incorporated by reference) contains a misrepresentation, a purchaser who purchases the securities will be deemed to have relied on the misrepresentation and will have, subject to certain limitations and defences, a statutory right of action against the Issuer for damages or, while still the owner of Senior Notes, for rescission. If the purchaser elects to exercise the right of rescission, the purchaser will have no right of action for damages. The right of action for rescission will be exercisable by the purchaser only if the purchaser commences the action against the defendant, not more than 180 days after the date of the transaction that gave rise to the cause of action; or, in the case of any action other than an action for rescission, the earlier of: (i) one year after the plaintiff first had knowledge of the facts giving rise to the cause of action, or (ii) six years after the date of the transaction that gave rise to the cause of action.

No person other than the Issuer or the selling security holder is liable under Section 150 if the person proves that:

- (a) the offering memorandum was delivered to the purchaser without the person's knowledge or consent and that, on becoming aware of its delivery, the person gave written notice to the Issuer that it was delivered without the person's knowledge or consent;
- (b) upon becoming aware of a misrepresentation in the offering memorandum the person withdrew the person's consent to the offering memorandum and gave written notice to the Issuer of the withdrawal and the reason for the withdrawal; or
- (c) with respect to any part of the offering memorandum purporting to be made on the authority of an expert or purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, the person had no reasonable grounds to believe and did not believe there had been a misrepresentation or that the relevant part of the offering memorandum did not fairly represent the report, opinion or statement of the expert or was not a fair copy of, or extract from, the report, opinion or statement of the expert.

In addition, no person other than the Issuer or the selling security holder is liable under Section 150 with respect to any part of an offering memorandum not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert unless (i) the person failed to conduct such reasonable investigations as to provide reasonable grounds for a belief that there had been no misrepresentation or (ii) the person believed that there had been misrepresentation.

The defendant will not be liable for a misrepresentation if it proves that the purchaser purchased the Senior Notes with knowledge of the misrepresentation.

In an action for damages, the defendant will not be liable for all or any portion of the damages that the defendant proves do not represent the depreciation in value of the Senior Notes as a result of the misrepresentation relied upon.

In no case will the amount recoverable for the misrepresentation exceed the price at which the Senior Notes were offered.

The liability of all persons referred to above is joint and several.

The foregoing statutory right of action for rescission or damages conferred is in addition to and without derogation from any other right the purchaser may have at law.

This summary is subject to the express provisions of the Securities Act (New Brunswick) and the regulations and rules made under it, and prospective investors should refer to the complete text of those provisions.

Rights for Purchasers in Prince Edward Island

The right of action for rescission or damages described herein is conferred by Section 112 of the *Securities Act* (Prince Edward Island). Section 112 provides, that in the event that this confidential shelf offering memorandum contains a “misrepresentation”, a purchaser who purchased the Senior Notes during the period of distribution, without regard to whether the purchaser relied upon such misrepresentation, has a statutory right of action for damages against the Issuer, the selling security holder on whose behalf the distribution was made, every trustee of the Issuer as at the date of the confidential shelf offering memorandum, and every person who signed the confidential shelf offering memorandum. Alternatively, the purchaser while still the owner of the Senior Notes may elect to exercise a statutory right of action for rescission against the Issuer or the selling security holder on whose behalf the distribution is made. “Misrepresentation” means an untrue statement of a material fact, or an omission to state a material fact that is required to be stated by the *Securities Act* (Prince Edward Island), or an omission to state a material fact that needs to be stated so that a statement is not false or misleading in light of the circumstances in which it is made. Statutory rights of action for rescission or damages by a purchaser are subject to the following limitations:

- (a) no action will be commenced to enforce the right of action for rescission by a purchaser, resident in Prince Edward Island, later than 180 days after the date of the transaction that gave rise to the cause of action;
- (b) in the case of any action other than an action for rescission, the earlier of:
 - (i) 180 days after the purchaser first had knowledge of the facts given rise to the cause of action; or
 - (ii) three years after the date of the transaction giving rise to the cause of action;
- (c) no person will be liable if the person proves that the purchaser purchased the security with knowledge of the misrepresentation;
- (d) no person other than the Issuer and selling security holder will be liable if the person proves that:
 - (i) the confidential shelf offering memorandum was sent to the purchaser without the person’s knowledge or consent and that, on becoming aware of it being sent, the person had promptly given reasonable notice to the Issuer that it had been sent without the knowledge and consent of the person;
 - (ii) the person, on becoming aware of the misrepresentation in the confidential shelf offering memorandum, had withdrawn the person’s consent to the confidential shelf offering memorandum and had given reasonable notice to the Issuer of the withdrawal and the reason for it; or
 - (iii) with respect to any part of the confidential shelf offering memorandum purporting to be made on the authority of an expert or purporting to be a copy of, or an extract from, a report, statement or opinion of an expert, the person had no reasonable grounds to believe, and did not believe that:
 - (A) there had been a misrepresentation; or
 - (B) the relevant part of the confidential shelf offering memorandum:
 - a. did not fairly represent the report, statement or opinion of the expert, or
 - b. was not a fair copy of, or an extract from, the report, statement, or opinion of the expert.

Not all defences upon which the Issuer or others may rely are described herein. Please refer to the full text of the *Securities Act* (Prince Edward Island) for a complete listing.

If the purchaser elects to exercise a right of action for rescission, the purchaser will have no right of action for damages.

In no case will the amount recoverable in any action exceed the price at which the Senior Notes were offered to the purchaser.

In an action for damages, the defendant will not be liable for any damages that the defendant proves do not represent the depreciation in value of the Senior Notes as a result of the misrepresentation.

The foregoing statutory right of action for rescission or damages conferred is in addition to and without derogation from any other right the purchaser may have at law.

This summary is subject to the express conditions of the *Securities Act* (Prince Edward Island) and the regulations and rules made under it, and prospective investors should refer to the complete text of those provisions.

Rights for Purchasers in Manitoba

Pursuant to section 141.1(1) of *The Securities Act* (Manitoba) (the “**Manitoba Act**”), where this confidential shelf offering memorandum, or any amendment to this confidential shelf offering memorandum, is sent or delivered to a purchaser in the Province of Manitoba and such document contains a misrepresentation, a purchaser who purchases Senior Notes offered by this confidential shelf offering memorandum or any amendment to this confidential shelf offering memorandum is deemed to have relied on that misrepresentation, if it was a misrepresentation at the time of purchase and, subject to the defenses described in the Manitoba Act, has:

- (a) a right of action for damages against:
 - (i) the Issuer;
 - (ii) each of its trustees at the date of this confidential shelf offering memorandum or any amendment to this confidential shelf offering memorandum; and
 - (iii) every person or company who signed this confidential shelf offering memorandum or any amendment to this confidential shelf offering memorandum; and
- (b) while still an owner of the Senior Notes, a right of rescission against the Issuer;

provided that:

- (c) no person or company is liable if the person or company proves that the purchaser purchased the Senior Notes with knowledge of the misrepresentation;
- (d) in an action for damages, the defendant is not liable for all or any portion of the damages that he, she or it proves do not represent the depreciation in value of the Senior Notes resulting from the misrepresentation relied on; and
- (e) in no case will the amount recovered exceed the price at which the Senior Notes were offered to the public.

Where a purchaser elects to exercise a right of rescission against the Issuer, the purchaser will have no right of action for damages against the Issuer or against a person or company referred to in (a)(ii) or (iii) above.

No person or company other than the Issuer is liable:

- (a) if the person or company proves that this confidential shelf offering memorandum or any amendment to this confidential shelf offering memorandum was sent without the person's or company's knowledge or consent and that, after becoming aware of its being sent, the person or company promptly gave reasonable notice to the Issuer that it was so sent;
- (b) if the person or company proves that after becoming aware of any misrepresentation in this confidential shelf offering memorandum or any amendment to this confidential shelf offering memorandum, the person or company withdrew the person's or company's consent to it and gave reasonable notice to the Issuer of the person's or company's withdrawal and the reason for it;
- (c) if the person or company proves that with respect to any part of this confidential shelf offering memorandum or of any amendment to this confidential shelf offering memorandum purporting to be made on the authority of an expert or purporting to be a copy of or an extract from a report, opinion or statement of an expert, the person or company had no reasonable grounds to believe and did not believe that:
 - (i) there had been a misrepresentation; or
 - (ii) the relevant part of this confidential shelf offering memorandum or of the amendment to this confidential shelf offering memorandum:
 - (A) did not fairly represent the report, opinion or statement of the expert; or
 - (B) was not a fair copy of or extract from the report, opinion or statement of the expert; or
- (d) with respect to any part of this confidential shelf offering memorandum or of the amendment to this confidential shelf offering memorandum not purporting to be made on an expert's authority and not purporting to be a copy of, or an extract from, the expert's report, opinion or statement, unless the person or company:
 - (i) did not conduct an investigation, sufficient to provide reasonable grounds for a belief that there had been no misrepresentation; or
 - (ii) believed that there had been a misrepresentation.

Pursuant to section 141.4 of the Manitoba Act, but subject to the other provisions thereof, no action shall be commenced to enforce any of the foregoing rights more than:

- (a) in the case of an action for rescission, 180 days from the date of the transaction that gave rise to the cause of action, or
- (b) in the case of an action for damages, the earlier of:
 - (i) 180 days after the date that the plaintiff first had knowledge of the facts giving rise to the cause of action, or
 - (ii) two years after the date of the transaction that gave rise to the cause of action.

In an action for damages, the Issuer will not be liable for all or any part of the damages that the Issuer proves do not represent the depreciation in value of the Senior Notes as a result of the misrepresentation relied upon.

The rights of action for rescission or damages under the Manitoba Act are in addition to and do not derogate from any other right that the purchaser may have at law.

This summary is subject to the express provisions of the Manitoba Act and the regulations and rules made under it, and prospective investors should refer to the complete text of those provisions.

Rights for Purchasers in Alberta, British Columbia, Newfoundland and Labrador and Québec

By purchasing Senior Notes hereunder, purchasers in Alberta, British Columbia, Newfoundland and Labrador and Québec not entitled to the statutory rights described above, in consideration of their purchase of Senior Notes and upon accepting a purchase confirmation in respect thereof, are hereby granted a contractual right of action for damages or rescission that is the same as the statutory right of action, if any, provided to residents of Ontario who purchase Senior Notes.

General

The foregoing summaries are subject to the express provisions of the applicable securities law of each jurisdiction, and the regulations, rules and policy statements thereunder and reference is made thereto for the complete text of such provisions.

The rights of action described in this confidential shelf offering memorandum are in addition to and without derogation from any other right or remedy that the purchaser may have at law.

INDENTURE TRUSTEE

The Indenture Trustee, BNY Trust Company of Canada, will be the registrar for the Senior Notes, and the register for the transfer of Senior Notes will be kept at its principal office in Toronto, Ontario.

LEGAL MATTERS

Certain Canadian legal matters in connection with the offering of Senior Notes will be passed upon by Torys LLP on behalf of the Issuer and by Osler, Hoskin & Harcourt LLP on behalf of the Agents.

GLOSSARY

The following glossary contains definitions of certain terms that are used throughout this confidential shelf offering memorandum.

“Acceleration” means, with respect to a Funding Obligation, (a) a portion of the principal amount owing in respect of the Funding Obligation has become due and payable by a Financing Entity before the scheduled payment date, maturity date or redemption date, or (b) a party to a derivative agreement in respect of the Funding Obligation has elected to close-out or terminate the agreement, resulting in an obligation on a Financing Entity to pay a termination amount, close-out amount or similar amount.

“Acceleration Event” means the acceleration of any Series of Controlling Class Obligations pursuant to and in accordance with its Funding Obligation Agreement.

“Act” means the *Ontario Fair Hydro Plan Act, 2017*.

“Adherence Compliance Certificate” has the meaning set out under *“Change of Law Protection Agreement — Approved Obligations & Adherence Conditions”*.

“Adverse Effect” has the meaning set out under *“Capital Markets Platform — Conditions Precedent to Incurrence of Obligations Secured — Issuer Funding Obligations”*.

“Agency Agreement” has the meaning set out under *“Plan of Distribution”*.

“Agents” has the meaning set out on page (ii) of this confidential shelf offering memorandum.

“Approved Obligation” has the meaning set out under *“Change of Law Protection Agreement — Approved Obligations & Adherence Conditions”*.

“Available Collections” has the meaning set out under *“Capital Markets Platform — Security — Issuer Accounts — Program Accounts — Collection Account”*.

“Borrowing” means a borrowing or drawing by the Issuer pursuant to a liquidity agreement, a loan agreement or a credit enhancement agreement.

“Canadian Insolvency and Restructuring Laws” has the meaning set out under *“Risk Factors — Risks Associated with the Unusual Nature of the Investment Asset”*.

“Carrying Costs” has the meaning ascribed to the term “carrying costs” in the Regulations.

“CDS” has the meaning set out on page (ii) of this confidential shelf offering memorandum.

“Certified Primary Obligation” has the meaning set out under *“Change of Law Protection Agreement — Approved Obligations & Adherence Conditions”*.

“Change of Law Protection Agreement” means the change of law protection agreement dated as of December 21, 2017 among the Province, the Issuer and the Indenture Trustee, as amended, supplemented, restated or otherwise modified from time to time.

“Class” has the meaning set out under *“Capital Markets Platform — Subordination Provisions”*.

“Clean Energy Adjustment” has the meaning set out under *“Ontario’s Fair Hydro Plan — Clean Energy Adjustment”*.

“**Clean Energy Benefits**” means the value of the benefits determined to be derived by or accruing to Specified Consumers as a result of the Clean Energy Initiative, including as a result of Clean Energy Costs.

“**Clean Energy Costs**” means the value of the costs allocated to Specified Consumers as a result of the Clean Energy Initiative, including as a result of past, present and expected costs incurred in respect of

- (a) the amounts to be paid or reflected by the IESO in adjustments made under section 25.33 of the *Electricity Act, 1998* (Ontario) or any provision that is the successor to that provision, which relate to contracts or amounts for
 - (i) renewable energy generation or capacity;
 - (ii) conservation and demand management;
 - (iii) energy storage;
 - (iv) energy efficiency; and
 - (v) natural gas generation and capacity, excluding contracts relating to amounts payable by the IESO under section 78.2 of the *Ontario Energy Board Act, 1998* and excluding such other contracts as may be prescribed;
- (b) payments made or expected to be made under section 78.5 of the *Ontario Energy Board Act, 1998*; and
- (c) such other costs or estimated costs as may be prescribed by the Regulations.

“**Clean Energy Initiative**” means the policies of the Ontario government related to

- (a) eliminating coal generation and fostering the growth of and investment in clean, modern and reliable energy sources and technologies;
- (b) removing barriers to and promoting opportunities for clean and renewable energy sources and technologies;
- (c) promoting conservation, demand management and energy efficiency; and
- (d) investing in energy infrastructure to ensure a clean, modern and reliable system.

“**Clearstream, Luxembourg**” has the meaning set out under “*Depository Services . — DTC, Euroclear and Clearstream, Luxembourg*”.

“**Collateral**” has the meaning set out under “*Capital Markets Platform — Security*”.

“**Collection Account**” has the meaning set out under “*Capital Markets Platform — Security — Issuer Accounts — Program Accounts — Collection Account*”.

“**Collection Account Waterfall**” has the meaning set out under “*Capital Markets Platform — Payment Waterfalls Prior to Acceleration — Collection Account*”.

“**Commission**” has the meaning set out under “*Representations and Agreements of Purchasers*”.

“**Confidential Information**” has the meaning set out under “*Confidentiality*”.

“**Controlling Class Creditors**” means the Debtholders holding Controlling Class Obligations.

“Controlling Class Obligations” means: (a) Senior Funding Obligations until such time as all Senior Funding Obligations have been paid in full; then (b) if all Senior Funding Obligations have been paid in full, Subordinated Funding Obligations until such time as all Subordinated Funding Obligations have been paid in full; and finally (c) if all Senior Funding Obligations and Subordinated Funding Obligations have been paid in full, Junior Subordinated Funding Obligations until such time as all Junior Subordinated Funding Obligations have been paid in full.

“Co-Owner Agreement” means any agreement between, *inter alia*, the Issuer and any other owner or owners of an Investment Interest as contemplated by the FHPA.

“Crown” means Her Majesty the Queen in Right of Ontario.

“DBRS” means DBRS Limited and its successors.

“Debtholder” means a Noteholder or a Lender.

“Debtholder Group” has the meaning set out under *“Capital Markets Platform — Debtholder Approvals and Meetings — Debtholder Meetings”*.

“Declaration of Trust” means the declaration of trust made as of December 20, 2017 under which the Issuer was established, as amended, supplemented, restated or otherwise modified from time to time.

“Default” means the occurrence of any event which, after the passage of time, the required notification to the Indenture Trustee and, if required, approval by the required Controlling Class Creditors, would become an Event of Default.

“depository” has the meaning set out under *“Depository Services”*.

“Derivative Counterparty” means any party to any derivative agreement other than the Issuer or the Indenture Trustee.

“Derivative Funding Obligations” means Funding Obligations arising under, or in connection with, derivative agreements.

“DTC” has the meaning set out under *“Depository Services . — DTC, Euroclear and Clearstream, Luxembourg”*.

“Electricity Vendor” means

- (a) a person licensed under Part V of the *Ontario Energy Board Act, 1998* to own or operate a “distribution system” within the meaning of that Act;
- (b) a person licensed under Part V of the *Ontario Energy Board Act, 1998* to retail electricity;
- (c) the IESO in circumstances where it directly invoices a Specified Consumer for electricity used in Ontario;
or
- (d) such other person as may be prescribed by the Regulations.

“Eligible Deposit Account” has the meaning set out under *“Capital Markets Platform — Security — Issuer Accounts”*.

“Eligible Institution” means (a) a trust company or Schedule I chartered bank (or an affiliate thereof) incorporated under the laws of Canada or any province thereof (i) which has either (x) a long-term unsecured debt rating of “A” or better by DBRS, or (y) a short-term deposit rating of “R-1 (low)” or better by DBRS, and (ii) which has either (x) a long-term unsecured debt rating of “A2” or better by Moody’s, or (y) a short-term deposit rating of “P-1” or better by Moody’s, or (b) any institution that otherwise satisfies the Rating Agency Condition.

“Eligible Investments” means instruments or investment property that evidence:

- (a) direct obligations of, or obligations fully and unconditionally guaranteed as to timely payment by, Canada or the United States of America;
- (b) demand or time deposits of, unsecured certificates of deposit of, money market deposit accounts of, bank deposit products of or bankers’ acceptances issued by, any depository institution (including, but not limited to, bank deposit products of the Indenture Trustee, acting in its commercial capacity) incorporated or organized under the laws of the United States of America, Canada or any state or province thereof and subject to supervision and examination by applicable banking authorities, so long as the commercial paper or other short-term debt obligations of such depository institution are, at the time of deposit, rated at least “R-1 (low)” and “P 1” by each of DBRS and Moody’s, or such lower rating as will not result in the downgrading or withdrawal of the ratings of the Issuer or any of the Issuer Funding Obligations;
- (c) commercial paper (including commercial paper of the Indenture Trustee, acting in its commercial capacity), which at the time of purchase is rated at least “R-1 (low)” and “P-1” by each of DBRS and Moody’s, or such lower rating as will not result in the downgrading or withdrawal of the ratings of the Issuer or any of the Issuer Funding Obligations;
- (d) investments in money market funds having a rating in the highest investment category granted thereby (including funds for which the Indenture Trustee or any of its affiliates is investment manager or advisor) from DBRS and Moody’s;
- (e) repurchase obligations with respect to any security that is a direct obligation of, or fully guaranteed by, the United States of America, Canada or their respective agencies or instrumentalities, entered into with Eligible Institutions;
- (f) repurchase obligations with respect to any security or whole loan entered into with an Eligible Institution or with a registered broker/dealer acting as principal and that meets the ratings criteria set forth below:
 - (i) a broker/dealer (acting as principal) registered as a broker or dealer under the *Securities Act* (Ontario) (any such broker/dealer being referred to in this definition as a **“broker/dealer”**), the unsecured short-term debt obligations of which are rated at least “P-1” by Moody’s and “R-1” by DBRS at the time of entering into such repurchase obligation; or
 - (ii) an unrated broker/dealer, acting as principal, that is a wholly-owned subsidiary of a non-bank or bank holding company the unsecured short-term debt obligations of which are rated at least “P-1” by Moody’s and “R-1” by DBRS at the time of purchase so long as the obligations of such unrated broker/dealer are unconditionally guaranteed by such non-bank or bank holding company; and
- (g) any other investment permitted by each of the Rating Agencies;

in each case maturing not later than the business day preceding the next Payment Date, Interest Payment Date or Principal Payment Date, as applicable (for the avoidance of doubt, investments in money market funds or similar instruments that are redeemable on demand shall be deemed to satisfy the foregoing requirement). Notwithstanding the foregoing, no securities or investments that mature in 30 days or more shall be “Eligible Investments” unless the issuer thereof has (x) either a short-term unsecured debt rating of at least “P-1” from Moody’s or a long-term unsecured debt rating of at least “A2” from Moody’s and also has (y) either a short-term unsecured debt rating of at least “R-1 (low)” from DBRS or a long-term unsecured debt rating of at least “A” from DBRS.

“Eligible Securities Account” has the meaning set out under *“Capital Markets Platform — Security — Issuer Accounts”*.

“Euroclear” has the meaning set out under *“Depository Services . — DTC, Euroclear and Clearstream, Luxembourg”*.

“**Event of Default**” has the meaning set out under “*Capital Markets Platform — Event of Default*”.

“**Extraordinary Resolution**” has the meaning set out under “*Capital Markets Platform — Debtholder Approvals and Meetings — Debtholder Meetings*”.

“**Fair Adjustment**” has the meaning set out under “*Ontario’s Fair Hydro Plan — Background*”.

“**Fair Allocation Amount**” has the meaning set out under “*Ontario’s Fair Hydro Plan — Fair Allocation Amount and Financing Plan*”.

“**FHPA**” has the meaning set out on the face page of this confidential shelf offering memorandum.

“**Finance Amount**” has the meaning set out under “*Ontario’s Fair Hydro Plan — Clean Energy Adjustment*”.

“**Financial Services Manager**” has the meaning set out on the face page of this confidential shelf offering memorandum.

“**Financing Entity**” has the meaning set out on the face page of this confidential shelf offering memorandum.

“**Financing Plan**” means the written plan entitled “Financing Plan” prepared by the Financial Services Manager as required under the FHPA to be used by the Financial Services Manager to evaluate whether potential Funding Obligations should be incurred for the purposes of a Financing Entity acquiring and financing an Investment Interest in accordance with the FHPA or for the purposes of a Refinancing, and includes any amendments thereto.

“**Funding Obligations**” has the meaning set out on the face page of this confidential shelf offering memorandum.

“**Funding Obligation Agreement**” means any Note, any Supplemental Indenture (including any Terms Document), any liquidity agreement, any credit enhancement agreement or any derivative agreement.

“**Governmental Authority**” means any nation or government, any federal, state, provincial, local or other political subdivision thereof and any court, administrative agency or other instrumentality or entity exercising executive, legislative, judicial, regulatory or administrative functions of government.

“**HOEP**” has the meaning set out under “*The Electricity Industry in Ontario — Electricity Prices*”.

“**IESO**” means the Independent Electricity System Operator.

“**IESO Cash Reserve Account**” has the meaning set out under “*Capital Markets Platform — Security — Issuer Accounts — Program Accounts — IESO Cash Reserve Account*”.

“**IESO Cash Reserve Deposit Amount**” means an amount equal to the aggregate of:

- (a) 0.50% of the aggregate outstanding principal amount of the Senior Funding Obligations, Subordinated Funding Obligations and Junior Subordinated Funding Obligations determined as of the Payment Date occurring in April, 2021; and
- (b) an amount estimated by the Manager, acting reasonably, as the amount of Carrying Costs payable by the Issuer during May, June and July, 2021 on outstanding Issuer Funding Obligations and any Issuer Funding Obligations to be issued in accordance with the Financing Plan, provided that such estimate satisfies the Rating Agency Condition.

“**IESO Cash Reserve Required Amount**” means, on any Payment Date on or after the Payment Date in November, 2021, the amount, if any, by which (a) an amount equal to 0.50% of the aggregate outstanding principal amount of the Senior Funding Obligations, Subordinated Funding Obligations and Junior Subordinated Funding Obligations,

exceeds (b) the amount on deposit in the Program Cash Reserve Account, determined after giving effect to all settlements on such Payment Date.

“IESO Security Agreement” means the security agreement made by the IESO in favour of the Issuer to secure its obligations to pay the Issuer’s Carrying Costs pursuant to the Master Transfer and Servicing Agreement.

“Indemnity Agreement” means the Indemnity Agreement dated December 21, 2017 by OPG in favour of the Indenture Trustee.

“Indenture” means the Master Trust Indenture, as supplemented by any Supplemental Indenture.

“Indenture Trustee” means BNY Trust Company of Canada and its successors.

“Interest Accrual Amount (Junior Subordinated)” means, in respect of any Payment Date and all Junior Subordinated Funding Obligations, the amount of interest that accrued on such Junior Subordinated Funding Obligations during the period from and including the issuance date of such Junior Subordinated Funding Obligations or the last date to which interest has been paid in respect of such Junior Subordinated Funding Obligations, as applicable, to such Payment Date less any amounts deposited to the Interest Accumulation Account in respect of such interest accruing during such period pursuant to the Collection Account Waterfall and the payment waterfall applicable to the IESO Cash Reserve Account.

“Interest Accrual Amount (Senior)” means, in respect of any Payment Date and all Senior Funding Obligations, the amount of interest that accrued on such Senior Funding Obligations during the period from and including the issuance date of such Senior Funding Obligations or the last date to which interest has been paid in respect of such Senior Funding Obligations, as applicable, to such Payment Date less any amounts deposited to the Interest Accumulation Account in respect of such interest accruing during such period pursuant to the Collection Account Waterfall and the payment waterfall applicable to the IESO Cash Reserve Account.

“Interest Accrual Amount (Subordinated)” means, in respect of any Payment Date and all Subordinated Funding Obligations, the amount of interest that accrued on such Subordinated Funding Obligations during the period from and including the issuance date of such Subordinated Funding Obligations or the last date to which interest has been paid in respect of such Subordinated Funding Obligations, as applicable, to such Payment Date less any amounts deposited to the Interest Accumulation Account in respect of such interest accruing during such period pursuant to the Collection Account Waterfall and the payment waterfall applicable to the IESO Cash Reserve Account.

“Interest Accumulation Account” has the meaning set out under *“Capital Markets Platform — Security — Issuer Accounts — Program Accounts — Interest Accumulation Account”*.

“Interest Payment Date” means each business day on which interest is due and payable in respect of Senior Funding Obligations, Subordinated Funding Obligations or Junior Subordinated Funding Obligations, as set out in the related Funding Obligation Agreement.

“Investment Asset” has the meaning set out under *“Ontario’s Fair Hydro Plan — Investment Interest”*.

“Investment Interest” has the meaning set out under *“Ontario’s Fair Hydro Plan — Investment Interest”*.

“Investor Presentation” has the meaning set out on page (iii) of this confidential shelf offering memorandum.

“Issuer” has the meaning set out on the face page of this confidential shelf offering memorandum.

“Issuer Account” has the meaning set out under *“Capital Markets Platform — Security — Issuer Accounts”*.

“Issuer Funding Obligation” means Funding Obligations of the Issuer.

“Issuer Trustee” means Computershare Trust Company of Canada.

“Junior Subordinated Funding Obligations” means Funding Obligations arising under, or in connection with, Notes and Borrowings that have been designated as “Junior Subordinated” in the related Funding Obligation Agreement.

“Junior Subordinated Notes, Series 2017-1” has the meaning set out under *“Short Term Indebtedness”*.

“LDCs” has the meaning set out under *“The Electricity Industry in Ontario”*.

“Lender” means any Person providing credit facilities, note purchase facilities or advances under a liquidity agreement, liquidity agreement or credit enhancement agreement, as applicable.

“Limited Guarantee” has the meaning set out under *“Change of Law Protection Agreement”*.

“Management Agreement” means the management agreement dated as of December 20, 2017 between the Manager and the Issuer, and acknowledged by the Indenture Trustee, as amended, supplemented, restated or otherwise modified from time to time.

“Manager” means OPG, as manager of the Issuer appointed under the Management Agreement.

“Manitoba Act” has the meaning set out under *“Statutory Rights of Action — Rights for Purchasers in Manitoba”*.

“Master Agreement” means an agreement in the form of a Master Agreement as published by ISDA or any replacement or substitute or functional equivalent of such agreement.

“Master Transfer and Servicing Agreement” means the master transfer and servicing agreement dated as of December 21, 2017 between the Issuer and the IESO, as amended, supplemented, restated or otherwise modified from time to time.

“Master Trust Indenture” means the trust indenture dated as of December 21, 2017 between the Issuer, as issuer, and the Indenture Trustee, as amended, supplemented, restated or otherwise modified from time to time.

“Material Effect” has the meaning set out under *“Change of Law Protection Agreement — Suspension Notice & Post-Suspension Refinancings”*.

“Moody’s” means Moody’s Investors Service, Inc. and its successors.

“Moratorium Period” has the meaning set out under *“Ontario’s Fair Hydro Plan — Clean Energy Adjustment”*.

“MTSA Acknowledgement” means the acknowledgement and indemnity agreement dated December 21, 2017 by the IESO in favour of the Indenture Trustee.

“NI 31-103” has the meaning set out on page (ii) of this confidential shelf offering memorandum.

“NI 45-106” has the meaning set out on page (ii) of this confidential shelf offering memorandum.

“Non-Investment Grade Rated Electricity Vendor” has the meaning set out under *“The Transferor and Servicer”*.

“Note” means any note of any Class, Series or Tranche created pursuant to a Supplemental Indenture and authenticated and delivered from time to time under the Master Trust Indenture.

“Noteholders” means a Person in whose name a Note is registered in the Note register or the bearer of any Note held in bearer form (including a global note in bearer form), as the case may be.

“Obligations Secured” means all present and future debts, expenses and liabilities, direct or indirect, absolute or contingent, due, owing or accruing due or owing from time to time by the Issuer to the Specified Creditors in their

capacity as such. For greater certainty, amounts owing to any Specified Creditors by the Issuer at any time shall include (a) the unpaid face amount of any Notes issued on a discount basis; (b) the principal amount owing at such time, together with the accrued and unpaid interest on interest bearing Notes or Borrowings; (c) accrued fees, whether or not then due and payable; and (d) any evidence of indebtedness issued pursuant to or in respect of an amount owing under a Program Agreement (other than amounts payable by the Issuer to its beneficiaries pursuant to the Declaration of Trust or a promissory note issued by the Issuer to a beneficiary as contemplated in the Declaration of Trust).

“**OEB**” means the Ontario Energy Board.

“**Offering**” has the meaning set out on page (ii) of this confidential shelf offering memorandum.

“**Offering Jurisdiction**” has the meaning set out under “*Representations and Agreements of Purchasers*”.

“**OPA**” has the meaning set out under “*The Electricity Industry in Ontario — Key Industry Participants — The IESO*”.

“**OPG**” means Ontario Power Generation Inc.

“**Ordinary Resolution**” has the meaning set out under “*Capital Markets Platform — Debtholder Approvals and Meetings — Debtholder Meetings*”.

“**Participants**” has the meaning set out under “*Depository Services*”.

“**Paying Agent**” means any Person authorized by the Issuer to pay any Obligations Secured on behalf of the Issuer.

“**Payment Date**” means the 15th day of each calendar month or, if such day is not a business day, the next business day.

“**Person**” means any individual, corporation, limited liability company, unlimited liability company, estate, partnership, joint venture, association, joint stock company, trust (including any beneficiary thereof), unincorporated organization or Governmental Authority.

“**Post-Suspension Refinancing**” has the meaning set out under “*Change of Law Protection Agreement — Suspension Notice & Post-Suspension Refinancings*”.

“**Pre-Approved Refinancing**” has the meaning set out under “*Change of Law Protection Agreement — Suspension Notice & Post-Suspension Refinancings*”.

“**Predecessor IESO**” has the meaning set out under “*The Electricity Industry in Ontario — Key Industry Participants — The IESO*”.

“**Primary Obligation**” has the meaning set out under “*Change of Law Protection Agreement — Approved Obligations & Adherence Conditions*”.

“**Principal Accumulation Account**” has the meaning set out under “*Capital Markets Platform — Security — Issuer Accounts — Program Accounts — Principal Accumulation Account*”.

“**Principal Accumulation Amount**” means, in respect of any Series of Senior Funding Obligations, Subordinated Funding Obligations or Junior Subordinated Funding Obligations and a Payment Date, the amount specified for such Payment Date in the related Funding Obligation Agreement plus any amounts specified in the related Funding Obligation Agreement in respect of prior Payment Dates which were not deposited to the Principal Accumulation Account; provided that if the Issuer has delivered a refinancing notice in respect of such Series, the Principal Accumulation Amounts in respect of such Series shall be adjusted as provided for in such refinancing notice.

“Principal Accumulation Date” means, in respect of any Series of Issuer Funding Obligations, other than Derivative Funding Obligations, the date, if any, specified in the related Funding Obligation Agreement.

“Principal Payment Date” means each business day on which principal is due and payable in respect of Senior Funding Obligations, Subordinated Funding Obligations or Junior Subordinated Funding Obligations, as set out in the related Funding Obligation Agreement.

“Principal Payment Default Date” has, with respect to any Issuer Funding Obligation, the meaning specified in the related Funding Obligation Agreement.

“Program Account” means each of the Collection Account, the Principal Accumulation Account, the Interest Accumulation Account, the Program Cash Reserve Account, the IESO Cash Reserve Account, the Refinancing Account and the Protection Account.

“Program Agreements” means the Master Trust Indenture, each Supplemental Indenture, the Declaration of Trust, the Management Agreement, the Master Transfer and Servicing Agreement, the MTSA Acknowledgement, the Indemnity Agreement, each transfer notice delivered under the Master Transfer and Servicing Agreement, any Co-Owner Agreements, the IESO Security Agreement, the Change of Law Protection Agreement, the Notes, any derivative agreements, credit enhancement agreements, liquidity agreements, loan agreements, underwriting agreements, agency agreements or note purchase agreements and all other documents and certificates delivered in connection therewith.

“Program Cash Reserve Account” has the meaning set out under *“Capital Markets Platform — Security — Issuer Accounts — Program Accounts — Program Cash Reserve Account”*.

“Program Cash Reserve Required Amount” means (a) on each Payment Date prior to the Payment Date in May, 2021, nil, and (b) on each Payment Date thereafter, an amount equal to 0.50% of the aggregate outstanding principal amount of the Senior Funding Obligations, Subordinated Funding Obligations and Junior Subordinated Funding Obligations after giving effect to all settlements on such Payment Date, or such lesser amount proposed by the Manager that satisfies the Rating Agency Condition.

“Protection Account” has the meaning set out under *“Capital Markets Platform — Security — Issuer Accounts — Program Accounts — Protection Account”*.

“Protection Event” has the meaning set out under *“Change of Law Protection Agreement — Protection Event”*.

“Rating Agency” means, with respect to any Issuer Funding Obligation, each nationally recognized statistical rating organization or designated rating organization, as specified in the related Funding Obligation Agreement, selected by the Manager to rate such Issuer Funding Obligation.

“Rating Agency Condition” has the meaning set out under *“Rating Agency Condition”*.

“Reference Period” means:

- (a) the period beginning on July 1, 2017 and ending on October 31, 2017; and
- (b) during the period beginning on November 1, 2017 and ending on either April 30, 2047 or such later day as may be prescribed by the Regulations
 - (i) every six-month period following the period mentioned in (a);
 - (ii) any period shorter than six months, as may be prescribed by the Regulations.

“Refinancing” has the meaning ascribed to the term “refinancing” in the FHPA.

“Refinancing Account” has the meaning set out under *“Capital Markets Platform — Security — Issuer Accounts — Program Accounts — Refinancing Account”*.

“Regulated Price Plan” or **“RPP”** has the meaning set out under *“The Electricity Industry in Ontario — Electricity Prices”*.

“Regulations” means the regulations promulgated under the FHPA.

“Regulatory Asset” has the meaning set out under *“Ontario’s Fair Hydro Plan — Regulatory Asset”*.

“Required Principal Accumulation Amount (Senior)” means, in respect of any Principal Payment Date, the aggregate of the Principal Accumulation Amounts in respect of all Senior Funding Obligations for all Payment Dates up to and including such Principal Payment Date, less all amounts that have been applied to principal repayments of Senior Funding Obligations on or prior to such Principal Payment Date.

“Required Principal Accumulation Amount (Subordinated)” means, in respect of any Principal Payment Date, the aggregate of the Principal Accumulation Amounts in respect of all Subordinated Funding Obligations for all Payment Dates up to and including such Principal Payment Date, less all amounts that have been applied to principal repayments of Subordinated Funding Obligations on or prior to such Principal Payment Date.

“Saskatchewan Act” has the meaning set out under *“Statutory Rights of Action — Rights for Purchasers in Saskatchewan”*.

“Section 130.1” has the meaning set out under *“Statutory Rights of Action — Rights for Purchasers in Ontario”*.

“Section 150” has the meaning set out under *“Statutory Rights of Action — Rights for Purchasers in New Brunswick”*.

“Securities Account” has the meaning set out under *“Capital Markets Platform — Security — Issuer Accounts — Securities Account”*.

“Senior Funding Obligation” means Funding Obligations arising under, or in connection with, Notes and Borrowings that have been designated as “Senior” in the related Funding Obligation Agreement.

“Senior Notes” has the meaning set out on the face page of this confidential shelf offering memorandum.

“Senior Notes, Series 2017-1” has the meaning set out under *“Short Term Indebtedness”*.

“Series” means, with respect to any Class of Issuer Funding Obligations, the Series of the Class specified in the related Funding Obligation Agreement.

“Series Account” means each Series Finance Reserve Account and each Series Capital Reserve Account.

“Series Capital Reserve Account” has the meaning set out under *“Capital Markets Platform — Security — Issuer Accounts — Series Accounts — Series Capital Reserve Account”*.

“Series Finance Reserve Account” has the meaning set out under *“Capital Markets Platform — Security — Issuer Accounts — Series Accounts — Series Finance Reserve Account”*.

“Servicer” means the IESO, as servicer under the Master Transfer and Servicing Agreement.

“Servicer Default” means:

- (a) any failure by the Servicer to remit to the Collection Account any required remittance that shall continue unremedied for a period of three business days after written notice of such failure is received by the Servicer from the Issuer or after discovery of such failure by a responsible officer of the Servicer;
- (b) any failure on the part of the Servicer or, so long as the Servicer is the IESO, any failure on the part of the IESO, as the case may be, to duly observe or to perform in any respect any covenants or agreements of the Servicer or the IESO, as the case may be, set forth in the Master Transfer and Servicing Agreement or in any other Program Agreement to which it is a party (other than as provided in (a) above), which failure shall (i) materially and adversely affect the rights of the Specified Creditors and (ii) continue unremedied for a period of 30 days after the date on which (A) written notice of such failure, requiring the same to be remedied, shall have been given to the Servicer or the IESO, as the case may be, by the Issuer or (B) such failure is discovered by a responsible officer of the Servicer;
- (c) any representation or warranty made by the Servicer in the Master Transfer and Servicing Agreement, any other Program Agreement to which it is a party, any transfer notice or any monthly servicer report shall prove to have been incorrect when made, which has a material adverse effect on the Issuer and which remains unremedied for a period of 30 days after the date on which (i) written notice thereof, requiring the same to be remedied, shall have been delivered to the Servicer by the Issuer or (ii) such failure is discovered by a responsible officer of the Servicer;
- (d) an insolvency event occurs with respect to the Servicer or the IESO; or
- (e) any additional “Servicer Default” as specified in any Co-Owner Agreement occurs.

“**Specified Claims**” has the meaning set out under “*Change of Law Protection Agreement*”.

“**Specified Consumer**” has the meaning set out under “*Ontario’s Fair Hydro Plan — Background*”.

“**Specified Creditors**” means, collectively, Noteholders, Lenders, the Paying Agent, the Indenture Trustee, the Issuer Trustee, the Manager, the Servicer, the Province of Ontario, Derivative Counterparties, credit enhancers, Rating Agencies and counterparties to underwriting agreements, agency agreements or note purchase agreements, in each case, to the extent of their claims related to Program Agreements, and any other Person that is owed a payment obligation by the Issuer that gives rise to a Finance Amount in respect of the Issuer.

“**Subordinated Funding Obligations**” means Funding Obligations arising under, or in connection with, Notes and Borrowings that have been designated as “Subordinated” in the related Funding Obligation Agreement.

“**Subordinated Notes, Series 2017-1**” has the meaning set out under “*Short Term Indebtedness*”.

“**Supplemental Indenture**” means a supplemental indenture to the Master Trust Indenture between the Issuer and the Indenture Trustee.

“**Suspension Event**” has the meaning set out under “*Change of Law Protection Agreement — Suspension Notice & Post-Suspension Refinancings*”.

“**Suspension Notice**” has the meaning set out under “*Change of Law Protection Agreement — Suspension Notice & Post-Suspension Refinancings*”.

“**Term Sheet**” has the meaning set out on the face page of this confidential shelf offering memorandum.

“**Terms Document**” means, with respect to any Tranche of Notes, a supplement to the related Supplemental Indenture.

“**Tranche**” means, with respect to any Series of Notes, Notes of such Series which have identical terms, conditions and Tranche designation. Notes of a single Tranche may be issued on different dates.

“**Transfer**” has the meaning specified in the *Ontario Fair Hydro Plan Act, 2017*, and “**Transferred**” and “**Transferee**” shall have corresponding meanings.

“**True-up Amount**” has the meaning set out under “*Ontario’s Fair Hydro Plan — Clean Energy Adjustment*”.

“**Unitholders**” has the meaning set out under “*The Issuer*”.

“**U.S. Securities Act**” has the meaning set out on the face page of this confidential shelf offering memorandum.

“**Warehouse Facilities**” has the meaning set out under “*Short Term Indebtedness*”.

“**Warehouse Obligations**” means Senior Funding Obligations incurred pursuant to a Funding Obligation Agreement that provide the Issuer with a revolving facility under which principal amounts can be advanced, repaid and again advanced during a committed revolving period and does not provide any other type of credit facility.

INDEX OF DEFINED TERMS

Acceleration Event	95	Interest Accrual Amount (Junior Subordinated)	100
Acceleration	95	Interest Accrual Amount (Senior)	100
Act	95	Interest Accrual Amount (Subordinated)	100
Adherence Compliance Certificate	29	Interest Accumulation Account	45
Adverse Effect	41	Interest Payment Date	100
Agency Agreement	67	Investment Asset	21
Agents	ii	Investment Interest	21
Approved Obligation	7, 28	Investor Presentation	iii
Available Collections	45	Issuer Accounts	45
Borrowing	95	Issuer Funding Obligation	100
Canadian Insolvency and Restructuring Laws	70	Issuer Trustee	100
Carrying Costs	95	Issuer	i
CDS	ii	Junior Subordinated Funding Obligations	101
Certified Primary Obligation	7, 28	Junior Subordinated Notes, Series 2017-1	36
Change of Law Protection Agreement	95	LDCs	18
Class	44	Lender	101
Clean Energy Adjustment	22	Limited Guarantee	9, 26
Clean Energy Benefits	96	Management Agreement	101
Clean Energy Costs	96	Manager	101
Clean Energy Initiative	96	Manitoba Act	92
Clearstream, Luxembourg	67	Master Agreement	101
Collateral	45	Master Transfer and Servicing Agreement	101
Collection Account Waterfall	47	Master Trust Indenture	101
Collection Account	45	Material Effect	30
Commissions	83	Moody's	101
Confidential Information	vii	Moratorium Period	3, 24
Controlling Class Creditors	96	MTSA Acknowledgement	101
Controlling Class Obligations	97	NI 31-103	ii
Co-Owner Agreement	97	NI 45-106	ii
Crown	97	Non-Investment Grade Rated Electricity Vendor	38
DBRS	97	Note	101
Debtholder Group	57	Noteholders	101
Debtholder	97	Obligations Secured	101
Declaration of Trust	97	OEB	102
Default	97	Offering Jurisdiction	80
depository	66	Offering	ii
Derivative Counterparty	97	OPA	17
Derivative Funding Obligations	97	OPG	i, 1, 102
DTC	67	Ordinary Resolution	57
Electricity Vendor	97	Participants	66
Eligible Deposit Account	45	Paying Agent	102
Eligible Institution	97	Payment Date	102
Eligible Investments	98	Person	102
Eligible Securities Account	45	Post-Suspension Refinancing	30
Euroclear	67	Pre-Approved Refinancing	30
Event of Default	59	Predecessor IESO	17
Extraordinary Resolution	57	Primary Obligation	28
Fair Adjustment	20	Principal Accumulation Account	45
Fair Allocation Amount	25	Principal Accumulation Amount	102
FHPA	i	Principal Accumulation Date	103
Finance Amount	22	Principal Payment Date	103
Financial Services Manager	i	Principal Payment Default Date	103
Financing Entity	i	Program Account	103
Financing Plan	99	Program Agreements	103
Funding Obligation Agreement	99	Program Cash Reserve Account	46
Funding Obligations	i	Program Cash Reserve Required Amount	103
Governmental Authority	99	Protection Account	46
HOEP	19	Protection Event	7, 27
IESO Cash Reserve Account	45	Rating Agency Condition	39
IESO Cash Reserve Deposit Amount	99	Rating Agency	103
IESO Cash Reserve Required Amount	99	Reference Period	103
IESO Security Agreement	100	Refinancing Account	46
IESO	2, 99	Refinancing	103
Indemnity Agreement	100	Regulated Price Plan	19
Indenture Trustee	100	Regulations	104
Indenture	100	Regulatory Asset	2, 21

Required Principal Accumulation Amount (Senior).....	104
Required Principal Accumulation Amount (Subordinated)	104
RPP	19
Saskatchewan Act	86
Section 130.1.....	85
Section 150.....	89
Securities Account.....	46
Senior Funding Obligation	104
Senior Notes, Series 2017-1	36
Senior Notes	i
Series Account	104
Series Capital Reserve Account	46
Series Finance Reserve Account	46
Series	104
Servicer Default	104
Servicer	104
Specified Consumer	20

Specified Creditors	105
Subordinated Funding Obligations	105
Subordinated Notes, Series 2017-1	36
Supplemental Indenture	105
Suspension Event.....	30
Suspension Notice	29
Term Sheet.....	i
Terms Document	105
Tranche.....	105
transaction	53
Transfer	106
True-up Amount	3
U.S. Securities Act.....	i
Unitholders	31
Warehouse Facilities.....	36
Warehouse Obligations.....	106

SCHEDULE A – CANADIAN PROVINCIAL SECURITIES REGULATORY AUTHORITIES

Alberta Securities Commission

Suite 600, 250 – 5th Street SW
Calgary, Alberta T2P 0R4
Telephone: (403) 297-6454
Toll free in Canada: 1-877-355-0585
Facsimile: (403) 297-2082
Public official contact regarding indirect collection of information: FOIP Coordinator

British Columbia Securities Commission

P.O. Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, British Columbia V7Y 1L2
Inquiries: (604) 899-6854
Toll free in Canada: 1-800-373-6393
Facsimile: (604) 899-6581
Email: FOI-privacy@bcsc.bc.ca
Public official contact regarding indirect collection of information: FOI Inquiries

The Manitoba Securities Commission

500 – 400 St. Mary Avenue
Winnipeg, Manitoba R3C 4K5
Telephone: (204) 945-2561
Toll free in Manitoba 1-800-655-5244
Facsimile: (204) 945-0330
Public official contact regarding indirect collection of information: Director

Financial and Consumer Services Commission (New Brunswick)

85 Charlotte Street, Suite 300
Saint John, New Brunswick E2L 2J2
Telephone: (506) 658-3060
Toll free in Canada: 1-866-933-2222
Facsimile: (506) 658-3059
Email: info@fcnb.ca
Public official contact regarding indirect collection of information: Chief Executive Officer and Privacy Officer

Government of Newfoundland and Labrador Financial Services Regulation Division

P.O. Box 8700
Confederation Building
2nd Floor, West Block
Prince Philip Drive
St. John's, Newfoundland and Labrador A1B 4J6
Attention: Director of Securities
Telephone: (709) 729-4189
Facsimile: (709) 729-6187
Public official contact regarding indirect collection of information: Superintendent of Securities

Nova Scotia Securities Commission

Suite 400, 5251 Duke Street
Duke Tower
P.O. Box 458
Halifax, Nova Scotia B3J 2P8
Telephone: (902) 424-7768
Facsimile: (902) 424-4625
Public official contact regarding indirect collection of information: Executive Director

Ontario Securities Commission

20 Queen Street West, 22nd Floor
Toronto, Ontario M5H 3S8
Telephone: (416) 593-8314
Toll free in Canada: 1-877-785-1555
Facsimile: (416) 593-8122
Email: exemptmarketfilings@osc.gov.on.ca
Public official contact regarding indirect collection of information: Inquiries Officer

Prince Edward Island Securities Office

95 Rochford Street, 4th Floor Shaw Building
P.O. Box 2000
Charlottetown, Prince Edward Island C1A 7N8
Telephone: (902) 368-4569
Facsimile: (902) 368-5283
Public official contact regarding indirect collection of information: Superintendent of Securities

Autorité des marchés financiers

800, Square Victoria, 22e étage
C.P. 246, Tour de la Bourse
Montréal, Québec H4Z 1G3
Telephone: (514) 395-0337 or 1-877-525-0337
Facsimile: (514) 873-6155 (For filing purposes only)
Facsimile: (514) 864-6381 (For privacy requests only)
Email: financementdessocietes@lautorite.qc.ca (For corporate finance issuers)
Public official contact regarding indirect collection of information: Corporate Secretary

Financial and Consumer Affairs Authority of Saskatchewan

Suite 601 - 1919 Saskatchewan Drive
Regina, Saskatchewan S4P 4H2
Telephone: (306) 787-5842
Facsimile: (306) 787-5899
Public official contact regarding indirect collection of information: Director

EXHIBIT 1
INVESTOR PRESENTATION
(See attached.)

Fair Hydro Trust

Investor Presentation

January 22, 2018



Disclaimers

This presentation and its contents are being supplied for informational purposes only by Fair Hydro Trust (the “Issuer”) and are not an offer to buy or sell or a solicitation of an offer to buy or sell any securities of the Issuer.

This presentation does not, and does not purport to, contain all information that may be material to an investment decision in respect of the Issuer’s Notes. It is only a summary of certain information in respect of the Issuer. Prior to making an investment decision with respect to the Issuer’s Notes, prospective investors should carefully review the Confidential Shelf Offering Memorandum, including the related Term Sheet, pursuant to which such Notes are offered (the Offering Memorandum). The information and opinions contained in this presentation are qualified in their entirety by reference to the Offering Memorandum. In particular, reference should be made to the risks of any investment in the Issuer’s Notes offered and the statutory rights of rescission or rights to damages available to purchasers of such Notes described in the Offering Memorandum. No representation or warranty, express or implied, is given by or on behalf of the Issuer, the Agents or any other person as to the accuracy or completeness of the information or opinions contained in this presentation.

Some of the statements contained in this presentation, including those relating to the Issuer’s expectations, forecasts, strategic and other statements, are forward-looking information within the meaning of securities laws. The forward-looking information contained in this presentation is presented for the purposes of assisting prospective purchasers in making an investment decision regarding the Notes and may not be appropriate for other circumstances. Reference should be made to the information under the headings “Caution Regarding Forward-Looking Information” and “Risk Factors” in the Offering Memorandum.

The information presented herein is only current as of the date on the cover of this presentation. Except as required by law, neither the Issuer nor Ontario Power Generation (“OPG”) intends, or assumes any obligation, to revise or update any information in this presentation.

By attending this presentation, or accepting a copy of this presentation, each prospective purchaser agrees that all information contained herein, all documents delivered in connection herewith and all other information obtained by such prospective purchaser in relation to the Issuer or OPG (collectively, the Confidential Information) is confidential, that none of the Confidential Information will be copied, transcribed, recorded or transmitted by the recipient for any reason or used for any purpose other than evaluating an investment in the Issuer’s Notes, and that the recipient will hold all of the Confidential Information in confidence and will not provide any of it to third parties other than persons retained to advise the recipient with respect to the purchase of the Issuer’s Notes (so long as they advise such persons of the confidential nature of such Confidential Information), without the prior written consent of the Issuer and OPG.

Presenters



Ken Hartwick

Chief Financial Officer &
Senior Vice President - Finance

John Lee

Vice President, Treasurer

Table of Contents

- I. Introduction and Transaction Overview
- II. Ontario Electricity Market
- III. Legislative and Regulatory Framework
- IV. Contractual Framework
- V. Financing Program
- VI. Key Risks and Mitigants
- VII. Summary of the Offering
- VIII. Investment Highlights

Appendix - Key Agreement Summaries



I. Introduction and Transaction Overview

Introduction

Ontario's Fair Hydro Plan

- The Province of Ontario announced its Fair Hydro Plan (“FHP”) on March 2, 2017, which proposed to lower the average electricity bill for eligible customers¹ by 25% (the “Fair Adjustment”)
- The 25% reduction includes an 8% rebate equivalent to the provincial portion of the harmonized sales tax granted by the Ontario government in January 2017

Legislation

- On June 1, 2017, the Ontario Legislature passed the *Ontario Fair Hydro Plan Act, 2017* (the “FHPA” or the “Act”) to give effect to the FHP
- The FHPA was enacted to ensure that clean energy costs and clean energy benefits associated with Ontario’s clean energy initiatives are fairly allocated among present and future Specified Consumers and to provide fairness for Specified Consumers over time
- The FHPA is supplemented by regulations related to the implementation of the FHPA (the “Regulations” and together with the FHPA, the “Legislation”)
- The FHPA imposes an irrevocable and non-bypassable charge recoverable from Specified Consumers which is referred to as the Clean Energy Adjustment (“CEA”); the CEA will be determined by Ontario Power Generation (“OPG”) in accordance with the Legislation in its role as Financial Services Manager (“FSM”) under the Act
- The CEA will be determined for each six month reference period and converted by the Ontario Energy Board (“OEB”) into a \$/kWh rate and added to electricity invoices sent to Specified Consumers commencing on May 1, 2021
- From July 1, 2017 to April 30, 2021 (the “Moratorium Period”), no payments in respect of CEA are expected to be collected; during the Moratorium Period and extending to July 31, 2021, the Independent Electricity System Operator (“IESO”) is obligated to pay all funding and other expenses of the Trust (excluding principal) (referred to as “Carrying Costs”) under the Legislation

Fair Hydro Trust

- The implementation of the Fair Hydro Plan will be financed by the Fair Hydro Trust (“FHT”, the “Trust” or the “Issuer”) through the issuance of senior, subordinated and junior subordinated notes
- Structured to be bankruptcy remote and even though consolidated by OPG on an accounting basis, the Trust is ring fenced from OPG’s other creditors
- The FHT term notes will be repaid through the CEA payments received from Specified Consumers

¹ Defined as Specified Consumers under the FHPA.

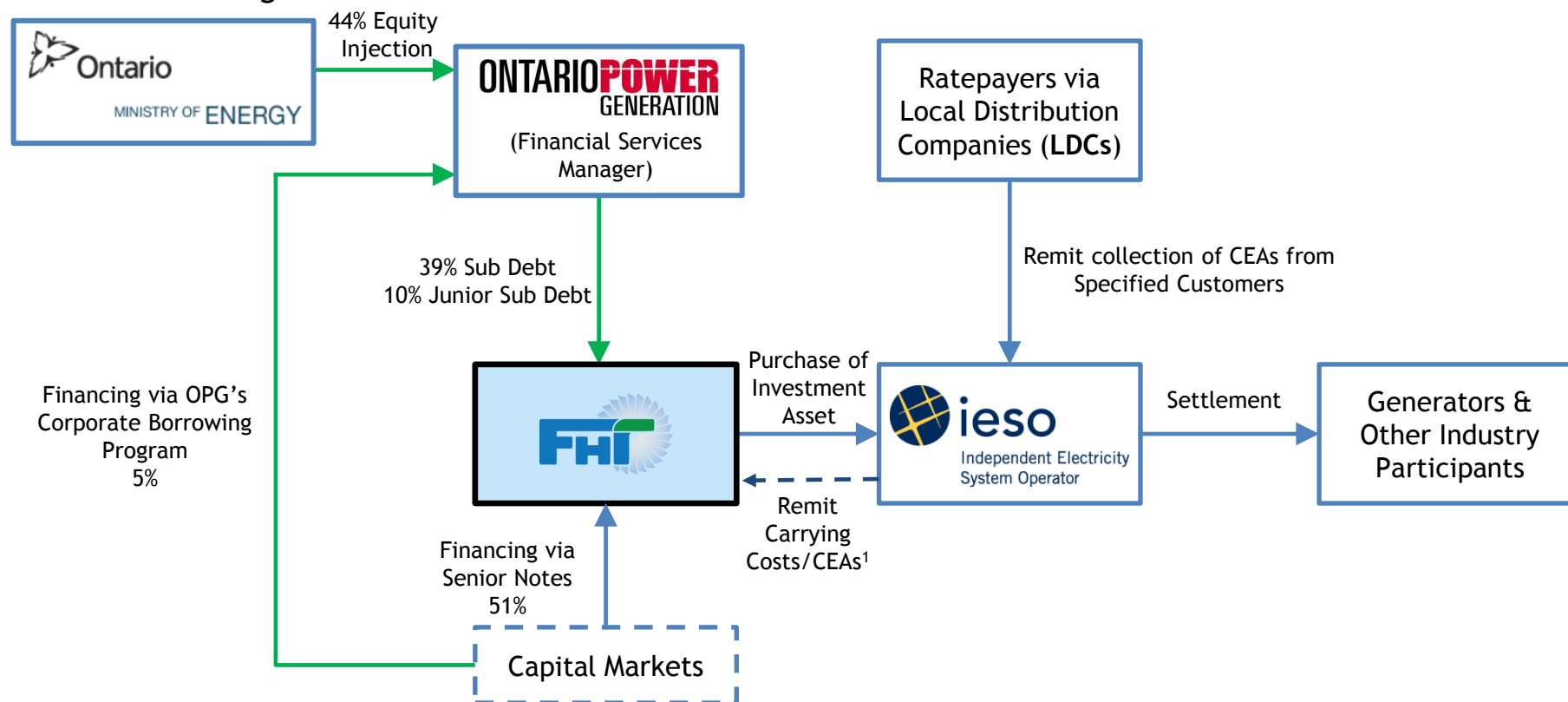
Summary of Indicative Terms

Overview of Notes

Class	Senior	Subordinated	Junior Subordinated
Issue Amount	\$[●]MM	\$[●]MM (placed with OPG)	\$[●]MM (placed with OPG)
Initial % of Aggregate Notes	51%	39%	10%
Expected Ratings (DBRS / Moody's)	AAA(sf)/Aa2(sf)	AA(sf)/Aa2(sf)	A(sf)/Aa2(sf)
Term to Maturity	15.25 years	15.25 years	15.25 years
Expected Maturity Date	May 15, 2033	May 15, 2033	May 15, 2033
Principal Payment Default Date	May 15, 2035	May 15, 2035	May 15, 2035
Par Call Date	November 15, 2032	November 15, 2032	November 15, 2032
Principal Accumulation	Principal will be accumulated monthly commencing January 2030 to facilitate repayment of notes on the Expected Maturity Date		
Interest Type	Fixed rate		
Day Count	180/360, first payment actual/365		
Payment Dates	May 15 and November 15 or next business day		
Senior Note Credit Enhancements	Credit enhancements for the FHT 2018-1 Senior Notes will consist of: - Subordinated and Junior Subordinated notes initially equal to 49% of the aggregate issuance amount and will be retained by OPG - A segregated trust account with an eligible institution, referred to as a Program Cash Reserve Account, which will begin to be funded from Clean Energy Adjustments following the Moratorium Period until it reaches 0.50% of the aggregate amount of all outstanding senior, subordinated and junior subordinated funding obligations - True-up mechanism to address any shortfalls in collections		
Operating Agents	OPG serving as the Financial Services Manager and the Independent Electricity System Operator as the Servicer		

Transaction Structure

- Concurrent with every issuance of senior notes, it is expected that OPG will purchase subordinated debt and junior subordinated debt of the Trust in an aggregate amount not to exceed 49% of all outstanding debt
 - The subordination amount may vary but must at least be equal to or greater than 35% of all outstanding debt



¹ The IESO is required to pay and remit Carrying Costs to the FHT up to July 31, 2021. Commencing May 1, 2021, CEAs will be included on invoices sent to Specified Consumers and collections will be used to pay all funding and other expenses of the Trust. The additional three months of IESO remittances from May 1, 2021 to July 31, 2021 is intended to cover billing and collection lags from the introduction of CEAs.

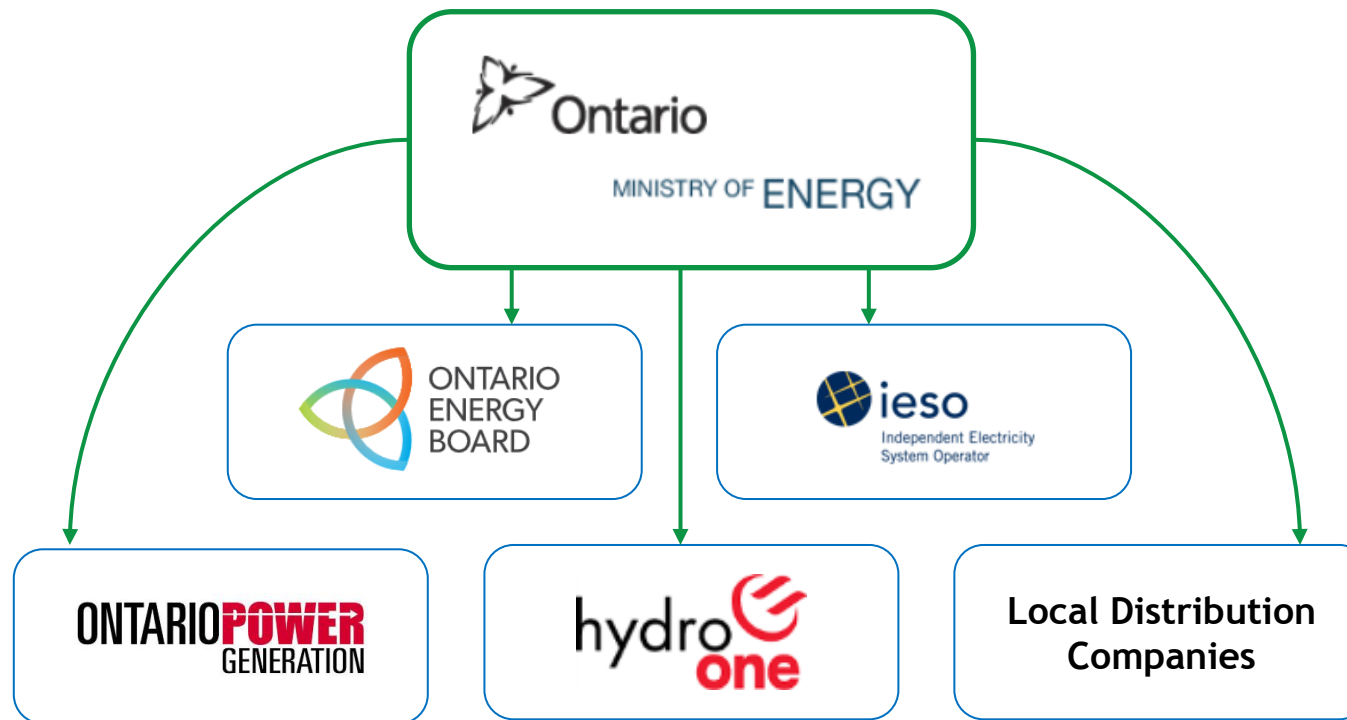
Note: The diagram above is based on subordinated debt of 49% of all outstanding debt.

Note: The assets and liabilities of the Trust are deemed, under the *Electricity Act, 1998* to exclude the assets and liabilities of OPG, and vice versa.

II. Ontario Electricity Market

Overview of Ontario's Electricity Market

- Highly regulated electricity market comprised primarily of three components: generation, transmission and distribution; ~\$22 billion in average annual cash flows¹
- Transmission rates, distribution rates, and OPG's regulated rates are set by the OEB
- Rates for the majority of the remaining generation supply are set by the wholesale electricity market and by direct contracts with the IESO (e.g. Bruce Power (nuclear), wind, solar, hydroelectric)



¹ Source: "Ontario Planning Outlook - A technical report on the electricity system prepared by the IESO" dated September 1, 2016. The amount represents the mathematical average of the system costs on page 44 in the appendix "Data Tables for the OPO Technical Report".

Key Industry Participants

Participants	Credit Ratings (DBRS / S&P / Moody's)	Description
	AA (I) / A+ / Aa2 ¹	The Province of Ontario through the Ministry of Energy sets policy for the electricity system
	--	- Independent public regulatory agency established under the <i>Ontario Energy Board Act, 1998</i> and has the authority to regulate Ontario's electricity market, including the activities of transmitters and distributors - Sets the regulated price for the commodity cost charged to most residential electricity customers via the Regulated Price Plan ("RPP"); RPP rates are set twice a year (May and November)
	A(h) / -- / Aa2	- Corporation without share capital established under the <i>Electricity Act, 1998 (Ontario)</i> - Manages the operation and reliability of Ontario's bulk power system and administers the wholesale electricity market
	A(I) / BBB+ / --	- Corporation formed under the <i>Business Corporation Act (Ontario)</i>, whose sole shareholder is the Province of Ontario - Principal business is the generation and sale of electricity in Ontario and is Ontario's largest clean energy electricity generator, providing a significant portion of the province's electricity
	A(h) / A / A3	Ontario's largest electricity transmission and distribution company, delivering electricity to over 1.3 million customers across the province, and to large industrial customers and municipal utilities

¹ The credit ratings noted are for the Province of Ontario.

Key Industry Participants – LDC Overview

- As part of the restructuring of Ontario's electricity industry under the *Energy Competition Act, 1998*, the municipal electricity utilities became municipally-owned business corporations. The majority of LDCs continue to be municipally-owned, while others have been acquired by Hydro One or private-sector owners
- An LDC, referenced as an Electricity Vendor in the FHPA, is responsible for distributing electricity to customers in its OEB-licensed service territory, and in some cases to other distributors

Select Aggregate Market Stats¹

Number of LDCs in Ontario	65
Total Revenue	\$18.89 billion
Total Metered Usage (kWh)	116.11 billion
Residential Customers	4.61 million
Small Commercial ² Usage Customers	0.44 million
Total Residential & Small Commercial ² Customers	5.05 million

¹ Source: OEB 2016 Yearbook of Electricity Distributors

² Small Commercial includes General Service <50kW Customers

³ Most recent rating reports from S&P, DBRS and Moody's

⁴ Residential and Small Commercial customers

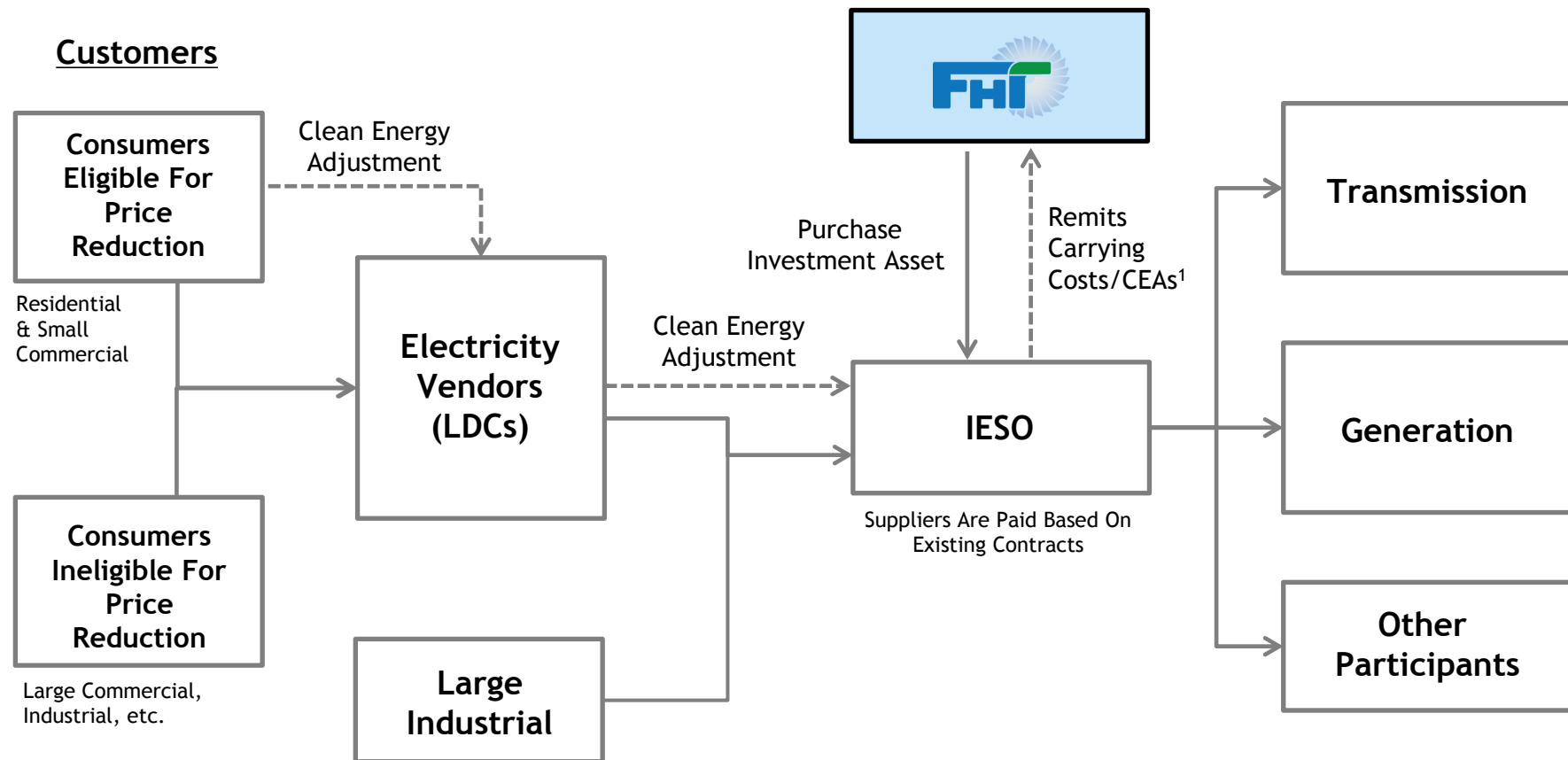
Top 5 LDCs by Customer Base¹

	Rating ³ (S&P/DBRS/Moody's)	Customers ⁴ (MM)	Total Revenue (C\$MM)
 hydro one	A / A(h) / A3	1.30	\$4,533
 alectra utilities	A / A / --	0.96	\$3,642
 TORONTO HYDRO	A / A / --	0.75	\$3,886
 HydroOttawa	BBB+ / A / --	0.32	\$1,130
 London Hydro	A / -- / --	0.15	\$488
		3.49	\$13,680
Percentage of Residential & Small Commercial ²		69%	

Electricity Market with FHT

- Under the FHPA, each month the IESO determines the IESO deferral (the shortfall that results from the Fair Adjustment together with Carrying Costs paid, financing costs and other related costs)
- FHT will finance the shortfall and is entitled to recover its costs and the principal and interest on its debt through CEAs from Specified Consumers, commencing May 1, 2021

Customers



¹ The IESO is required to pay and remit Carrying Costs to the FHT up to July 31, 2021. Commencing May 1, 2021, CEAs will be included on invoices sent to Specified Consumers and collections will be used to pay all funding and other expenses of the Trust. The additional three months of IESO remittances from May 1, 2021 to July 31, 2021 is intended to cover billing and collection lags from the introduction of CEAs.

III. Legislative and Regulatory Framework

Legislation Overview

Purpose

- The FHPA was enacted to ensure that clean energy costs and clean energy benefits are fairly allocated among present and future Specified Consumers
- Clean energy costs are costs allocated to Specified Consumers as a result of Ontario's clean energy initiatives; clean energy benefits are benefits that accrue to both present and future electricity consumers

Specified Consumers

- A category of consumers that generally is comprised of residential consumers, small businesses and farms
- Includes consumers with a demand for electricity of 50 kW or less or those that use not more than 250,000 kWh of electricity annually

Rate Reduction Period

- **July 1, 2017 - April 30, 2018** - Specified Consumers charged an invoice amount that is 25%¹ less than the regulated rate that would otherwise have been determined by the OEB; the 25% reduction includes an 8% rebate equivalent to the provincial portion of the HST previously granted by the Ontario government
- **May 1, 2018 - April 30, 2019** - regulated rate established in the first year of the Rate Reduction Period anticipated to increase by the rate of inflation in Ontario
- **May 1, 2019 - April 30, 2021** - rate reductions will be established by future regulation but anticipated to increase by the rate of inflation in Ontario

¹ Based on a typical Toronto Hydro customer; the amount of the reduction for any given Specified Consumer may vary from this account.

Legislation Overview, cont'd

Regulatory Asset

- Each month the IESO determines the IESO deferral (the shortfall that results from the Fair Adjustment together with Carrying Costs paid, financing costs and other related costs) and records this amount, in a variance account
- The IESO has the right to recover the balance recorded in the variance account from Specified Consumers (such right is the “Regulatory Asset”)
- The IESO may from time to time transfer a specified portion of the Regulatory Asset to the Trust for a cash purchase price equal to the corresponding amount recorded in the variance account

Investment Asset

- The Trust is not obligated to purchase Regulatory Assets from the IESO
- If the IESO and the Trust agree to the transfer of a specified portion of the Regulatory Asset, such transfer results in the creation of a current and irrevocable property right that is immediately vested in the Trust (such right is an “Investment Interest” in an Investment Asset)
- By acquiring an Investment Interest, the Trust will be entitled to recover all of its associated financing costs and acquires the right to collect, receive and recover CEAs from Specified Consumers in accordance with the Legislation

Moratorium Period (July 1, 2017 to April 30, 2021)

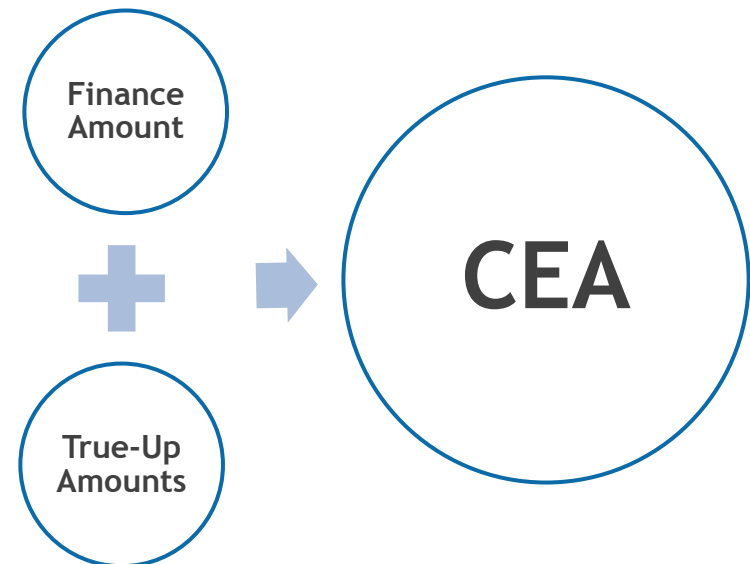
- CEAs are not permitted to be collected from Specified Consumers during this period
- The IESO is obligated to pay the Trust all Carrying Costs, excluding repayment of principal on any debt obligations, during the Moratorium Period and extending to July 31, 2021. The Carrying Costs incurred by the IESO will be added to its Regulatory Asset variance account pursuant to the Regulations
- As security for the performance of its obligations, the IESO has granted the Trust a first-priority security interest in its accounts receivable owing by Electricity Vendors to the IESO
- The IESO has a \$2 billion credit facility from the Ontario Financing Authority (“OFA”) which can be used, among other things, to fund payments of the Carrying Costs

Clean Energy Adjustments

- Under the FHPA, the CEA is the amount payable by Specified Consumers to cover the financing and other costs related to the acquisition by the Trust of the Investment Asset and the associated costs of the financing, including payment of principal, interest, operating costs of the Trust and funding of reserve accounts
- CEAs shown on an invoice issued to Specified Consumers represent the amount of the consumers' indebtedness and may not be set off or bypassed

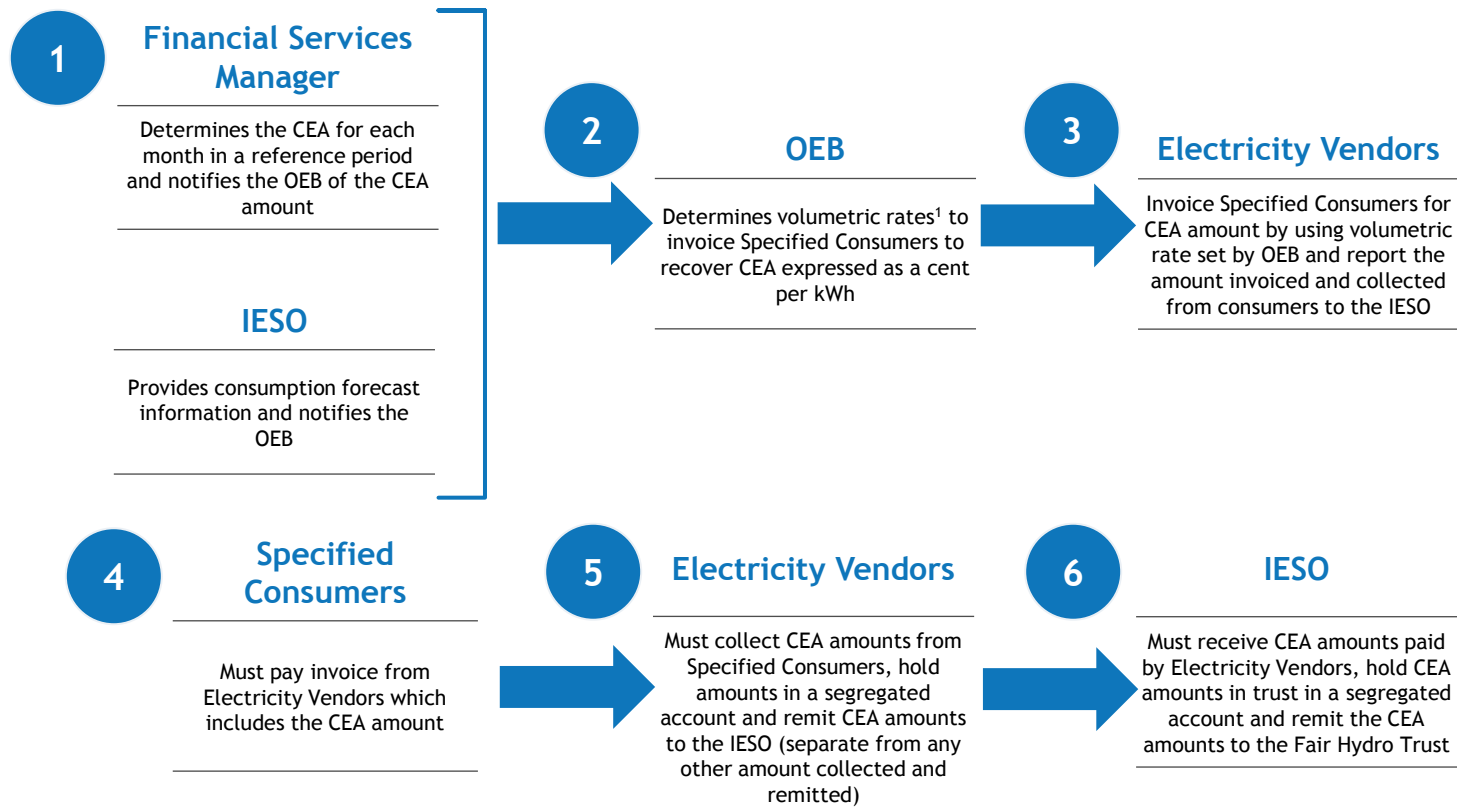
Finance amount is an estimate of the amount payable by the Trust mainly in respect of principal payments, interest costs, Trust expenses and taxes, reserve account deposits and derivative payments

True-up amounts capture the difference between the finance amounts incurred by the Trust and the CEAs collected from Specified Consumers and also include other reasonably foreseeable differences due to various factors (e.g. consumer defaults and delays, billing lags, write-offs and variations in electricity consumption)



Billing and Collection of CEAs

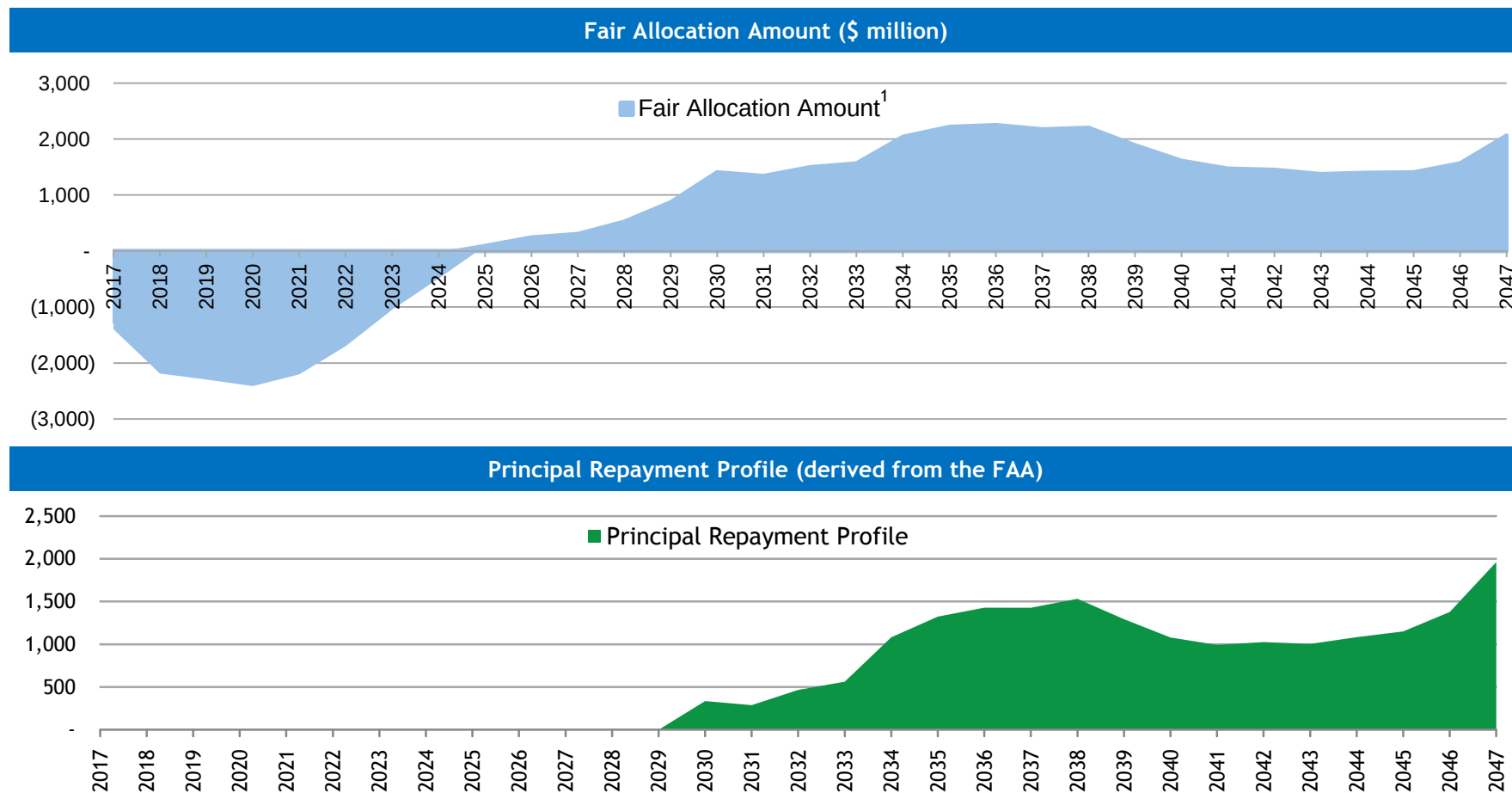
- CEA amounts for billing and collection purposes will be managed outside of the IESO's current settlement processes set out in the Market Rules for electricity invoice amounts
- Collection risk for CEA amounts are mitigated through statutory rights in the FHPA, the obligations of the IESO under the Master Transfer & Servicing Agreement, and the ability to include amounts in the CEA by means of the true-up mechanism
- IESO is required to segregate the CEAs during a monthly period before remitting to FHT. If the IESO's credit rating is downgraded below investment grade, the IESO will be required to remit within two business days of receipt



¹ The rates will be determined by dividing the CEA amount by the forecasted energy consumption in the reference period by Specified Consumers.

Fair Allocation Amount

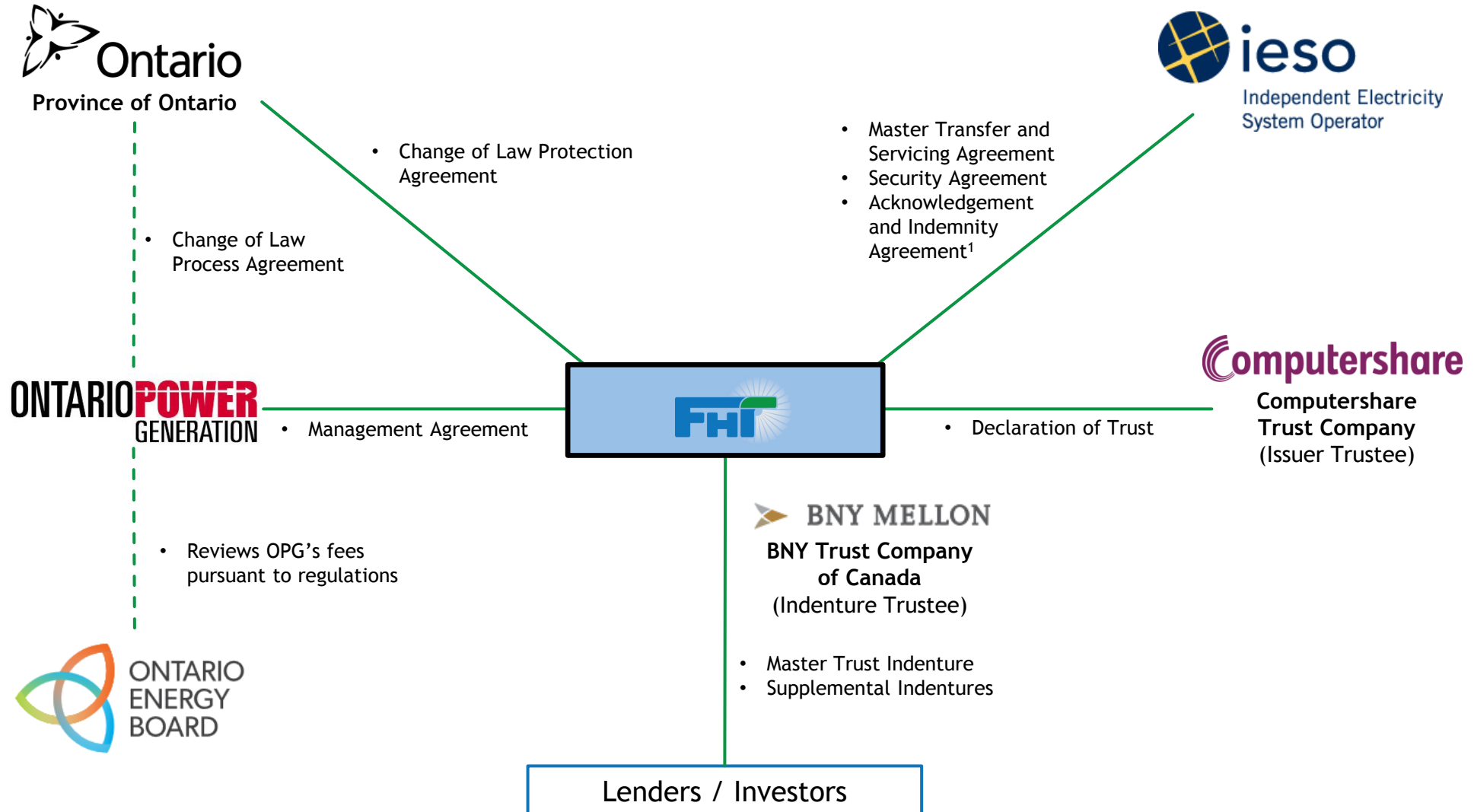
- The Fair Allocation Amount (“FAA”) is an amount calculated under the FHPA by the Minister of Energy in respect of each reference period that, among other things, allocates the estimated value of clean energy costs in proportion to the relative attribution of the value of clean energy benefits among Specified Consumers



¹ Prior to 2025, the above graph of the FAA incorporates the Readjustment Amount. The Readjustment Amount represents the estimated amounts by which Specified Consumers overpaid for clean energy initiatives in the past. It has been incorporated into the FAA to further reduce electricity bills for such consumers.

IV. Contractual Framework

Simplified Contractual Structure



¹ Agreement between IESO and Indenture Trustee.

Contract Highlights

Change of Law Protection Agreement

Purpose	Provides assurance to Specified Creditors¹ that upon the occurrence of a Protection Event, the Province of Ontario is required to make payments in respect of all Approved Obligations when due and payable
Protection Events	The occurrence of any of the following events: (1) - The Legislature repeals (and does not replace on an equivalent basis) or amends the Act or any portion thereof as in effect on the date hereof - The Legislature enacts or amends any other statute - The Lieutenant Governor in Council repeals (and does not replace on an equivalent basis) the regulations made under the Act or any portion thereof as in effect on the date hereof - The Lieutenant Governor in Council makes or amends any “Regulation” as in effect on the date hereof - The implementation of a change in the organization or structure of the IESO or Ontario’s electricity market undertaken at the initiative of the Province or an entity controlled by the Province in each case that adversely affects the ability of the Trust to receive amounts in respect of its Investment Interest so that it can pay Approved Obligations when due and payable, taking into account any funds available in reserve accounts, any credit enhancement available and any reasonably expected potential effect of a true-up amount; or (2) - A court of competent jurisdiction determines that all or a portion of the Act or the regulations made under the Act, is <i>ultra vires</i> or invalid in a way that adversely affects the ability of the Trust to receive amounts in respect of its Investment Interest so that it can pay Approved Obligations when due and payable

Note: Additional information on the Change of Law Protection Agreement can be found in the Appendix.

¹ Specified Creditors refers to any Person that is owed a payment obligation by the Issuer that gives rise to a Finance Amount in respect of the Issuer.

Contract Highlights

Key Agreements

Master Transfer and Servicing Agreement

- Provides for the transfer by the IESO to the Trust of the Regulatory Asset, and upon such transfer the Trust acquires an Investment Interest in the Investment Asset
- The IESO will be responsible for servicing the Investment Interest, including receiving CEA amounts from Electricity Vendors and remitting to the Trust

Management Agreement

- Issuer Trustee delegates to OPG, as Manager under the Management Agreement, all powers and duties of managing the Trust
- The Manager will determine how and when to incur funding obligations to acquire Investment Interests

Other Key Agreements

- Security Agreement
- Acknowledgement and Indemnity Agreement
- Change of Law Process Agreement
- Declaration of Trust

Allocation of Servicing Role and Responsibilities

- The shared responsibilities of servicing and management roles are summarized below

	OPG	IESO	LDC
Review Records of LDCs with Respect to CEAs (annually or less frequently in certain circumstances)	✓		
Determination of CEA for a Reference Period, including the True-Up Amount	✓		
Ongoing Reporting for Trust and Reporting to the Rating Agencies	✓		
Management of Ongoing Debt Issuances	✓		
Cash Management	✓	✓	
Preparation of Monthly Servicer Reports		✓	
Remittance of CEA to IESO and to the Trust		✓	✓
Responding to inquiries by customers if practicable, or forwarding such inquiries to OPG		✓	✓
Customer Billing			✓
Customer Collections			✓
Customer Meter Reading			✓

V. Financing Program

Financing Plan / Strategy

- OPG is responsible for administering the FHT financing program
- Given the size (~\$20 billion) and longevity (~10 years) of the FHT financing program, the funding strategy has been designed to provide flexibility
- Warehouse financing (ABCP conduit and bank funded senior debt) and subordinated warehouse debt and junior subordinated warehouse debt funded by OPG will be used to fund monthly Regulatory Asset purchases from the IESO
 - Periodically refinance the warehouse facility through the issuance of term debt (likely access the market 2-3 times per year)
- Term debt can take the form of bullet bonds or could be issued as amortizing bonds

Warehouse Financing

- ABCP conduit and bank funded senior debt with subordinated debt funded by OPG will be used by the Trust to fund monthly Regulatory Asset purchases from the IESO

Term Debt

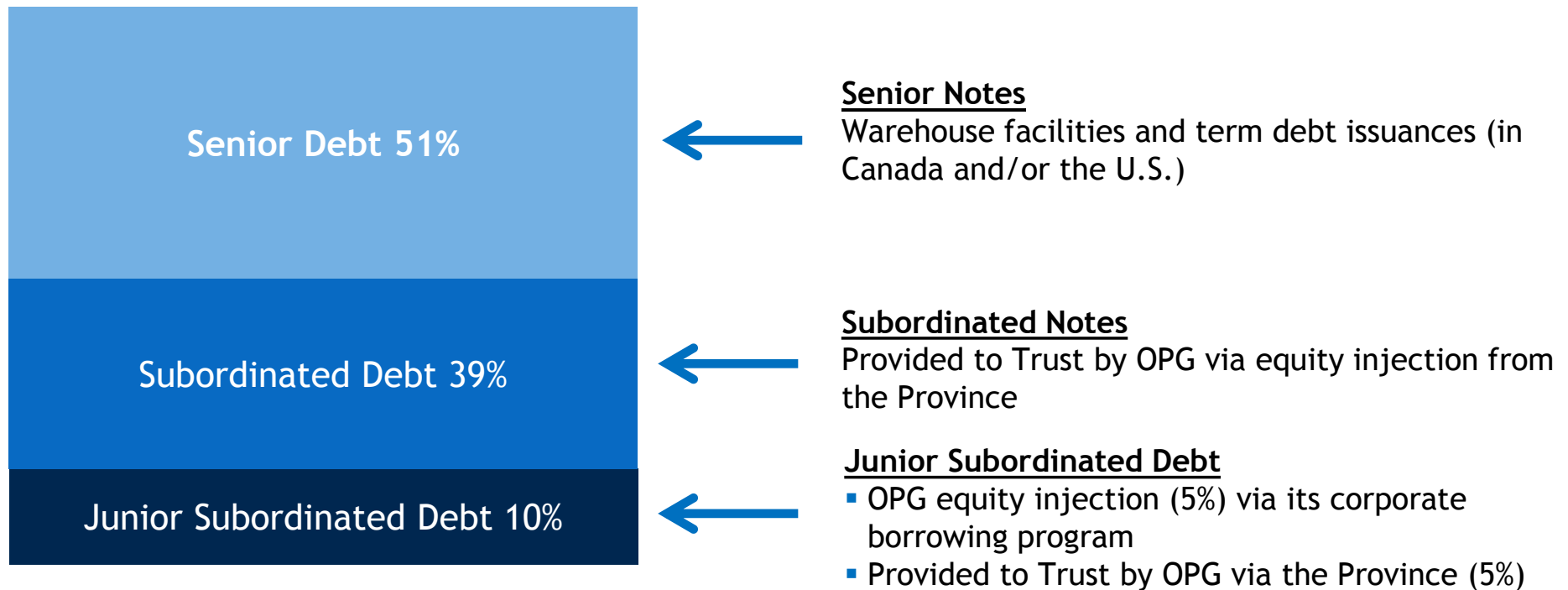
- Term debt issuances will be used to refinance warehouse financing and the subordinated and junior subordinated warehouse debt funded by OPG
- Both Canadian term debt and U.S. term debt market will be considered
- Maturity profiles will be structured to ensure reasonable alignment with the FAA (bullet bonds with sinking funds or amortizing bonds)
- FHT may issue debt that may be refinanced in the future

Subordinated Debt

- Subordinated debt provides credit enhancement for senior debt (ranks behind senior debt in cash flow waterfall)

Financing Structure

- The Trust will fund Regulatory Asset purchases through the issuance of senior, subordinated and junior subordinated secured debt
- Senior debt (51% anticipated) will be sourced monthly from committed warehouse facilities, and the periodic issuance of term debt
- Subordinated debt (49% anticipated; minimum of 35% required¹) will be purchased by OPG, primarily funded by equity injections from the Province (44% of 49%) and the remaining portion from OPG (5% of 49%)



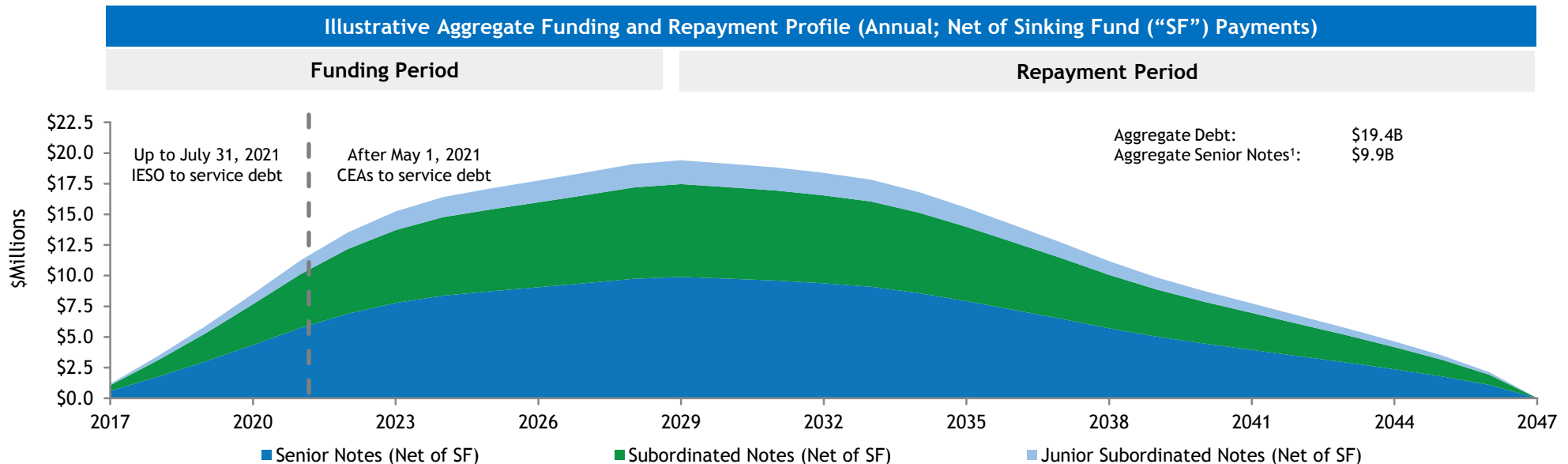
Note: Assumes 49% subordinated debt.

¹ Under the MTI, FHT is required at all times to ensure that all outstanding subordinated and junior subordinated debt be not less than 35% of all outstanding debt.

Aggregate Financing Program

Illustrative Debt Summary - Funding & Repayment Period (Annual)

- Based on the Fair Allocation Amount and the Province's electricity bill reduction targets, the following debt profile for the program is expected, peaking at just under \$20 billion by 2029
- Various tranches of debt will be issued periodically during the period of 2018 - 2028, which are expected to mature over a period after 2029



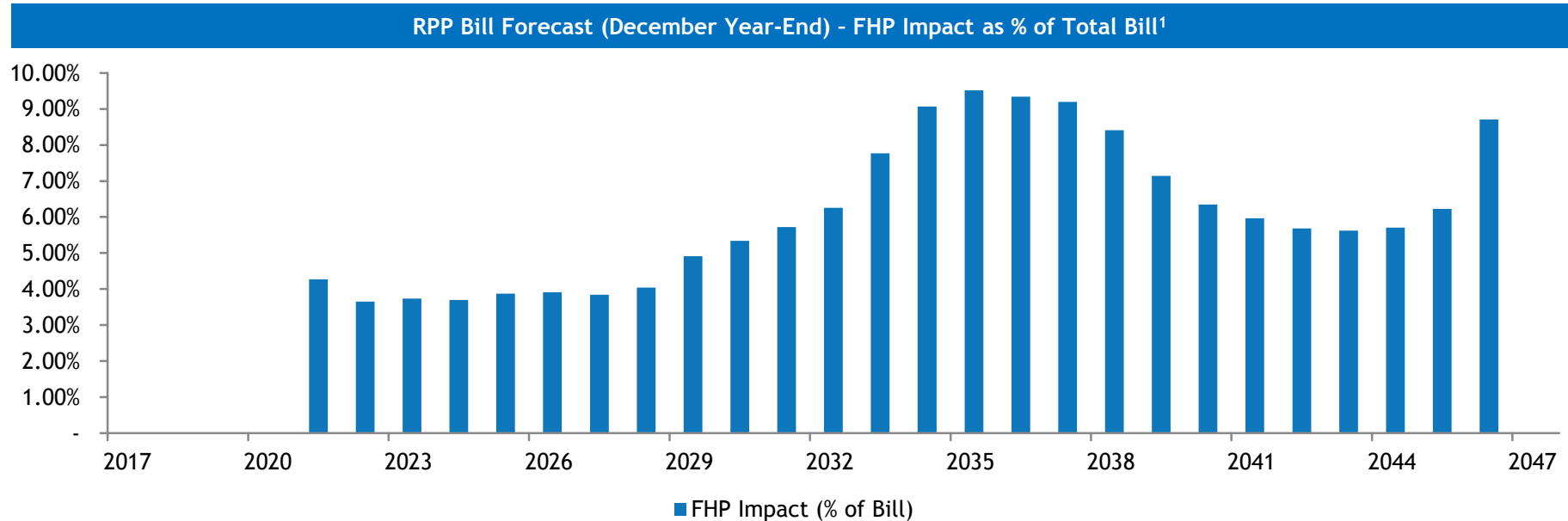
¹ Assumes 51% Senior Notes

Note: During the Moratorium Period and extending three additional months to July 31, 2021, the IESO is required under the Regulations to pay all Carrying Costs. The additional three month period is intended to cover the billing and collection lag from the introduction of Clean Energy Adjustments in May 2021.

Consumer Bill Forecast with FHP

RPP Bill Forecast - FHP Impact % of Total Bill (C\$ per Month)

- Over the duration of the Fair Hydro Program, the CEA for the average residential customer is anticipated to remain below 10% of the total electricity bill
- Maximum CEA as a percent of the total bill is forecast to be 10.0%
- Average CEA as a percent of the total bill is forecast to be 6.9%



¹ Presents % of total bill at December year-ends; individual months in any given year may have a higher or lower impact as % of total bill.

Capital Markets Platform

Master Trust Indenture

Parties

- (1) Computershare Trust Company (Issuer Trustee), on behalf of the Trust, acting through OPG as the Manager; (2) BNY Trust Company (Indenture Trustee) on behalf of Specified Creditors

Purpose

- Governs the terms of the debt issued by FHT and cash flow waterfall and collateral structure for all Trust obligations to all Specified Creditors

Key Terms

Incurrence of Funding Obligations

- Trust may incur funding obligations under a variety of instruments including:
 - Note issuances under supplemental indentures
 - Borrowings under credit agreements
 - Purchase of notes under note purchase agreements
 - Letters of Credit/Guarantees under credit enhancement agreements
 - Liquidity loans under liquidity agreements backing short term notes

Conditions Precedent

- Prior to incurring additional funding obligations, the Trust confirms to the Indenture Trustee and each rating agency that:
 - the incurrence of such additional obligations will not cause an adverse effect
 - the incurrence of such additional obligations is materially consistent with the Financing Plan
- It will also be a condition precedent that (i) each rating agency confirm that the issuance of such additional funding obligations will not result in a reduction or withdrawal of any existing ratings of outstanding funding obligations and (ii) the Indenture Trustee has received certain assurances as to the applicability of the Change of Law Protection Agreement to such funding obligations

Capital Markets Platform

Master Trust Indenture - Key Terms (cont'd)

Security	Granted over all assets of the Trust, including the Trust's investment interest, all collections under the MTSA and all accounts
Subordination	- Provides for three different classes of funding obligations (i) senior (ii) subordinated (iii) junior subordinated
Events of Default	Includes payment and senior defaults, representation and covenant breaches, insolvency and Change of Law Protection Agreement ceasing to be in full force and effect against the Province
Acceleration	- Upon an acceleration, CEAs may be insufficient to repay all amounts becoming due in a period. CEAs for a period will be capped under the Regulation at the otherwise scheduled amounts, plus an additional amount equal to the amounts available under the FAA - However, the amounts received from CEAs after an acceleration will be allocated to pay senior indebtedness before principal amounts owing on subordinated and junior subordinated indebtedness. Accordingly, the subordination of debt across all series of debt should advance the repayment of the principal amount for senior funding obligations - After an acceleration, all Senior Term Notes will be paid pari-passu

Waterfall



Note: This waterfall indicates the priority of payment prior to an Event of Default and acceleration; additional information on the priority of payments after an Event of Default and acceleration can be found in the Offering Memorandum.

Note: After paying interest on the senior debt, no interest payments will be made on the subordinated debt unless there will be sufficient amounts remaining in the Interest Accumulation Account for what should be accumulated for the Senior Notes after making such payments.

VI. Key Risks and Mitigants

Risk Mitigation

Risk	Description of Risk	Mitigants
Political Risk	Future legislative action to change or challenge/invalidate the Act or the Change of Law Protection Agreement might materially adversely affect a holder's investment in the Notes	Limited Guarantee provided by the Province of Ontario via the Change of Law Protection Agreement in favour of the Indenture Trustee for lenders/investors in these circumstances
Under Collection	If the IESO inaccurately forecasts electricity consumption or if OPG uses inaccurate consumer delinquency or write-off data when setting the CEA, there could be a shortfall in collections, which might result in missed or delayed payments of principal and interest on the Notes	- True-up mechanism may result in a delay, but will be corrected in next True-up - Cash reserve and 35%-49% subordination which would first absorb any shortfalls 6-month reference period - Any shortfall in collections are recoverable from all Specified Consumers
Reliance on IESO and LDCs	- Until July 31, 2021, the Trust is dependent on the IESO to remit payments to the Trust for all Carrying Costs - Receipt of CEAs dependent on the performance of LDCs and IESO - Limited ability to enforce against or replace an LDC	- Highly regulated industry and LDC and IESO are required under law and regulation to perform duties under FHP - IESO has a very strong credit profile and very low losses and grants security over its accounts receivable owed by Electricity Vendors as security during the Moratorium Period - IESO will provide a letter of credit/other security to mitigate commingling risks for CEAs held by non-rated or below investment grade rated LDCs until they are remitted to IESO - LDCs collect security deposits and, when permitted, have the ability to disconnect service for non-payment \$2 billion credit facility from the OFA which can be used by the IESO to pay the Carrying Costs
Size of Charge vs. Bill	If the charge applied to bills becomes too high, there could be a consumer and/or political backlash	20-year repayment period allows for gradual rate increases - Max CEAs as a percent of the total bill over the collection period is forecast to be 10%
Disruptive Technology Risk / Change in Demographics	- Technological developments may result in reduced CEA payments as a result of increased use of alternative energy sources - Population fluctuations may result in fewer Specified Consumers	- True-up mechanism available to offset the reduction in CEAs due to technological advancements or fluctuations in the number of Specified Consumers - Collection shortfalls are allocated among a large base of Specified Consumers

VII. Summary of Offering

Summary of Indicative Terms

	<u>Class</u>	<u>Issue Amount</u>	<u>% of Initial Aggregate Notes</u>	<u>Expected Maturity Date</u>	<u>Principal Payment Default Date</u>	<u>Expected Ratings (DBRS / Moody's)</u>
Initial Fair Hydro Term Issuance	Senior Term Notes	\$[●]MM	51%	May 15, 2033	May 15, 2035	AAA(sf)/Aa2(sf)
	Subordinated Notes	\$[●]MM (placed with OPG)	39%	May 15, 2033	May 15, 2035	AA(sf)/Aa2(sf)
	Jr. Subordinated Notes	\$[●]MM (placed with OPG)	10%	May 15, 2033	May 15, 2035	A(sf)/Aa2(sf)
Issuer	Fair Hydro Trust, a single purpose, bankruptcy-remote wholly-owned subsidiary of the Financial Services Manager					
Financial Services Manager	Ontario Power Generation, Inc.					
Servicer	Independent Electricity System Operator					
Source of Repayment	• Moratorium Period: Statutorily mandated remittances (not including principal) from IESO (Up to July 31, 2021) • Post Moratorium Period: Non-bypassable charge from residential and small commercial customers in Ontario (After May 1, 2021)					
Payment Frequency	Semi-annual pay on May 15 and November 15 until the Expected Maturity Date, monthly thereafter if the notes are not repaid on the Expected Maturity Date					
Principal Accumulation	Principal will be accumulated monthly commencing January 2030 to facilitate repayment of notes on the Expected Maturity Date					
Interest Type	Fixed rate					
Senior Note Credit Enhancements	• Subordinated and Junior Subordinated notes initially equal to 49% of the aggregate issuance amount • Program Cash Reserve Account • Semi-annual (or more frequent) True-up mechanism to address any shortfalls in collections					
Program Cash Reserve Account	After the Moratorium Period, an amount equal to 0.50% of the aggregate amount of all outstanding Senior, Subordinated and Junior Subordinated funding obligations					
True-up	Calculated on at least a semi-annual basis post Moratorium Period					
Subordination	Subordinated and Junior Subordinated Notes will be retained by OPG					

VIII. Investment Highlights

Investment Highlights

- ✓ Protection against political risk through the Change of Law Protection Agreement
- ✓ Irrevocable & non-bypassable ratepayer charge, recoverable from Specified Consumers across the Province of Ontario
- ✓ Repayment risk spread across all Specified Consumers. Full cross-collateralization; collection shortfalls allocated among all Specified Consumers
- ✓ Robust true-up mechanism
- ✓ Credit enhancement for senior debt provided via subordinated debt
- ✓ Highly regulated market with experienced operating agents (OPG, IESO, and LDCs)
- ✓ Strong ratepayer base in Ontario

Appendix - Key Agreement Summaries

Key Agreements

Change of Law Protection Agreement

Parties	(1) Province of Ontario and (2) Indenture Trustee as Trustee of the Issuer, on behalf of Specified Creditors¹, and (3) OPG as FSM
Purpose	Provides assurance to Specified Creditors that upon the occurrence of a Protection Event (see slide 22 for details) the Province of Ontario will pay all Approved Obligations on behalf of the Trust, with limited rights of acceleration
Key Terms	Term: Continues for as long as any protected obligations of the Trust that are secured under the Master Trust Indenture (“MTI”) remain outstanding Limited Guarantee: Upon the occurrence of a Protection Event, the Indenture Trustee has the right to require the Province to pay all Approved Obligations when due and payable Priority of Payments: The priority application of guarantee payments is governed by the waterfall provision under the MTI Adherence Conditions: For the Limited Guarantee to apply to an obligation of the Trust, OPG as FSM is required to comply with certain conditions, including the delivery of an Adherence Compliance Certificate, prior to the incurrence of such obligation (such obligation called an “Approved Obligation”) Suspension Notice: The Province may deliver a suspension notice upon the occurrence of the acceleration of any indebtedness of the Trust or other Program Breach or a default in performance or misrepresentation by OPG as FSM pursuant to certain internal reporting and other requirements contained in a Change of Law Process Agreement between OPG and the Province. Any new funding obligations that are incurred during a suspension period will not have the benefit of the Limited Guarantee, except that the Change of Law Protection Agreement applies to post-suspension refinancing of previously issued Approved Obligations

¹ Specified Creditors refers to any Person that is owed a payment obligation by the Issuer that gives rise to a Finance Amount in respect of the Issuer.

Key Agreements

Master Transfer and Servicing Agreement

Parties	(1) IESO, as transferor and servicer; (2) Trust
Purpose	Provides for the transfer, by the IESO to the Trust of specified portions of the Regulatory Asset, and upon such transfers the Trust acquires an Investment Interest; also describes the servicing obligations of IESO
Key Terms	Transfer of Regulatory Asset: The IESO may offer, no more frequently than monthly, to transfer specified portions of the Regulatory Asset to the Trust. The Trust has the right, but not the obligation, to accept IESO's offer Servicing Duties: The IESO will be responsible for servicing the Investment Interest under the Legislation, including receiving CEA amounts from Electricity Vendors and remitting the same to the Trust; other duties of the IESO include: - Establishing a segregated account for collecting CEAs and using commercially reasonable efforts to cause Electricity Vendors to do the same; - Remitting CEAs monthly to the Trust (unless downgraded below investment grade in which case it will remit within two business days); - Preparing monthly servicer reports; and - Providing a forecast of electricity consumption Carrying Costs: During the Moratorium Period (until April 30, 2021) and extending to July 31, 2021, the IESO is required by regulation to fund all Carrying Costs of the Trust. The Carrying Costs incurred by the IESO will be added to its Regulatory Asset variance account pursuant to regulation IESO Letter of Credit: After the Moratorium Period, the IESO will provide the Trust, a letter of credit or other form of security, as security for the commingling risk of CEAs collected by non-rated or non-investment grade rated Electricity Vendors and not yet remitted to the IESO

Key Agreements

Management Agreement

Parties	(1) Issuer Trustee, on behalf of the Trust, and (2) OPG, as Manager and acknowledged and accepted by the Indenture Trustee, on behalf of specified creditors
Purpose	Issuer Trustee delegates to the Manager all powers and duties of managing the Trust
Key Terms	Duties Include: - Negotiating and executing program agreements; - Preparing, in accordance with applicable securities laws, any offering documents to be furnished by the Trust to prospective purchasers of funding obligations; - Review or cause to be reviewed, records of electricity vendors on an annual basis with respect to CEAs (or less frequently in certain circumstances); - Preparing monthly portfolio reports; - Preparing financial statements; and - Paying taxes on behalf of the Trust Incurrence of Funding Obligations: Manager will determine how and when to incur funding obligations to acquire Investment Interests Standard of Care: Manager will perform its duties diligently and in conformity with the Trust's obligations under the program agreements Resignation/ Termination: Manager may not resign from its duties or terminate the Management Agreement as long as funding obligations of the Trust are outstanding Management Fees: OPG is entitled to charge the Issuer a fee to earn a return and to recover costs and expenditures incurred by OPG on behalf of the Issuer

Key Agreements

Other Key Agreements

Security Agreement

- As security for the performance of its obligations under the Regulation to pay the Trust's carrying cost during the Moratorium Period, IESO has granted the Trust a first priority security interest in its accounts receivable owing by Electricity Vendors

Acknowledgement and Indemnity Agreement

- IESO, as servicer under the MTSA, acknowledges that a security interest has been granted to the Indenture Trustee thereby assigning as security the rights and benefits of the Issuer under the MTSA to the Indenture Trustee, including the right to enforce the indemnities provided to the issuer with respect to IESO's duties and obligations under the MTSA

Change of Law Process Agreement

- Outlines procedural requirements between the Province and OPG with respect to issuing debt that benefits from the Limited Guarantee under the Change of Law Protection Agreement
- Among other things, OPG is required to deliver to the Province a process certificate, outlining the material terms of proposed debt issues and confirm such debt offerings will not cause the protection agreement maximum (as updated from time to time in the Financing Plan) to be exceeded

Declaration of Trust

- Establishes FHT to carry out activities for the exclusive benefit of its unitholders
- Specifies the rights and powers of the Issuer Trustee (Computershare)
- The Issuer Trustee has delegated all of the powers and duties of managing the Trust to OPG under the Management Agreement

\$ nominal million	2017-Jul	2017-Nov	2018-May	2018-Nov
Fair Allocation Amount	-931	-779	-629	-562
Readjustment amount	-74	-341	-470	-564
Total borrowing requirement including financing costs	-1005	-1120	-1099	-1126

2019-May	2019-Nov	2020-May	2020-Nov	2021-May	2021-Jul	2021-Nov	2022-May	2022-Nov
-535	-462	-431	-348	-98	-213	-233	-197	-130
-617	-721	-781	-784	-250	-546	-697	-657	-501
-1152	-1183	-1212	-1132	-348	-759	-930	-854	-631

2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov	2027-May
-98	-50	-27	21	45	95	121	141	152
-429	-287	-220	-73					
-527	-337	-247	-52	45	95	121	141	152

2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May	2031-Nov
224	262	376	437	612	706	678	673	719

224	262	376	437	612	706	678	673	719

2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov	2036-May
751	767	785	937	1024	1075	1113	1115	1129

751	767	785	937	1024	1075	1113	1115	1129

2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May	2040-Nov
1095	1091	1091	1105	992	948	848	809	756

1095	1091	1091	1105	992	948	848	809	756

2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov	2045-May
738	725	728	697	690	692	701	698	705

738	725	728	697	690	692	701	698	705

2045-Nov	2046-May	2046-Nov	2047-May
753	786	945	1376

753	786	945	1376

Biennial				
\$ nominal million	2017-Jul	2017-Nov	2018-May	2018-Nov
Fair Allocation Amount	-931	-779	-629	-562
Readjustment amount	-74	-341	-470	-564
Total borrowing requirement including financing costs	-1005	-1120	-1099	-1126
Annual				
\$ nominal million	2017	2018	2019	2020
Fair Allocation Amount	-1710	-1191	-997	-779
Readjustment amount	-415	-1034	-1338	-1565
Total borrowing requirement including financing costs	-2125	-2225	-2335	-2344
OFA Equity Injection (44%)*	-935	-979	-1027.4	-1031.36

*This includes financing costs, which may need to be excluded upon further information av

2019-May	2019-Nov	2020-May	2020-Nov	2021-May	2021-Jul	2021-Nov	2022-May	2022-Nov
-535	-462	-431	-348	-98	-213	-233	-197	-130
-617	-721	-781	-784	-250	-546	-697	-657	-501
-1152	-1183	-1212	-1132	-348	-759	-930	-854	-631
2021	2022	2023	2024	2025	2026	2027	2028	2029
-544	-327	-148	-6	140	262	376	638	1049
-1493	-1158	-716	-293	0	0	0	0	0
-2037	-1485	-864	-299	140	262	376	638	1049
-896.28	-653.4	-380.16	-131.56	61.6	115.28	165.44	280.72	461.56

available.

2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov	2027-May
-98	-50	-27	21	45	95	121	141	152
-429	-287	-220	-73					
-527	-337	-247	-52	45	95	121	141	152
2030	2031	2032	2033	2034	2035	2036	2037	2038
1384	1392	1518	1722	2099	2228	2224	2182	2097
0	0	0	0	0	0	0	0	0
1384	1392	1518	1722	2099	2228	2224	2182	2097
608.96	612.48	667.92	757.68	923.56	980.32	978.56	960.08	922.68

2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May	2031-Nov
224	262	376	437	612	706	678	673	719
224	262	376	437	612	706	678	673	719
2039	2040	2041	2042	2043	2044	2045	2046	2047
1796	1565	1463	1425	1382	1399	1458	1731	1376
0	0	0	0	0	0	0	0	0
1796	1565	1463	1425	1382	1399	1458	1731	1376
790.24	688.6	643.72	627	608.08	615.56	641.52	761.64	605.44

2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov	2036-May
751	767	785	937	1024	1075	1113	1115	1129

751	767	785	937	1024	1075	1113	1115	1129

2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May	2040-Nov
1095	1091	1091	1105	992	948	848	809	756

1095	1091	1091	1105	992	948	848	809	756

2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov	2045-May
738	725	728	697	690	692	701	698	705

738	725	728	697	690	692	701	698	705

2045-Nov	2046-May	2046-Nov	2047-May
753	786	945	1376

753	786	945	1376

\$ nominal million	2017-Jul	2017-Nov	2018-May	2018-Nov
Fair Allocation Amount	-931	-779	-629	-562
Readjustment amount	-74	-341	-470	-564
Total borrowing requirement including financing costs	-1005	-1120	-1099	-1126

2019-May	2019-Nov	2020-May	2020-Nov	2021-May	2021-Jul	2021-Nov	2022-May	2022-Nov
-535	-462	-431	-348	-98	-213	-233	-197	-130
-617	-721	-781	-784	-250	-546	-697	-657	-501
-1152	-1183	-1212	-1132	-348	-759	-930	-854	-631

2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov	2027-May
-98	-50	-27	21	45	95	121	141	152
-429	-287	-220	-73					
-527	-337	-247	-52	45	95	121	141	152

2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May	2031-Nov
224	262	376	437	612	706	678	673	719

224	262	376	437	612	706	678	673	719

2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov	2036-May
751	767	785	937	1024	1075	1113	1115	1129

751	767	785	937	1024	1075	1113	1115	1129

2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May	2040-Nov
1095	1091	1091	1105	992	948	848	809	756

1095	1091	1091	1105	992	948	848	809	756

2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov	2045-May
738	725	728	697	690	692	701	698	705

738	725	728	697	690	692	701	698	705

2045-Nov	2046-May	2046-Nov	2047-May
753	786	945	1376

753	786	945	1376

Biennial				
\$ nominal million	2017-Jul	2017-Nov	2018-May	2018-Nov
Fair Allocation Amount	-931	-779	-629	-562
Readjustment amount	-74	-341	-470	-564
Total borrowing requirement including financing costs	-1005	-1120	-1099	-1126

Annual				
\$ nominal million	2017	2018	2019	2020
Fair Allocation Amount	-1191	-1336	-1064	-855
Readjustment amount	-188	-885	-1233	-1523
Total borrowing requirement including financing costs	-1378	-2221	-2297	-2378
OFA Equity Injection (44%)*	-606.47	-977.24	-1010.68	-1046.32

*This includes financing costs, which may need to be excluded upon further information av

2019-May	2019-Nov	2020-May	2020-Nov	2021-May	2021-Jul	2021-Nov	2022-May	2022-Nov
-535	-462	-431	-348	-98	-213	-233	-197	-130
-617	-721	-781	-784	-250	-546	-697	-657	-501
-1152	-1183	-1212	-1132	-348	-759	-930	-854	-631
2021	2022	2023	2024	2025	2026	2027	2028	2029
-621	-396	-201	-53	91	231	321	537	892
-1551	-1289	-859	-436	-49	0	0	0	0
-2172	-1684	-1060	-489	42	231	321	537	892
-955.5333	-741.1067	-466.4	-215.16	18.48	101.787	141.0933	236.1333	392.3333

available.

2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov	2027-May
-98	-50	-27	21	45	95	121	141	152
-429	-287	-220	-73					
-527	-337	-247	-52	45	95	121	141	152
2030	2031	2032	2033	2034	2035	2036	2037	2038
1340	1365	1486	1609	2007	2201	2237	2185	2163
0	0	0	0	0	0	0	0	0
1340	1365	1486	1609	2007	2201	2237	2185	2163
589.6	600.4533	653.84	707.8133	883.08	968.5867	984.4267	961.2533	951.72

2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May	2031-Nov
224	262	376	437	612	706	678	673	719
224	262	376	437	612	706	678	673	719
2039	2040	2041	2042	2043	2044	2045	2046	2047
1892	1626	1484	1444	1385	1395	1421	1603	2006
0	0	0	0	0	0	0	0	0
1892	1626	1484	1444	1385	1395	1421	1603	2006
832.48	715.5867	652.8133	635.2133	609.5467	613.8	625.3867	705.32	882.64

2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov	2036-May
751	767	785	937	1024	1075	1113	1115	1129

751	767	785	937	1024	1075	1113	1115	1129

2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May	2040-Nov
1095	1091	1091	1105	992	948	848	809	756

1095	1091	1091	1105	992	948	848	809	756

2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov	2045-May
738	725	728	697	690	692	701	698	705

738	725	728	697	690	692	701	698	705

2045-Nov	2046-May	2046-Nov	2047-May
753	786	945	1376

753	786	945	1376

Equity Injection

44%

Biennial

\$ nominal million

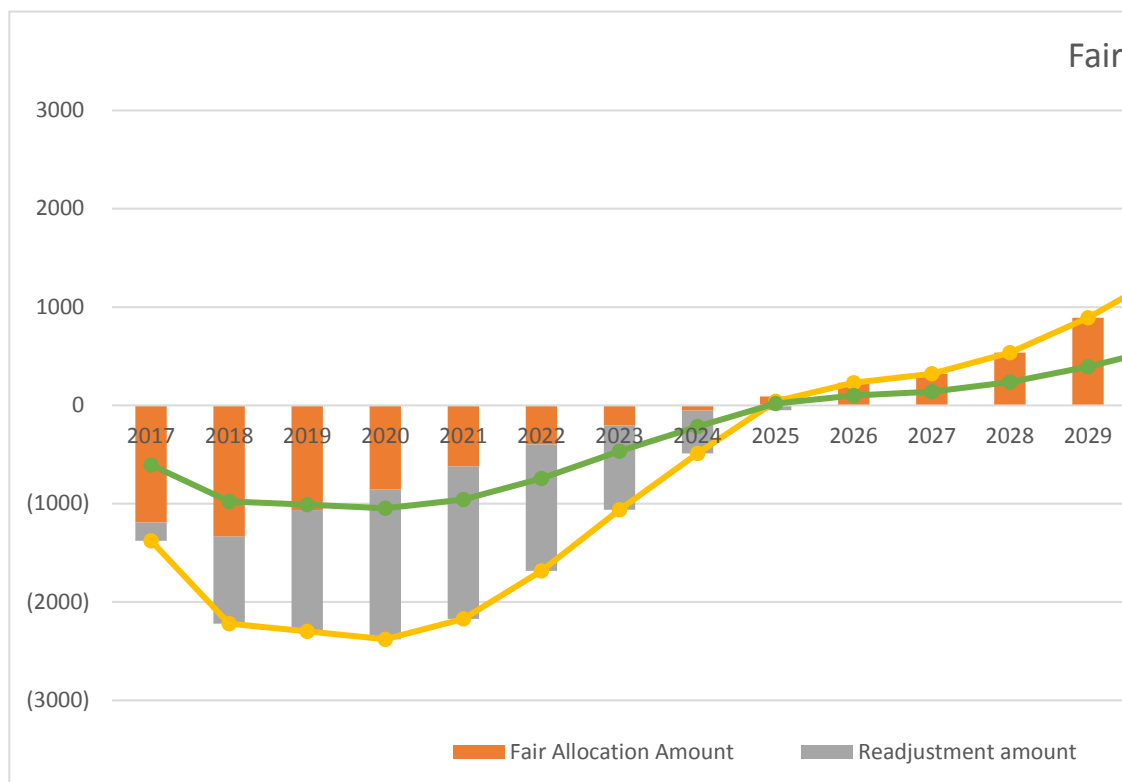
	2017-Jul 2017 Jul	2017-Nov 2017 Nov	2018-May 2018 May	2018-Nov 2018 Nov
	7	11	5	11
First Date	42917	43040	43221	43405
		43039	43220	43404
Fair Allocation Amount	-931	-779	-629	-562
Readjustment amount	-74	-341	-470	-564
Total borrowing requirement including financing costs	-1005	-1120	-1099	-1126
	\$1,539.67			

Annual

\$ nominal million

	2017	2018	2019	2020
Fair Allocation Amount	(1191)	(1336)	(1064)	(855)
Readjustment amount	(188)	(885)	(1233)	(1523)
Total borrowing requirement including financing costs	(1378)	(2221)	(2297)	(2378)
OPG Equity Injection (44%)*	(606)	(977)	(1011)	(1046)

*This includes financing costs, which may need to be excluded upon further information available

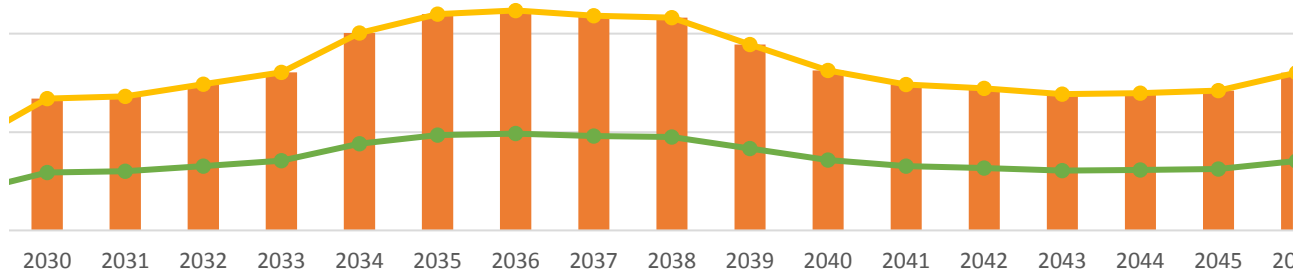


2019-May 2019 May	2019-Nov 2019 Nov	2020-May 2020 May	2020-Nov 2020 Nov	2021-May 2021 May	2021-Jul 2021 Jul	2021-Nov 2021 Nov	2022-May 2022 May	2022-Nov 2022 Nov
5	11	5	11	5	7	11	5	11
43586	43770	43952	44136	44317	44378	44501	44682	44866
43585	43769	43951	44135	44316	44377	44500	44681	44865
-535	-462	-431	-348	-98	-213	-233	-197	-130
-617	-721	-781	-784	-250	-546	-697	-657	-501
-1152	-1183	-1212	-1132	-348	-759	-930	-854	-631

2021	2022	2023	2024	2025	2026	2027	2028	2029
(621)	(396)	(201)	(53)	91	231	321	537	892
(1551)	(1289)	(859)	(436)	(49)	0	0	0	0
(2172)	(1684)	(1060)	(489)	42	231	321	537	892
(956)	(741)	(466)	(215)	18	102	141	236	392

ble.

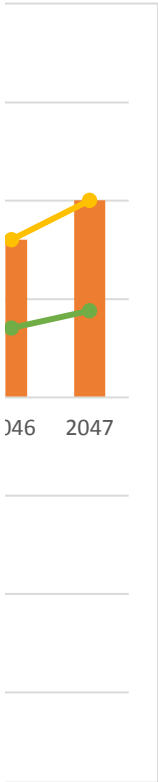
Hydro Plan GA Financing



● Total borrowing requirement including financing costs
 ● OPG Equity Injection (44%)*

2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov	2027-May
2023	2023	2024	2024	2025.00	2025	2026	2026	2027
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
45047	45231	45413	45597	45778	45962	46143	46327	46508
45046	45230	45412	45596	45777	45961	46142	46326	46507
-98	-50	-27	21	45	95	121	141	152
-429	-287	-220	-73					
-527	-337	-247	-52	45	95	121	141	152

2030	2031	2032	2033	2034	2035	2036	2037	2038
1340	1365	1486	1609	2007	2201	2237	2185	2163
0	0	0	0	0	0	0	0	0
1340	1365	1486	1609	2007	2201	2237	2185	2163
590	600	654	708	883	969	984	961	952



2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May	2031-Nov
2027	2028	2028	2029	2029	2030	2030	2031	2031
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
46692	46874	47058	47239	47423	47604	47788	47969	48153
46691	46873	47057	47238	47422	47603	47787	47968	48152
224	262	376	437	612	706	678	673	719

224	262	376	437	612	706	678	673	719

2039	2040	2041	2042	2043	2044	2045	2046	2047
1892	1626	1484	1444	1385	1395	1421	1603	2006
0	0	0	0	0	0	0	0	0
1892	1626	1484	1444	1385	1395	1421	1603	2006
832	716	653	635	610	614	625	705	883

2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov	2036-May
2032	2032	2033	2033	2034	2034	2035	2035	2036
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
48335	48519	48700	48884	49065	49249	49430	49614	49796
48334	48518	48699	48883	49064	49248	49429	49613	49795
751	767	785	937	1024	1075	1113	1115	1129
751	767	785	937	1024	1075	1113	1115	1129

2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May	2040-Nov
2036	2037	2037	2038	2038	2039	2039	2040	2040
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
49980	50161	50345	50526	50710	50891	51075	51257	51441
49979	50160	50344	50525	50709	50890	51074	51256	51440
1095	1091	1091	1105	992	948	848	809	756
1095	1091	1091	1105	992	948	848	809	756

2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov	2045-May
2041	2041	2042	2042	2043	2043	2044	2044	2045
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
51622	51806	51987	52171	52352	52536	52718	52902	53083
51621	51805	51986	52170	52351	52535	52717	52901	53082
738	725	728	697	690	692	701	698	705
738	725	728	697	690	692	701	698	705

2045-Nov	2046-May	2046-Nov	2047-May	
2045	2046	2046	2047	2047.00
Nov	May	Nov	May	Nov
11	5	11	5	11
53267	53448	53632	53813	53997
53266	53447	53631	53812	53996
753	786	945	1376	
753	786	945	1376	

\$ nominal million	2017-Jul	2017-Nov	2018-May	2018-Nov
Fair Allocation Amount	-931	-779	-629	-562
Readjustment amount	-74	-341	-470	-564
Total borrowing requirement including financing costs	-1005	-1120	-1099	-1126

2019-May	2019-Nov	2020-May	2020-Nov	2021-May	2021-Jul	2021-Nov	2022-May	2022-Nov
-535	-462	-431	-348	-98	-213	-233	-197	-130
-617	-721	-781	-784	-250	-546	-697	-657	-501
-1152	-1183	-1212	-1132	-348	-759	-930	-854	-631

2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov	2027-May
-98	-50	-27	21	45	95	121	141	152
-429	-287	-220	-73					
-527	-337	-247	-52	45	95	121	141	152

2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May	2031-Nov
224	262	376	437	612	706	678	673	719

224	262	376	437	612	706	678	673	719

2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov	2036-May
751	767	785	937	1024	1075	1113	1115	1129

751	767	785	937	1024	1075	1113	1115	1129

2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May	2040-Nov
1095	1091	1091	1105	992	948	848	809	756

1095	1091	1091	1105	992	948	848	809	756

2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov	2045-May
738	725	728	697	690	692	701	698	705

738	725	728	697	690	692	701	698	705

2045-Nov	2046-May	2046-Nov	2047-May
753	786	945	1376

753	786	945	1376

Equity Injection

44%

Biennial

\$ nominal million	2017-Jul 2017 Jul	2017-Nov 2017 Nov	2018-May 2018 May	2018-Nov 2018 Nov
	7	11	5	11
First Date	42917	43040	43221	43405
		43039	43220	43404
Fair Allocation Amount	-931	-779	-629	-562
Readjustment amount	-74	-341	-470	-564
Total borrowing requirement including financing costs	-1005	-1120	-1099	-1126
	\$1,539.67			

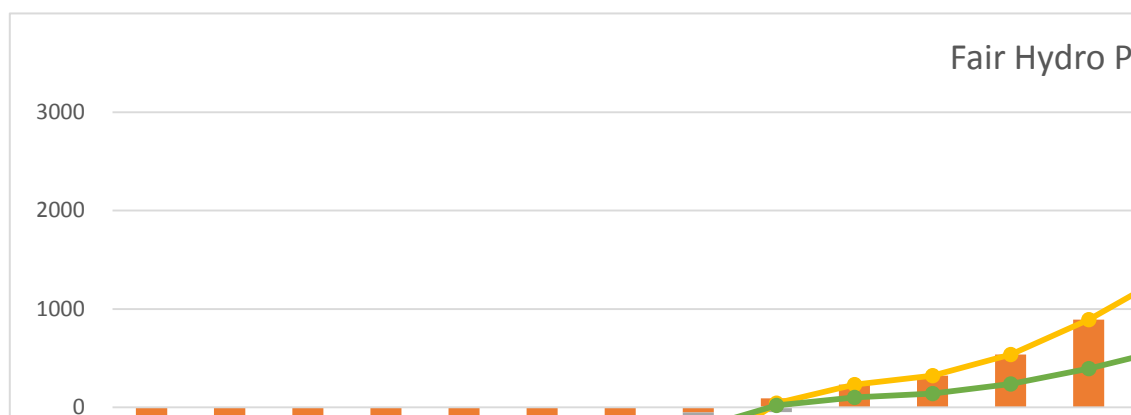
Annual

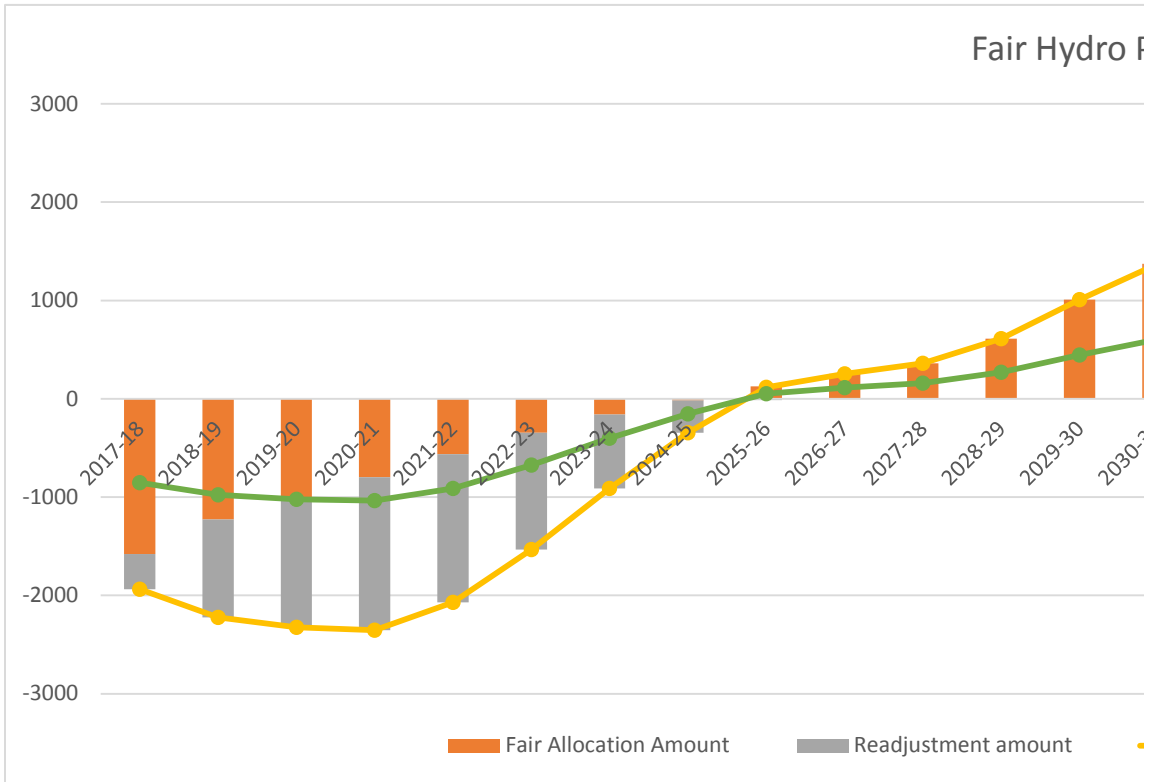
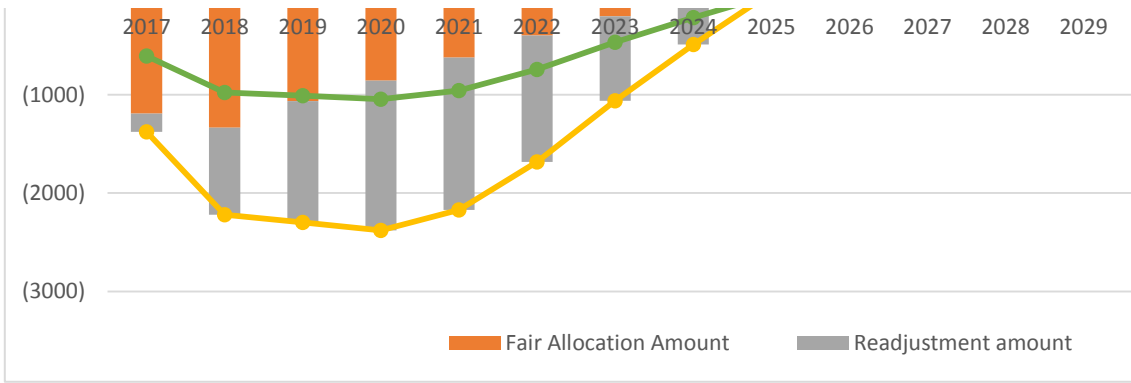
\$ nominal million	2017	2018	2019	2020
Fair Allocation Amount	(1191)	(1336)	(1064)	(855)
Readjustment amount	(188)	(885)	(1233)	(1523)
Total borrowing requirement including financing costs	(1378)	(2221)	(2297)	(2378)
OPG Equity Injection (44%)*	(606)	(977)	(1011)	(1046)

*This includes financing costs, which may need to be excluded upon further information available

Fiscalized

\$ nominal million	2017-18	2018-19	2019-20	2020-21
Fair Allocation Amount	-1580.167	-1227.167	-1013.6667	-798
Readjustment amount	-358.1667	-996.8333	-1311.8333	-1554.5
Total borrowing requirement including financing costs	-1938.333	-2224	-2325.5	-2352.5
OPG Equity Injection (44%)*	-852.8667	-978.56	-1023.22	-1035.1





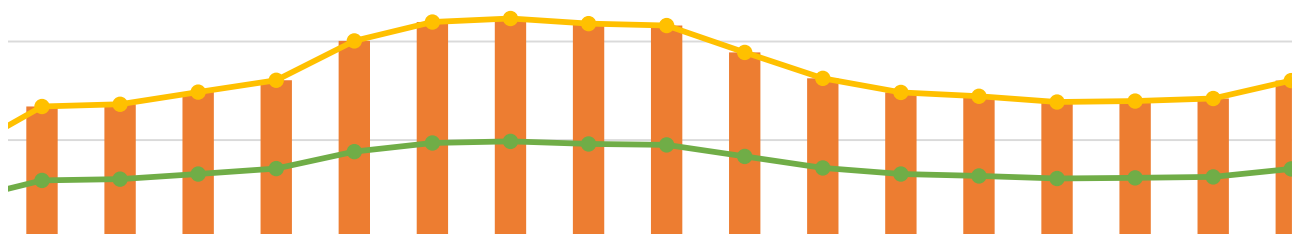
2019-May 2019 May	2019-Nov 2019 Nov	2020-May 2020 May	2020-Nov 2020 Nov	2021-May 2021 May	2021-Jul 2021 Jul	2021-Nov 2021 Nov	2022-May 2022 May	2022-Nov 2022 Nov
5	11	5	11	5	7	11	5	11
43586	43770	43952	44136	44317	44378	44501	44682	44866
43585	43769	43951	44135	44316	44377	44500	44681	44865
-535	-462	-431	-348	-98	-213	-233	-197	-130
-617	-721	-781	-784	-250	-546	-697	-657	-501
-1152	-1183	-1212	-1132	-348	-759	-930	-854	-631

2021	2022	2023	2024	2025	2026	2027	2028	2029
(621)	(396)	(201)	(53)	91	231	321	537	892
(1551)	(1289)	(859)	(436)	(49)	0	0	0	0
(2172)	(1684)	(1060)	(489)	42	231	321	537	892
(956)	(741)	(466)	(215)	18	102	141	236	392

ble.

2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
-563.1667	-344.1667	-161.3333	-17.83333	127.66667	254.333	362.1667	612.66667	1009.667
-1507.5	-1190.667	-751.6667	-328.6667	-12.16667	0	0	0	0
-2070.667	-1534.833	-913	-346.5	115.5	254.333	362.1667	612.66667	1009.667
-911.0933	-675.3267	-401.72	-152.46	50.82	111.907	159.3533	269.57333	444.2533

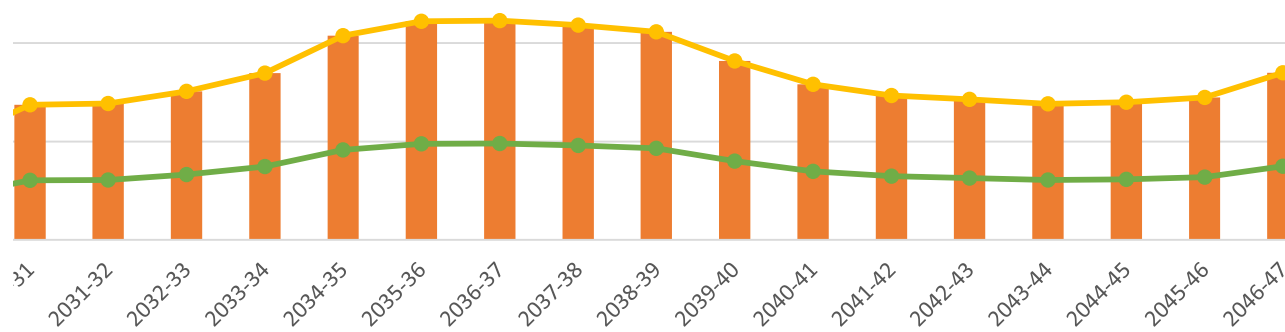
Ian GA Financing - Calendar Year



2030 2031 2032 2033 2034 2035 2036 2037 2038 2039 2040 2041 2042 2043 2044 2045 20

● Total borrowing requirement including financing costs ● OPG Equity Injection (44%)*

Plan GA Financing - Fiscal Year

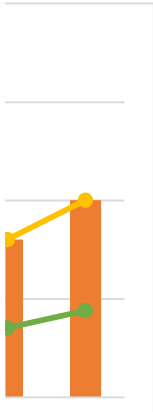


● Total borrowing requirement including financing costs ● OPG Equity Injection (44%)*

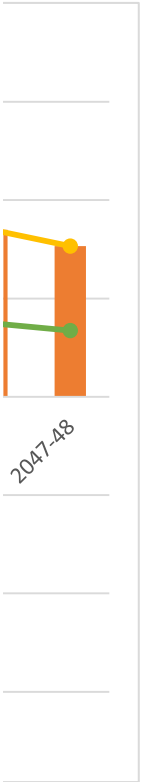
2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov	2027-May
2023	2023	2024	2024	2025.00	2025	2026	2026	2027
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
45047	45231	45413	45597	45778	45962	46143	46327	46508
45046	45230	45412	45596	45777	45961	46142	46326	46507
-98	-50	-27	21	45	95	121	141	152
-429	-287	-220	-73					
-527	-337	-247	-52	45	95	121	141	152

2030	2031	2032	2033	2034	2035	2036	2037	2038
1340	1365	1486	1609	2007	2201	2237	2185	2163
0	0	0	0	0	0	0	0	0
1340	1365	1486	1609	2007	2201	2237	2185	2163
590	600	654	708	883	969	984	961	952

2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39
1373	1385.167	1510	1693.667	2076	2221.333	2227.3333	2182.667	2113.5
0	0	0	0	0	0	0	0	0
1373	1385.167	1510	1693.667	2076	2221.333	2227.3333	2182.667	2113.5
604.12	609.4733	664.4	745.2133	913.44	977.3867	980.02667	960.3733	929.94



46 2047



2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May	2031-Nov
2027 Nov	2028 May	2028 Nov	2029 May	2029 Nov	2030 May	2030 Nov	2031 May	2031 Nov
11	5	11	5	11	5	11	5	11
46692	46874	47058	47239	47423	47604	47788	47969	48153
46691	46873	47057	47238	47422	47603	47787	47968	48152
224	262	376	437	612	706	678	673	719

224	262	376	437	612	706	678	673	719

2039	2040	2041	2042	2043	2044	2045	2046	2047
1892	1626	1484	1444	1385	1395	1421	1603	2006
0	0	0	0	0	0	0	0	0
1892	1626	1484	1444	1385	1395	1421	1603	2006
832	716	653	635	610	614	625	705	883

2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48
1820	1580.3333	1468.167	1429.6667	1382.833	1398	1448.833	1699	1533.5
0	0	0	0	0	0	0	0	0
1820	1580.3333	1468.167	1429.6667	1382.833	1398	1448.833	1699	1533.5
800.8	695.34667	645.9933	629.05333	608.4467	615.12	637.4867	747.56	674.74

2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov	2036-May
2032	2032	2033	2033	2034	2034	2035	2035	2036
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
48335	48519	48700	48884	49065	49249	49430	49614	49796
48334	48518	48699	48883	49064	49248	49429	49613	49795
751	767	785	937	1024	1075	1113	1115	1129
751	767	785	937	1024	1075	1113	1115	1129

2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May	2040-Nov
2036	2037	2037	2038	2038	2039	2039	2040	2040
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
49980	50161	50345	50526	50710	50891	51075	51257	51441
49979	50160	50344	50525	50709	50890	51074	51256	51440
1095	1091	1091	1105	992	948	848	809	756
1095	1091	1091	1105	992	948	848	809	756

2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov	2045-May
2041	2041	2042	2042	2043	2043	2044	2044	2045
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
51622	51806	51987	52171	52352	52536	52718	52902	53083
51621	51805	51986	52170	52351	52535	52717	52901	53082
738	725	728	697	690	692	701	698	705
738	725	728	697	690	692	701	698	705

2045-Nov	2046-May	2046-Nov	2047-May	
2045	2046	2046	2047	2047.00
Nov	May	Nov	May	Nov
11	5	11	5	11
53267	53448	53632	53813	53997
53266	53447	53631	53812	53996
753	786	945	1376	
753	786	945	1376	

\$ nominal million	2017-Jul	2017-Nov	2018-May	2018-Nov
Fair Allocation Amount	-931	-779	-629	-562
Readjustment amount	-74	-341	-470	-564
Total borrowing requirement including financing costs	-1005	-1120	-1099	-1126

2019-May	2019-Nov	2020-May	2020-Nov	2021-May	2021-Jul	2021-Nov	2022-May	2022-Nov
-535	-462	-431	-348	-98	-213	-233	-197	-130
-617	-721	-781	-784	-250	-546	-697	-657	-501
-1152	-1183	-1212	-1132	-348	-759	-930	-854	-631

2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov	2027-May
-98	-50	-27	21	45	95	121	141	152
-429	-287	-220	-73					
-527	-337	-247	-52	45	95	121	141	152

2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May	2031-Nov
224	262	376	437	612	706	678	673	719

224	262	376	437	612	706	678	673	719

2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov	2036-May
751	767	785	937	1024	1075	1113	1115	1129

751	767	785	937	1024	1075	1113	1115	1129

2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May	2040-Nov
1095	1091	1091	1105	992	948	848	809	756

1095	1091	1091	1105	992	948	848	809	756

2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov	2045-May
738	725	728	697	690	692	701	698	705

738	725	728	697	690	692	701	698	705

2045-Nov	2046-May	2046-Nov	2047-May
753	786	945	1376

753	786	945	1376

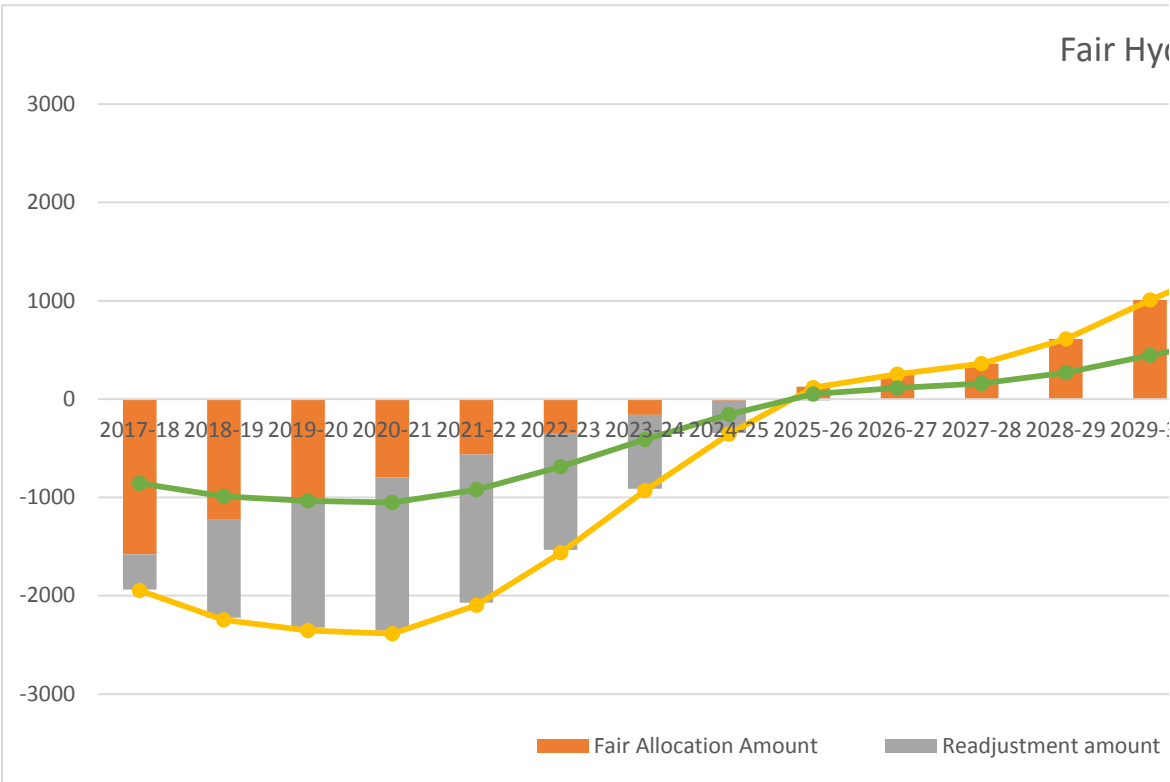
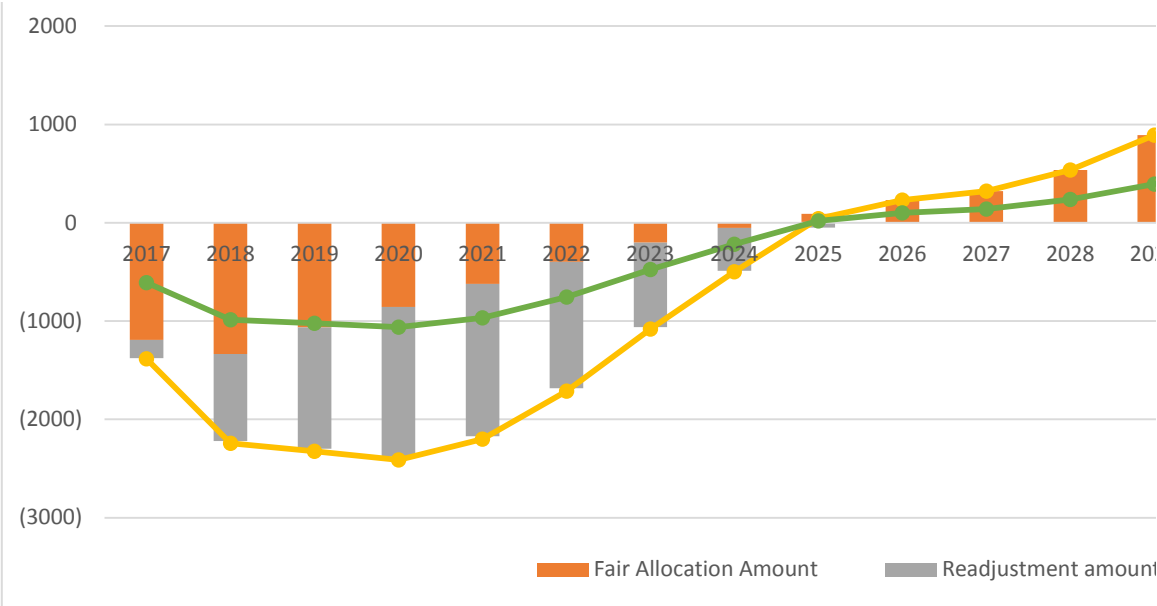
Equity Injection	44%
Assumed Interest Cost	4.5%

Biennial			
\$ nominal million	2017-Jul	2017-Nov	2018-May
	2017 Jul	2017 Nov	2018 May
	7	11	5
First Date	42917	43040	43221
		43039	43220
Fair Allocation Amount	-931	-779	-629
	14.044	17.693	14.286
Readjustment amount	-74	-341	-470
Readjustment amount - In Period Borrowing Costs	-1.116	-7.745	-10.675
Total borrowing requirement including financing costs	-992	-1102	-1085

Annual			
\$ nominal million	2017	2018	2019
Fair Allocation Amount	(1191)	(1336)	(1064)
Readjustment amount	(188)	(885)	(1233)
Readjustment amount - In Period Borrowing Costs	(4)	(20)	(28)
Total borrowing requirement including financing costs	(1382)	(2241)	(2325)
OPG Equity Injection (44%)*	(608)	(986)	(1023)

*This includes financing costs, which may need to be excluded upon further information available

Fiscalized			
\$ nominal million	2017-18	2018-19	2019-20
Fair Allocation Amount	-1580.1667	-1227.167	-1013.6667
Readjustment amount	-358.16667	-996.8333	-1311.8333
Readjustment amount - In Period Borrowing Costs	-7.5702513	-22.64007	-29.794352
Total borrowing requirement including financing costs	-1945.9036	-2246.64	-2355.2944
OPG Equity Injection (44%)*	-856.19758	-988.5216	-1036.3295



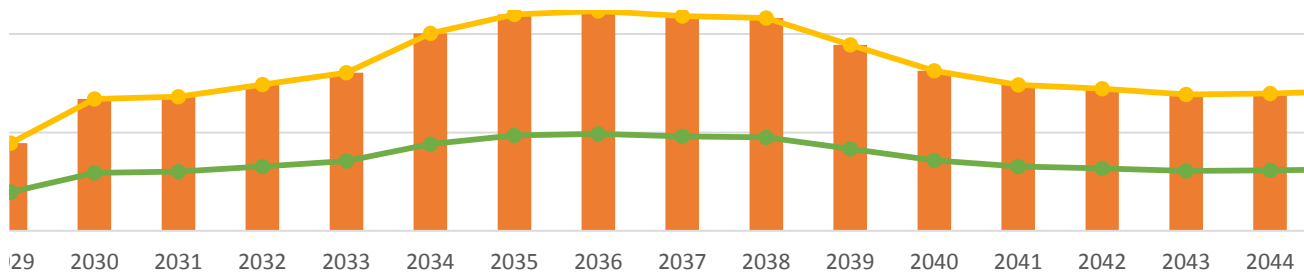
2018-Nov	2019-May	2019-Nov	2020-May	2020-Nov	2021-May	2021-Jul	2021-Nov	2022-May
2018	2019	2019	2020	2020	2021	2021	2021	2022
Nov	May	Nov	May	Nov	May	Jul	Nov	May
11	5	11	5	11	5	7	11	5
43405	43586	43770	43952	44136	44317	44378	44501	44682
43404	43585	43769	43951	44135	44316	44377	44500	44681
-562	-535	-462	-431	-348	-98	-213	-233	-197
12.764	12.151	10.493	9.789	7.904	0.736	3.213	5.292	4.474
-564	-617	-721	-781	-784	-250	-546	-697	-657
-12.810	-14.013	-16.375	-17.738	-17.806	-1.879	-8.236	-15.830	-14.922
-1113	-1140	-1173	-1202	-1124	-347	-756	-925	-850

2020	2021	2022	2023	2024	2025	2026	2027	2028
(855)	(621)	(396)	(201)	(53)	91	231	321	537
(1523)	(1551)	(1289)	(859)	(436)	(49)			
(35)	(27)	(29)	(20)	(10)	(1)			
(2413)	(2199)	(1714)	(1080)	(499)	41	231	321	537
(1062)	(968)	(754)	(475)	(220)	18	102	141	236

3.

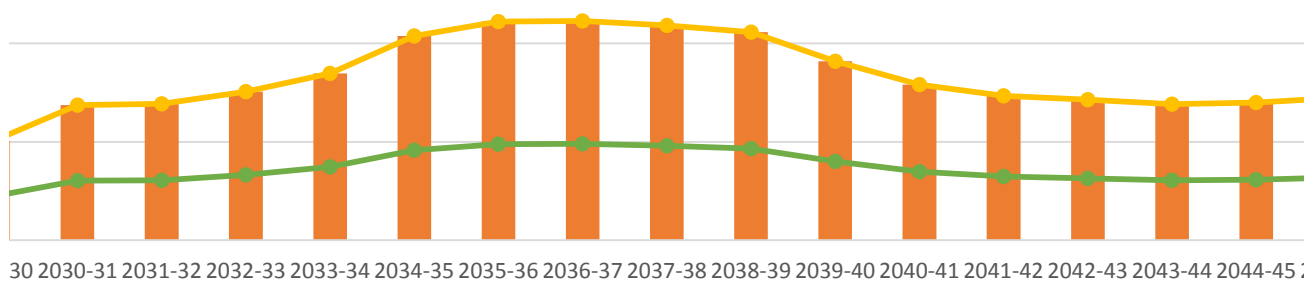
2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
-798	-563.1667	-344.1667	-161.3333	-17.83333	127.66667	254.333	362.1667	612.66667
-1554.5	-1507.5	-1190.667	-751.6667	-328.6667	-12.16667			
-35.305796	-26.27428	-27.04242	-17.07185	-7.464676	-0.276329			
-2387.8058	-2096.941	-1561.876	-930.0718	-353.9647	115.22367	254.333	362.1667	612.66667
-1050.6346	-922.654	-687.2253	-409.2316	-155.7445	50.698415	111.907	159.3533	269.57333

Iro Plan GA Financing - Calendar Year



t —●— Total borrowing requirement including financing costs —●— OPG Equity Injection (44%)*

dro Plan GA Financing - Fiscal Year

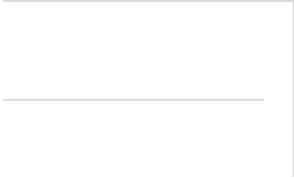


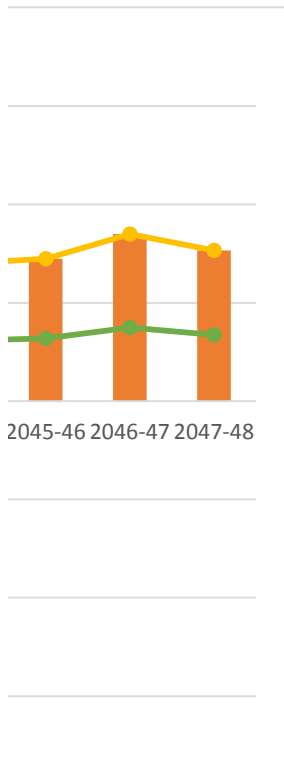
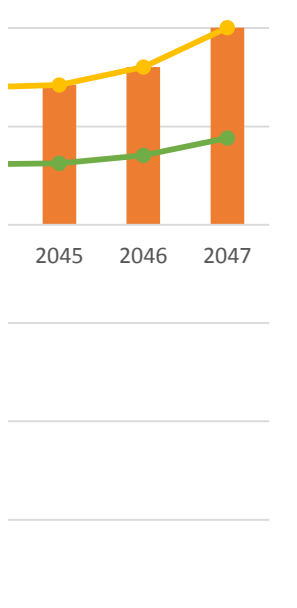
—●— Total borrowing requirement including financing costs —●— OPG Equity Injection (44%)*

2022-Nov	2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov
2022	2023	2023	2024	2024	2025.00	2025	2026	2026
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
44866	45047	45231	45413	45597	45778	45962	46143	46327
44865	45046	45230	45412	45596	45777	45961	46142	46326
-130	-98	-50	-27	21	45	95	121	141
2.953	2.226	1.136	0.613					
-501	-429	-287	-220	-73				
-11.379	-9.743	-6.518	-4.997	-1.658				
-628	-525	-336	-246	-52	45	95	121	141

2029	2030	2031	2032	2033	2034	2035	2036	2037
892	1340	1365	1486	1609	2007	2201	2237	2185
892	1340	1365	1486	1609	2007	2201	2237	2185
392	590	600	654	708	883	969	984	961

2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38
1009.667	1373	1385.167	1510	1693.667	2076	2221.333	2227.3333	2182.667
1009.667	1373	1385.167	1510	1693.667	2076	2221.333	2227.3333	2182.667
444.2533	604.12	609.4733	664.4	745.2133	913.44	977.3867	980.02667	960.3733





2027-May	2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May
2027	2027	2028	2028	2029	2029	2030	2030	2031
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
46508	46692	46874	47058	47239	47423	47604	47788	47969
46507	46691	46873	47057	47238	47422	47603	47787	47968
152	224	262	376	437	612	706	678	673

152	224	262	376	437	612	706	678	673

2038	2039	2040	2041	2042	2043	2044	2045	2046
2163	1892	1626	1484	1444	1385	1395	1421	1603

2163	1892	1626	1484	1444	1385	1395	1421	1603

952	832	716	653	635	610	614	625	705

2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47
2113.5	1820	1580.3333	1468.167	1429.6667	1382.833	1398	1448.833	1699

2113.5	1820	1580.3333	1468.167	1429.6667	1382.833	1398	1448.833	1699

929.94	800.8	695.34667	645.9933	629.05333	608.4467	615.12	637.4867	747.56

2031-Nov	2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov
2031	2032	2032	2033	2033	2034	2034	2035	2035
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
48153	48335	48519	48700	48884	49065	49249	49430	49614
48152	48334	48518	48699	48883	49064	49248	49429	49613
719	751	767	785	937	1024	1075	1113	1115

719	751	767	785	937	1024	1075	1113	1115

2047

2006

2006

883

2047-48

1533.5

1533.5

674.74

2036-May	2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May
2036	2036	2037	2037	2038	2038	2039	2039	2040
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
49796	49980	50161	50345	50526	50710	50891	51075	51257
49795	49979	50160	50344	50525	50709	50890	51074	51256
1129	1095	1091	1091	1105	992	948	848	809

1129	1095	1091	1091	1105	992	948	848	809

2040-Nov	2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov
2040	2041	2041	2042	2042	2043	2043	2044	2044
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
51441	51622	51806	51987	52171	52352	52536	52718	52902
51440	51621	51805	51986	52170	52351	52535	52717	52901
756	738	725	728	697	690	692	701	698

756	738	725	728	697	690	692	701	698

2045-May	2045-Nov	2046-May	2046-Nov	2047-May	2047.00
2045	2045	2046	2046	2047	
May	Nov	May	Nov	May	Nov
5	11	5	11	5	11
53083	53267	53448	53632	53813	53997
53082	53266	53447	53631	53812	53996
705	753	786	945	1376	

705	753	786	945	1376

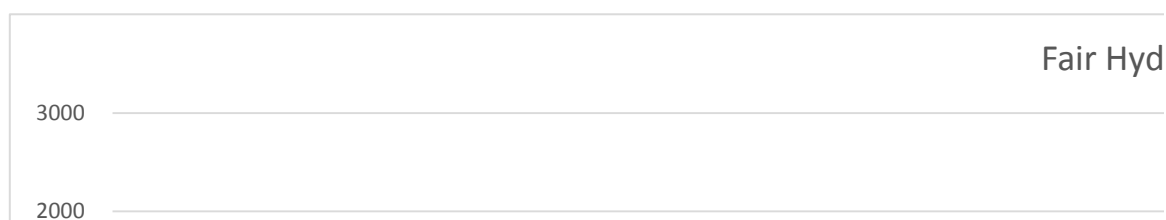
Equity Injection	44%
Assumed Interest Cost	4.5%

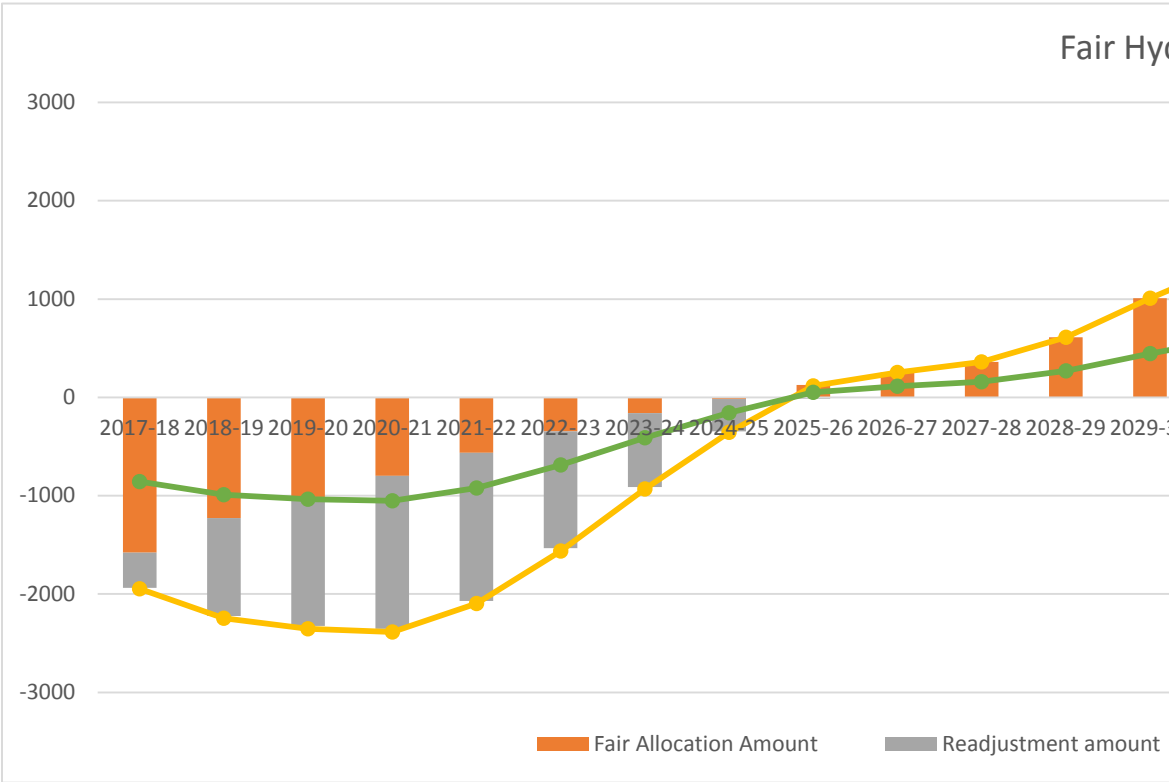
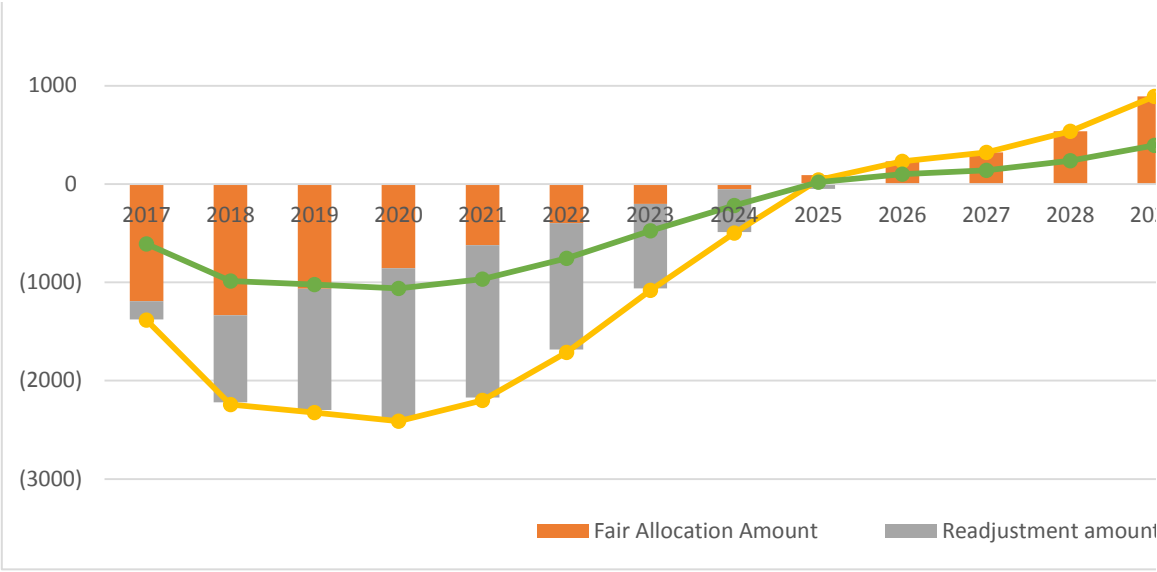
Biennial			
\$ nominal million	2017-Jul	2017-Nov	2018-May
	2017 Jul	2017 Nov	2018 May
	7	11	5
First Date	42917	43040	43221
		43039	43220
Fair Allocation Amount	-931	-779	-629
Readjustment amount	-74	-341	-470
Readjustment amount - In Period Borrowing Costs	-1.116	-7.745	-10.675
Total borrowing requirement including financing costs	-1006	-1120	-1099

Annual			
\$ nominal million	2017	2018	2019
Fair Allocation Amount	(1191)	(1336)	(1064)
Readjustment amount	(188)	(885)	(1233)
Readjustment amount - In Period Borrowing Costs	(4)	(20)	(28)
Total borrowing requirement including financing costs	(1382)	(2241)	(2325)
OPG Equity Injection (44%)*	(608)	(986)	(1023)

*This includes financing costs, which may need to be excluded upon further information available

Fiscalized			
\$ nominal million	2017-18	2018-19	2019-20
Fair Allocation Amount	-1580.1667	-1227.167	-1013.6667
Readjustment amount	-358.16667	-996.8333	-1311.8333
Readjustment amount - In Period Borrowing Costs	-7.5702513	-22.64007	-29.794352
Total borrowing requirement including financing costs	-1945.9036	-2246.64	-2355.2944
OPG Equity Injection (44%)*	-856.19758	-988.5216	-1036.3295





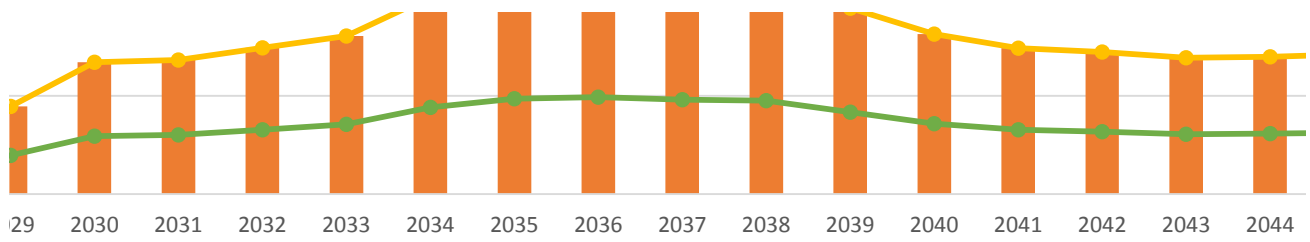
2018-Nov 2018 Nov	2019-May 2019 May	2019-Nov 2019 Nov	2020-May 2020 May	2020-Nov 2020 Nov	2021-May 2021 May	2021-Jul 2021 Jul	2021-Nov 2021 Nov	2022-May 2022 May
11	5	11	5	11	5	7	11	5
43405	43586	43770	43952	44136	44317	44378	44501	44682
43404	43585	43769	43951	44135	44316	44377	44500	44681
-562	-535	-462	-431	-348	-98	-213	-233	-197
-564	-617	-721	-781	-784	-250	-546	-697	-657
-12.810	-14.013	-16.375	-17.738	-17.806	-1.879	-8.236	-15.830	-14.922
-1126	-1152	-1183	-1212	-1132	-348	-759	-930	-854
2020	2021	2022	2023	2024	2025	2026	2027	2028
(855)	(621)	(396)	(201)	(53)	91	231	321	537
(1523)	(1551)	(1289)	(859)	(436)	(49)			
(35)	(27)	(29)	(20)	(10)	(1)			
(2413)	(2199)	(1714)	(1080)	(499)	41	231	321	537
(1062)	(968)	(754)	(475)	(220)	18	102	141	236

2.

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
-798	-563.1667	-344.1667	-161.3333	-17.83333	127.66667	254.333	362.1667	612.66667
-1554.5	-1507.5	-1190.667	-751.6667	-328.6667	-12.16667			
-35.305796	-26.27428	-27.04242	-17.07185	-7.464676	-0.276329			
-2387.8058	-2096.941	-1561.876	-930.0718	-353.9647	115.22367	254.333	362.1667	612.66667
-1050.6346	-922.654	-687.2253	-409.2316	-155.7445	50.698415	111.907	159.3533	269.57333

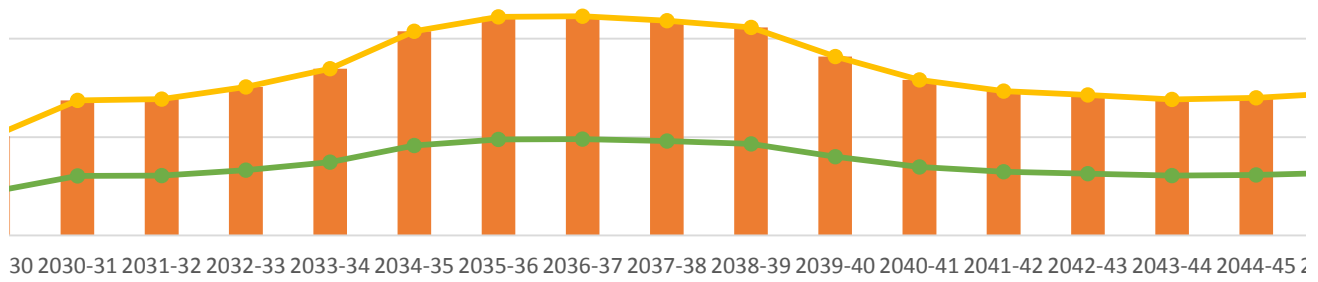
Pro Plan GA Financing - Calendar Year





t —●— Total borrowing requirement including financing costs —●— OPG Equity Injection (44%)*

dro Plan GA Financing - Fiscal Year

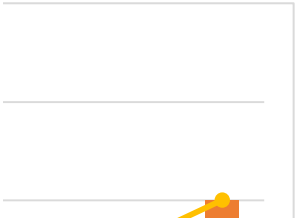


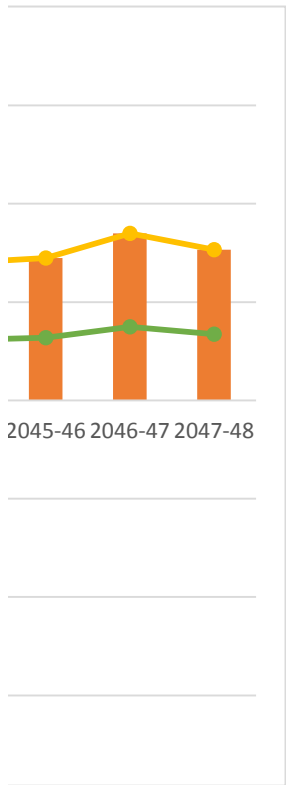
—●— Total borrowing requirement including financing costs —●— OPG Equity Injection (44%)*

2022-Nov	2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov
2022	2023	2023	2024	2024	2025.00	2025	2026	2026
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
44866	45047	45231	45413	45597	45778	45962	46143	46327
44865	45046	45230	45412	45596	45777	45961	46142	46326
-130	-98	-50	-27	21	45	95	121	141
-501	-429	-287	-220	-73				
-11.379	-9.743	-6.518	-4.997	-1.658				
-631	-527	-337	-247	-52	45	95	121	141

2029	2030	2031	2032	2033	2034	2035	2036	2037
892	1340	1365	1486	1609	2007	2201	2237	2185
892	1340	1365	1486	1609	2007	2201	2237	2185
392	590	600	654	708	883	969	984	961

2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38
1009.667	1373	1385.167	1510	1693.667	2076	2221.333	2227.3333	2182.667
1009.667	1373	1385.167	1510	1693.667	2076	2221.333	2227.3333	2182.667
444.2533	604.12	609.4733	664.4	745.2133	913.44	977.3867	980.02667	960.3733





2027-May	2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May
2027	2027	2028	2028	2029	2029	2030	2030	2031
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
46508	46692	46874	47058	47239	47423	47604	47788	47969
46507	46691	46873	47057	47238	47422	47603	47787	47968
152	224	262	376	437	612	706	678	673

152	224	262	376	437	612	706	678	673

2038	2039	2040	2041	2042	2043	2044	2045	2046
2163	1892	1626	1484	1444	1385	1395	1421	1603

2163	1892	1626	1484	1444	1385	1395	1421	1603

952	832	716	653	635	610	614	625	705

2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47
2113.5	1820	1580.3333	1468.167	1429.6667	1382.833	1398	1448.833	1699

2113.5	1820	1580.3333	1468.167	1429.6667	1382.833	1398	1448.833	1699

929.94	800.8	695.34667	645.9933	629.05333	608.4467	615.12	637.4867	747.56

2031-Nov	2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov
2031	2032	2032	2033	2033	2034	2034	2035	2035
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
48153	48335	48519	48700	48884	49065	49249	49430	49614
48152	48334	48518	48699	48883	49064	49248	49429	49613
719	751	767	785	937	1024	1075	1113	1115

719	751	767	785	937	1024	1075	1113	1115

2047
2006

2006

883

2047-48
1533.5

1533.5

674.74

2036-May	2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May
2036	2036	2037	2037	2038	2038	2039	2039	2040
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
49796	49980	50161	50345	50526	50710	50891	51075	51257
49795	49979	50160	50344	50525	50709	50890	51074	51256
1129	1095	1091	1091	1105	992	948	848	809
1129	1095	1091	1091	1105	992	948	848	809

2040-Nov	2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov
2040	2041	2041	2042	2042	2043	2043	2044	2044
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
51441	51622	51806	51987	52171	52352	52536	52718	52902
51440	51621	51805	51986	52170	52351	52535	52717	52901
756	738	725	728	697	690	692	701	698
756	738	725	728	697	690	692	701	698

2045-May	2045-Nov	2046-May	2046-Nov	2047-May	2047-Nov
2045	2045	2046	2046	2047	2047.00
May	Nov	May	Nov	May	Nov
5	11	5	11	5	11
53083	53267	53448	53632	53813	53997
53082	53266	53447	53631	53812	53996
705	753	786	945	1376	
705	753	786	945	1376	

Equity Injection

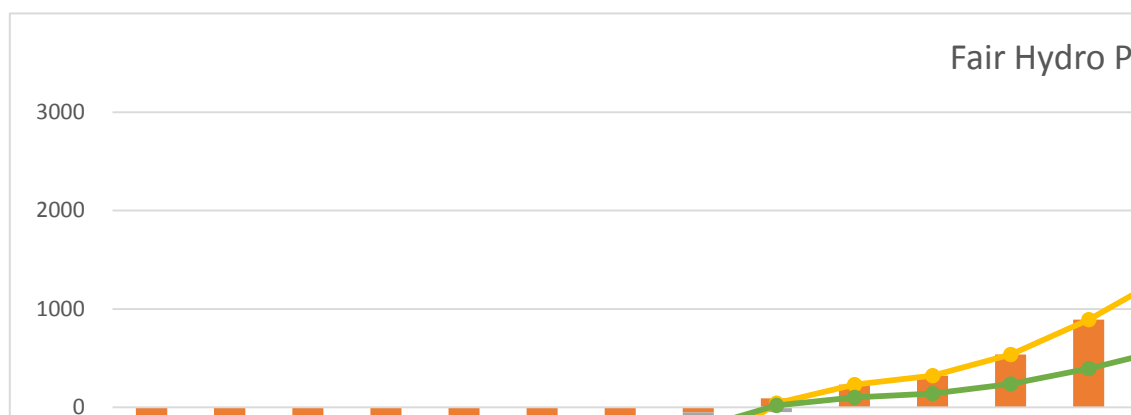
44%

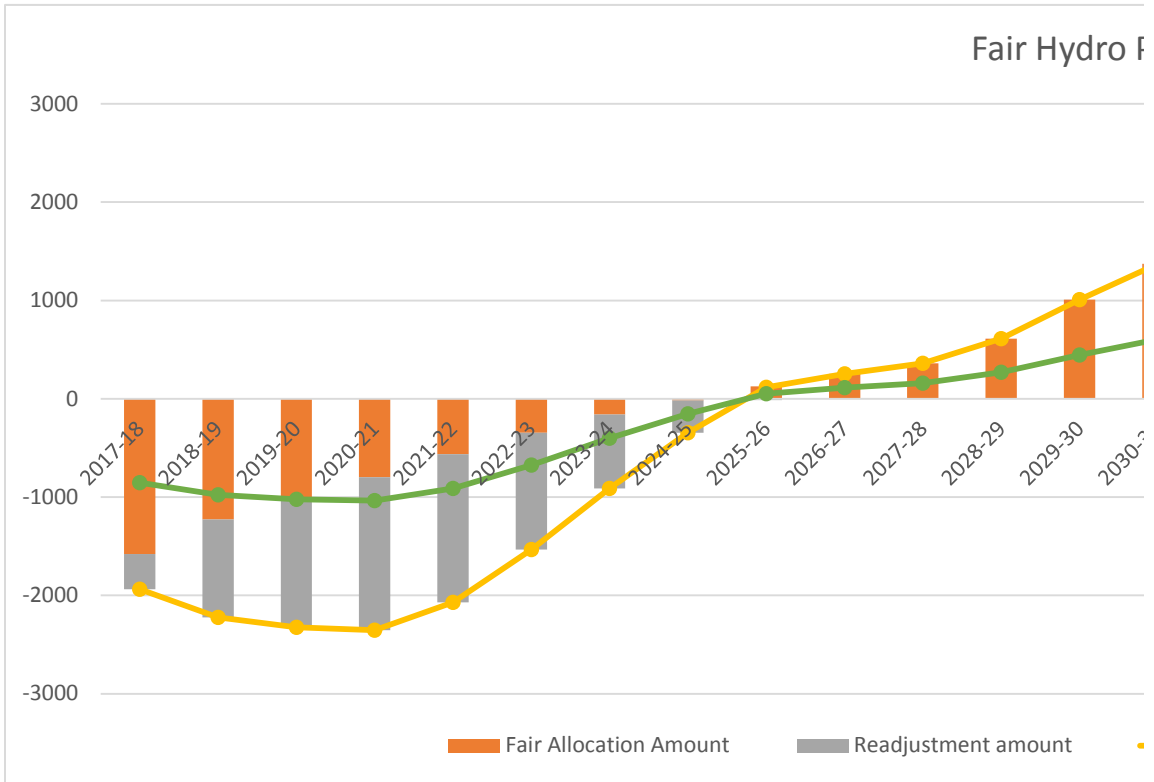
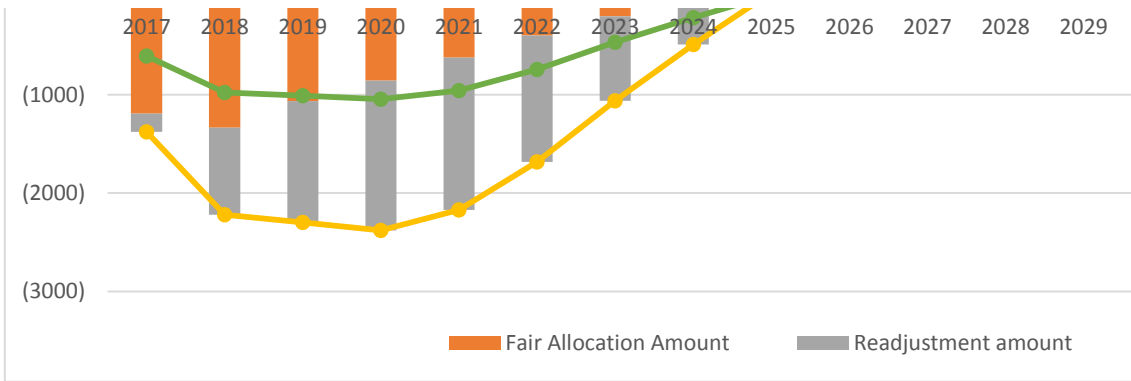
Biennial				
\$ nominal million	2017-Jul	2017-Nov	2018-May	2018-Nov
	2017	2017	2018	2018
	Jul	Nov	May	Nov
	7	11	5	11
First Date	42917	43040	43221	43405
		43039	43220	43404
Fair Allocation Amount	-931	-779	-629	-562
Readjustment amount	-74	-341	-470	-564
Total borrowing requirement including financing costs	-1005	-1120	-1099	-1126
	\$1,539.67			

Annual				
\$ nominal million	2017	2018	2019	2020
Fair Allocation Amount	(1191)	(1336)	(1064)	(855)
Readjustment amount	(188)	(885)	(1233)	(1523)
Total borrowing requirement including financing costs	(1378)	(2221)	(2297)	(2378)
OPG Equity Injection (44%)*	(606)	(977)	(1011)	(1046)

*This includes financing costs, which may need to be excluded upon further information available

Fiscalized				
\$ nominal million	2017-18	2018-19	2019-20	2020-21
Fair Allocation Amount	-1580.167	-1227.167	-1013.6667	-798
Readjustment amount	-358.1667	-996.8333	-1311.8333	-1554.5
Total borrowing requirement including financing costs	-1938.333	-2224	-2325.5	-2352.5
OPG Equity Injection (44%)*	-852.8667	-978.56	-1023.22	-1035.1





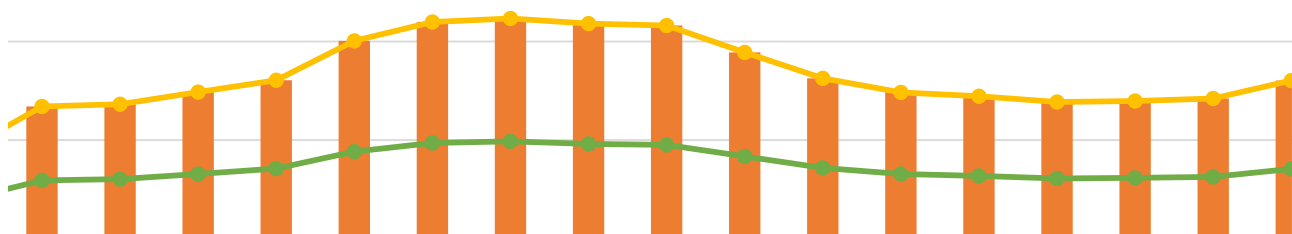
2019-May 2019 May	2019-Nov 2019 Nov	2020-May 2020 May	2020-Nov 2020 Nov	2021-May 2021 May	2021-Jul 2021 Jul	2021-Nov 2021 Nov	2022-May 2022 May	2022-Nov 2022 Nov
5	11	5	11	5	7	11	5	11
43586	43770	43952	44136	44317	44378	44501	44682	44866
43585	43769	43951	44135	44316	44377	44500	44681	44865
-535	-462	-431	-348	-98	-213	-233	-197	-130
-617	-721	-781	-784	-250	-546	-697	-657	-501
-1152	-1183	-1212	-1132	-348	-759	-930	-854	-631

2021	2022	2023	2024	2025	2026	2027	2028	2029
(621)	(396)	(201)	(53)	91	231	321	537	892
(1551)	(1289)	(859)	(436)	(49)	0	0	0	0
(2172)	(1684)	(1060)	(489)	42	231	321	537	892
(956)	(741)	(466)	(215)	18	102	141	236	392

ble.

2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
-563.1667	-344.1667	-161.3333	-17.83333	127.66667	254.333	362.1667	612.66667	1009.667
-1507.5	-1190.667	-751.6667	-328.6667	-12.16667	0	0	0	0
-2070.667	-1534.833	-913	-346.5	115.5	254.333	362.1667	612.66667	1009.667
-911.0933	-675.3267	-401.72	-152.46	50.82	111.907	159.3533	269.57333	444.2533

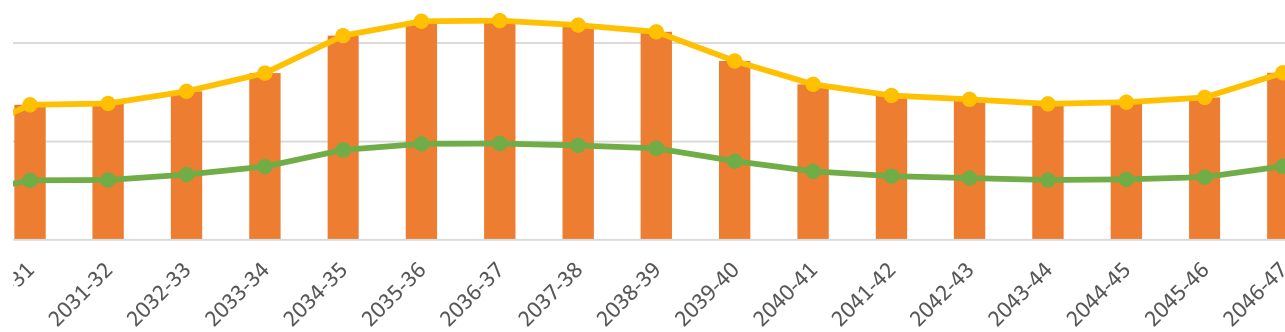
Ian GA Financing - Calendar Year



2030 2031 2032 2033 2034 2035 2036 2037 2038 2039 2040 2041 2042 2043 2044 2045 20

● Total borrowing requirement including financing costs ● OPG Equity Injection (44%)*

Plan GA Financing - Fiscal Year

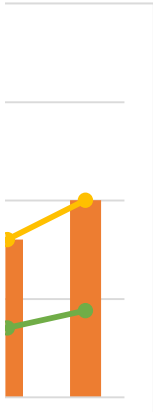


● Total borrowing requirement including financing costs ● OPG Equity Injection (44%)*

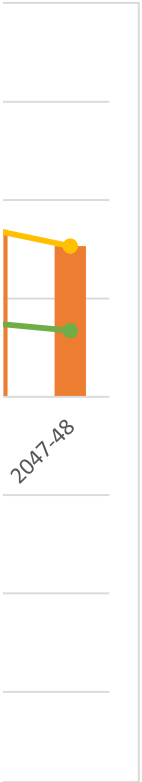
2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov	2027-May
2023	2023	2024	2024	2025.00	2025	2026	2026	2027
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
45047	45231	45413	45597	45778	45962	46143	46327	46508
45046	45230	45412	45596	45777	45961	46142	46326	46507
-98	-50	-27	21	45	95	121	141	152
-429	-287	-220	-73					
-527	-337	-247	-52	45	95	121	141	152

2030	2031	2032	2033	2034	2035	2036	2037	2038
1340	1365	1486	1609	2007	2201	2237	2185	2163
0	0	0	0	0	0	0	0	0
1340	1365	1486	1609	2007	2201	2237	2185	2163
590	600	654	708	883	969	984	961	952

2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39
1373	1385.167	1510	1693.667	2076	2221.333	2227.3333	2182.667	2113.5
0	0	0	0	0	0	0	0	0
1373	1385.167	1510	1693.667	2076	2221.333	2227.3333	2182.667	2113.5
604.12	609.4733	664.4	745.2133	913.44	977.3867	980.02667	960.3733	929.94



46 2047



2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May	2031-Nov
2027	2028	2028	2029	2029	2030	2030	2031	2031
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
46692	46874	47058	47239	47423	47604	47788	47969	48153
46691	46873	47057	47238	47422	47603	47787	47968	48152
224	262	376	437	612	706	678	673	719

224	262	376	437	612	706	678	673	719

2039	2040	2041	2042	2043	2044	2045	2046	2047
1892	1626	1484	1444	1385	1395	1421	1603	2006
0	0	0	0	0	0	0	0	0
1892	1626	1484	1444	1385	1395	1421	1603	2006
832	716	653	635	610	614	625	705	883

2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48
1820	1580.3333	1468.167	1429.6667	1382.833	1398	1448.833	1699	1533.5
0	0	0	0	0	0	0	0	0
1820	1580.3333	1468.167	1429.6667	1382.833	1398	1448.833	1699	1533.5
800.8	695.34667	645.9933	629.05333	608.4467	615.12	637.4867	747.56	674.74

2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov	2036-May
2032	2032	2033	2033	2034	2034	2035	2035	2036
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
48335	48519	48700	48884	49065	49249	49430	49614	49796
48334	48518	48699	48883	49064	49248	49429	49613	49795
751	767	785	937	1024	1075	1113	1115	1129
751	767	785	937	1024	1075	1113	1115	1129

2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May	2040-Nov
2036	2037	2037	2038	2038	2039	2039	2040	2040
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
49980	50161	50345	50526	50710	50891	51075	51257	51441
49979	50160	50344	50525	50709	50890	51074	51256	51440
1095	1091	1091	1105	992	948	848	809	756
1095	1091	1091	1105	992	948	848	809	756

2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov	2045-May
2041	2041	2042	2042	2043	2043	2044	2044	2045
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
51622	51806	51987	52171	52352	52536	52718	52902	53083
51621	51805	51986	52170	52351	52535	52717	52901	53082
738	725	728	697	690	692	701	698	705
738	725	728	697	690	692	701	698	705

2045-Nov	2046-May	2046-Nov	2047-May	
2045	2046	2046	2047	2047.00
Nov	May	Nov	May	Nov
11	5	11	5	11
53267	53448	53632	53813	53997
53266	53447	53631	53812	53996
753	786	945	1376	
753	786	945	1376	

\$ nominal million	2017-Jul	2017-Nov	2018-May	2018-Nov
Fair Allocation Amount	-931	-779	-629	-562
Readjustment amount	-74	-341	-470	-564
Total borrowing requirement including financing costs	-1005	-1120	-1099	-1126

2019-May	2019-Nov	2020-May	2020-Nov	2021-May	2021-Jul	2021-Nov	2022-May	2022-Nov
-535	-462	-431	-348	-98	-213	-233	-197	-130
-617	-721	-781	-784	-250	-546	-697	-657	-501
-1152	-1183	-1212	-1132	-348	-759	-930	-854	-631

2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov	2027-May
-98	-50	-27	21	45	95	121	141	152
-429	-287	-220	-73					
-527	-337	-247	-52	45	95	121	141	152

2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May	2031-Nov
224	262	376	437	612	706	678	673	719

224	262	376	437	612	706	678	673	719

2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov	2036-May
751	767	785	937	1024	1075	1113	1115	1129

751	767	785	937	1024	1075	1113	1115	1129

2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May	2040-Nov
1095	1091	1091	1105	992	948	848	809	756

1095	1091	1091	1105	992	948	848	809	756

2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov	2045-May
738	725	728	697	690	692	701	698	705
738	725	728	697	690	692	701	698	705

2045-Nov	2046-May	2046-Nov	2047-May
753	786	945	1376

753	786	945	1376

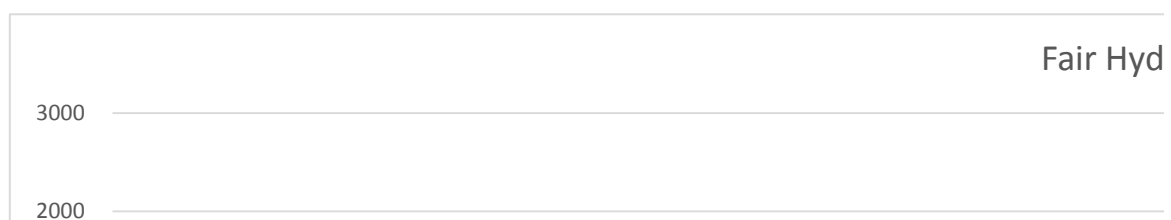
Equity Injection	44%
Assumed Interest Cost	4.5%

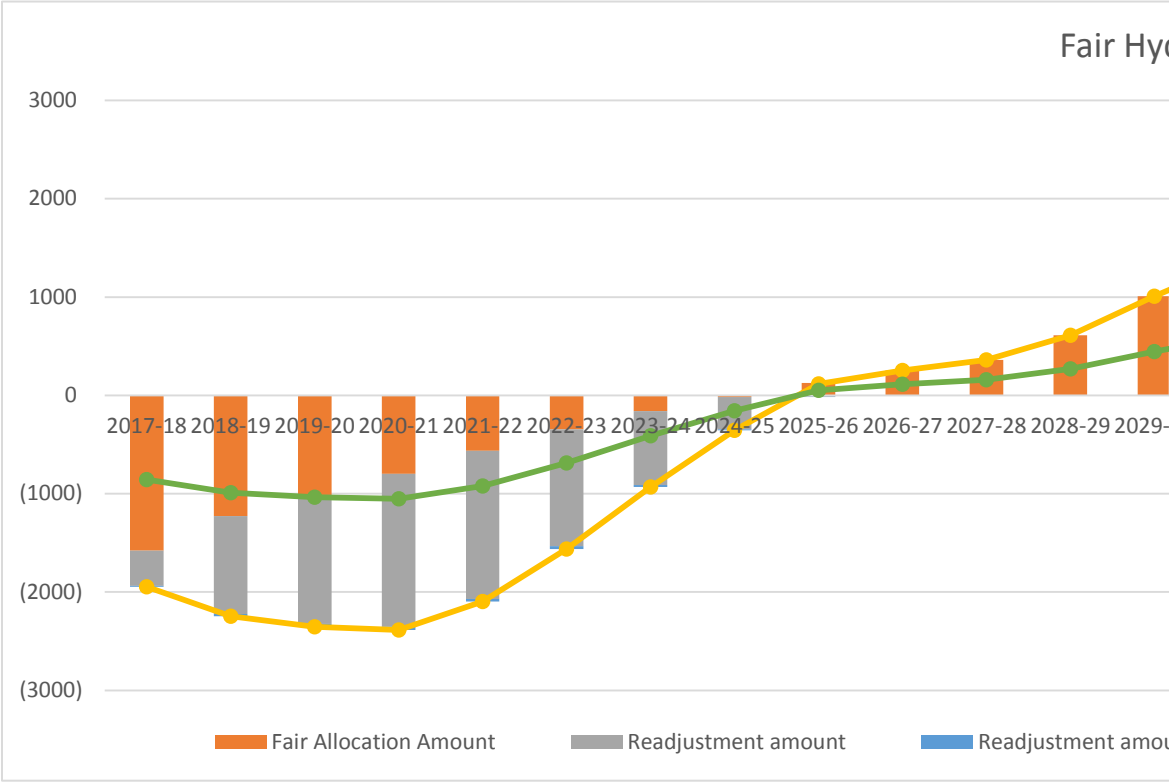
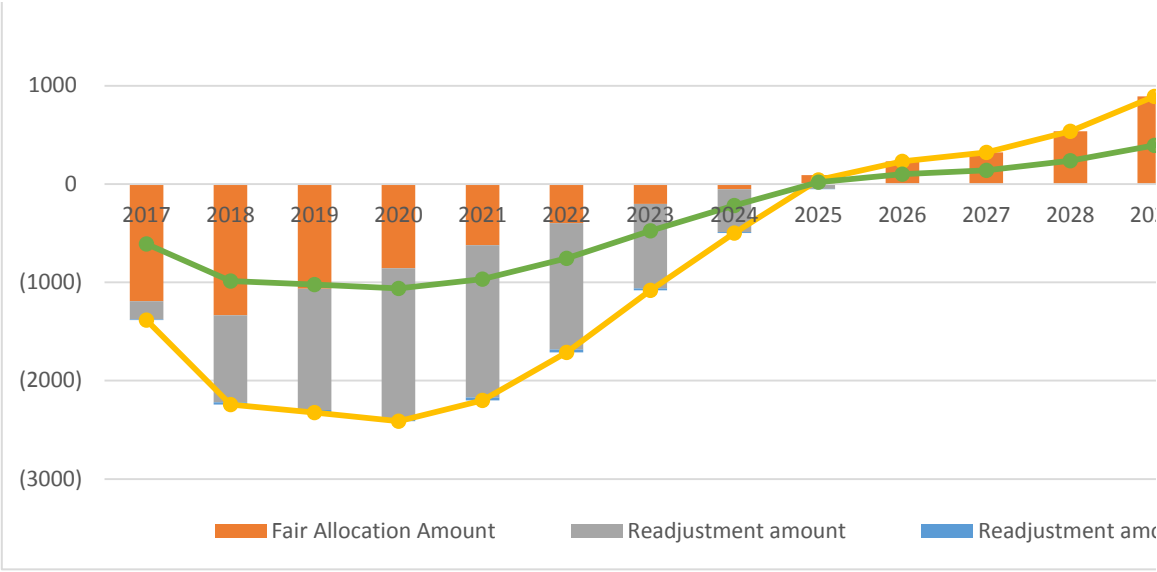
Biennial			
\$ nominal million	2017-Jul	2017-Nov	2018-May
	2017 Jul	2017 Nov	2018 May
	7	11	5
First Date	42917	43040	43221
		43039	43220
Fair Allocation Amount	-931	-779	-629
Readjustment amount	-74	-341	-470
Readjustment amount - In Period Borrowing Costs	-1.116	-7.745	-10.675
Total borrowing requirement including financing costs	-1006	-1120	-1099

Annual			
\$ nominal million	2017	2018	2019
Fair Allocation Amount	(1191)	(1336)	(1064)
Readjustment amount	(188)	(885)	(1233)
Readjustment amount - In Period Borrowing Costs	(4)	(20)	(28)
Total borrowing requirement including financing costs	(1382)	(2241)	(2325)
OPG Equity Injection (44%)*	(608)	(986)	(1023)

*This includes financing costs, which may need to be excluded upon further information available

Fiscalized			
\$ nominal million	2017-18	2018-19	2019-20
Fair Allocation Amount	(1580)	(1227)	(1014)
Readjustment amount	(358)	(997)	(1312)
Readjustment amount - In Period Borrowing Costs	(8)	(23)	(30)
Total borrowing requirement including financing costs	(1946)	(2247)	(2355)
OPG Equity Injection (44%)*	(856)	(989)	(1036)





2018-Nov 2018 Nov	2019-May 2019 May	2019-Nov 2019 Nov	2020-May 2020 May	2020-Nov 2020 Nov	2021-May 2021 May	2021-Jul 2021 Jul	2021-Nov 2021 Nov	2022-May 2022 May
11	5	11	5	11	5	7	11	5
43405	43586	43770	43952	44136	44317	44378	44501	44682
43404	43585	43769	43951	44135	44316	44377	44500	44681
-562	-535	-462	-431	-348	-98	-213	-233	-197
-564	-617	-721	-781	-784	-250	-546	-697	-657
-12.810	-14.013	-16.375	-17.738	-17.806	-1.879	-8.236	-15.830	-14.922
-1126	-1152	-1183	-1212	-1132	-348	-759	-930	-854

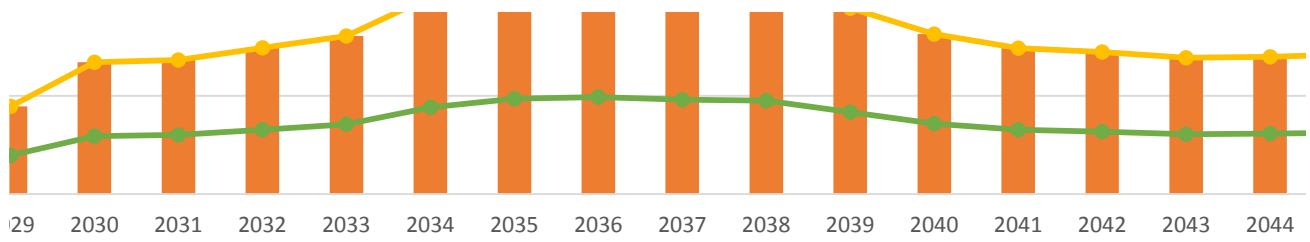
2020	2021	2022	2023	2024	2025	2026	2027	2028
(855)	(621)	(396)	(201)	(53)	91	231	321	537
(1523)	(1551)	(1289)	(859)	(436)	(49)			
(35)	(27)	(29)	(20)	(10)	(1)			
(2413)	(2199)	(1714)	(1080)	(499)	41	231	321	537
(1062)	(968)	(754)	(475)	(220)	18	102	141	236

2.

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
(798)	(563)	(344)	(161)	(18)	128	254	362	613
(1555)	(1508)	(1191)	(752)	(329)	(12)			
(35)	(26)	(27)	(17)	(7)	(0)			
(2388)	(2097)	(1562)	(930)	(354)	115	254	362	613
(1051)	(923)	(687)	(409)	(156)	51	112	159	270

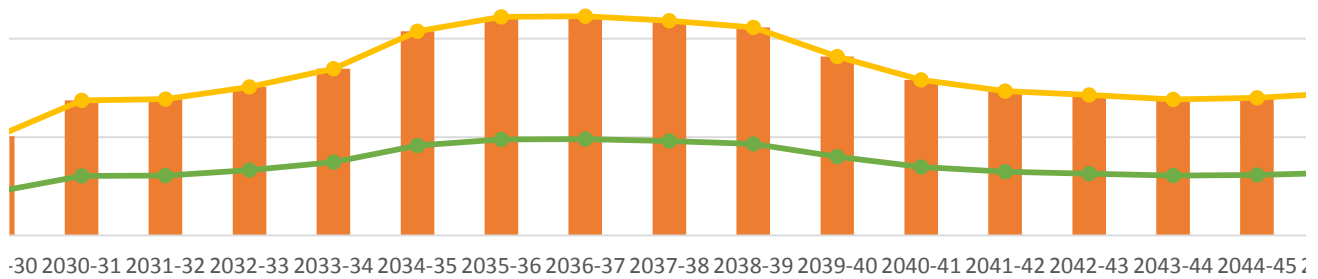
Pro Plan GA Financing - Calendar Year





unt - In Period Borrowing Costs Total borrowing requirement including financing costs OPG Equity Injection

dro Plan GA Financing - Fiscal Year

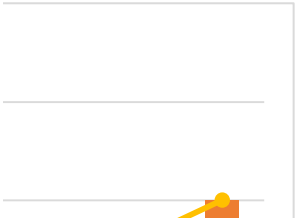


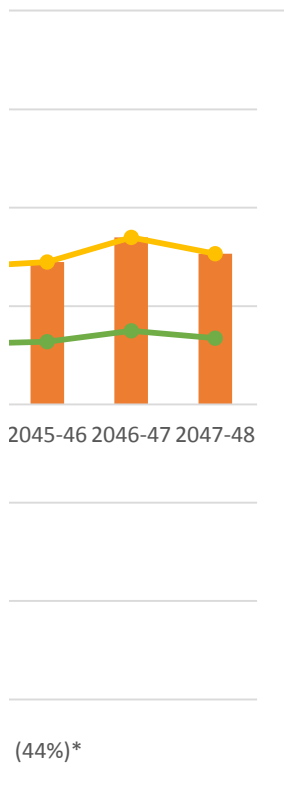
unt - In Period Borrowing Costs Total borrowing requirement including financing costs OPG Equity Injection

2022-Nov	2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov
2022	2023	2023	2024	2024	2025.00	2025	2026	2026
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
44866	45047	45231	45413	45597	45778	45962	46143	46327
44865	45046	45230	45412	45596	45777	45961	46142	46326
-130	-98	-50	-27	21	45	95	121	141
-501	-429	-287	-220	-73				
-11.379	-9.743	-6.518	-4.997	-1.658				
-631	-527	-337	-247	-52	45	95	121	141

2029	2030	2031	2032	2033	2034	2035	2036	2037
892	1340	1365	1486	1609	2007	2201	2237	2185
892	1340	1365	1486	1609	2007	2201	2237	2185
392	590	600	654	708	883	969	984	961

2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38
1010	1373	1385	1510	1694	2076	2221	2227	2183
1010	1373	1385	1510	1694	2076	2221	2227	2183
444	604	609	664	745	913	977	980	960





2027-May	2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May
2027	2027	2028	2028	2029	2029	2030	2030	2031
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
46508	46692	46874	47058	47239	47423	47604	47788	47969
46507	46691	46873	47057	47238	47422	47603	47787	47968
152	224	262	376	437	612	706	678	673

152 224 262 376 437 612 706 678 673

2038	2039	2040	2041	2042	2043	2044	2045	2046
2163	1892	1626	1484	1444	1385	1395	1421	1603

2163 1892 1626 1484 1444 1385 1395 1421 1603

952 832 716 653 635 610 614 625 705

2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47
2114	1820	1580	1468	1430	1383	1398	1449	1699

2114 1820 1580 1468 1430 1383 1398 1449 1699

930 801 695 646 629 608 615 637 748

2031-Nov	2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov
2031	2032	2032	2033	2033	2034	2034	2035	2035
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
48153	48335	48519	48700	48884	49065	49249	49430	49614
48152	48334	48518	48699	48883	49064	49248	49429	49613
719	751	767	785	937	1024	1075	1113	1115

719	751	767	785	937	1024	1075	1113	1115

2047
2006

2006

883

2047-48
1534

1534

675

2036-May	2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May
2036	2036	2037	2037	2038	2038	2039	2039	2040
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
49796	49980	50161	50345	50526	50710	50891	51075	51257
49795	49979	50160	50344	50525	50709	50890	51074	51256
1129	1095	1091	1091	1105	992	948	848	809
1129	1095	1091	1091	1105	992	948	848	809

2040-Nov	2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov
2040	2041	2041	2042	2042	2043	2043	2044	2044
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
51441	51622	51806	51987	52171	52352	52536	52718	52902
51440	51621	51805	51986	52170	52351	52535	52717	52901
756	738	725	728	697	690	692	701	698
756	738	725	728	697	690	692	701	698

2045-May	2045-Nov	2046-May	2046-Nov	2047-May	2047-Nov
2045	2045	2046	2046	2047	2047.00
May	Nov	May	Nov	May	Nov
5	11	5	11	5	11
53083	53267	53448	53632	53813	53997
53082	53266	53447	53631	53812	53996
705	753	786	945	1376	
705	753	786	945	1376	

Equity Injection

44%

Biennial

\$ nominal million	2017-Jul 2017 Jul	2017-Nov 2017 Nov	2018-May 2018 May	2018-Nov 2018 Nov
	7	11	5	11
First Date	42917	43040	43221	43405
		43039	43220	43404
Fair Allocation Amount	-931	-779	-629	-562
Readjustment amount	-74	-341	-470	-564
Total borrowing requirement including financing costs	-1005	-1120	-1099	-1126
	\$1,539.67			

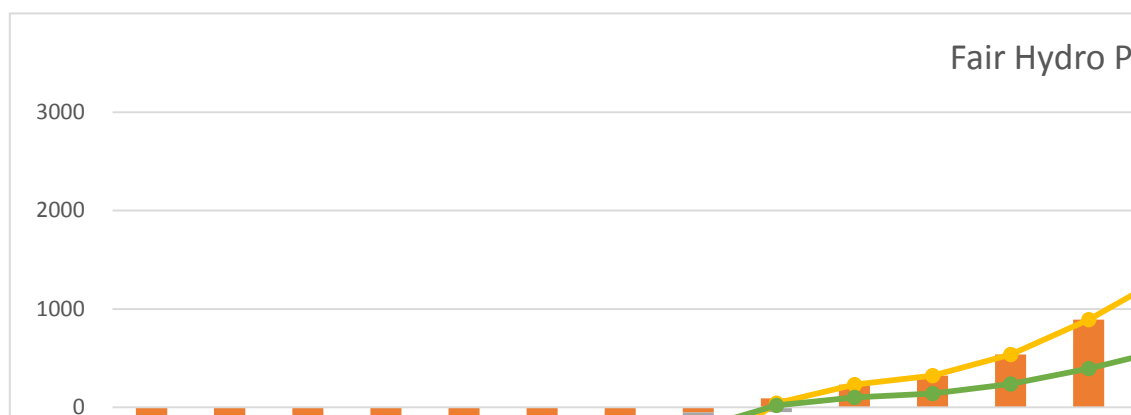
Annual

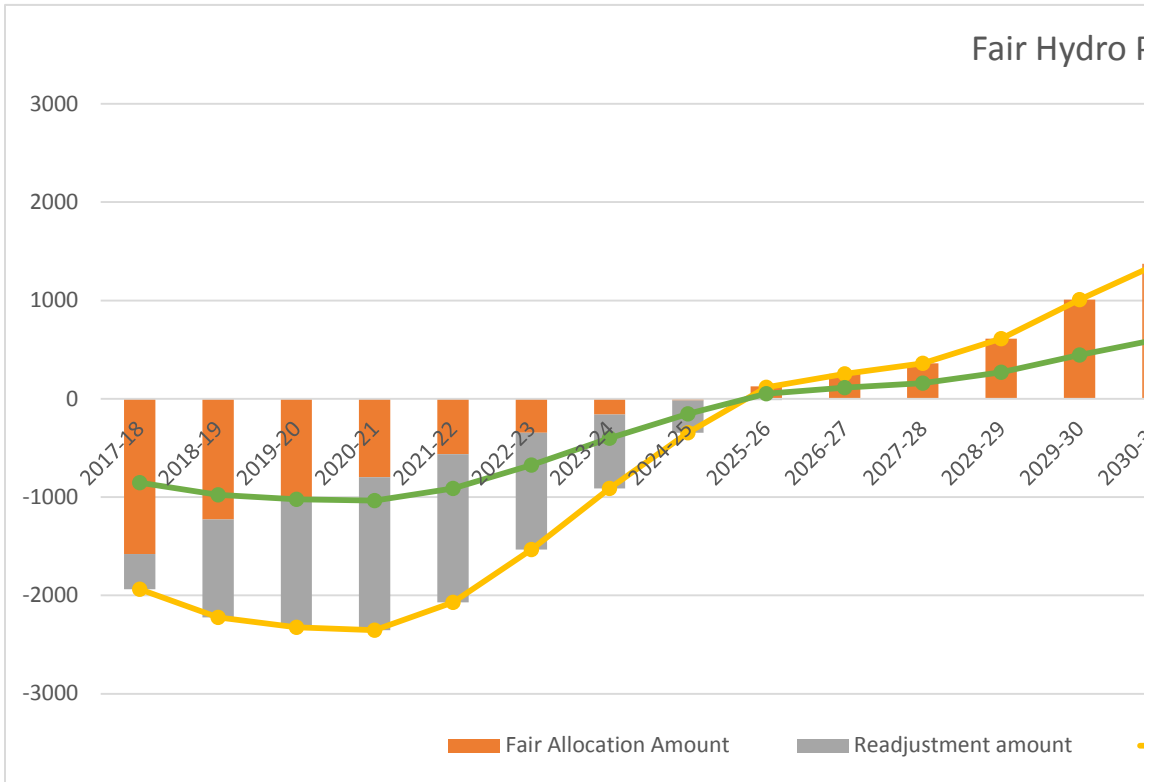
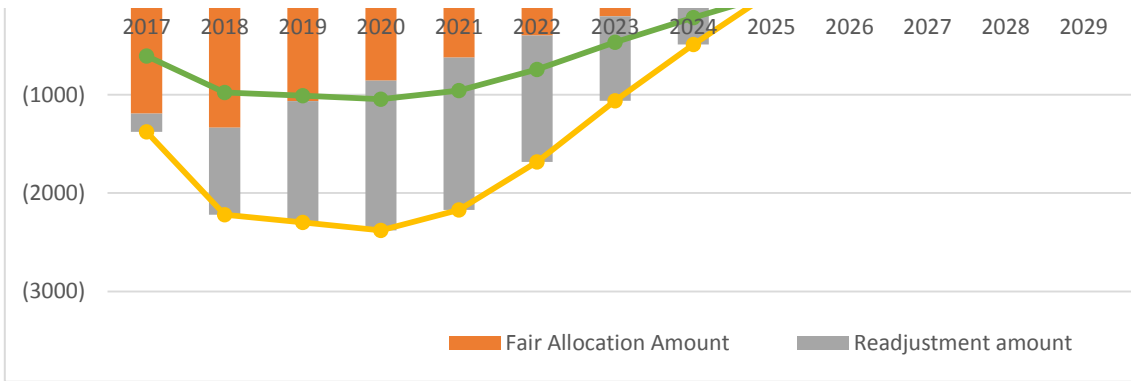
\$ nominal million	2017	2018	2019	2020
Fair Allocation Amount	(1191)	(1336)	(1064)	(855)
Readjustment amount	(188)	(885)	(1233)	(1523)
Total borrowing requirement including financing costs	(1378)	(2221)	(2297)	(2378)
OPG Equity Injection (44%)*	(606)	(977)	(1011)	(1046)

*This includes financing costs, which may need to be excluded upon further information available

Fiscalized

\$ nominal million	2017-18	2018-19	2019-20	2020-21
Fair Allocation Amount	-1580.167	-1227.167	-1013.6667	-798
Readjustment amount	-358.1667	-996.8333	-1311.8333	-1554.5
Total borrowing requirement including financing costs	-1938.333	-2224	-2325.5	-2352.5
OPG Equity Injection (44%)*	-852.8667	-978.56	-1023.22	-1035.1





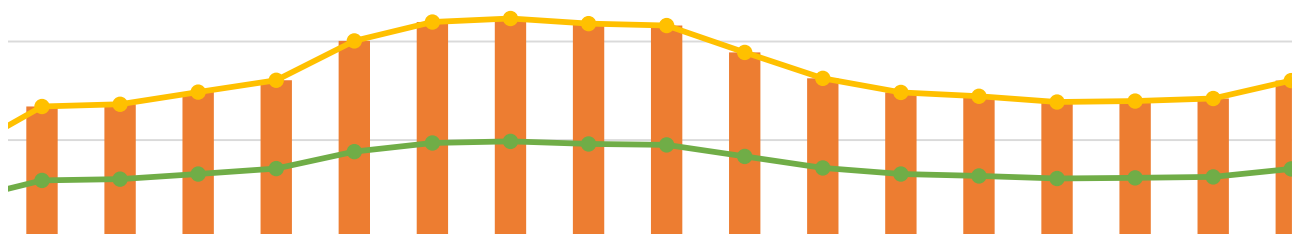
2019-May 2019 May	2019-Nov 2019 Nov	2020-May 2020 May	2020-Nov 2020 Nov	2021-May 2021 May	2021-Jul 2021 Jul	2021-Nov 2021 Nov	2022-May 2022 May	2022-Nov 2022 Nov
5	11	5	11	5	7	11	5	11
43586	43770	43952	44136	44317	44378	44501	44682	44866
43585	43769	43951	44135	44316	44377	44500	44681	44865
-535	-462	-431	-348	-98	-213	-233	-197	-130
-617	-721	-781	-784	-250	-546	-697	-657	-501
-1152	-1183	-1212	-1132	-348	-759	-930	-854	-631

2021	2022	2023	2024	2025	2026	2027	2028	2029
(621)	(396)	(201)	(53)	91	231	321	537	892
(1551)	(1289)	(859)	(436)	(49)	0	0	0	0
(2172)	(1684)	(1060)	(489)	42	231	321	537	892
(956)	(741)	(466)	(215)	18	102	141	236	392

ble.

2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
-563.1667	-344.1667	-161.3333	-17.83333	127.66667	254.333	362.1667	612.66667	1009.667
-1507.5	-1190.667	-751.6667	-328.6667	-12.16667	0	0	0	0
-2070.667	-1534.833	-913	-346.5	115.5	254.333	362.1667	612.66667	1009.667
-911.0933	-675.3267	-401.72	-152.46	50.82	111.907	159.3533	269.57333	444.2533

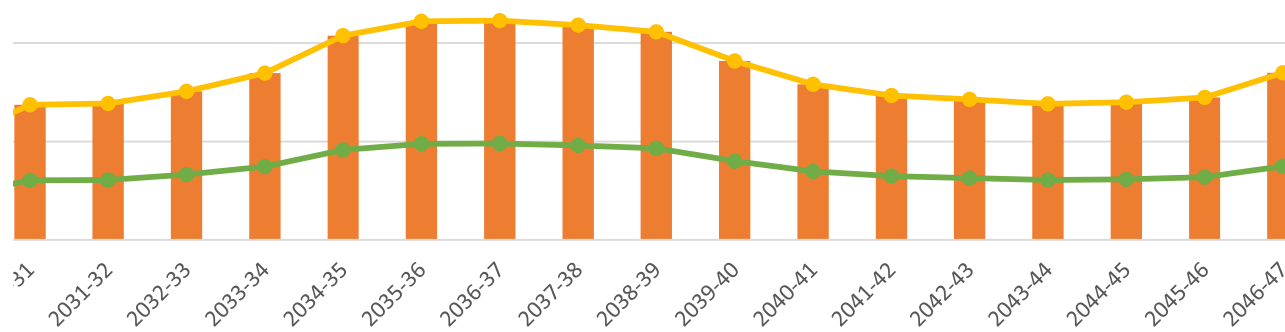
Ian GA Financing - Calendar Year



2030 2031 2032 2033 2034 2035 2036 2037 2038 2039 2040 2041 2042 2043 2044 2045 20

● Total borrowing requirement including financing costs ● OPG Equity Injection (44%)*

Plan GA Financing - Fiscal Year

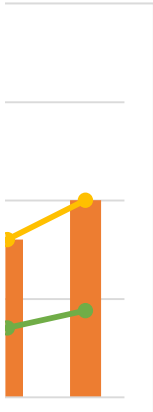


● Total borrowing requirement including financing costs ● OPG Equity Injection (44%)*

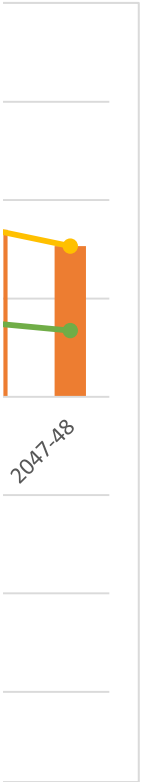
2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov	2027-May
2023	2023	2024	2024	2025.00	2025	2026	2026	2027
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
45047	45231	45413	45597	45778	45962	46143	46327	46508
45046	45230	45412	45596	45777	45961	46142	46326	46507
-98	-50	-27	21	45	95	121	141	152
-429	-287	-220	-73					
-527	-337	-247	-52	45	95	121	141	152

2030	2031	2032	2033	2034	2035	2036	2037	2038
1340	1365	1486	1609	2007	2201	2237	2185	2163
0	0	0	0	0	0	0	0	0
1340	1365	1486	1609	2007	2201	2237	2185	2163
590	600	654	708	883	969	984	961	952

2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39
1373	1385.167	1510	1693.667	2076	2221.333	2227.3333	2182.667	2113.5
0	0	0	0	0	0	0	0	0
1373	1385.167	1510	1693.667	2076	2221.333	2227.3333	2182.667	2113.5
604.12	609.4733	664.4	745.2133	913.44	977.3867	980.02667	960.3733	929.94



46 2047



2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May	2031-Nov
2027	2028	2028	2029	2029	2030	2030	2031	2031
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
46692	46874	47058	47239	47423	47604	47788	47969	48153
46691	46873	47057	47238	47422	47603	47787	47968	48152
224	262	376	437	612	706	678	673	719

224	262	376	437	612	706	678	673	719

2039	2040	2041	2042	2043	2044	2045	2046	2047
1892	1626	1484	1444	1385	1395	1421	1603	2006
0	0	0	0	0	0	0	0	0
1892	1626	1484	1444	1385	1395	1421	1603	2006
832	716	653	635	610	614	625	705	883

2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48
1820	1580.3333	1468.167	1429.6667	1382.833	1398	1448.833	1699	1533.5
0	0	0	0	0	0	0	0	0
1820	1580.3333	1468.167	1429.6667	1382.833	1398	1448.833	1699	1533.5
800.8	695.34667	645.9933	629.05333	608.4467	615.12	637.4867	747.56	674.74

2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov	2036-May
2032	2032	2033	2033	2034	2034	2035	2035	2036
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
48335	48519	48700	48884	49065	49249	49430	49614	49796
48334	48518	48699	48883	49064	49248	49429	49613	49795
751	767	785	937	1024	1075	1113	1115	1129
751	767	785	937	1024	1075	1113	1115	1129

2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May	2040-Nov
2036	2037	2037	2038	2038	2039	2039	2040	2040
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
49980	50161	50345	50526	50710	50891	51075	51257	51441
49979	50160	50344	50525	50709	50890	51074	51256	51440
1095	1091	1091	1105	992	948	848	809	756
1095	1091	1091	1105	992	948	848	809	756

2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov	2045-May
2041	2041	2042	2042	2043	2043	2044	2044	2045
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
51622	51806	51987	52171	52352	52536	52718	52902	53083
51621	51805	51986	52170	52351	52535	52717	52901	53082
738	725	728	697	690	692	701	698	705
738	725	728	697	690	692	701	698	705

2045-Nov	2046-May	2046-Nov	2047-May	
2045	2046	2046	2047	2047.00
Nov	May	Nov	May	Nov
11	5	11	5	11
53267	53448	53632	53813	53997
53266	53447	53631	53812	53996
753	786	945	1376	
753	786	945	1376	

\$ nominal million	2017-Jul	2017-Nov	2018-May	2018-Nov
Fair Allocation Amount	-931	-779	-629	-562
Readjustment amount	-74	-341	-470	-564
Total borrowing requirement including financing costs	-1005	-1120	-1099	-1126

2019-May	2019-Nov	2020-May	2020-Nov	2021-May	2021-Jul	2021-Nov	2022-May	2022-Nov
-535	-462	-431	-348	-98	-213	-233	-197	-130
-617	-721	-781	-784	-250	-546	-697	-657	-501
-1152	-1183	-1212	-1132	-348	-759	-930	-854	-631

2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov	2027-May
-98	-50	-27	21	45	95	121	141	152
-429	-287	-220	-73					
-527	-337	-247	-52	45	95	121	141	152

2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May	2031-Nov
224	262	376	437	612	706	678	673	719

224	262	376	437	612	706	678	673	719

2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov	2036-May
751	767	785	937	1024	1075	1113	1115	1129

751	767	785	937	1024	1075	1113	1115	1129

2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May	2040-Nov
1095	1091	1091	1105	992	948	848	809	756

1095	1091	1091	1105	992	948	848	809	756

2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov	2045-May
738	725	728	697	690	692	701	698	705

738	725	728	697	690	692	701	698	705

2045-Nov	2046-May	2046-Nov	2047-May
753	786	945	1376

753	786	945	1376

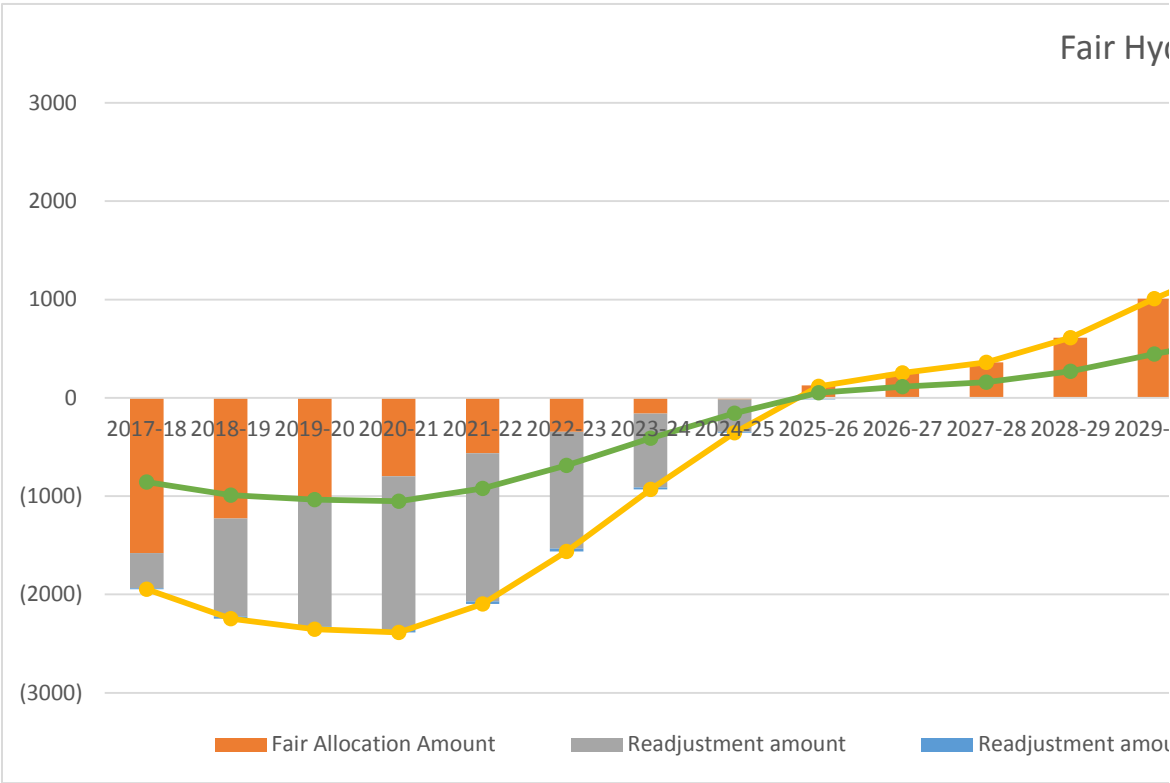
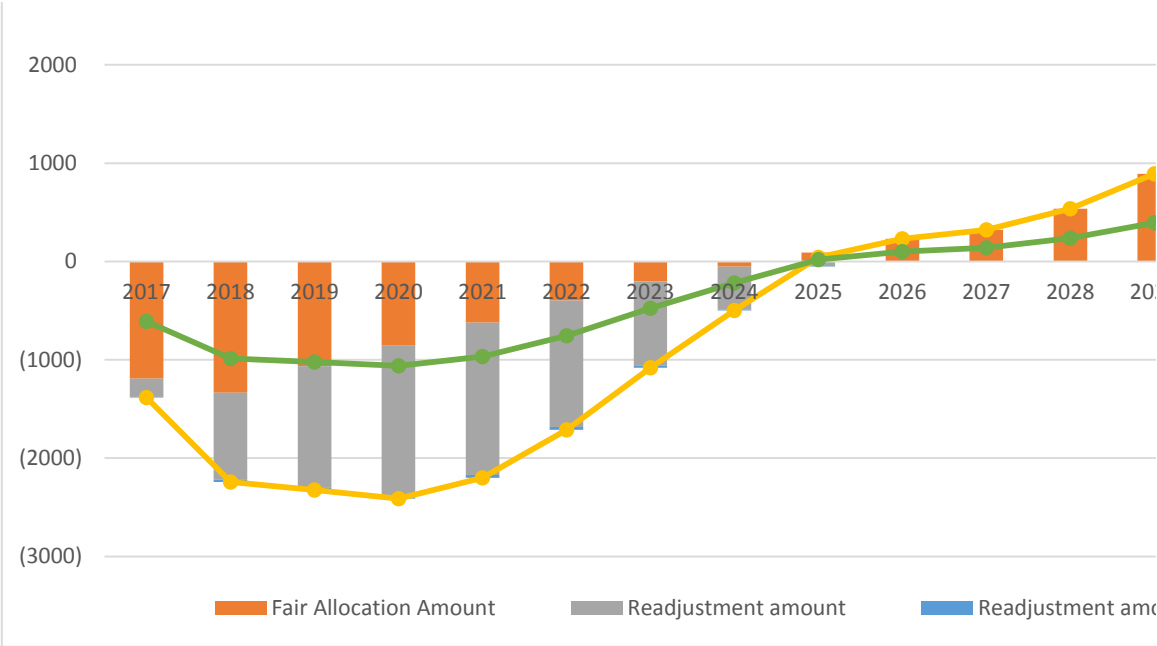
Equity Injection	44%
Assumed Interest Cost	4.5%

Biennial			
\$ nominal million	2017-Jul	2017-Nov	2018-May
	2017 Jul	2017 Nov	2018 May
	7	11	5
First Date	42917	43040	43221
		43039	43220
Fair Allocation Amount	-931	-779	-629
Readjustment amount	-74	-341	-470
Readjustment amount - In Period Borrowing Costs	-1.116	-7.745	-10.675
Total borrowing requirement including financing costs	-1006	-1120	-1099

Annual			
\$ nominal million	2017	2018	2019
Fair Allocation Amount	(1191)	(1336)	(1064)
Readjustment amount	(188)	(885)	(1233)
Readjustment amount - In Period Borrowing Costs	(4)	(20)	(28)
Total borrowing requirement including financing costs	(1382)	(2241)	(2325)
Accumulated borrowing requirement including financing costs		(3623)	(5948)
OPG Equity Injection (44%)*	(608)	(986)	(1023)

*This includes financing costs, which may need to be excluded upon further information available

Fiscalized			
\$ nominal million	2017-18	2018-19	2019-20
Fair Allocation Amount	(1580)	(1227)	(1014)
Readjustment amount	(358)	(997)	(1312)
Readjustment amount - In Period Borrowing Costs	(8)	(23)	(30)
Total borrowing requirement including financing costs	(1946)	(2247)	(2355)
Accumulated borrowing requirement including financing costs		(4193)	(6548)
OPG Equity Injection (44%)*	(856)	(989)	(1036)



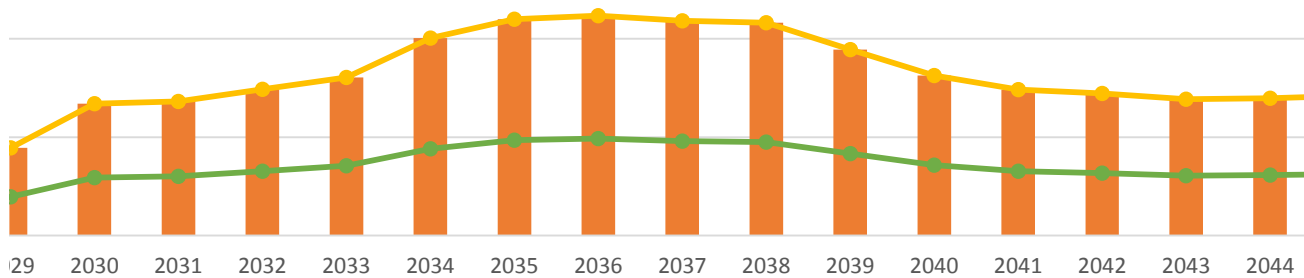
2018-Nov 2018 Nov	2019-May 2019 May	2019-Nov 2019 Nov	2020-May 2020 May	2020-Nov 2020 Nov	2021-May 2021 May	2021-Jul 2021 Jul	2021-Nov 2021 Nov	2022-May 2022 May
11	5	11	5	11	5	7	11	5
43405	43586	43770	43952	44136	44317	44378	44501	44682
43404	43585	43769	43951	44135	44316	44377	44500	44681
-562	-535	-462	-431	-348	-98	-213	-233	-197
-564	-617	-721	-781	-784	-250	-546	-697	-657
-12.810	-14.013	-16.375	-17.738	-17.806	-1.879	-8.236	-15.830	-14.922
-1126	-1152	-1183	-1212	-1132	-348	-759	-930	-854

2020	2021	2022	2023	2024	2025	2026	2027	2028
(855)	(621)	(396)	(201)	(53)	91	231	321	537
(1523)	(1551)	(1289)	(859)	(436)	(49)			
(35)	(27)	(29)	(20)	(10)	(1)			
(2413)	(2199)	(1714)	(1080)	(499)	41	231	321	537
(8361)	(10560)	(12273)	(13353)	(13852)	(13811)	(13579)	(13259)	(12722)
(1062)	(968)	(754)	(475)	(220)	18	102	141	236

3.

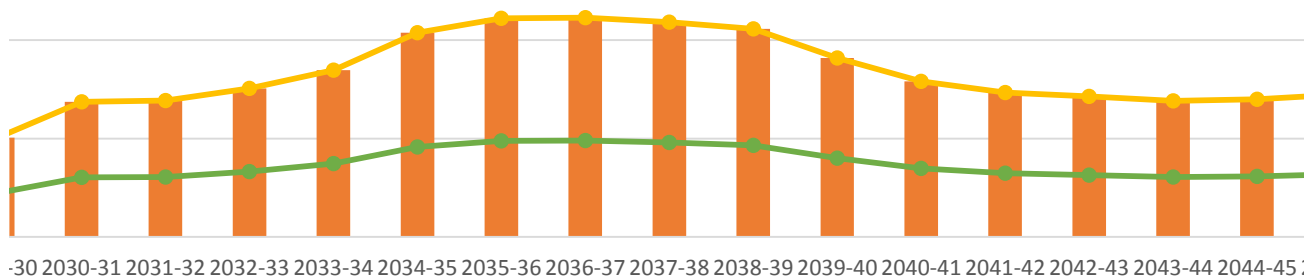
2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
(798)	(563)	(344)	(161)	(18)	128	254	362	613
(1555)	(1508)	(1191)	(752)	(329)	(12)			
(35)	(26)	(27)	(17)	(7)	(0)			
(2388)	(2097)	(1562)	(930)	(354)	115	254	362	613
(8936)	(11033)	(12594)	(13525)	(13878)	(13763)	(13509)	(13147)	(12534)
(1051)	(923)	(687)	(409)	(156)	51	112	159	270

lro Plan GA Financing - Calendar Year



unt - In Period Borrowing Costs Total borrowing requirement including financing costs OPG Equity Injection

dro Plan GA Financing - Fiscal Year

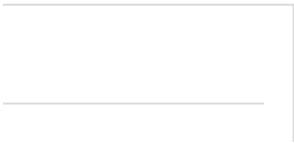


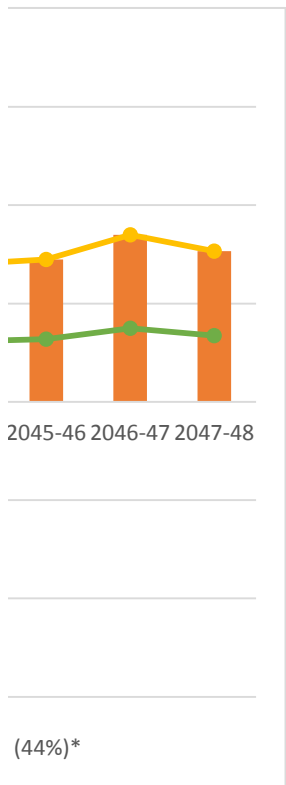
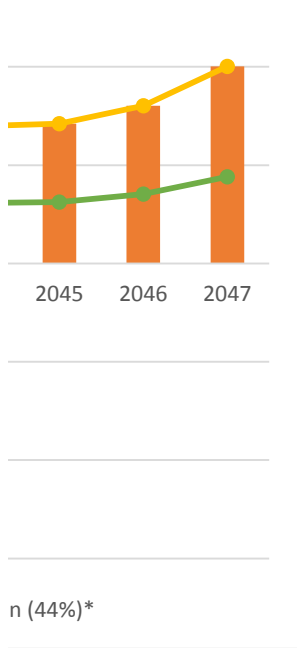
unt - In Period Borrowing Costs Total borrowing requirement including financing costs OPG Equity Injection

2022-Nov	2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov
2022	2023	2023	2024	2024	2025.00	2025	2026	2026
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
44866	45047	45231	45413	45597	45778	45962	46143	46327
44865	45046	45230	45412	45596	45777	45961	46142	46326
-130	-98	-50	-27	21	45	95	121	141
-501	-429	-287	-220	-73				
-11.379	-9.743	-6.518	-4.997	-1.658				
-631	-527	-337	-247	-52	45	95	121	141

2029	2030	2031	2032	2033	2034	2035	2036	2037
892	1340	1365	1486	1609	2007	2201	2237	2185
892	1340	1365	1486	1609	2007	2201	2237	2185
(11830)	(10490)	(9126)	(7640)	(6031)	(4024)	(1823)	415	2599
392	590	600	654	708	883	969	984	961

2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38
1010	1373	1385	1510	1694	2076	2221	2227	2183
1010	1373	1385	1510	1694	2076	2221	2227	2183
(11524)	(10151)	(8766)	(7256)	(5563)	(3487)	(1265)	962	3145
444	604	609	664	745	913	977	980	960





2027-May	2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May
2027	2027	2028	2028	2029	2029	2030	2030	2031
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
46508	46692	46874	47058	47239	47423	47604	47788	47969
46507	46691	46873	47057	47238	47422	47603	47787	47968
152	224	262	376	437	612	706	678	673

152 224 262 376 437 612 706 678 673

2038	2039	2040	2041	2042	2043	2044	2045	2046
2163	1892	1626	1484	1444	1385	1395	1421	1603

2163 1892 1626 1484 1444 1385 1395 1421 1603

4762 6654 8281 9764 11208 12593 13988 15410 17013

952 832 716 653 635 610 614 625 705

2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47
2114	1820	1580	1468	1430	1383	1398	1449	1699

2114 1820 1580 1468 1430 1383 1398 1449 1699

5258 7078 8659 10127 11556 12939 14337 15786 17485

930 801 695 646 629 608 615 637 748

2031-Nov	2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov
2031	2032	2032	2033	2033	2034	2034	2035	2035
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
48153	48335	48519	48700	48884	49065	49249	49430	49614
48152	48334	48518	48699	48883	49064	49248	49429	49613
719	751	767	785	937	1024	1075	1113	1115

719 751 767 785 937 1024 1075 1113 1115

2047
2006

2006

19019
883

2047-48
1534

1534

19019
675

2036-May	2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May
2036	2036	2037	2037	2038	2038	2039	2039	2040
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
49796	49980	50161	50345	50526	50710	50891	51075	51257
49795	49979	50160	50344	50525	50709	50890	51074	51256
1129	1095	1091	1091	1105	992	948	848	809
1129	1095	1091	1091	1105	992	948	848	809

2040-Nov	2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov
2040	2041	2041	2042	2042	2043	2043	2044	2044
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
51441	51622	51806	51987	52171	52352	52536	52718	52902
51440	51621	51805	51986	52170	52351	52535	52717	52901
756	738	725	728	697	690	692	701	698
756	738	725	728	697	690	692	701	698

2045-May	2045-Nov	2046-May	2046-Nov	2047-May	
2045	2045	2046	2046	2047	2047.00
May	Nov	May	Nov	May	Nov
5	11	5	11	5	11
53083	53267	53448	53632	53813	53997
53082	53266	53447	53631	53812	53996
705	753	786	945	1376	
705	753	786	945	1376	

Equity Injection

44%

Biennial

\$ nominal million	2017-Jul 2017 Jul	2017-Nov 2017 Nov	2018-May 2018 May	2018-Nov 2018 Nov
	7	11	5	11
First Date	42917	43040	43221	43405
		43039	43220	43404
Fair Allocation Amount	-931	-779	-629	-562
Readjustment amount	-74	-341	-470	-564
Total borrowing requirement including financing costs	-1005	-1120	-1099	-1126
	\$1,539.67			

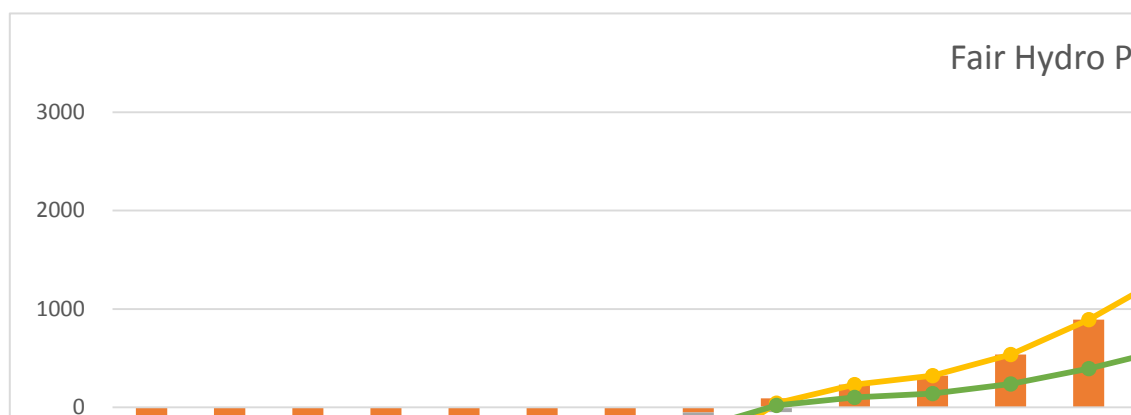
Annual

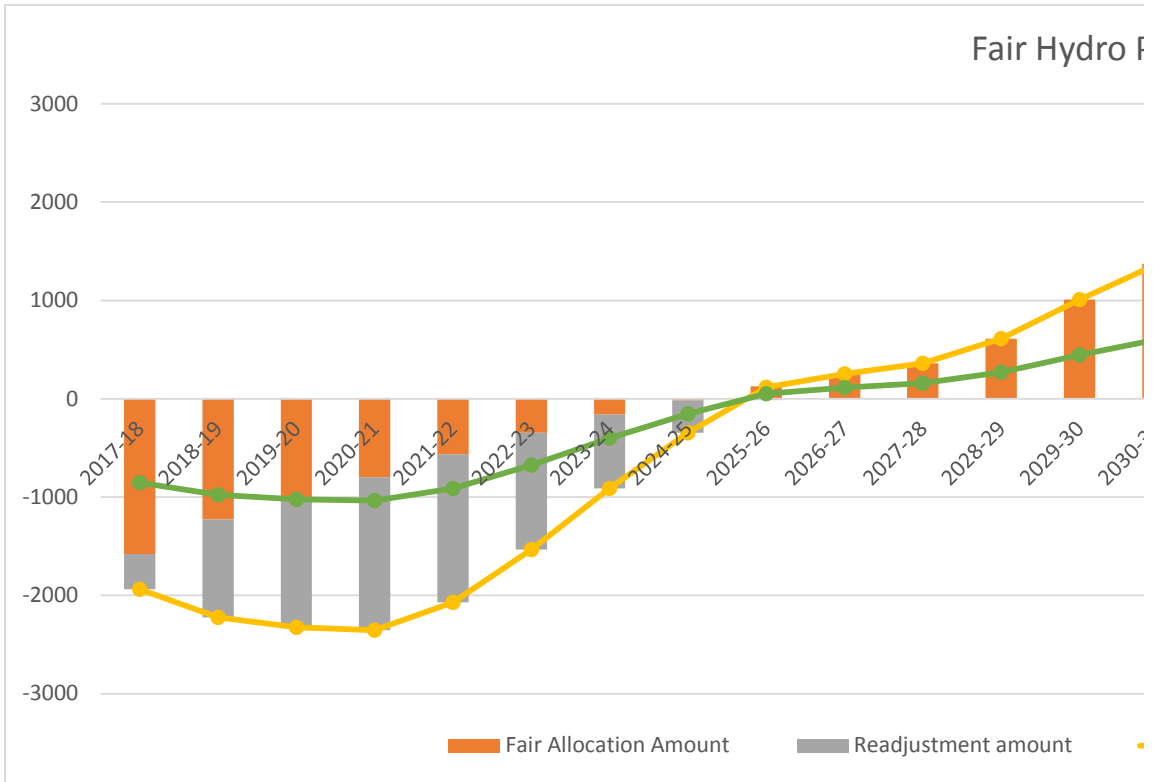
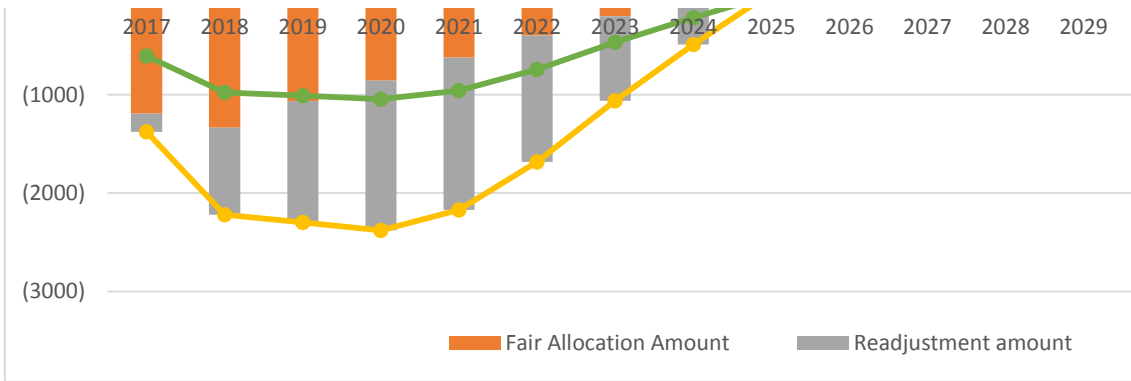
\$ nominal million	2017	2018	2019	2020
Fair Allocation Amount	(1191)	(1336)	(1064)	(855)
Readjustment amount	(188)	(885)	(1233)	(1523)
Total borrowing requirement including financing costs	(1378)	(2221)	(2297)	(2378)
OPG Equity Injection (44%)*	(606)	(977)	(1011)	(1046)

*This includes financing costs, which may need to be excluded upon further information available

Fiscalized

\$ nominal million	2017-18	2018-19	2019-20	2020-21
Fair Allocation Amount	-1580.167	-1227.167	-1013.6667	-798
Readjustment amount	-358.1667	-996.8333	-1311.8333	-1554.5
Total borrowing requirement including financing costs	-1938.333	-2224	-2325.5	-2352.5
OPG Equity Injection (44%)*	-852.8667	-978.56	-1023.22	-1035.1





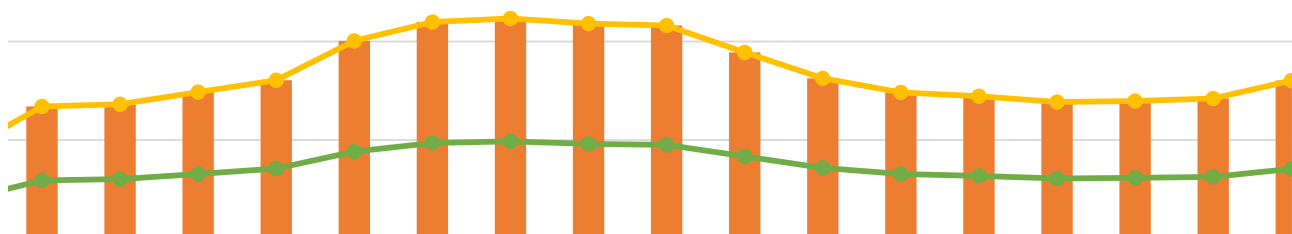
2019-May 2019 May	2019-Nov 2019 Nov	2020-May 2020 May	2020-Nov 2020 Nov	2021-May 2021 May	2021-Jul 2021 Jul	2021-Nov 2021 Nov	2022-May 2022 May	2022-Nov 2022 Nov
5	11	5	11	5	7	11	5	11
43586	43770	43952	44136	44317	44378	44501	44682	44866
43585	43769	43951	44135	44316	44377	44500	44681	44865
-535	-462	-431	-348	-98	-213	-233	-197	-130
-617	-721	-781	-784	-250	-546	-697	-657	-501
-1152	-1183	-1212	-1132	-348	-759	-930	-854	-631

2021	2022	2023	2024	2025	2026	2027	2028	2029
(621)	(396)	(201)	(53)	91	231	321	537	892
(1551)	(1289)	(859)	(436)	(49)	0	0	0	0
(2172)	(1684)	(1060)	(489)	42	231	321	537	892
(956)	(741)	(466)	(215)	18	102	141	236	392

ble.

2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
-563.1667	-344.1667	-161.3333	-17.83333	127.66667	254.333	362.1667	612.66667	1009.667
-1507.5	-1190.667	-751.6667	-328.6667	-12.16667	0	0	0	0
-2070.667	-1534.833	-913	-346.5	115.5	254.333	362.1667	612.66667	1009.667
-911.0933	-675.3267	-401.72	-152.46	50.82	111.907	159.3533	269.57333	444.2533

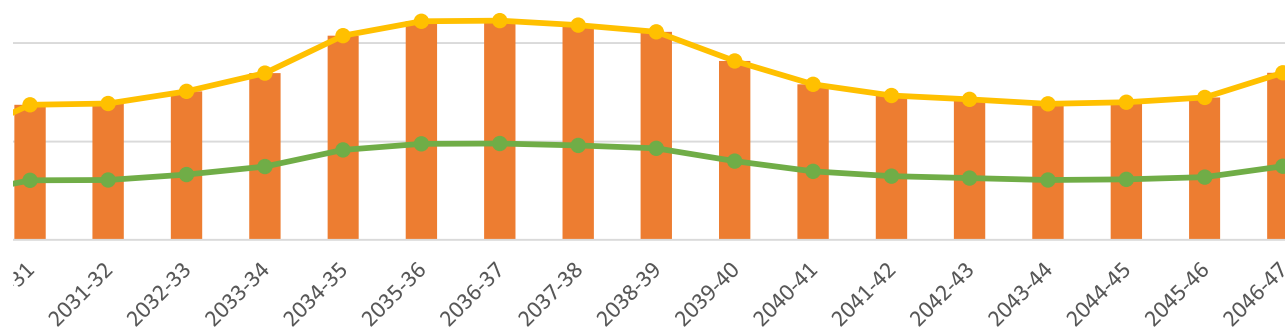
Ian GA Financing - Calendar Year



2030 2031 2032 2033 2034 2035 2036 2037 2038 2039 2040 2041 2042 2043 2044 2045 20

● Total borrowing requirement including financing costs ● OPG Equity Injection (44%)*

Plan GA Financing - Fiscal Year

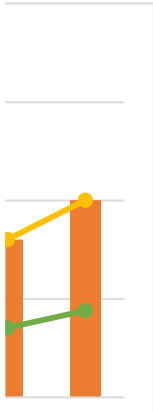


● Total borrowing requirement including financing costs ● OPG Equity Injection (44%)*

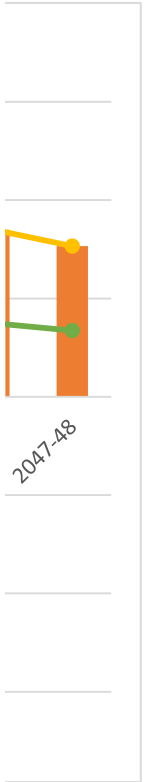
2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov	2027-May
2023	2023	2024	2024	2025.00	2025	2026	2026	2027
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
45047	45231	45413	45597	45778	45962	46143	46327	46508
45046	45230	45412	45596	45777	45961	46142	46326	46507
-98	-50	-27	21	45	95	121	141	152
-429	-287	-220	-73					
-527	-337	-247	-52	45	95	121	141	152

2030	2031	2032	2033	2034	2035	2036	2037	2038
1340	1365	1486	1609	2007	2201	2237	2185	2163
0	0	0	0	0	0	0	0	0
1340	1365	1486	1609	2007	2201	2237	2185	2163
590	600	654	708	883	969	984	961	952

2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39
1373	1385.167	1510	1693.667	2076	2221.333	2227.3333	2182.667	2113.5
0	0	0	0	0	0	0	0	0
1373	1385.167	1510	1693.667	2076	2221.333	2227.3333	2182.667	2113.5
604.12	609.4733	664.4	745.2133	913.44	977.3867	980.02667	960.3733	929.94



46 2047



2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May	2031-Nov
2027 Nov	2028 May	2028 Nov	2029 May	2029 Nov	2030 May	2030 Nov	2031 May	2031 Nov
11	5	11	5	11	5	11	5	11
46692	46874	47058	47239	47423	47604	47788	47969	48153
46691	46873	47057	47238	47422	47603	47787	47968	48152
224	262	376	437	612	706	678	673	719

224	262	376	437	612	706	678	673	719

2039	2040	2041	2042	2043	2044	2045	2046	2047
1892	1626	1484	1444	1385	1395	1421	1603	2006
0	0	0	0	0	0	0	0	0
1892	1626	1484	1444	1385	1395	1421	1603	2006
832	716	653	635	610	614	625	705	883

2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48
1820	1580.3333	1468.167	1429.6667	1382.833	1398	1448.833	1699	1533.5
0	0	0	0	0	0	0	0	0
1820	1580.3333	1468.167	1429.6667	1382.833	1398	1448.833	1699	1533.5
800.8	695.34667	645.9933	629.05333	608.4467	615.12	637.4867	747.56	674.74

2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov	2036-May
2032	2032	2033	2033	2034	2034	2035	2035	2036
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
48335	48519	48700	48884	49065	49249	49430	49614	49796
48334	48518	48699	48883	49064	49248	49429	49613	49795
751	767	785	937	1024	1075	1113	1115	1129
751	767	785	937	1024	1075	1113	1115	1129

2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May	2040-Nov
2036	2037	2037	2038	2038	2039	2039	2040	2040
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
49980	50161	50345	50526	50710	50891	51075	51257	51441
49979	50160	50344	50525	50709	50890	51074	51256	51440
1095	1091	1091	1105	992	948	848	809	756
1095	1091	1091	1105	992	948	848	809	756

2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov	2045-May
2041	2041	2042	2042	2043	2043	2044	2044	2045
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
51622	51806	51987	52171	52352	52536	52718	52902	53083
51621	51805	51986	52170	52351	52535	52717	52901	53082
738	725	728	697	690	692	701	698	705
738	725	728	697	690	692	701	698	705

2045-Nov	2046-May	2046-Nov	2047-May	
2045	2046	2046	2047	2047.00
Nov	May	Nov	May	Nov
11	5	11	5	11
53267	53448	53632	53813	53997
53266	53447	53631	53812	53996
753	786	945	1376	
753	786	945	1376	

\$ nominal million	2017-Jul	2017-Nov	2018-May	2018-Nov
Fair Allocation Amount	-931	-779	-629	-562
Readjustment amount	-74	-341	-470	-564
Total borrowing requirement including financing costs	-1005	-1120	-1099	-1126

2019-May	2019-Nov	2020-May	2020-Nov	2021-May	2021-Jul	2021-Nov	2022-May	2022-Nov
-535	-462	-431	-348	-98	-213	-233	-197	-130
-617	-721	-781	-784	-250	-546	-697	-657	-501
-1152	-1183	-1212	-1132	-348	-759	-930	-854	-631

2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov	2027-May
-98	-50	-27	21	45	95	121	141	152
-429	-287	-220	-73					
-527	-337	-247	-52	45	95	121	141	152

2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May	2031-Nov
224	262	376	437	612	706	678	673	719

224	262	376	437	612	706	678	673	719

2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov	2036-May
751	767	785	937	1024	1075	1113	1115	1129

751	767	785	937	1024	1075	1113	1115	1129

2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May	2040-Nov
1095	1091	1091	1105	992	948	848	809	756

1095	1091	1091	1105	992	948	848	809	756

2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov	2045-May
738	725	728	697	690	692	701	698	705

738	725	728	697	690	692	701	698	705

2045-Nov	2046-May	2046-Nov	2047-May
753	786	945	1376

753	786	945	1376

Equity Injection	44%
Assumed Interest Cost	4.5%

Biennial

\$ nominal million	2017-Jul	2017-Nov	2018-May
	2017 Jul	2017 Nov	2018 May
	7	11	5
First Date	42917	43040	43221
		43039	43220
Fair Allocation Amount	-931	-779	-629
Fair Allocation Amount - interest	-14.044	-18.012	-14.695
Readjustment amount	-74	-341	-470
Readjustment amount - In Period Borrowing Costs	-1.116	-7.770	-10.851
Total borrowing requirement including financing costs	-1020	-1138	-1114
Accumulated borrowing requirement including financing costs		-2158	-3272

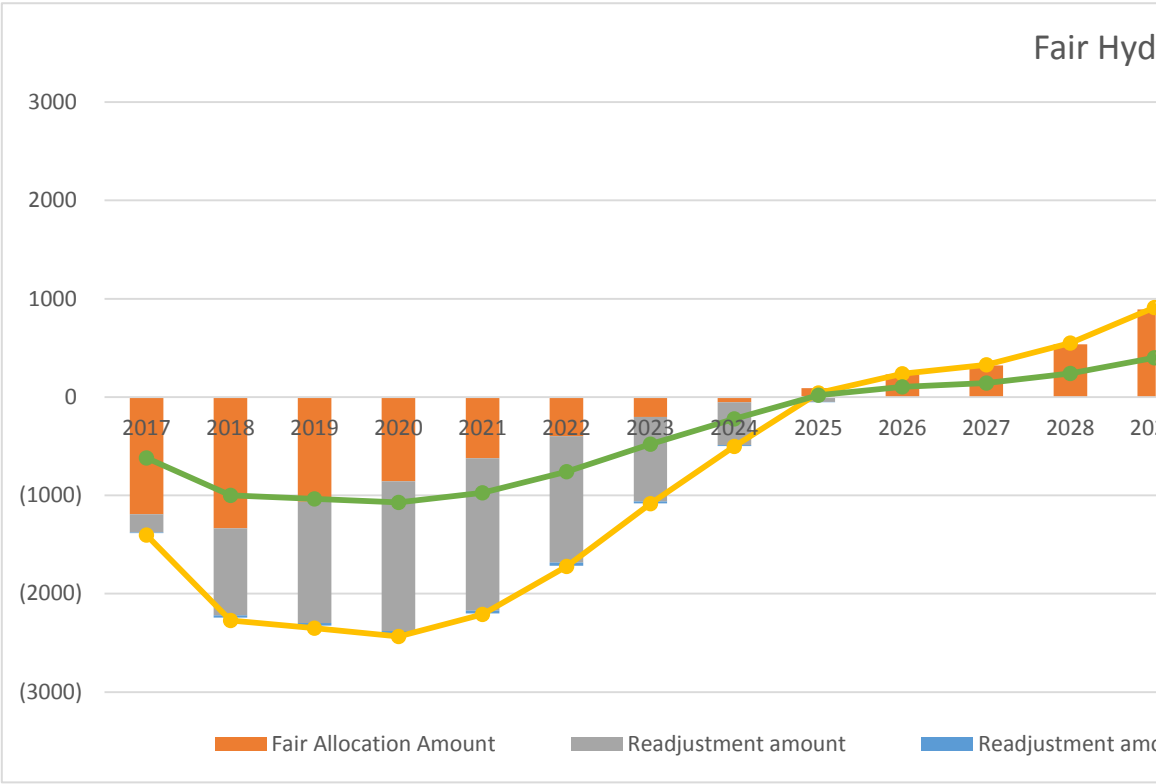
Annual

\$ nominal million	2017	2018	2019
Fair Allocation Amount	(1191)	(1336)	(1064)
Fair Allocation Amount - interest	(20)	(31)	(25)
Readjustment amount	(188)	(885)	(1233)
Readjustment amount - In Period Borrowing Costs	(4)	(20)	(29)
Total borrowing requirement including financing costs	(1402)	(2272)	(2350)
Accumulated borrowing requirement including financing costs		(3675)	(6025)
OPG Equity Injection (44%)*	(617)	(1000)	(1034)

*This includes financing costs, which may need to be excluded upon further information available

Fiscalized

\$ nominal million	2017-18	2018-19	2019-20
Fair Allocation Amount	(1580)	(1227)	(1014)
Fair Allocation Amount - interest	(29)	(29)	(24)
Readjustment amount	(358)	(997)	(1312)
Readjustment amount - In Period Borrowing Costs	(8)	(23)	(30)
Total borrowing requirement including financing costs	(1975)	(2276)	(2380)
Accumulated borrowing requirement including financing costs		(4251)	(6630)
OPG Equity Injection (44%)*	(869)	(1001)	(1047)

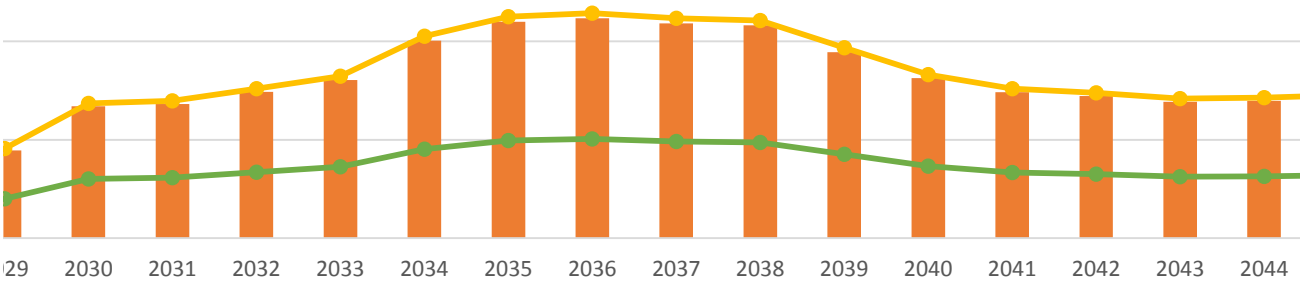


2018-Nov	2019-May	2019-Nov	2020-May	2020-Nov	2021-May	2021-Jul	2021-Nov	2022-May
2018	2019	2019	2020	2020	2021	2021	2021	2022
Nov	May	Nov	May	Nov	May	Jul	Nov	May
11	5	11	5	11	5	7	11	5
43405	43586	43770	43952	44136	44317	44378	44501	44682
43404	43585	43769	43951	44135	44316	44377	44500	44681
-562	-535	-462	-431	-348	-98	-213	-233	-197
-13.098	-12.448	-10.776	-10.034	-8.132	-0.797	-3.225	-5.365	-4.596
-564	-617	-721	-781	-784	-250	-546	-697	-657
-13.056	-14.310	-16.700	-18.117	-18.218	-2.015	-8.267	-16.018	-15.286
-1139	-1164	-1194	-1222	-1140	-349	-762	-935	-859
-4411	-5575	-6769	-7991	-9131	-9480	-10242	-11178	-12036
2020	2021	2022	2023	2024	2025	2026	2027	2028
(855)	(621)	(396)	(201)	(53)	91	231	321	537
(20)	(11)	(9)	(5)	(1)	2	5	7	12
(1523)	(1551)	(1289)	(859)	(436)	(49)			
(35)	(28)	(30)	(20)	(10)	(1)			
(2433)	(2211)	(1723)	(1085)	(501)	43	237	328	549
(8458)	(10669)	(12392)	(13477)	(13978)	(13935)	(13698)	(13370)	(12821)
(1071)	(973)	(758)	(477)	(220)	19	104	144	242

3.

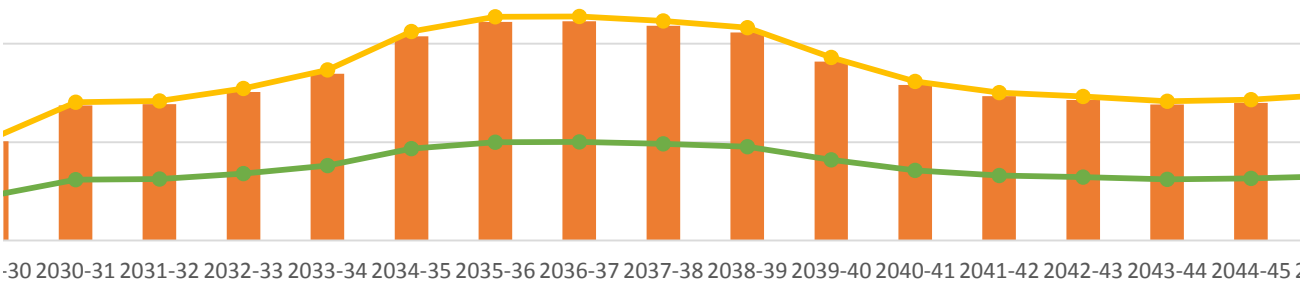
2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
(798)	(563)	(344)	(161)	(18)	128	254	362	613
(19)	(10)	(8)	(4)	(0)	3	6	8	14
(1555)	(1508)	(1191)	(752)	(329)	(12)			
(36)	(27)	(28)	(18)	(8)	(0)			
(2407)	(2107)	(1571)	(934)	(355)	118	260	371	627
(9037)	(11145)	(12715)	(13649)	(14004)	(13886)	(13626)	(13255)	(12628)
(1059)	(927)	(691)	(411)	(156)	52	114	163	276

dro Plan GA Financing - Calendar Year



Amount - In Period Borrowing Costs Total borrowing requirement including financing costs OPG Equity Injection

dro Plan GA Financing - Fiscal Year



Amount - In Period Borrowing Costs Total borrowing requirement including financing costs OPG Equity Injection

2022-Nov	2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov
2022	2023	2023	2024	2024	2025.00	2025	2026	2026
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
44866	45047	45231	45413	45597	45778	45962	46143	46327
44865	45046	45230	45412	45596	45777	45961	46142	46326
-130	-98	-50	-27	21	45	95	121	141
-3.057	-2.295	-1.188	-0.640	0.462	1.033	2.181	2.798	3.266
-501	-429	-287	-220	-73				
-11.726	-10.010	-6.746	-5.150	-1.775				

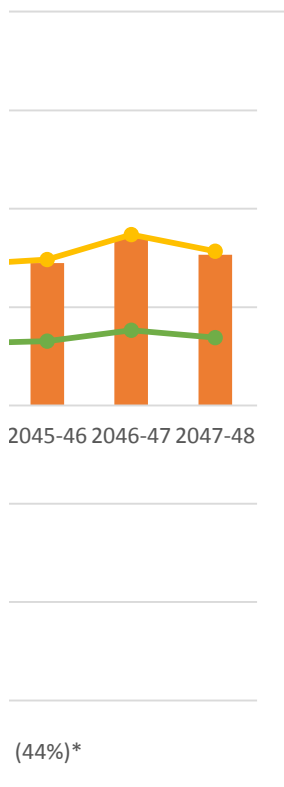
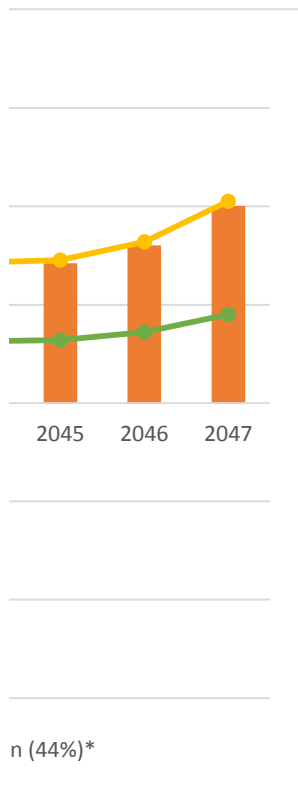
-634	-529	-338	-248	-52	46	97	124	144
-12670	-13200	-13538	-13786	-13837	-13791	-13694	-13570	-13426

2029	2030	2031	2032	2033	2034	2035	2036	2037
892	1340	1365	1486	1609	2007	2201	2237	2185
21	31	32	34	37	47	51	52	51

912	1371	1396	1520	1646	2054	2252	2289	2235
(11909)	(10537)	(9141)	(7621)	(5975)	(3921)	(1669)	621	2856
401	603	614	669	724	904	991	1007	984

2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38
1010	1373	1385	1510	1694	2076	2221	2227	2183
23	32	32	35	39	48	52	52	51

1033	1405	1417	1545	1733	2124	2273	2279	2233
(11595)	(10191)	(8773)	(7228)	(5495)	(3371)	(1098)	1181	3414
455	618	624	680	762	935	1000	1003	983



2027-May	2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May
2027	2027	2028	2028	2029	2029	2030	2030	2031
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
46508	46692	46874	47058	47239	47423	47604	47788	47969
46507	46691	46873	47057	47238	47422	47603	47787	47968
152	224	262	376	437	612	706	678	673
3.526	5.168	6.068	8.678	10.122	14.130	16.356	15.770	15.643

156	229	268	385	447	626	722	694	689
-13270	-13041	-12773	-12388	-11941	-11315	-10593	-9899	-9210

2038	2039	2040	2041	2042	2043	2044	2045	2046
2163	1892	1626	1484	1444	1385	1395	1421	1603
50	44	38	35	34	32	32	33	37

2213	1936	1664	1518	1477	1418	1427	1454	1640
5069	7005	8670	10188	11665	13083	14510	15964	17605
974	852	732	668	650	624	628	640	722

2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47
2114	1820	1580	1468	1430	1383	1398	1449	1699
49	42	37	34	33	32	32	34	39

2163	1862	1617	1502	1463	1415	1430	1482	1738
5577	7439	9056	10559	12022	13437	14867	16350	18088
952	819	712	661	644	623	629	652	765

2031-Nov	2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov
2031	2032	2032	2033	2033	2034	2034	2035	2035
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
48153	48335	48519	48700	48884	49065	49249	49430	49614
48152	48334	48518	48699	48883	49064	49248	49429	49613
719	751	767	785	937	1024	1075	1113	1115
16.685	17.436	17.816	18.234	21.695	23.750	24.955	25.845	25.911

736	768	785	803	959	1048	1100	1139	1141

-8475	-7706	-6921	-6118	-5159	-4112	-3012	-1873	-732

2047

2006

46

2052

19657

903

2047-48

1534

35

1569

19657

690

2036-May	2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May
2036	2036	2037	2037	2038	2038	2039	2039	2040
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
49796	49980	50161	50345	50526	50710	50891	51075	51257
49795	49979	50160	50344	50525	50709	50890	51074	51256
1129	1095	1091	1091	1105	992	948	848	809
26.230	25.465	25.357	25.355	25.673	23.113	22.056	19.761	18.823
1155	1120	1116	1116	1131	1015	970	868	828
423	1544	2660	3776	4907	5922	6892	7760	8588

2040-Nov	2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov
2040	2041	2041	2042	2042	2043	2043	2044	2044
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
51441	51622	51806	51987	52171	52352	52536	52718	52902
51440	51621	51805	51986	52170	52351	52535	52717	52901
756	738	725	728	697	690	692	701	698
17.598	17.161	16.856	16.917	16.214	16.040	16.081	16.286	16.223
774	755	742	745	713	706	708	717	714
9361	10117	10858	11603	12317	13023	13731	14448	15162

2045-May	2045-Nov	2046-May	2046-Nov	2047-May	2047.00
2045	2045	2046	2046	2047	
May	Nov	May	Nov	May	Nov
5	11	5	11	5	11
53083	53267	53448	53632	53813	53997
53082	53266	53447	53631	53812	53996
705	753	786	945	1376	
16.380	17.474	18.249	21.877	31.749	
721	770	804	967	1408	
15884	16654	17458	18425	19833	

Equity Injection

44%

Biennial

\$ nominal million	2017-Jul 2017 Jul	2017-Nov 2017 Nov	2018-May 2018 May	2018-Nov 2018 Nov
	7	11	5	11
First Date	42917	43040	43221	43405
		43039	43220	43404
Fair Allocation Amount	-931	-779	-629	-562
Readjustment amount	-74	-341	-470	-564
Total borrowing requirement including financing costs	-1005	-1120	-1099	-1126
	\$1,539.67			

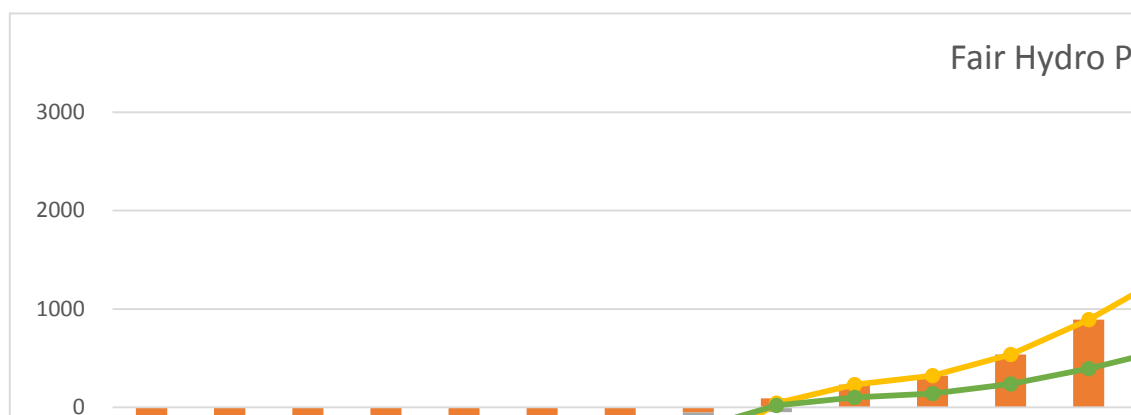
Annual

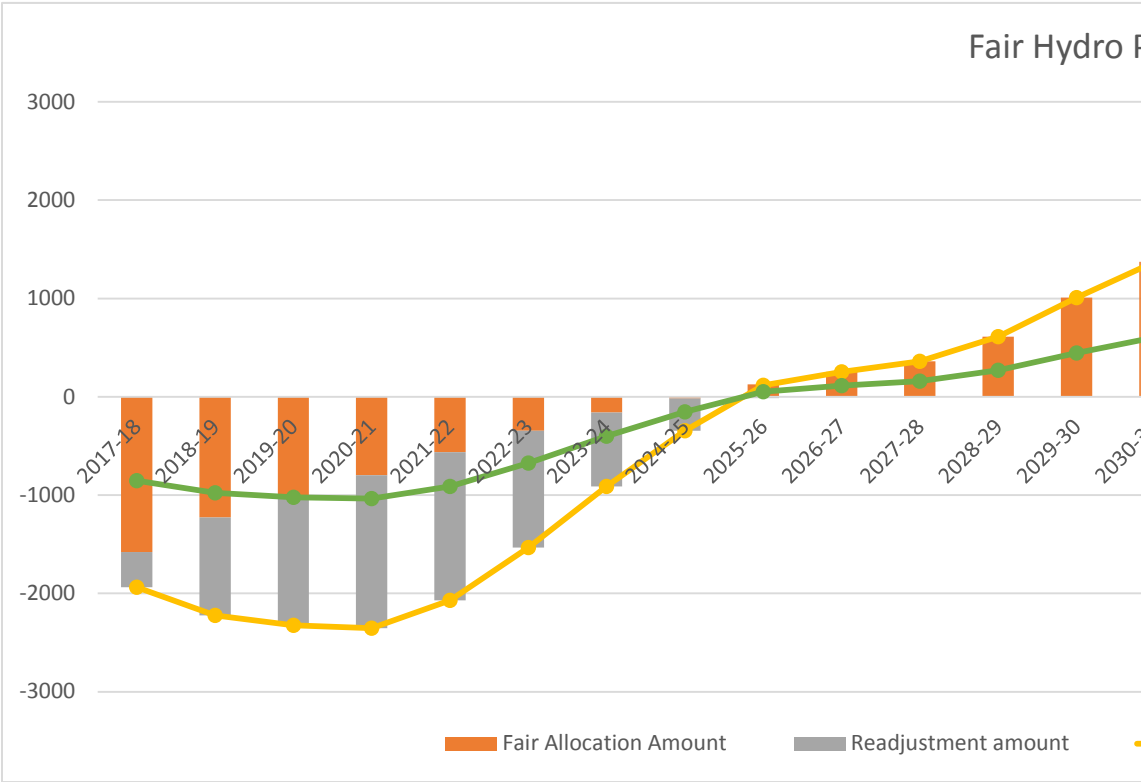
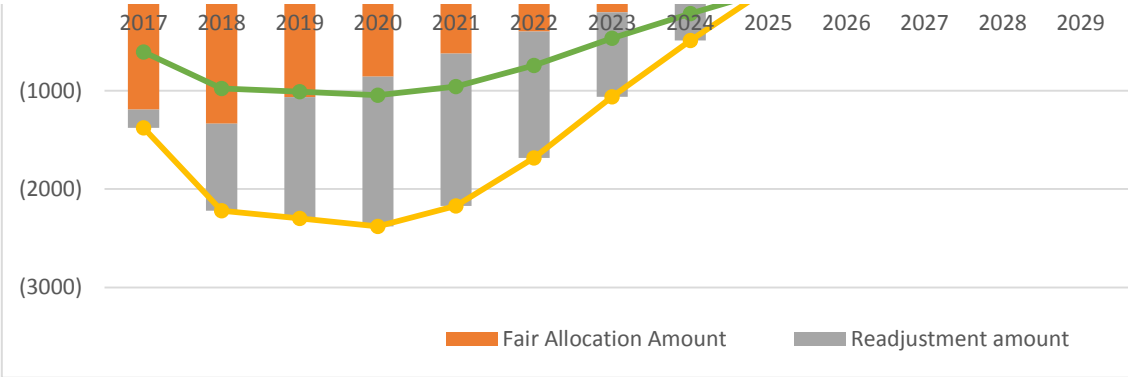
\$ nominal million	2017	2018	2019	2020
Fair Allocation Amount	(1191)	(1336)	(1064)	(855)
Readjustment amount	(188)	(885)	(1233)	(1523)
Total borrowing requirement including financing costs	(1378)	(2221)	(2297)	(2378)
OPG Equity Injection (44%)*	(606)	(977)	(1011)	(1046)

*This includes financing costs, which may need to be excluded upon further information available

Fiscalized

\$ nominal million	2017-18	2018-19	2019-20	2020-21
Fair Allocation Amount	-1580.167	-1227.167	-1013.6667	-798
Readjustment amount	-358.1667	-996.8333	-1311.8333	-1554.5
Total borrowing requirement including financing costs	-1938.333	-2224	-2325.5	-2352.5
OPG Equity Injection (44%)*	-852.8667	-978.56	-1023.22	-1035.1





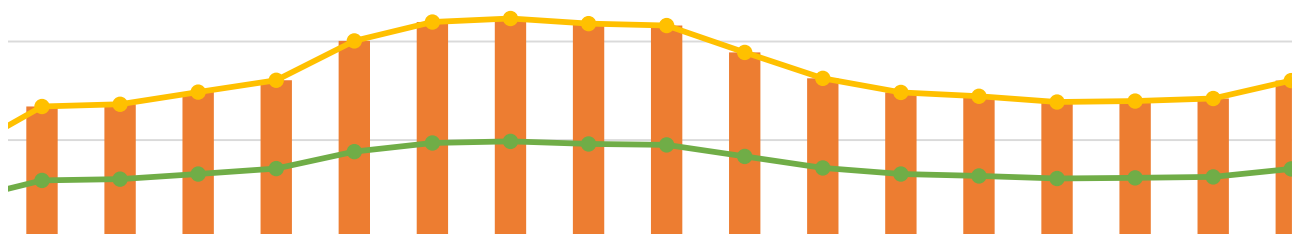
2019-May 2019 May	2019-Nov 2019 Nov	2020-May 2020 May	2020-Nov 2020 Nov	2021-May 2021 May	2021-Jul 2021 Jul	2021-Nov 2021 Nov	2022-May 2022 May	2022-Nov 2022 Nov
5	11	5	11	5	7	11	5	11
43586	43770	43952	44136	44317	44378	44501	44682	44866
43585	43769	43951	44135	44316	44377	44500	44681	44865
-535	-462	-431	-348	-98	-213	-233	-197	-130
-617	-721	-781	-784	-250	-546	-697	-657	-501
-1152	-1183	-1212	-1132	-348	-759	-930	-854	-631

2021	2022	2023	2024	2025	2026	2027	2028	2029
(621)	(396)	(201)	(53)	91	231	321	537	892
(1551)	(1289)	(859)	(436)	(49)	0	0	0	0
(2172)	(1684)	(1060)	(489)	42	231	321	537	892
(956)	(741)	(466)	(215)	18	102	141	236	392

ble.

2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
-563.1667	-344.1667	-161.3333	-17.83333	127.66667	254.333	362.1667	612.66667	1009.667
-1507.5	-1190.667	-751.6667	-328.6667	-12.16667	0	0	0	0
-2070.667	-1534.833	-913	-346.5	115.5	254.333	362.1667	612.66667	1009.667
-911.0933	-675.3267	-401.72	-152.46	50.82	111.907	159.3533	269.57333	444.2533

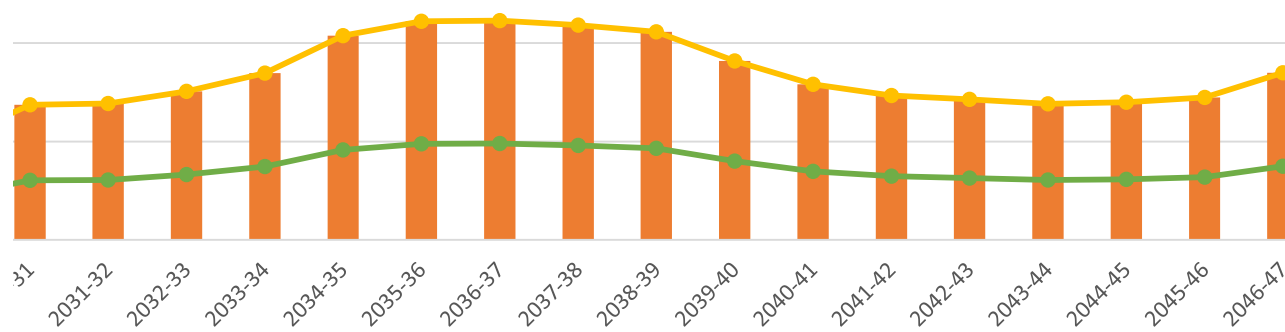
Ian GA Financing - Calendar Year



2030 2031 2032 2033 2034 2035 2036 2037 2038 2039 2040 2041 2042 2043 2044 2045 20

● Total borrowing requirement including financing costs ● OPG Equity Injection (44%)*

Plan GA Financing - Fiscal Year

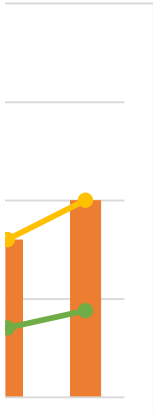


● Total borrowing requirement including financing costs ● OPG Equity Injection (44%)*

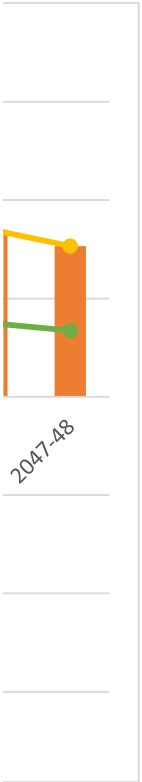
2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov	2027-May
2023	2023	2024	2024	2025.00	2025	2026	2026	2027
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
45047	45231	45413	45597	45778	45962	46143	46327	46508
45046	45230	45412	45596	45777	45961	46142	46326	46507
-98	-50	-27	21	45	95	121	141	152
-429	-287	-220	-73					
-527	-337	-247	-52	45	95	121	141	152

2030	2031	2032	2033	2034	2035	2036	2037	2038
1340	1365	1486	1609	2007	2201	2237	2185	2163
0	0	0	0	0	0	0	0	0
1340	1365	1486	1609	2007	2201	2237	2185	2163
590	600	654	708	883	969	984	961	952

2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39
1373	1385.167	1510	1693.667	2076	2221.333	2227.3333	2182.667	2113.5
0	0	0	0	0	0	0	0	0
1373	1385.167	1510	1693.667	2076	2221.333	2227.3333	2182.667	2113.5
604.12	609.4733	664.4	745.2133	913.44	977.3867	980.02667	960.3733	929.94



46 2047



2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May	2031-Nov
2027	2028	2028	2029	2029	2030	2030	2031	2031
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
46692	46874	47058	47239	47423	47604	47788	47969	48153
46691	46873	47057	47238	47422	47603	47787	47968	48152
224	262	376	437	612	706	678	673	719

224	262	376	437	612	706	678	673	719

2039	2040	2041	2042	2043	2044	2045	2046	2047
1892	1626	1484	1444	1385	1395	1421	1603	2006
0	0	0	0	0	0	0	0	0
1892	1626	1484	1444	1385	1395	1421	1603	2006
832	716	653	635	610	614	625	705	883

2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48
1820	1580.3333	1468.167	1429.6667	1382.833	1398	1448.833	1699	1533.5
0	0	0	0	0	0	0	0	0
1820	1580.3333	1468.167	1429.6667	1382.833	1398	1448.833	1699	1533.5
800.8	695.34667	645.9933	629.05333	608.4467	615.12	637.4867	747.56	674.74

2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov	2036-May
2032	2032	2033	2033	2034	2034	2035	2035	2036
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
48335	48519	48700	48884	49065	49249	49430	49614	49796
48334	48518	48699	48883	49064	49248	49429	49613	49795
751	767	785	937	1024	1075	1113	1115	1129
751	767	785	937	1024	1075	1113	1115	1129

2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May	2040-Nov
2036	2037	2037	2038	2038	2039	2039	2040	2040
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
49980	50161	50345	50526	50710	50891	51075	51257	51441
49979	50160	50344	50525	50709	50890	51074	51256	51440
1095	1091	1091	1105	992	948	848	809	756
1095	1091	1091	1105	992	948	848	809	756

2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov	2045-May
2041	2041	2042	2042	2043	2043	2044	2044	2045
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
51622	51806	51987	52171	52352	52536	52718	52902	53083
51621	51805	51986	52170	52351	52535	52717	52901	53082
738	725	728	697	690	692	701	698	705
738	725	728	697	690	692	701	698	705

2045-Nov	2046-May	2046-Nov	2047-May	
2045	2046	2046	2047	2047.00
Nov	May	Nov	May	Nov
11	5	11	5	11
53267	53448	53632	53813	53997
53266	53447	53631	53812	53996
753	786	945	1376	
753	786	945	1376	

\$ nominal million	2017-Jul	2017-Nov	2018-May	2018-Nov
Fair Allocation Amount	-931	-779	-629	-562
Readjustment amount	-74	-341	-470	-564
Total borrowing requirement including financing costs	-1005	-1120	-1099	-1126

2019-May	2019-Nov	2020-May	2020-Nov	2021-May	2021-Jul	2021-Nov	2022-May	2022-Nov
-535	-462	-431	-348	-98	-213	-233	-197	-130
-617	-721	-781	-784	-250	-546	-697	-657	-501
-1152	-1183	-1212	-1132	-348	-759	-930	-854	-631

2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov	2027-May
-98	-50	-27	21	45	95	121	141	152
-429	-287	-220	-73					
-527	-337	-247	-52	45	95	121	141	152

2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May	2031-Nov
224	262	376	437	612	706	678	673	719

224	262	376	437	612	706	678	673	719

2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov	2036-May
751	767	785	937	1024	1075	1113	1115	1129

751	767	785	937	1024	1075	1113	1115	1129

2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May	2040-Nov
1095	1091	1091	1105	992	948	848	809	756

1095	1091	1091	1105	992	948	848	809	756

2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov	2045-May
738	725	728	697	690	692	701	698	705

738	725	728	697	690	692	701	698	705

2045-Nov	2046-May	2046-Nov	2047-May
753	786	945	1376

753	786	945	1376

Equity Injection	44%
Assumed Interest Cost	4.5%

Biennial

\$ nominal million	2017-Jul	2017-Nov	2018-May
	2017 Jul	2017 Nov	2018 May
	7	11	5
First Date	42917	43040	43221
		43039	43220
Fair Allocation Amount	-931	-779	-629
Fair Allocation Amount - interest	-14.044	-18.012	-14.695
Readjustment amount	-74	-341	-470
Readjustment amount - In Period Borrowing Costs	-1.116	-7.770	-10.851
Total borrowing requirement including financing costs	-1020	-1138	-1114
Accumulated borrowing requirement including financing costs		-2158	-3272

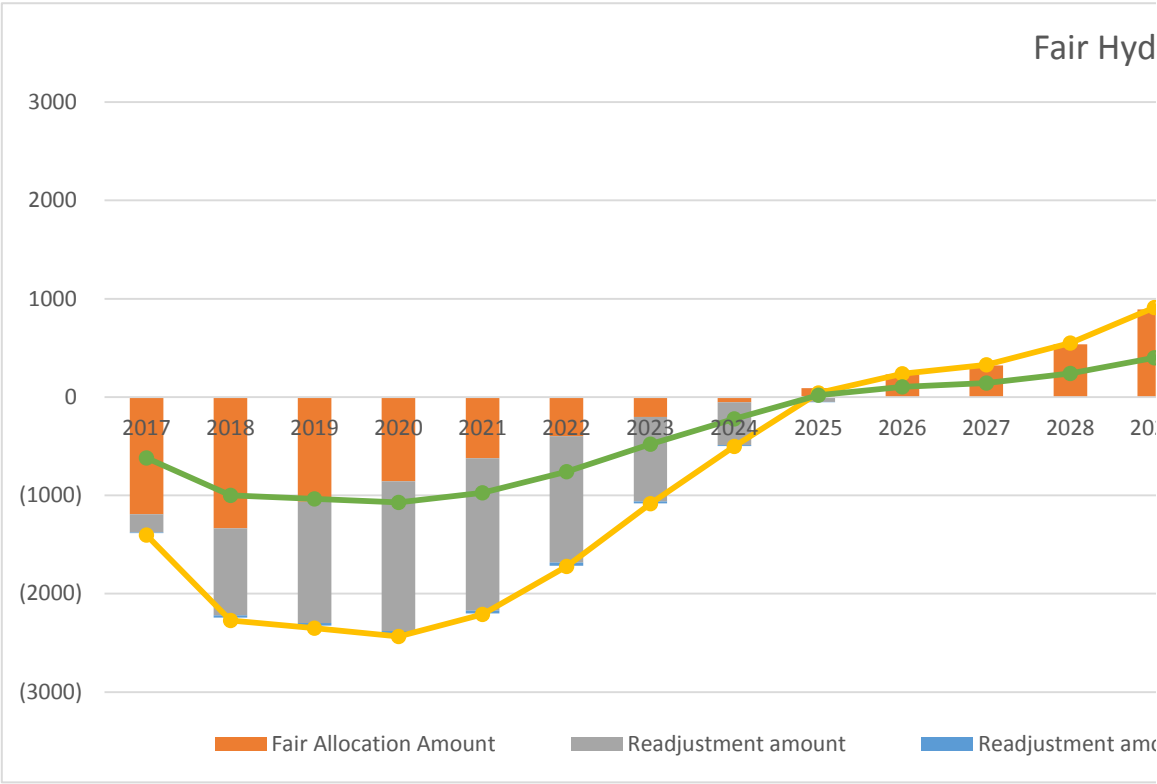
Annual

\$ nominal million	2017	2018	2019
Fair Allocation Amount	(1191)	(1336)	(1064)
Fair Allocation Amount - interest	(20)	(31)	(25)
Readjustment amount	(188)	(885)	(1233)
Readjustment amount - In Period Borrowing Costs	(4)	(20)	(29)
Total borrowing requirement including financing costs	(1402)	(2272)	(2350)
Accumulated borrowing requirement including financing costs		(3675)	(6025)
OPG Equity Injection (44%)*	(617)	(1000)	(1034)

*This includes financing costs, which may need to be excluded upon further information available

Fiscalized

\$ nominal million	2017-18	2018-19	2019-20
Fair Allocation Amount	(1580)	(1227)	(1014)
Fair Allocation Amount - interest	(29)	(29)	(24)
Readjustment amount	(358)	(997)	(1312)
Readjustment amount - In Period Borrowing Costs	(8)	(23)	(30)
Total borrowing requirement including financing costs	(1975)	(2276)	(2380)
Accumulated borrowing requirement including financing costs		(4251)	(6630)
OPG Equity Injection (44%)*	(869)	(1001)	(1047)

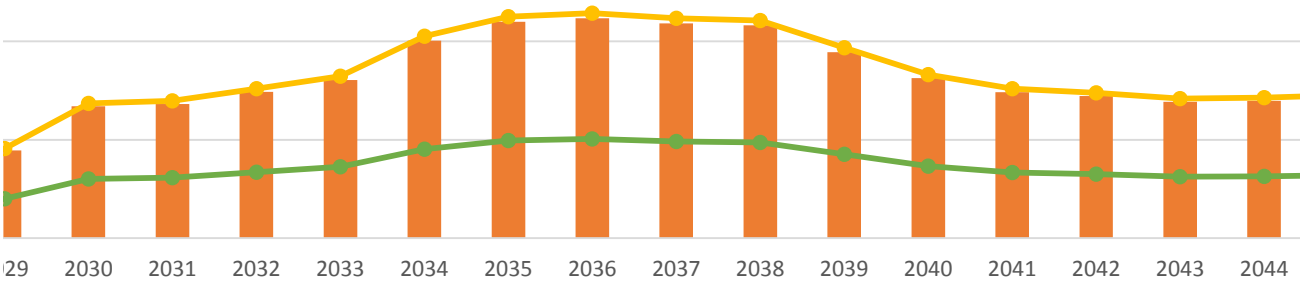


2018-Nov	2019-May	2019-Nov	2020-May	2020-Nov	2021-May	2021-Jul	2021-Nov	2022-May
2018	2019	2019	2020	2020	2021	2021	2021	2022
Nov	May	Nov	May	Nov	May	Jul	Nov	May
11	5	11	5	11	5	7	11	5
43405	43586	43770	43952	44136	44317	44378	44501	44682
43404	43585	43769	43951	44135	44316	44377	44500	44681
-562	-535	-462	-431	-348	-98	-213	-233	-197
-13.098	-12.448	-10.776	-10.034	-8.132	-0.797	-3.225	-5.365	-4.596
-564	-617	-721	-781	-784	-250	-546	-697	-657
-13.056	-14.310	-16.700	-18.117	-18.218	-2.015	-8.267	-16.018	-15.286
-1139	-1164	-1194	-1222	-1140	-349	-762	-935	-859
-4411	-5575	-6769	-7991	-9131	-9480	-10242	-11178	-12036
2020	2021	2022	2023	2024	2025	2026	2027	2028
(855)	(621)	(396)	(201)	(53)	91	231	321	537
(20)	(11)	(9)	(5)	(1)	2	5	7	12
(1523)	(1551)	(1289)	(859)	(436)	(49)			
(35)	(28)	(30)	(20)	(10)	(1)			
(2433)	(2211)	(1723)	(1085)	(501)	43	237	328	549
(8458)	(10669)	(12392)	(13477)	(13978)	(13935)	(13698)	(13370)	(12821)
(1071)	(973)	(758)	(477)	(220)	19	104	144	242

3.

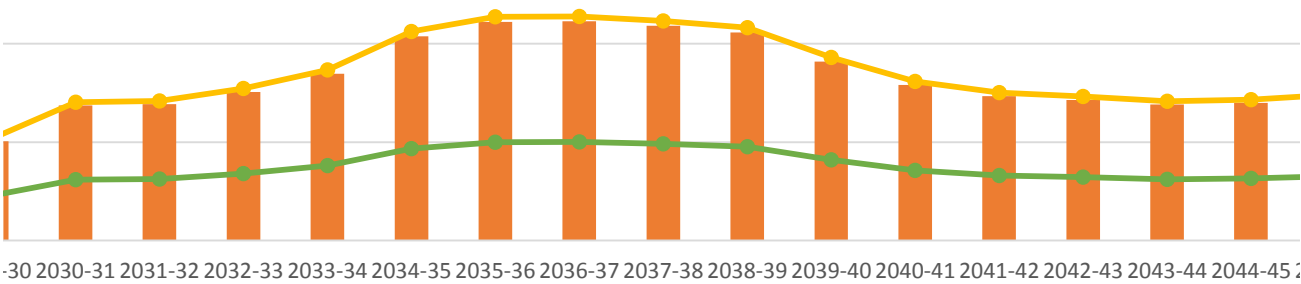
2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
(798)	(563)	(344)	(161)	(18)	128	254	362	613
(19)	(10)	(8)	(4)	(0)	3	6	8	14
(1555)	(1508)	(1191)	(752)	(329)	(12)			
(36)	(27)	(28)	(18)	(8)	(0)			
(2407)	(2107)	(1571)	(934)	(355)	118	260	371	627
(9037)	(11145)	(12715)	(13649)	(14004)	(13886)	(13626)	(13255)	(12628)
(1059)	(927)	(691)	(411)	(156)	52	114	163	276

dro Plan GA Financing - Calendar Year



Amount - In Period Borrowing Costs Total borrowing requirement including financing costs OPG Equity Injection

dro Plan GA Financing - Fiscal Year



Amount - In Period Borrowing Costs Total borrowing requirement including financing costs OPG Equity Injection

2022-Nov	2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov
2022	2023	2023	2024	2024	2025.00	2025	2026	2026
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
44866	45047	45231	45413	45597	45778	45962	46143	46327
44865	45046	45230	45412	45596	45777	45961	46142	46326
-130	-98	-50	-27	21	45	95	121	141
-3.057	-2.295	-1.188	-0.640	0.462	1.033	2.181	2.798	3.266
-501	-429	-287	-220	-73				
-11.726	-10.010	-6.746	-5.150	-1.775				

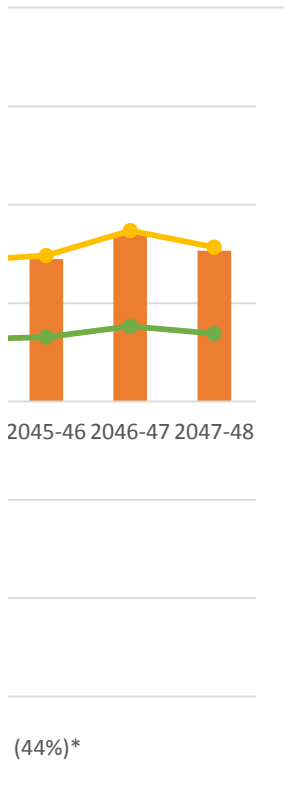
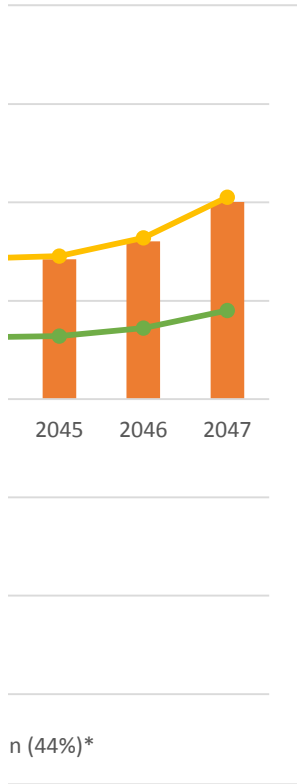
-634	-529	-338	-248	-52	46	97	124	144
-12670	-13200	-13538	-13786	-13837	-13791	-13694	-13570	-13426

2029	2030	2031	2032	2033	2034	2035	2036	2037
892	1340	1365	1486	1609	2007	2201	2237	2185
21	31	32	34	37	47	51	52	51

912	1371	1396	1520	1646	2054	2252	2289	2235
(11909)	(10537)	(9141)	(7621)	(5975)	(3921)	(1669)	621	2856
401	603	614	669	724	904	991	1007	984

2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38
1010	1373	1385	1510	1694	2076	2221	2227	2183
23	32	32	35	39	48	52	52	51

1033	1405	1417	1545	1733	2124	2273	2279	2233
(11595)	(10191)	(8773)	(7228)	(5495)	(3371)	(1098)	1181	3414
455	618	624	680	762	935	1000	1003	983



2027-May	2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May
2027	2027	2028	2028	2029	2029	2030	2030	2031
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
46508	46692	46874	47058	47239	47423	47604	47788	47969
46507	46691	46873	47057	47238	47422	47603	47787	47968
152	224	262	376	437	612	706	678	673
3.526	5.168	6.068	8.678	10.122	14.130	16.356	15.770	15.643

156	229	268	385	447	626	722	694	689
-13270	-13041	-12773	-12388	-11941	-11315	-10593	-9899	-9210

2038	2039	2040	2041	2042	2043	2044	2045	2046
2163	1892	1626	1484	1444	1385	1395	1421	1603
50	44	38	35	34	32	32	33	37

2213	1936	1664	1518	1477	1418	1427	1454	1640
5069	7005	8670	10188	11665	13083	14510	15964	17605
974	852	732	668	650	624	628	640	722

2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47
2114	1820	1580	1468	1430	1383	1398	1449	1699
49	42	37	34	33	32	32	34	39

2163	1862	1617	1502	1463	1415	1430	1482	1738
5577	7439	9056	10559	12022	13437	14867	16350	18088
952	819	712	661	644	623	629	652	765

2031-Nov	2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov
2031	2032	2032	2033	2033	2034	2034	2035	2035
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
48153	48335	48519	48700	48884	49065	49249	49430	49614
48152	48334	48518	48699	48883	49064	49248	49429	49613
719	751	767	785	937	1024	1075	1113	1115
16.685	17.436	17.816	18.234	21.695	23.750	24.955	25.845	25.911

736	768	785	803	959	1048	1100	1139	1141

-8475	-7706	-6921	-6118	-5159	-4112	-3012	-1873	-732

2047

2006

46

2052

19657

903

2047-48

1534

35

1569

19657

690

2036-May	2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May
2036	2036	2037	2037	2038	2038	2039	2039	2040
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
49796	49980	50161	50345	50526	50710	50891	51075	51257
49795	49979	50160	50344	50525	50709	50890	51074	51256
1129	1095	1091	1091	1105	992	948	848	809
26.230	25.465	25.357	25.355	25.673	23.113	22.056	19.761	18.823
1155	1120	1116	1116	1131	1015	970	868	828
423	1544	2660	3776	4907	5922	6892	7760	8588

2040-Nov	2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov
2040	2041	2041	2042	2042	2043	2043	2044	2044
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
51441	51622	51806	51987	52171	52352	52536	52718	52902
51440	51621	51805	51986	52170	52351	52535	52717	52901
756	738	725	728	697	690	692	701	698
17.598	17.161	16.856	16.917	16.214	16.040	16.081	16.286	16.223
774	755	742	745	713	706	708	717	714
9361	10117	10858	11603	12317	13023	13731	14448	15162

2045-May	2045-Nov	2046-May	2046-Nov	2047-May	2047.00
2045	2045	2046	2046	2047	
May	Nov	May	Nov	May	Nov
5	11	5	11	5	11
53083	53267	53448	53632	53813	53997
53082	53266	53447	53631	53812	53996
705	753	786	945	1376	
16.380	17.474	18.249	21.877	31.749	
721	770	804	967	1408	
15884	16654	17458	18425	19833	

Equity Injection

44%

Biennial

\$ nominal million	2017-Jul 2017 Jul	2017-Nov 2017 Nov	2018-May 2018 May	2018-Nov 2018 Nov
	7	11	5	11
First Date	42917	43040	43221	43405
		43039	43220	43404
Fair Allocation Amount	-931	-779	-629	-562
Readjustment amount	-74	-341	-470	-564
Total borrowing requirement including financing costs	-1005	-1120	-1099	-1126
	\$1,539.67			

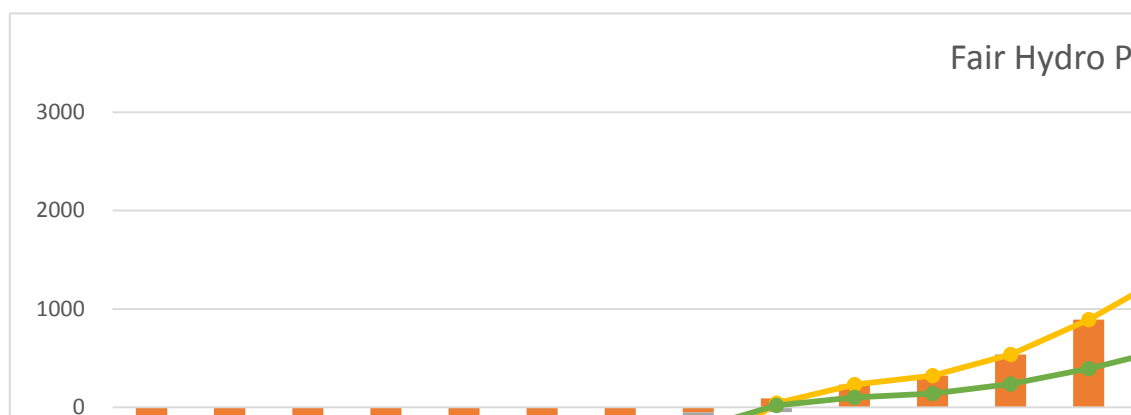
Annual

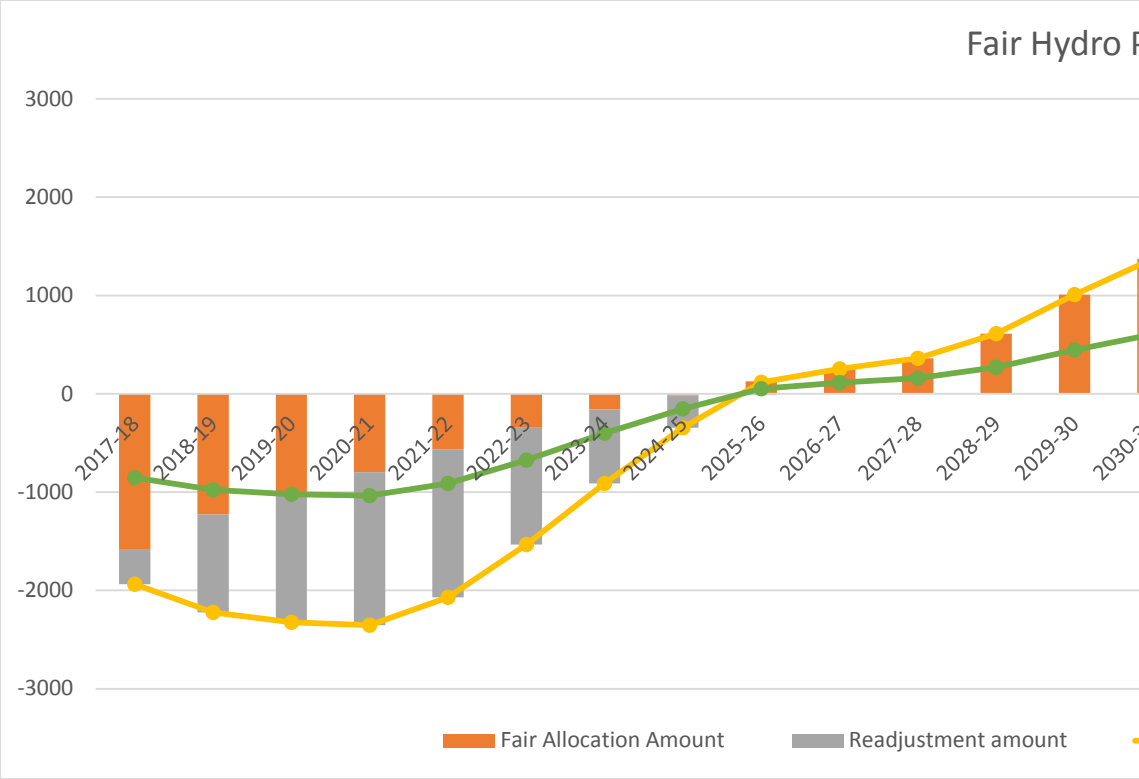
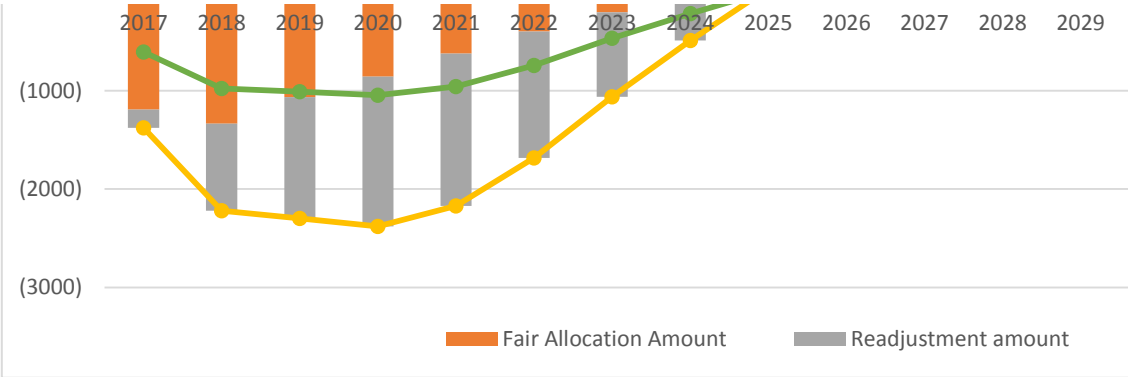
\$ nominal million	2017	2018	2019	2020
Fair Allocation Amount	(1191)	(1336)	(1064)	(855)
Readjustment amount	(188)	(885)	(1233)	(1523)
Total borrowing requirement including financing costs	(1378)	(2221)	(2297)	(2378)
OPG Equity Injection (44%)*	(606)	(977)	(1011)	(1046)

*This includes financing costs, which may need to be excluded upon further information available

Fiscalized

\$ nominal million	2017-18	2018-19	2019-20	2020-21
Fair Allocation Amount	-1580.167	-1227.167	-1013.6667	-798
Readjustment amount	-358.1667	-996.8333	-1311.8333	-1554.5
Total borrowing requirement including financing costs	-1938.333	-2224	-2325.5	-2352.5
OPG Equity Injection (44%)*	-852.8667	-978.56	-1023.22	-1035.1





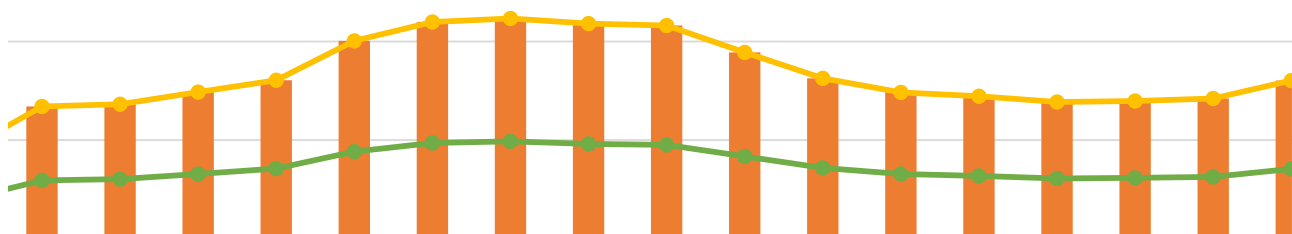
2019-May 2019 May	2019-Nov 2019 Nov	2020-May 2020 May	2020-Nov 2020 Nov	2021-May 2021 May	2021-Jul 2021 Jul	2021-Nov 2021 Nov	2022-May 2022 May	2022-Nov 2022 Nov
5	11	5	11	5	7	11	5	11
43586	43770	43952	44136	44317	44378	44501	44682	44866
43585	43769	43951	44135	44316	44377	44500	44681	44865
-535	-462	-431	-348	-98	-213	-233	-197	-130
-617	-721	-781	-784	-250	-546	-697	-657	-501
-1152	-1183	-1212	-1132	-348	-759	-930	-854	-631

2021	2022	2023	2024	2025	2026	2027	2028	2029
(621)	(396)	(201)	(53)	91	231	321	537	892
(1551)	(1289)	(859)	(436)	(49)	0	0	0	0
(2172)	(1684)	(1060)	(489)	42	231	321	537	892
(956)	(741)	(466)	(215)	18	102	141	236	392

ble.

2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
-563.1667	-344.1667	-161.3333	-17.83333	127.66667	254.333	362.1667	612.66667	1009.667
-1507.5	-1190.667	-751.6667	-328.6667	-12.16667	0	0	0	0
-2070.667	-1534.833	-913	-346.5	115.5	254.333	362.1667	612.66667	1009.667
-911.0933	-675.3267	-401.72	-152.46	50.82	111.907	159.3533	269.57333	444.2533

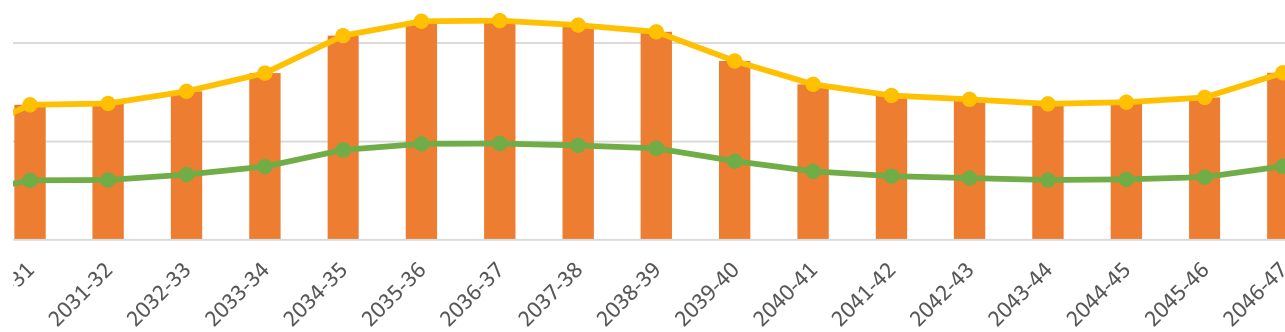
Ian GA Financing - Calendar Year



2030 2031 2032 2033 2034 2035 2036 2037 2038 2039 2040 2041 2042 2043 2044 2045 20

● Total borrowing requirement including financing costs ● OPG Equity Injection (44%)*

Plan GA Financing - Fiscal Year

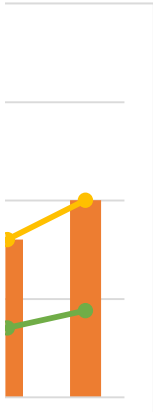


● Total borrowing requirement including financing costs ● OPG Equity Injection (44%)*

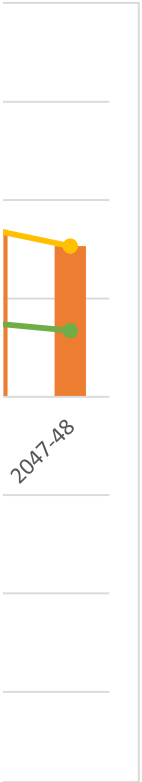
2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov	2027-May
2023	2023	2024	2024	2025.00	2025	2026	2026	2027
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
45047	45231	45413	45597	45778	45962	46143	46327	46508
45046	45230	45412	45596	45777	45961	46142	46326	46507
-98	-50	-27	21	45	95	121	141	152
-429	-287	-220	-73					
-527	-337	-247	-52	45	95	121	141	152

2030	2031	2032	2033	2034	2035	2036	2037	2038
1340	1365	1486	1609	2007	2201	2237	2185	2163
0	0	0	0	0	0	0	0	0
1340	1365	1486	1609	2007	2201	2237	2185	2163
590	600	654	708	883	969	984	961	952

2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39
1373	1385.167	1510	1693.667	2076	2221.333	2227.3333	2182.667	2113.5
0	0	0	0	0	0	0	0	0
1373	1385.167	1510	1693.667	2076	2221.333	2227.3333	2182.667	2113.5
604.12	609.4733	664.4	745.2133	913.44	977.3867	980.02667	960.3733	929.94



46 2047



2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May	2031-Nov
2027	2028	2028	2029	2029	2030	2030	2031	2031
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
46692	46874	47058	47239	47423	47604	47788	47969	48153
46691	46873	47057	47238	47422	47603	47787	47968	48152
224	262	376	437	612	706	678	673	719

224	262	376	437	612	706	678	673	719

2039	2040	2041	2042	2043	2044	2045	2046	2047
1892	1626	1484	1444	1385	1395	1421	1603	2006
0	0	0	0	0	0	0	0	0
1892	1626	1484	1444	1385	1395	1421	1603	2006
832	716	653	635	610	614	625	705	883

2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48
1820	1580.3333	1468.167	1429.6667	1382.833	1398	1448.833	1699	1533.5
0	0	0	0	0	0	0	0	0
1820	1580.3333	1468.167	1429.6667	1382.833	1398	1448.833	1699	1533.5
800.8	695.34667	645.9933	629.05333	608.4467	615.12	637.4867	747.56	674.74

2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov	2036-May
2032	2032	2033	2033	2034	2034	2035	2035	2036
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
48335	48519	48700	48884	49065	49249	49430	49614	49796
48334	48518	48699	48883	49064	49248	49429	49613	49795
751	767	785	937	1024	1075	1113	1115	1129
751	767	785	937	1024	1075	1113	1115	1129

2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May	2040-Nov
2036	2037	2037	2038	2038	2039	2039	2040	2040
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
49980	50161	50345	50526	50710	50891	51075	51257	51441
49979	50160	50344	50525	50709	50890	51074	51256	51440
1095	1091	1091	1105	992	948	848	809	756
1095	1091	1091	1105	992	948	848	809	756

2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov	2045-May
2041	2041	2042	2042	2043	2043	2044	2044	2045
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
51622	51806	51987	52171	52352	52536	52718	52902	53083
51621	51805	51986	52170	52351	52535	52717	52901	53082
738	725	728	697	690	692	701	698	705
738	725	728	697	690	692	701	698	705

2045-Nov	2046-May	2046-Nov	2047-May	
2045	2046	2046	2047	2047.00
Nov	May	Nov	May	Nov
11	5	11	5	11
53267	53448	53632	53813	53997
53266	53447	53631	53812	53996
753	786	945	1376	
753	786	945	1376	

\$ nominal million	2017-Jul	2017-Nov	2018-May	2018-Nov
Fair Allocation Amount	-931	-779	-629	-562
Readjustment amount	-74	-341	-470	-564
Total borrowing requirement including financing costs	-1005	-1120	-1099	-1126

2019-May	2019-Nov	2020-May	2020-Nov	2021-May	2021-Jul	2021-Nov	2022-May	2022-Nov
-535	-462	-431	-348	-98	-213	-233	-197	-130
-617	-721	-781	-784	-250	-546	-697	-657	-501
-1152	-1183	-1212	-1132	-348	-759	-930	-854	-631

2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov	2027-May
-98	-50	-27	21	45	95	121	141	152
-429	-287	-220	-73					
-527	-337	-247	-52	45	95	121	141	152

2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May	2031-Nov
224	262	376	437	612	706	678	673	719

224	262	376	437	612	706	678	673	719

2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov	2036-May
751	767	785	937	1024	1075	1113	1115	1129

751	767	785	937	1024	1075	1113	1115	1129

2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May	2040-Nov
1095	1091	1091	1105	992	948	848	809	756

1095	1091	1091	1105	992	948	848	809	756

2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov	2045-May
738	725	728	697	690	692	701	698	705
738	725	728	697	690	692	701	698	705

2045-Nov	2046-May	2046-Nov	2047-May
753	786	945	1376

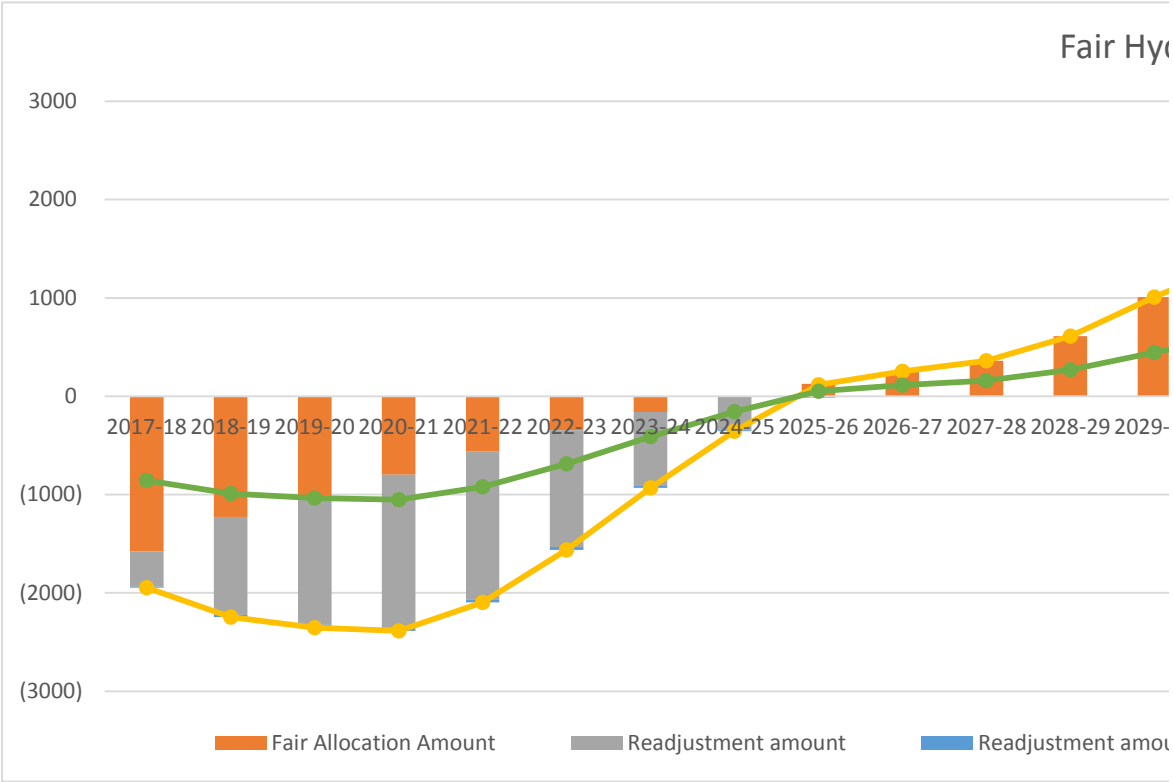
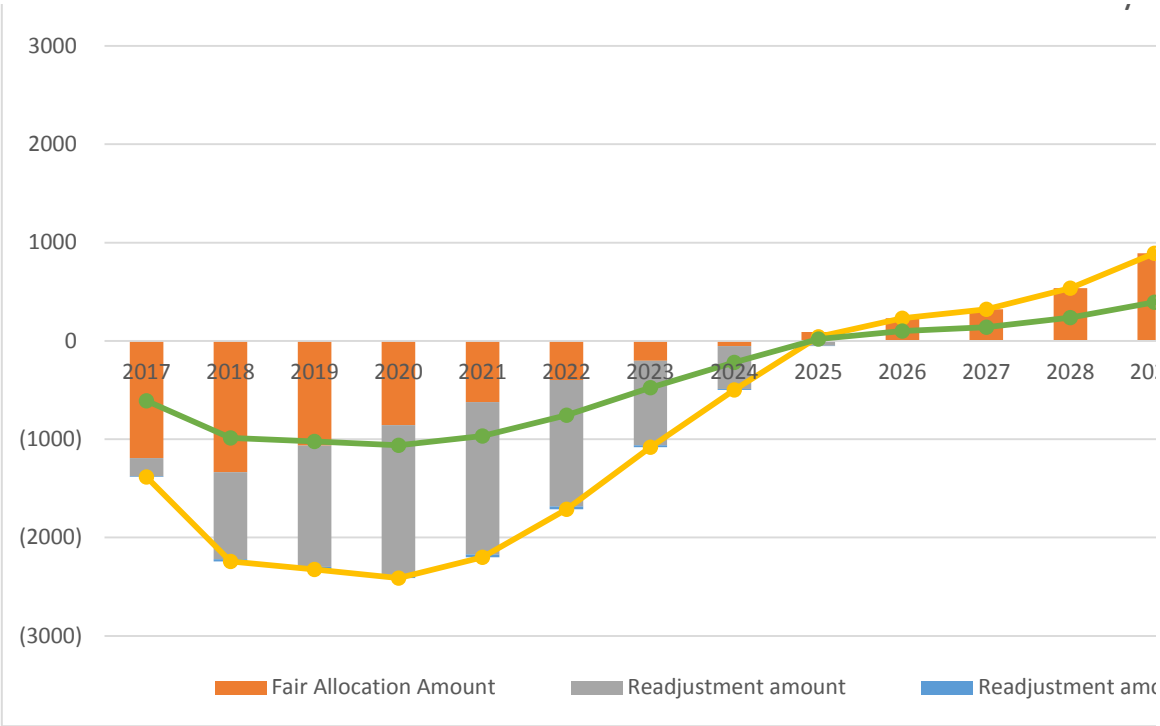
753	786	945	1376

Equity Injection	44%
Assumed Interest Cost	4.5%

Biennial			
\$ nominal million	2017-Jul	2017-Nov	2018-May
	2017	2017	2018
	Jul	Nov	May
	7	11	5
First Date	42917	43040	43221
		43039	43220
Fair Allocation Amount	-931	-779	-629
Readjustment amount	-74	-341	-470
Readjustment amount - In Period Borrowing Costs	-1.116	-7.745	-10.675
Total borrowing requirement including financing costs	-1006	-1120	-1099
Accumulated borrowing requirement including financing costs			

Annual			
\$ nominal million	2017	2018	2019
Fair Allocation Amount	(1191)	(1336)	(1064)
Readjustment amount	(188)	(885)	(1233)
Readjustment amount - In Period Borrowing Costs	(4)	(20)	(28)
Total borrowing requirement including financing costs	(1382)	(2241)	(2325)
Accumulated borrowing requirement including financing costs		(3623)	(5948)
OPG Equity Injection (44%)*	(608)	(986)	(1023)
	0.045939825	-166.4464	-280.9035
*This includes financing costs, which may need to be excluded upon further information available		(3790)	(6229)

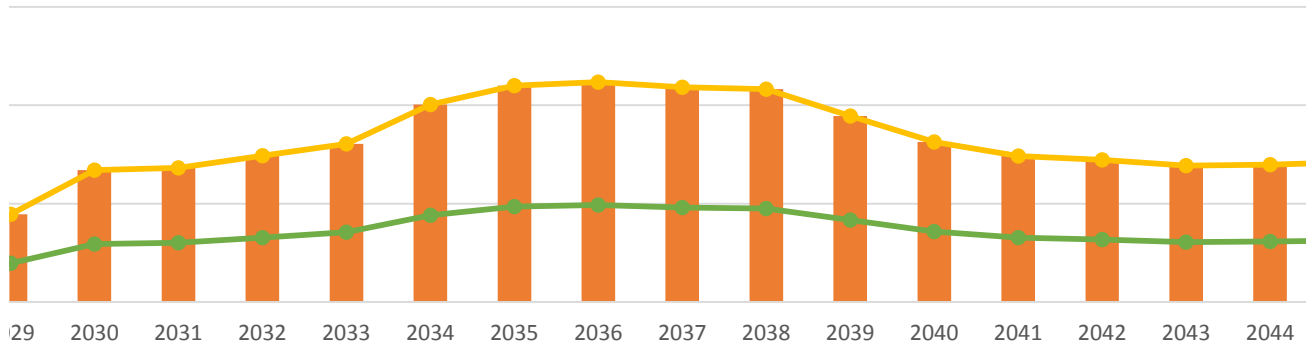
Fiscalized			
\$ nominal million	2017-18	2018-19	2019-20
Fair Allocation Amount	(1580)	(1227)	(1014)
Readjustment amount	(358)	(997)	(1312)
Readjustment amount - In Period Borrowing Costs	(8)	(23)	(30)
Total borrowing requirement including financing costs	(1946)	(2247)	(2355)
Accumulated borrowing requirement including financing costs		(4193)	(6548)
OPG Equity Injection (44%)*	(856)	(989)	(1036)



2018-Nov	2019-May	2019-Nov	2020-May	2020-Nov	2021-May	2021-Jul	2021-Nov	2022-May
2018	2019	2019	2020	2020	2021	2021	2021	2022
Nov	May	Nov	May	Nov	May	Jul	Nov	May
11	5	11	5	11	5	7	11	5
43405	43586	43770	43952	44136	44317	44378	44501	44682
43404	43585	43769	43951	44135	44316	44377	44500	44681
-562	-535	-462	-431	-348	-98	-213	-233	-197
-564	-617	-721	-781	-784	-250	-546	-697	-657
-12.810	-14.013	-16.375	-17.738	-17.806	-1.879	-8.236	-15.830	-14.922
-1126	-1152	-1183	-1212	-1132	-348	-759	-930	-854

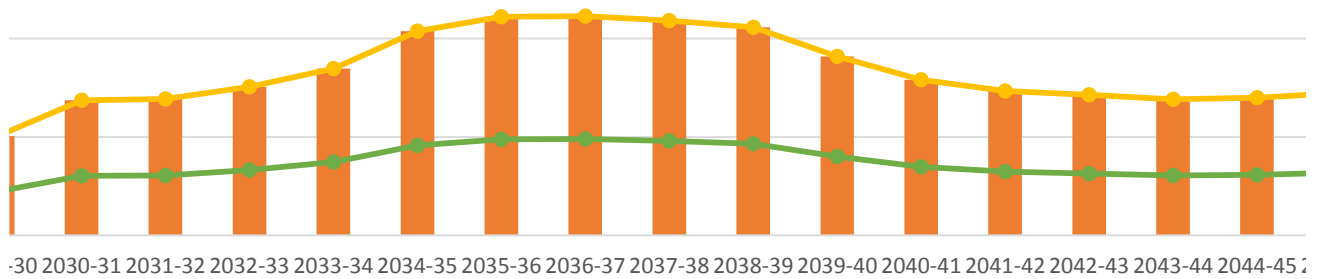
2020	2021	2022	2023	2024	2025	2026	2027	2028
(855)	(621)	(396)	(201)	(53)	91	231	321	537
(1523)	(1551)	(1289)	(859)	(436)	(49)			
(35)	(27)	(29)	(20)	(10)	(1)			
(2413)	(2199)	(1714)	(1080)	(499)	41	231	321	537
(8361)	(10560)	(12273)	(13353)	(13852)	(13811)	(13579)	(13259)	(12722)
(1062)	(968)	(754)	(475)	(220)	18	102	141	236
-396.99562	-503.3473	-586.9556	-640.3887	-665.7626	-665.0495	-654.389	-639.1683	-613.8146
3.								
(8758)	(11063)	(12860)	(13993)	(14517)	(14476)	(14234)	(13898)	(13336)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
(798)	(563)	(344)	(161)	(18)	128	254	362	613
(1555)	(1508)	(1191)	(752)	(329)	(12)			
(35)	(26)	(27)	(17)	(7)	(0)			
(2388)	(2097)	(1562)	(930)	(354)	115	254	362	613
(8936)	(11033)	(12594)	(13525)	(13878)	(13763)	(13509)	(13147)	(12534)
(1051)	(923)	(687)	(409)	(156)	51	112	159	270



ount - In Period Borrowing Costs Total borrowing requirement including financing costs OPG Equity Injection

dro Plan GA Financing - Fiscal Year

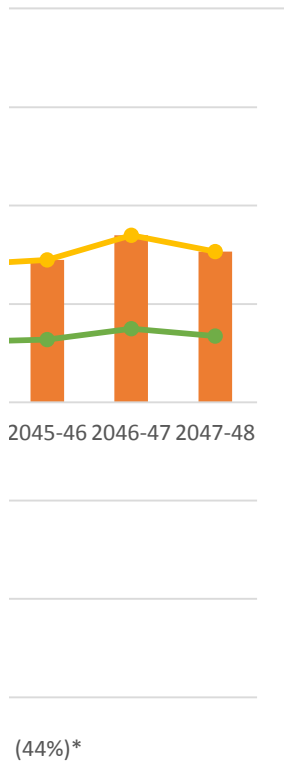
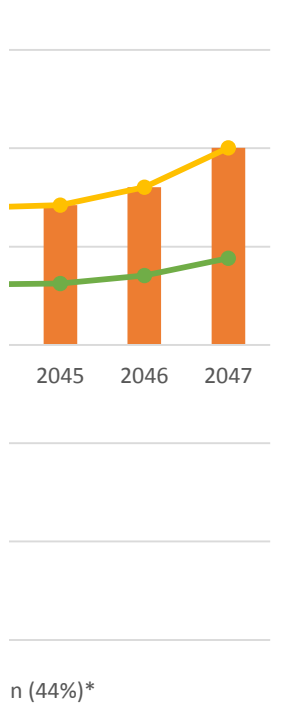


unt - In Period Borrowing Costs Total borrowing requirement including financing costs OPG Equity Injection

2022-Nov	2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov
2022	2023	2023	2024	2024	2025.00	2025	2026	2026
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
44866	45047	45231	45413	45597	45778	45962	46143	46327
44865	45046	45230	45412	45596	45777	45961	46142	46326
-130	-98	-50	-27	21	45	95	121	141
-501	-429	-287	-220	-73				
-11.379	-9.743	-6.518	-4.997	-1.658				
-631	-527	-337	-247	-52	45	95	121	141

2029	2030	2031	2032	2033	2034	2035	2036	2037
892	1340	1365	1486	1609	2007	2201	2237	2185
892	1340	1365	1486	1609	2007	2201	2237	2185
(11830)	(10490)	(9126)	(7640)	(6031)	(4024)	(1823)	415	2599
392	590	600	654	708	883	969	984	961
-571.6869	-508.1922	-442.5827	-371.302	-294.1255	-198.3788	-92.85138	14.779236	120.087
(12402)	(10999)	(9568)	(8011)	(6325)	(4222)	(1916)	429	2719

2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38
1010	1373	1385	1510	1694	2076	2221	2227	2183
1010	1373	1385	1510	1694	2076	2221	2227	2183
(11524)	(10151)	(8766)	(7256)	(5563)	(3487)	(1265)	962	3145
444	604	609	664	745	913	977	980	960



2027-May	2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May
2027	2027	2028	2028	2029	2029	2030	2030	2031
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
46508	46692	46874	47058	47239	47423	47604	47788	47969
46507	46691	46873	47057	47238	47422	47603	47787	47968
152	224	262	376	437	612	706	678	673

152	224	262	376	437	612	706	678	673

2038	2039	2040	2041	2042	2043	2044	2045	2046
2163	1892	1626	1484	1444	1385	1395	1421	1603

2163	1892	1626	1484	1444	1385	1395	1421	1603

4762	6654	8281	9764	11208	12593	13988	15410	17013
952	832	716	653	635	610	614	625	705
224.29263	315.998	394.92437	466.7096	536.32922	603.1695	670.32619	738.7072	815.49011
4987	6970	8675	10231	11744	13196	14659	16148	17828

2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47
2114	1820	1580	1468	1430	1383	1398	1449	1699

2114	1820	1580	1468	1430	1383	1398	1449	1699

5258	7078	8659	10127	11556	12939	14337	15786	17485
930	801	695	646	629	608	615	637	748

2031-Nov	2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov
2031	2032	2032	2033	2033	2034	2034	2035	2035
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
48153	48335	48519	48700	48884	49065	49249	49430	49614
48152	48334	48518	48699	48883	49064	49248	49429	49613
719	751	767	785	937	1024	1075	1113	1115

719	751	767	785	937	1024	1075	1113	1115

2047
2006

2006

19019
883
911.1728

19930

2047-48
1534

1534

19019
675

2036-May	2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May
2036	2036	2037	2037	2038	2038	2039	2039	2040
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
49796	49980	50161	50345	50526	50710	50891	51075	51257
49795	49979	50160	50344	50525	50709	50890	51074	51256
1129	1095	1091	1091	1105	992	948	848	809
1129	1095	1091	1091	1105	992	948	848	809

2040-Nov	2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov
2040	2041	2041	2042	2042	2043	2043	2044	2044
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
51441	51622	51806	51987	52171	52352	52536	52718	52902
51440	51621	51805	51986	52170	52351	52535	52717	52901
756	738	725	728	697	690	692	701	698
756	738	725	728	697	690	692	701	698

2045-May	2045-Nov	2046-May	2046-Nov	2047-May	2047-Nov
2045	2045	2046	2046	2047	2047.00
May	Nov	May	Nov	May	Nov
5	11	5	11	5	11
53083	53267	53448	53632	53813	53997
53082	53266	53447	53631	53812	53996
705	753	786	945	1376	
705	753	786	945	1376	

Equity Injection

44%

Biennial

\$ nominal million	2017-Jul 2017 Jul	2017-Nov 2017 Nov	2018-May 2018 May	2018-Nov 2018 Nov
	7	11	5	11
First Date	42917	43040	43221	43405
		43039	43220	43404
Fair Allocation Amount	-931	-779	-629	-562
Readjustment amount	-74	-341	-470	-564
Total borrowing requirement including financing costs	-1005	-1120	-1099	-1126
	\$1,539.67			

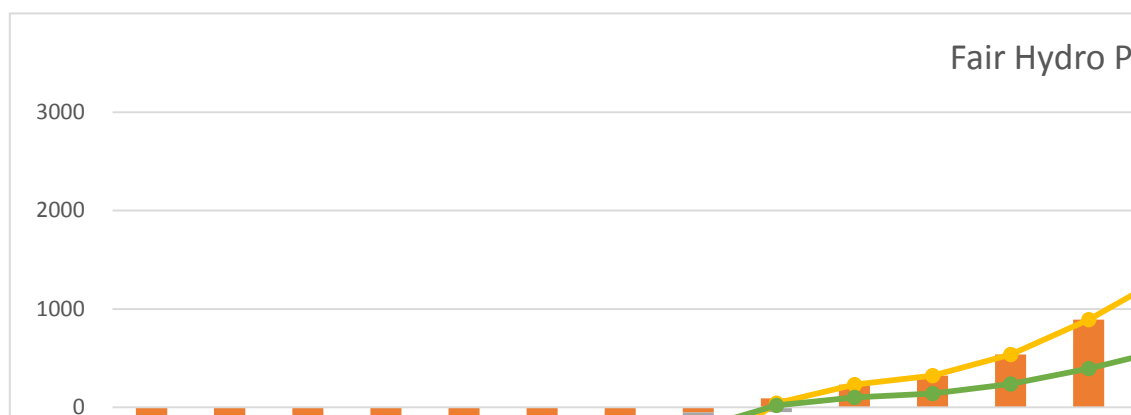
Annual

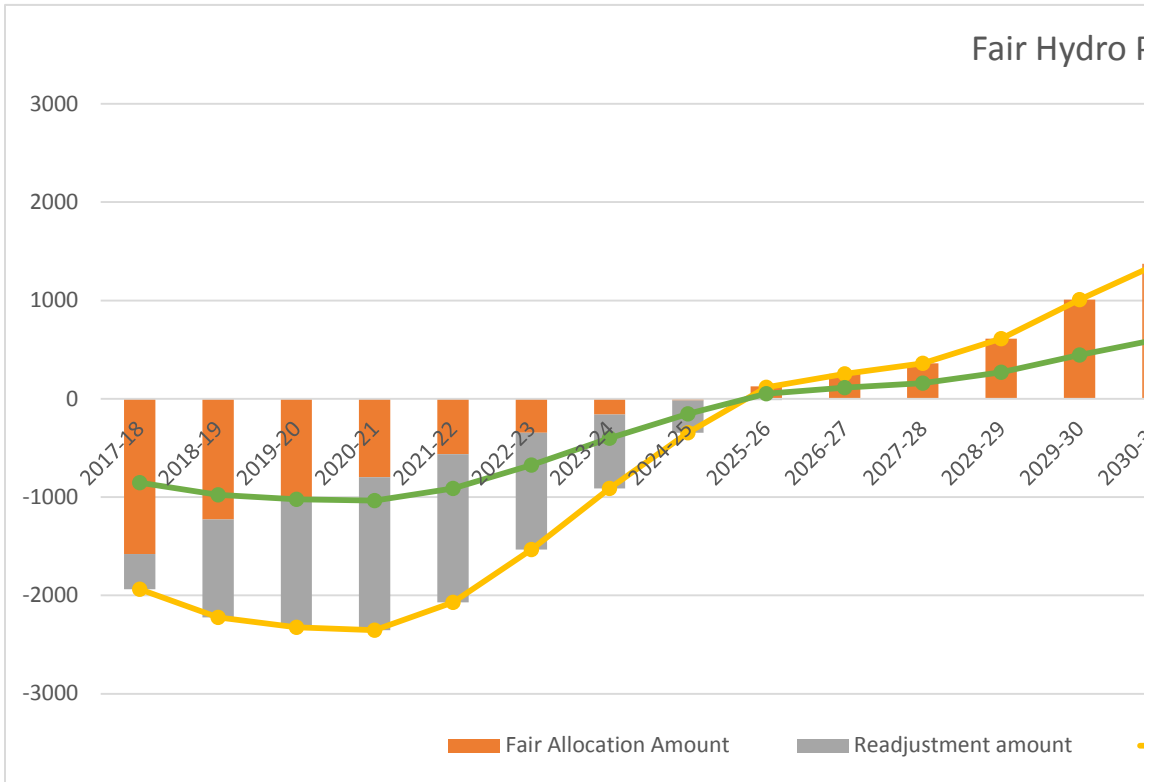
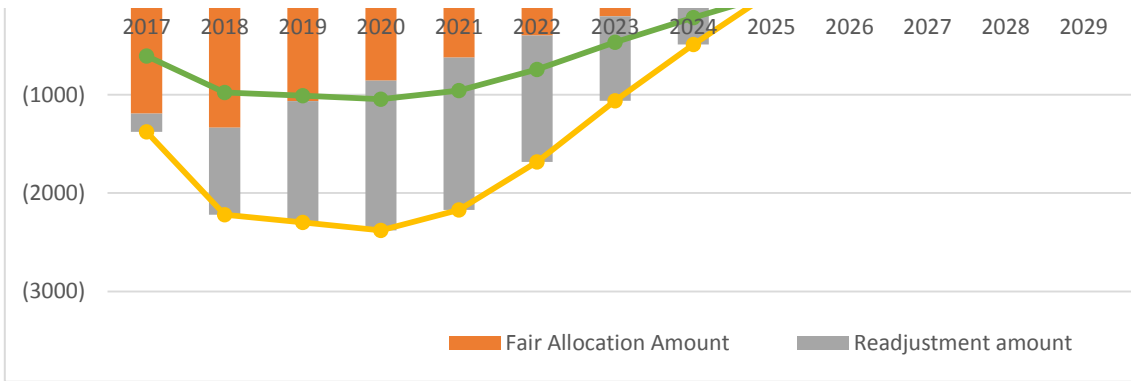
\$ nominal million	2017	2018	2019	2020
Fair Allocation Amount	(1191)	(1336)	(1064)	(855)
Readjustment amount	(188)	(885)	(1233)	(1523)
Total borrowing requirement including financing costs	(1378)	(2221)	(2297)	(2378)
OPG Equity Injection (44%)*	(606)	(977)	(1011)	(1046)

*This includes financing costs, which may need to be excluded upon further information available

Fiscalized

\$ nominal million	2017-18	2018-19	2019-20	2020-21
Fair Allocation Amount	-1580.167	-1227.167	-1013.6667	-798
Readjustment amount	-358.1667	-996.8333	-1311.8333	-1554.5
Total borrowing requirement including financing costs	-1938.333	-2224	-2325.5	-2352.5
OPG Equity Injection (44%)*	-852.8667	-978.56	-1023.22	-1035.1





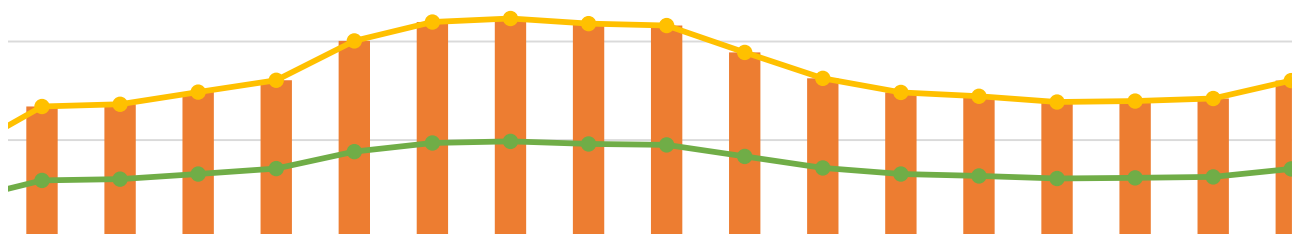
2019-May 2019 May	2019-Nov 2019 Nov	2020-May 2020 May	2020-Nov 2020 Nov	2021-May 2021 May	2021-Jul 2021 Jul	2021-Nov 2021 Nov	2022-May 2022 May	2022-Nov 2022 Nov
5	11	5	11	5	7	11	5	11
43586	43770	43952	44136	44317	44378	44501	44682	44866
43585	43769	43951	44135	44316	44377	44500	44681	44865
-535	-462	-431	-348	-98	-213	-233	-197	-130
-617	-721	-781	-784	-250	-546	-697	-657	-501
-1152	-1183	-1212	-1132	-348	-759	-930	-854	-631

2021	2022	2023	2024	2025	2026	2027	2028	2029
(621)	(396)	(201)	(53)	91	231	321	537	892
(1551)	(1289)	(859)	(436)	(49)	0	0	0	0
(2172)	(1684)	(1060)	(489)	42	231	321	537	892
(956)	(741)	(466)	(215)	18	102	141	236	392

ble.

2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
-563.1667	-344.1667	-161.3333	-17.83333	127.66667	254.333	362.1667	612.66667	1009.667
-1507.5	-1190.667	-751.6667	-328.6667	-12.16667	0	0	0	0
-2070.667	-1534.833	-913	-346.5	115.5	254.333	362.1667	612.66667	1009.667
-911.0933	-675.3267	-401.72	-152.46	50.82	111.907	159.3533	269.57333	444.2533

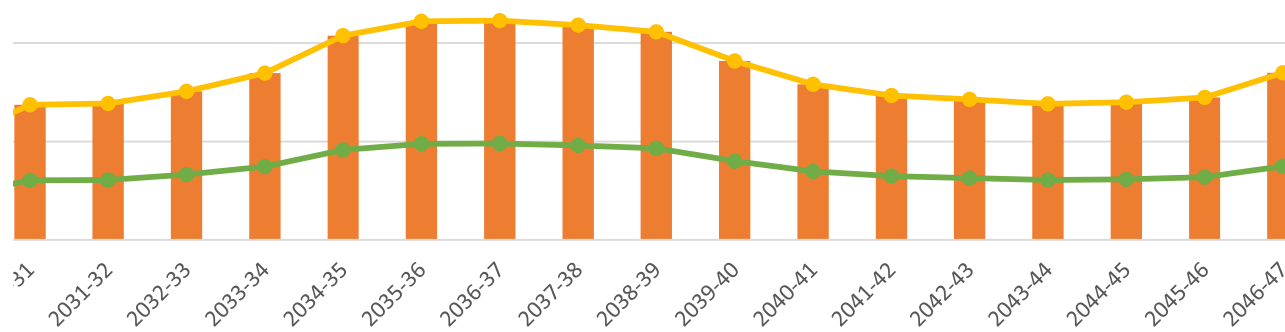
Ian GA Financing - Calendar Year



2030 2031 2032 2033 2034 2035 2036 2037 2038 2039 2040 2041 2042 2043 2044 2045 20

● Total borrowing requirement including financing costs ● OPG Equity Injection (44%)*

Plan GA Financing - Fiscal Year

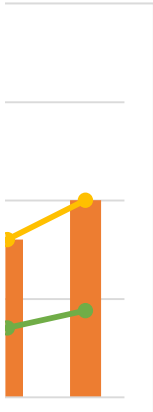


● Total borrowing requirement including financing costs ● OPG Equity Injection (44%)*

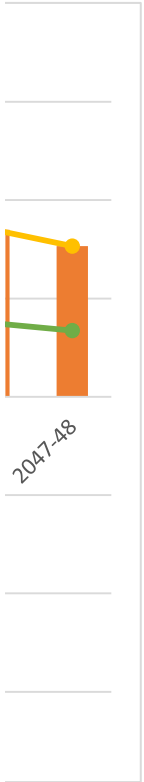
2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov	2027-May
2023	2023	2024	2024	2025.00	2025	2026	2026	2027
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
45047	45231	45413	45597	45778	45962	46143	46327	46508
45046	45230	45412	45596	45777	45961	46142	46326	46507
-98	-50	-27	21	45	95	121	141	152
-429	-287	-220	-73					
-527	-337	-247	-52	45	95	121	141	152

2030	2031	2032	2033	2034	2035	2036	2037	2038
1340	1365	1486	1609	2007	2201	2237	2185	2163
0	0	0	0	0	0	0	0	0
1340	1365	1486	1609	2007	2201	2237	2185	2163
590	600	654	708	883	969	984	961	952

2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39
1373	1385.167	1510	1693.667	2076	2221.333	2227.3333	2182.667	2113.5
0	0	0	0	0	0	0	0	0
1373	1385.167	1510	1693.667	2076	2221.333	2227.3333	2182.667	2113.5
604.12	609.4733	664.4	745.2133	913.44	977.3867	980.02667	960.3733	929.94



46 2047



2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May	2031-Nov
2027	2028	2028	2029	2029	2030	2030	2031	2031
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
46692	46874	47058	47239	47423	47604	47788	47969	48153
46691	46873	47057	47238	47422	47603	47787	47968	48152
224	262	376	437	612	706	678	673	719

224	262	376	437	612	706	678	673	719

2039	2040	2041	2042	2043	2044	2045	2046	2047
1892	1626	1484	1444	1385	1395	1421	1603	2006
0	0	0	0	0	0	0	0	0
1892	1626	1484	1444	1385	1395	1421	1603	2006
832	716	653	635	610	614	625	705	883

2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48
1820	1580.3333	1468.167	1429.6667	1382.833	1398	1448.833	1699	1533.5
0	0	0	0	0	0	0	0	0
1820	1580.3333	1468.167	1429.6667	1382.833	1398	1448.833	1699	1533.5
800.8	695.34667	645.9933	629.05333	608.4467	615.12	637.4867	747.56	674.74

2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov	2036-May
2032	2032	2033	2033	2034	2034	2035	2035	2036
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
48335	48519	48700	48884	49065	49249	49430	49614	49796
48334	48518	48699	48883	49064	49248	49429	49613	49795
751	767	785	937	1024	1075	1113	1115	1129
751	767	785	937	1024	1075	1113	1115	1129

2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May	2040-Nov
2036	2037	2037	2038	2038	2039	2039	2040	2040
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
49980	50161	50345	50526	50710	50891	51075	51257	51441
49979	50160	50344	50525	50709	50890	51074	51256	51440
1095	1091	1091	1105	992	948	848	809	756
1095	1091	1091	1105	992	948	848	809	756

2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov	2045-May
2041	2041	2042	2042	2043	2043	2044	2044	2045
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
51622	51806	51987	52171	52352	52536	52718	52902	53083
51621	51805	51986	52170	52351	52535	52717	52901	53082
738	725	728	697	690	692	701	698	705
738	725	728	697	690	692	701	698	705

2045-Nov	2046-May	2046-Nov	2047-May	
2045	2046	2046	2047	2047.00
Nov	May	Nov	May	Nov
11	5	11	5	11
53267	53448	53632	53813	53997
53266	53447	53631	53812	53996
753	786	945	1376	
753	786	945	1376	

\$ nominal million	2017-Jul	2017-Nov	2018-May	2018-Nov
Fair Allocation Amount	-931	-779	-629	-562
Readjustment amount	-74	-341	-470	-564
Total borrowing requirement including financing costs	-1005	-1120	-1099	-1126

2019-May	2019-Nov	2020-May	2020-Nov	2021-May	2021-Jul	2021-Nov	2022-May	2022-Nov
-535	-462	-431	-348	-98	-213	-233	-197	-130
-617	-721	-781	-784	-250	-546	-697	-657	-501
-1152	-1183	-1212	-1132	-348	-759	-930	-854	-631

2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov	2027-May
-98	-50	-27	21	45	95	121	141	152
-429	-287	-220	-73					
-527	-337	-247	-52	45	95	121	141	152

2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May	2031-Nov
224	262	376	437	612	706	678	673	719

224	262	376	437	612	706	678	673	719

2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov	2036-May
751	767	785	937	1024	1075	1113	1115	1129

751	767	785	937	1024	1075	1113	1115	1129

2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May	2040-Nov
1095	1091	1091	1105	992	948	848	809	756

1095	1091	1091	1105	992	948	848	809	756

2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov	2045-May
738	725	728	697	690	692	701	698	705

738	725	728	697	690	692	701	698	705

2045-Nov	2046-May	2046-Nov	2047-May
753	786	945	1376

753	786	945	1376

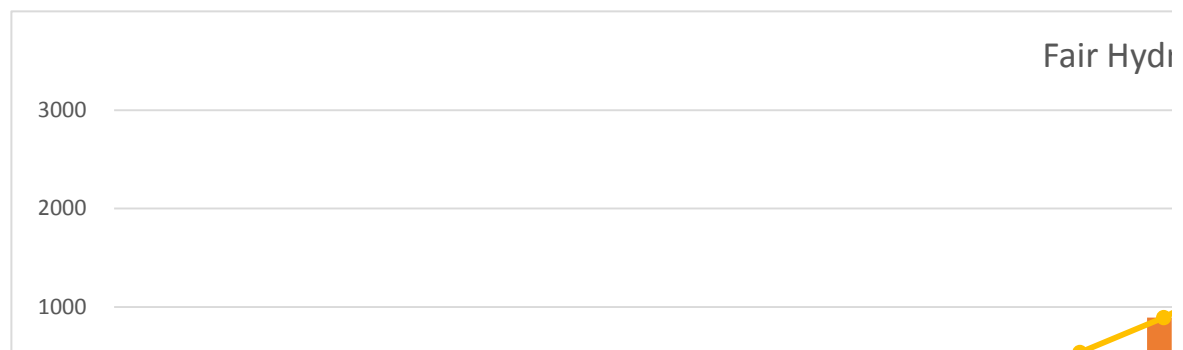
Equity Injection	44%
Assumed Interest Cost	4.5%

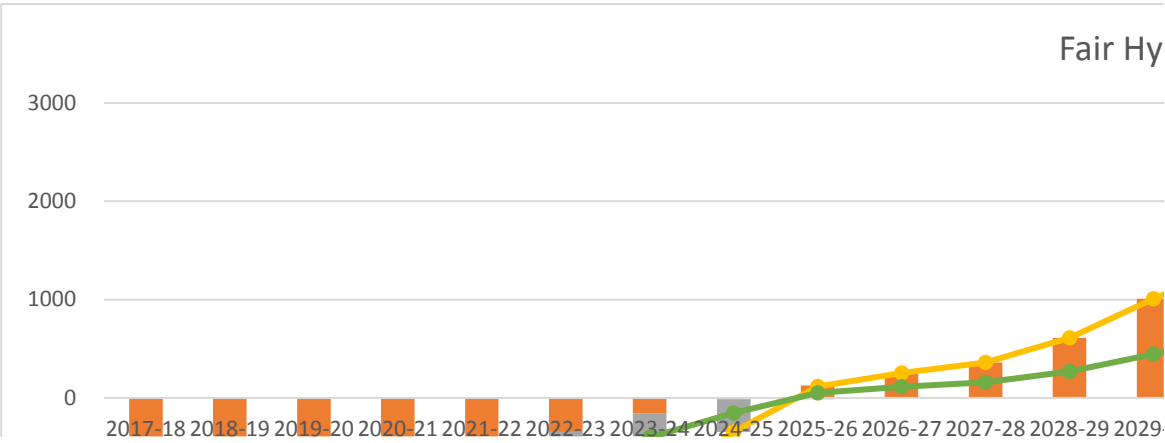
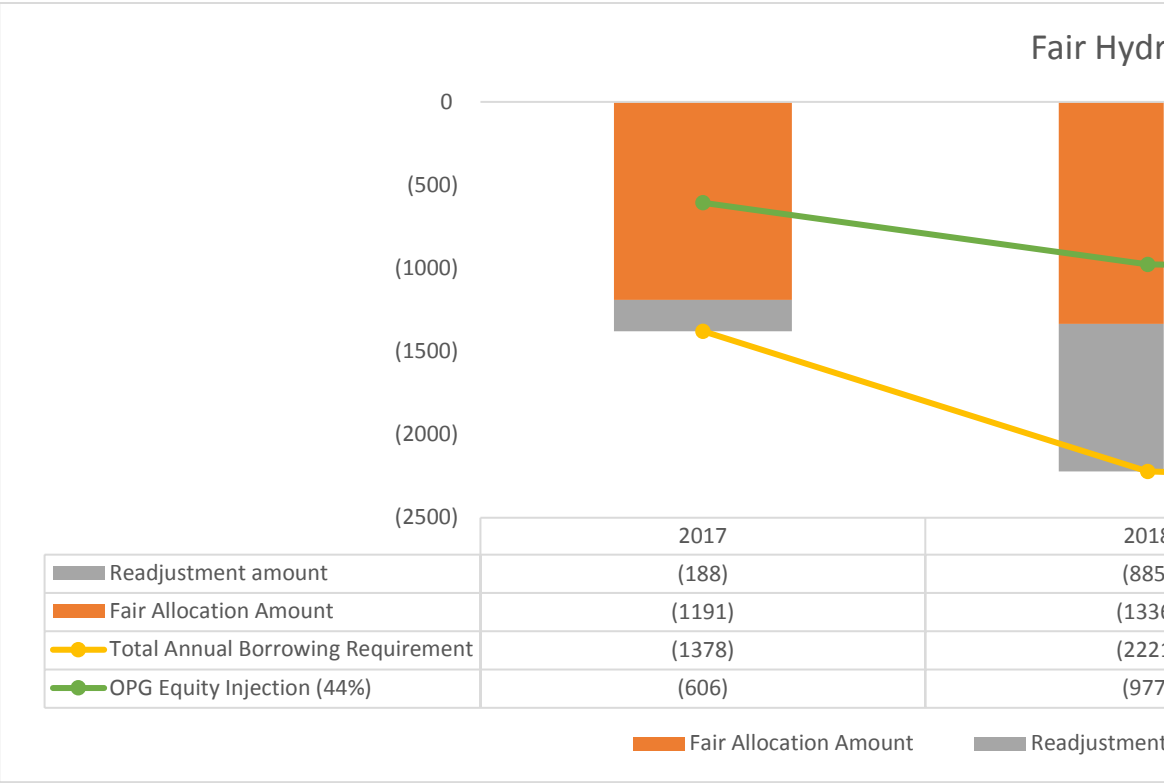
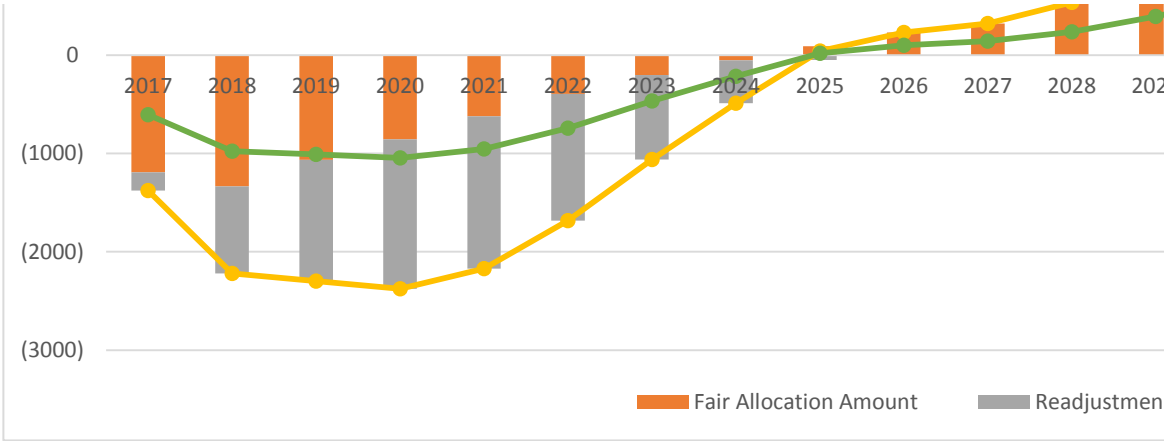
Biennial			
\$ nominal million	2017-Jul	2017-Nov	2018-May
	2017	2017	2018
	Jul	Nov	May
	7	11	5
First Date	42917	43040	43221
		43039	43220
Fair Allocation Amount	-931	-779	-629
Readjustment amount	-74	-341	-470
Total borrowing requirement including financing costs	-1005	-1120	-1099

Annual			
\$ nominal million	2017	2018	2019
Fair Allocation Amount	(1191)	(1336)	(1064)
Readjustment amount	(188)	(885)	(1233)
Total Annual Borrowing Requirement	(1378)	(2221)	(2297)
Accumulated borrowing requirement including financing costs		(3599)	(5896)
OPG Equity Injection (44%)	(606)	(977)	(1011)

*This includes financing costs, which may need to be excluded upon further information available

Fiscalized			
\$ nominal million	2017-18	2018-19	2019-20
Fair Allocation Amount	(1580)	(1227)	(1014)
Readjustment amount	(358)	(997)	(1312)
Total Borrowing Requirement	(1938)	(2224)	(2326)
Accumulated borrowing requirement including financing costs		(4162)	(6488)
OPG Equity Injection (44%)	(853)	(979)	(1023)





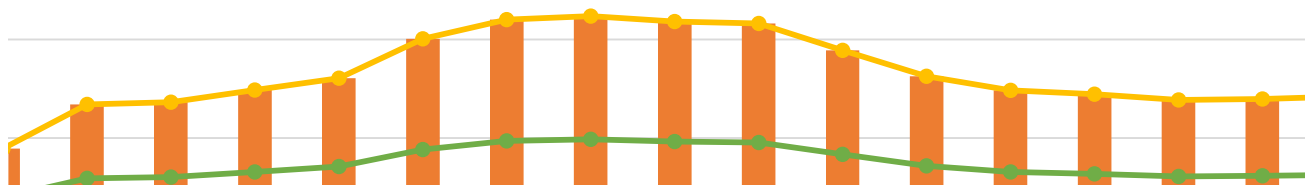
2018-Nov 2018 Nov	2019-May 2019 May	2019-Nov 2019 Nov	2020-May 2020 May	2020-Nov 2020 Nov	2021-May 2021 May	2021-Jul 2021 Jul	2021-Nov 2021 Nov	2022-May 2022 May
11	5	11	5	11	5	7	11	5
43405	43586	43770	43952	44136	44317	44378	44501	44682
43404	43585	43769	43951	44135	44316	44377	44500	44681
-562	-535	-462	-431	-348	-98	-213	-233	-197
-564	-617	-721	-781	-784	-250	-546	-697	-657
-1126	-1152	-1183	-1212	-1132	-348	-759	-930	-854

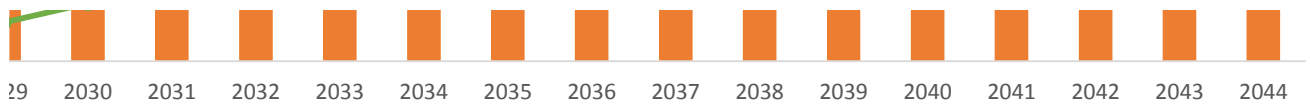
2020	2021	2022	2023	2024	2025	2026	2027	2028
(855)	(621)	(396)	(201)	(53)	91	231	321	537
(1523)	(1551)	(1289)	(859)	(436)	(49)			
(2378)	(2172)	(1684)	(1060)	(489)	42	231	321	537
(8274)	(10446)	(12130)	(13190)	(13679)	(13637)	(13406)	(13085)	(12549)
(1046)	(956)	(741)	(466)	(215)	18	102	141	236

3.

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
(798)	(563)	(344)	(161)	(18)	128	254	362	613
(1555)	(1508)	(1191)	(752)	(329)	(12)			
(2353)	(2071)	(1535)	(913)	(347)	116	254	362	613
(8840)	(10911)	(12446)	(13359)	(13705)	(13590)	(13336)	(12973)	(12361)
(1035)	(911)	(675)	(402)	(152)	51	112	159	270

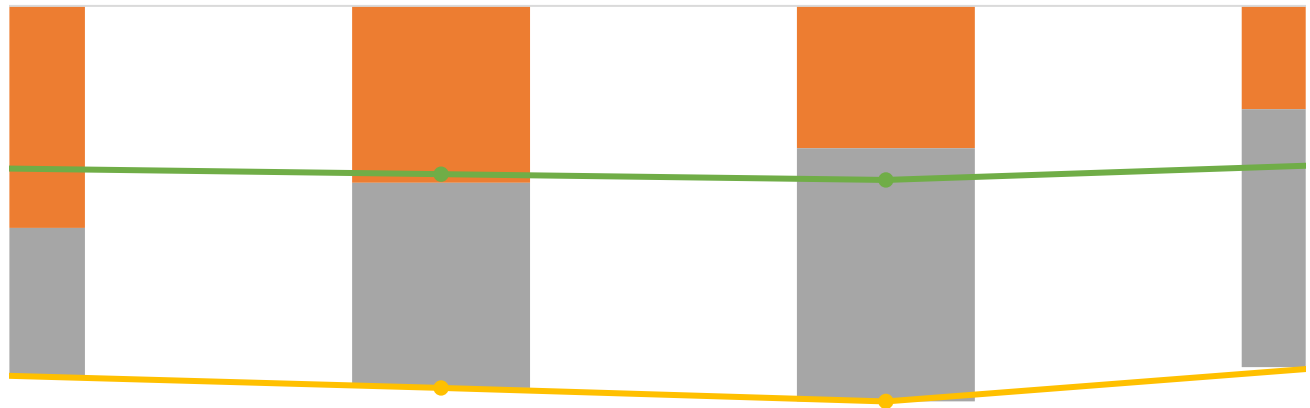
ro Plan GA Financing - Calendar Year





Amount Total Annual Borrowing Requirement OPG Equity Injection (44%)

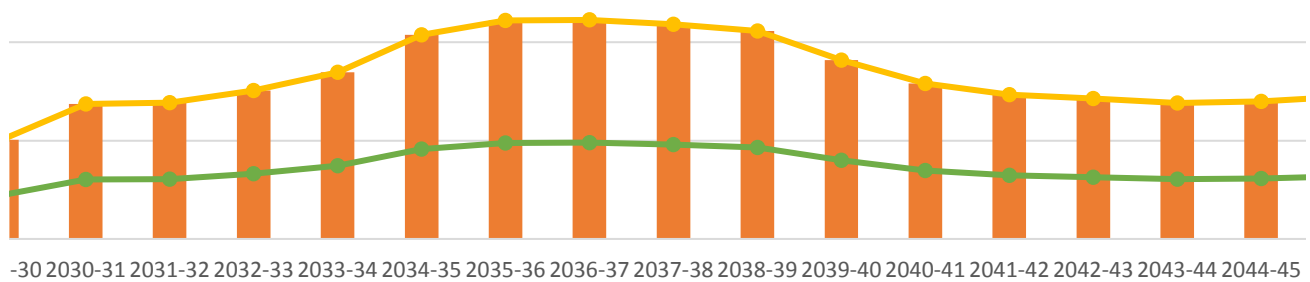
2019-2020 Plan GA Financing - Calendar Year



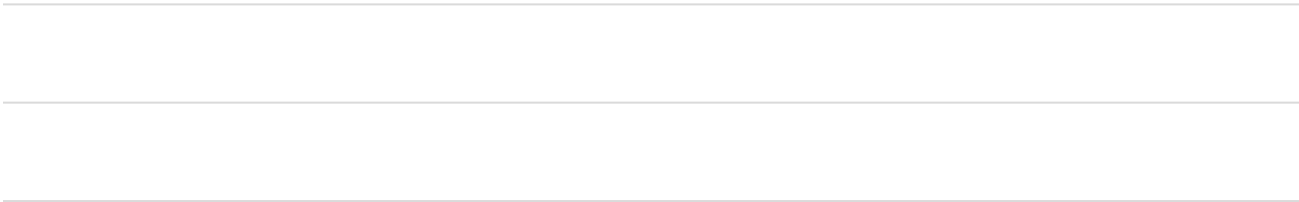
8	2019	2020	
i)	(1233)	(1523)	(
6)	(1064)	(855)	
1)	(2297)	(2378)	(
7)	(1011)	(1046)	

Amount Total Annual Borrowing Requirement OPG Equity Injection (44%)

2019-2020 Plan GA Financing - Fiscal Year

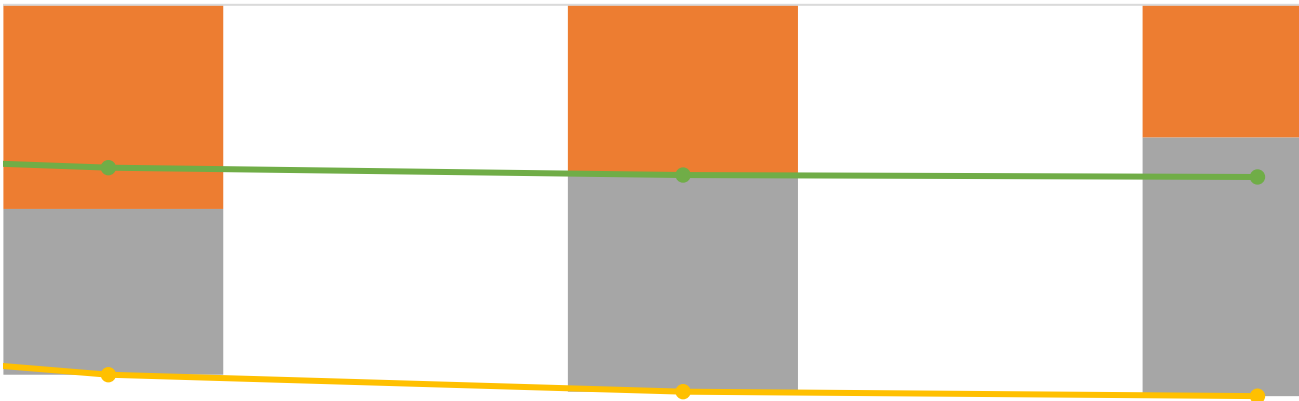


00000 01000 02000 03000 04000 05000 06000 07000 08000 09000 10000 11000 12000 13000 14000 15000



nent amount ● Total Borrowing Requirement ● OPG Equity Injection (44%)

dro Plan GA Financing - Fiscal Year



2018-19	2019-20	2020-21
(997)	(1312)	(1555)
(1227)	(1014)	(798)
(2224)	(2326)	(2353)
(979)	(1023)	(1035)

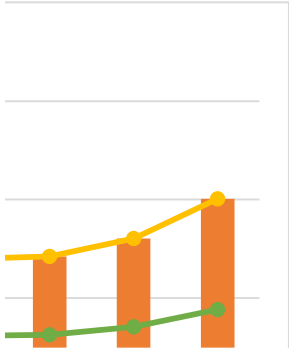
nent amount ● Total Borrowing Requirement ● OPG Equity Injection (44%)

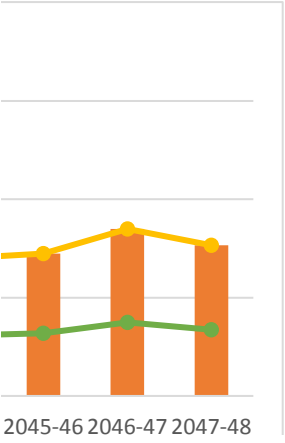
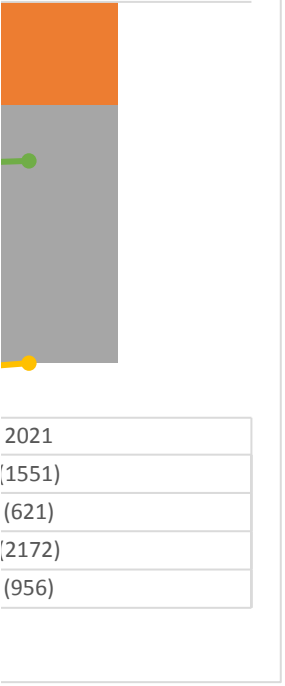


2022-Nov	2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov
2022	2023	2023	2024	2024	2025.00	2025	2026	2026
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
44866	45047	45231	45413	45597	45778	45962	46143	46327
44865	45046	45230	45412	45596	45777	45961	46142	46326
-130	-98	-50	-27	21	45	95	121	141
-501	-429	-287	-220	-73				
-631	-527	-337	-247	-52	45	95	121	141

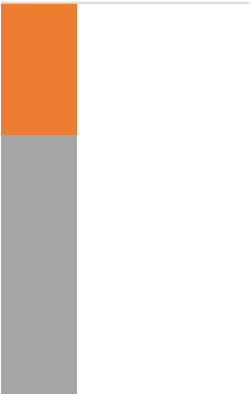
2029	2030	2031	2032	2033	2034	2035	2036	2037
892	1340	1365	1486	1609	2007	2201	2237	2185
892	1340	1365	1486	1609	2007	2201	2237	2185
(11657)	(10317)	(8952)	(7466)	(5858)	(3851)	(1649)	588	2773
392	590	600	654	708	883	969	984	961

2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38
1010	1373	1385	1510	1694	2076	2221	2227	2183
1010	1373	1385	1510	1694	2076	2221	2227	2183
(11351)	(9978)	(8593)	(7083)	(5389)	(3313)	(1092)	1136	3318
444	604	609	664	745	913	977	980	960





DATE RECEIVED FROM



2027-May	2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May
2027	2027	2028	2028	2029	2029	2030	2030	2031
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
46508	46692	46874	47058	47239	47423	47604	47788	47969
46507	46691	46873	47057	47238	47422	47603	47787	47968
152	224	262	376	437	612	706	678	673

152 224 262 376 437 612 706 678 673

2038	2039	2040	2041	2042	2043	2044	2045	2046
2163	1892	1626	1484	1444	1385	1395	1421	1603
2163	1892	1626	1484	1444	1385	1395	1421	1603
4936	6828	8454	9938	11381	12767	14162	15583	17186
952	832	716	653	635	610	614	625	705

2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47
2114	1820	1580	1468	1430	1383	1398	1449	1699
2114	1820	1580	1468	1430	1383	1398	1449	1699
5432	7252	8832	10300	11730	13113	14511	15960	17659
930	801	695	646	629	608	615	637	748

2031-Nov	2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov
2031	2032	2032	2033	2033	2034	2034	2035	2035
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
48153	48335	48519	48700	48884	49065	49249	49430	49614
48152	48334	48518	48699	48883	49064	49248	49429	49613
719	751	767	785	937	1024	1075	1113	1115
719	751	767	785	937	1024	1075	1113	1115

2047

2006

2006

19192

883

2047-48

1534

1534

19192

675

2036-May	2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May
2036	2036	2037	2037	2038	2038	2039	2039	2040
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
49796	49980	50161	50345	50526	50710	50891	51075	51257
49795	49979	50160	50344	50525	50709	50890	51074	51256
1129	1095	1091	1091	1105	992	948	848	809
1129	1095	1091	1091	1105	992	948	848	809

2040-Nov	2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov
2040	2041	2041	2042	2042	2043	2043	2044	2044
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
51441	51622	51806	51987	52171	52352	52536	52718	52902
51440	51621	51805	51986	52170	52351	52535	52717	52901
756	738	725	728	697	690	692	701	698
756	738	725	728	697	690	692	701	698

2045-May		2045-Nov		2046-May		2046-Nov		2047-May	
2045		2045		2046		2046		2047	
May		Nov		May		Nov		May	
5		11		5		11		5	
53083		53267		53448		53632		53813	
53082		53266		53447		53631		53812	
705		753		786		945		1376	
705		753		786		945		1376	

2047.00

Nov

5

53813

53812

1376

1376

Equity Injection 44%

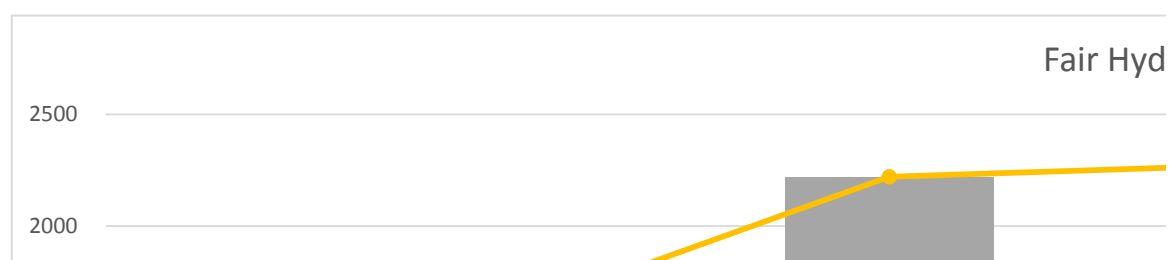
Assumed Interest Cost 4.5%

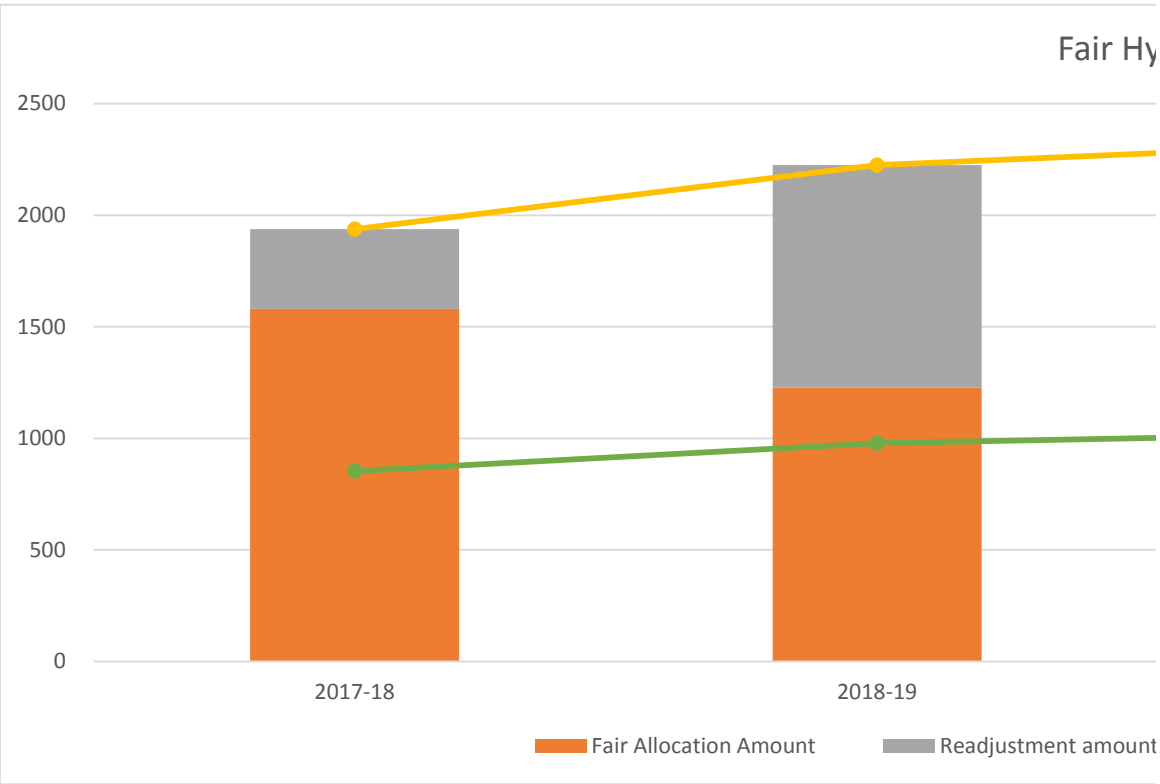
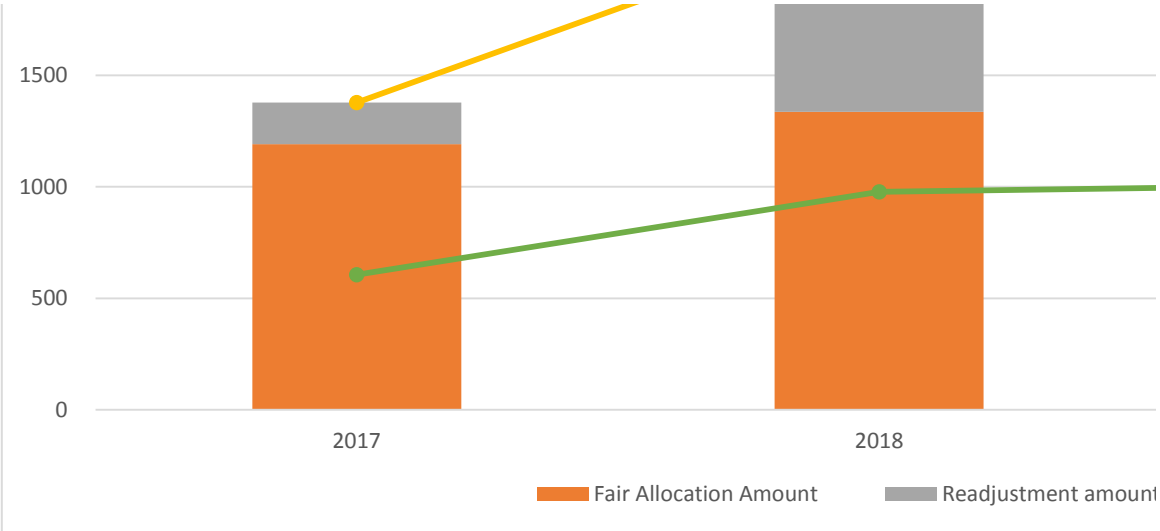
Biennial			
\$ nominal million	2017-Jul	2017-Nov	2018-May
	2017 Jul	2017 Nov	2018 May
	7	11	5
First Date	42917	43040	43221
		43039	43220
Fair Allocation Amount	-931	-779	-629
Readjustment amount	-74	-341	-470
Total borrowing requirement including financing costs	-1005	-1120	-1099

Annual			
\$ nominal million	2017	2018	2019
Fair Allocation Amount	1191	1336	1064
Readjustment amount	188	885	1233
Total borrowing requirement including financing costs	1378	2221	2297
Accumulated borrowing requirement including financing costs		3599	5896
OPG Equity Injection (44%)*	606	977	1011

*This includes financing costs, which may need to be excluded upon further information available

Fiscalized			
\$ nominal million	2017-18	2018-19	2019-20
Fair Allocation Amount	1580	1227	1014
Readjustment amount	358	997	1312
Total borrowing requirement including financing costs	1938	2224	2326
Accumulated borrowing requirement including financing costs		4162	6488
OPG Equity Injection (44%)*	853	979	1023





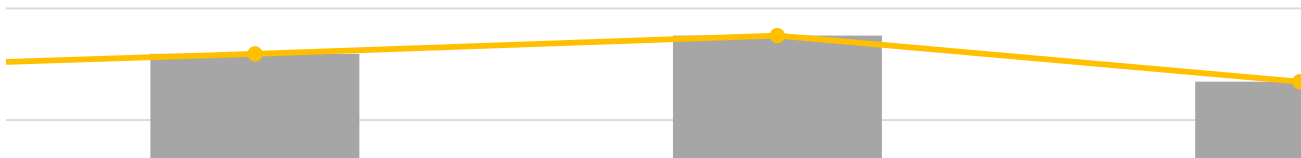
2018-Nov	2019-May	2019-Nov	2020-May	2020-Nov	2021-May	2021-Jul	2021-Nov	2022-May
2018	2019	2019	2020	2020	2021	2021	2021	2022
Nov	May	Nov	May	Nov	May	Jul	Nov	May
11	5	11	5	11	5	7	11	5
43405	43586	43770	43952	44136	44317	44378	44501	44682
43404	43585	43769	43951	44135	44316	44377	44500	44681
-562	-535	-462	-431	-348	-98	-213	-233	-197
-564	-617	-721	-781	-784	-250	-546	-697	-657
-1126	-1152	-1183	-1212	-1132	-348	-759	-930	-854

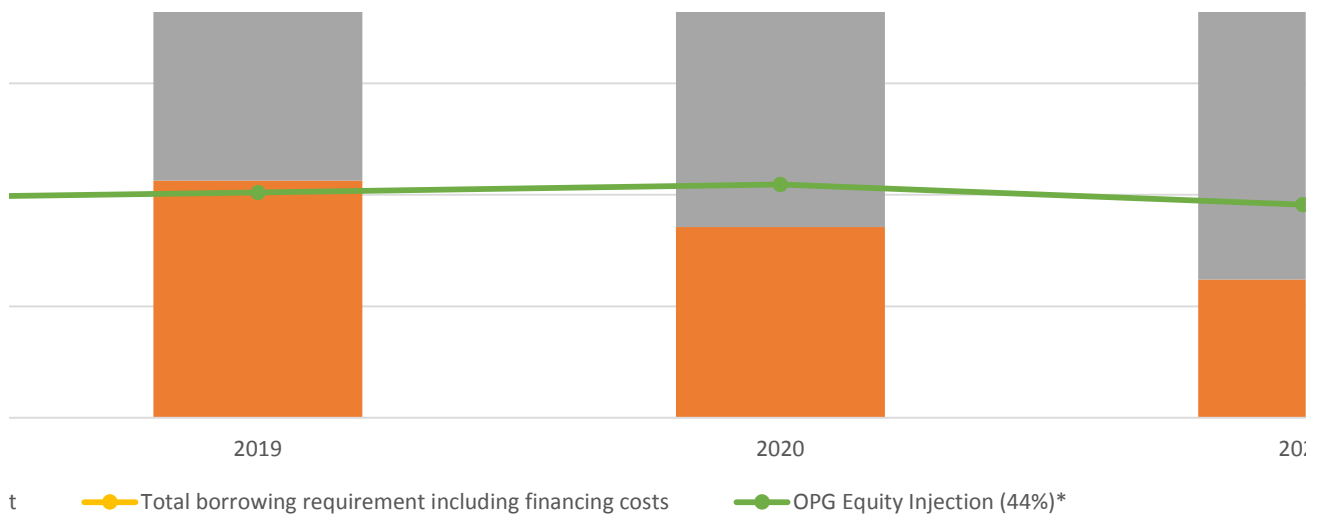
2020	2021
855	621
1523	1551
2378	2172
8274	10446
1046	956

2.

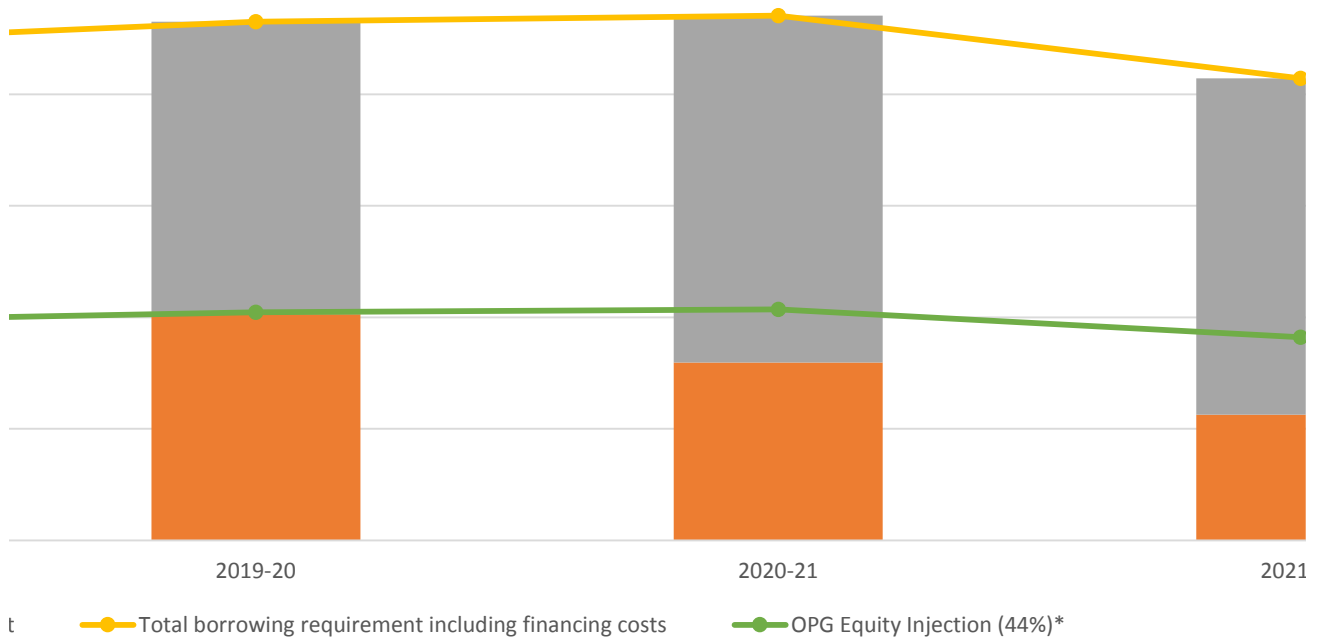
2020-21	2021-22
798	563
1555	1508
2353	2071
8840	10911
1035	911

Pro Plan GA Financing - Calendar Year

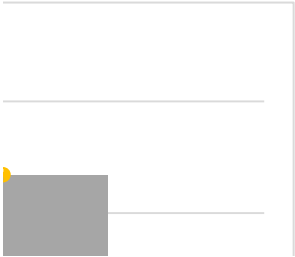


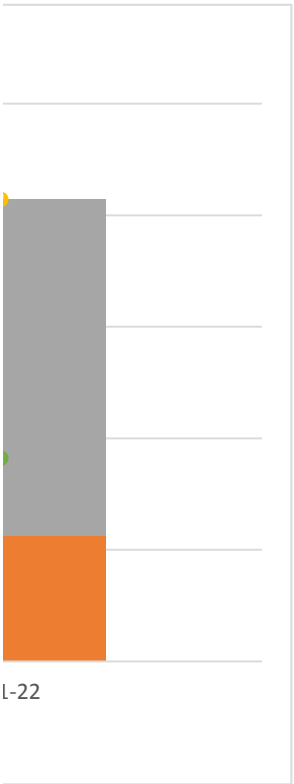
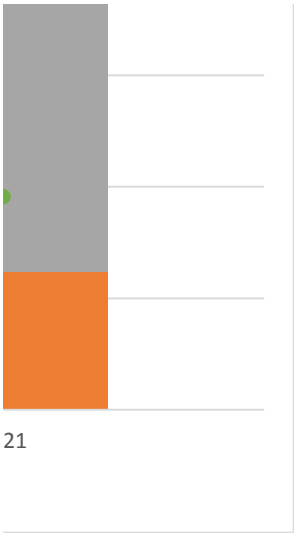


Wairoa Plan GA Financing - Fiscal Year



2022-Nov	2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov
2022	2023	2023	2024	2024	2025.00	2025	2026	2026
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
44866	45047	45231	45413	45597	45778	45962	46143	46327
44865	45046	45230	45412	45596	45777	45961	46142	46326
-130	-98	-50	-27	21	45	95	121	141
-501	-429	-287	-220	-73				
-631	-527	-337	-247	-52	45	95	121	141





2027-May	2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May
2027	2027	2028	2028	2029	2029	2030	2030	2031
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
46508	46692	46874	47058	47239	47423	47604	47788	47969
46507	46691	46873	47057	47238	47422	47603	47787	47968
152	224	262	376	437	612	706	678	673
152	224	262	376	437	612	706	678	673

2031-Nov	2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov
2031	2032	2032	2033	2033	2034	2034	2035	2035
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
48153	48335	48519	48700	48884	49065	49249	49430	49614
48152	48334	48518	48699	48883	49064	49248	49429	49613
719	751	767	785	937	1024	1075	1113	1115
719	751	767	785	937	1024	1075	1113	1115

2036-May	2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May
2036	2036	2037	2037	2038	2038	2039	2039	2040
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
49796	49980	50161	50345	50526	50710	50891	51075	51257
49795	49979	50160	50344	50525	50709	50890	51074	51256
1129	1095	1091	1091	1105	992	948	848	809
1129	1095	1091	1091	1105	992	948	848	809

2040-Nov	2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov
2040	2041	2041	2042	2042	2043	2043	2044	2044
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
51441	51622	51806	51987	52171	52352	52536	52718	52902
51440	51621	51805	51986	52170	52351	52535	52717	52901
756	738	725	728	697	690	692	701	698
756	738	725	728	697	690	692	701	698

2045-May		2045-Nov		2046-May		2046-Nov		2047-May	
2045		2045		2046		2046		2047	
May		Nov		May		Nov		May	
5		11		5		11		5	
53083		53267		53448		53632		53813	
53082		53266		53447		53631		53812	
705		753		786		945		1376	
705		753		786		945		1376	

2047.00

Nov

5

11

53813

53997

53812

53996

1376

1376

Equity Injection

44%

Biennial

\$ nominal million	2017-Jul 2017 Jul	2017-Nov 2017 Nov	2018-May 2018 May	2018-Nov 2018 Nov
	7	11	5	11
First Date	42917	43040	43221	43405
		43039	43220	43404
Fair Allocation Amount	-931	-779	-629	-562
Readjustment amount	-74	-341	-470	-564
Total borrowing requirement including financing costs	-1005	-1120	-1099	-1126
	\$1,539.67			

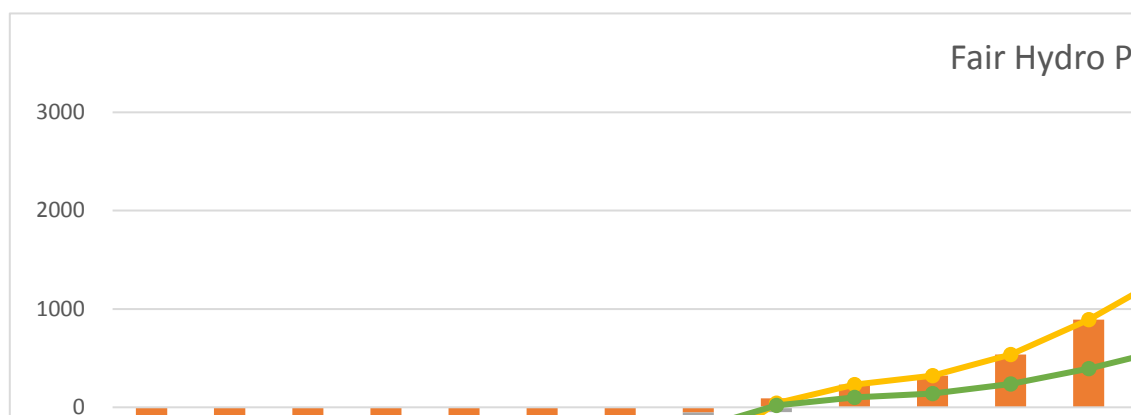
Annual

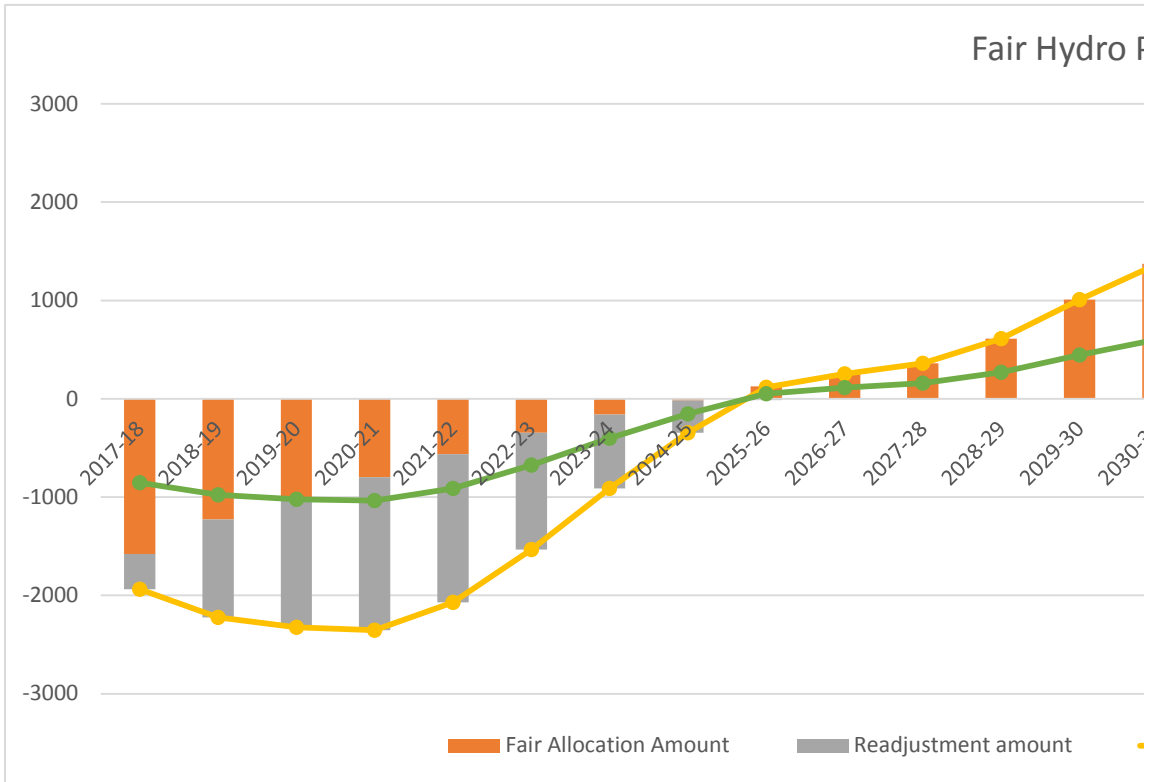
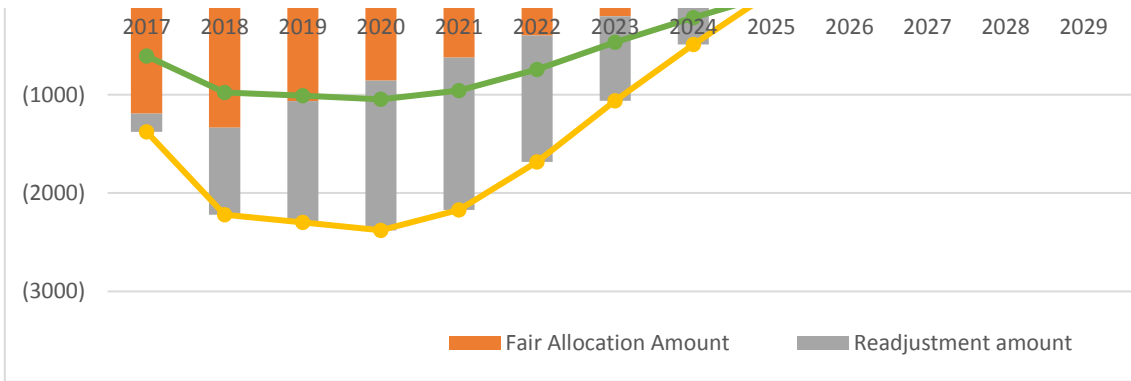
\$ nominal million	2017	2018	2019	2020
Fair Allocation Amount	(1191)	(1336)	(1064)	(855)
Readjustment amount	(188)	(885)	(1233)	(1523)
Total borrowing requirement including financing costs	(1378)	(2221)	(2297)	(2378)
OPG Equity Injection (44%)*	(606)	(977)	(1011)	(1046)

*This includes financing costs, which may need to be excluded upon further information available

Fiscalized

\$ nominal million	2017-18	2018-19	2019-20	2020-21
Fair Allocation Amount	-1580.167	-1227.167	-1013.6667	-798
Readjustment amount	-358.1667	-996.8333	-1311.8333	-1554.5
Total borrowing requirement including financing costs	-1938.333	-2224	-2325.5	-2352.5
OPG Equity Injection (44%)*	-852.8667	-978.56	-1023.22	-1035.1





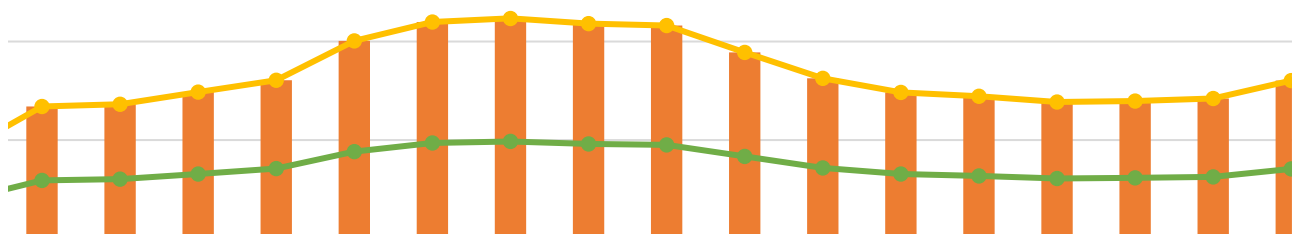
2019-May 2019 May	2019-Nov 2019 Nov	2020-May 2020 May	2020-Nov 2020 Nov	2021-May 2021 May	2021-Jul 2021 Jul	2021-Nov 2021 Nov	2022-May 2022 May	2022-Nov 2022 Nov
5	11	5	11	5	7	11	5	11
43586	43770	43952	44136	44317	44378	44501	44682	44866
43585	43769	43951	44135	44316	44377	44500	44681	44865
-535	-462	-431	-348	-98	-213	-233	-197	-130
-617	-721	-781	-784	-250	-546	-697	-657	-501
-1152	-1183	-1212	-1132	-348	-759	-930	-854	-631

2021	2022	2023	2024	2025	2026	2027	2028	2029
(621)	(396)	(201)	(53)	91	231	321	537	892
(1551)	(1289)	(859)	(436)	(49)	0	0	0	0
(2172)	(1684)	(1060)	(489)	42	231	321	537	892
(956)	(741)	(466)	(215)	18	102	141	236	392

ble.

2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
-563.1667	-344.1667	-161.3333	-17.83333	127.66667	254.333	362.1667	612.66667	1009.667
-1507.5	-1190.667	-751.6667	-328.6667	-12.16667	0	0	0	0
-2070.667	-1534.833	-913	-346.5	115.5	254.333	362.1667	612.66667	1009.667
-911.0933	-675.3267	-401.72	-152.46	50.82	111.907	159.3533	269.57333	444.2533

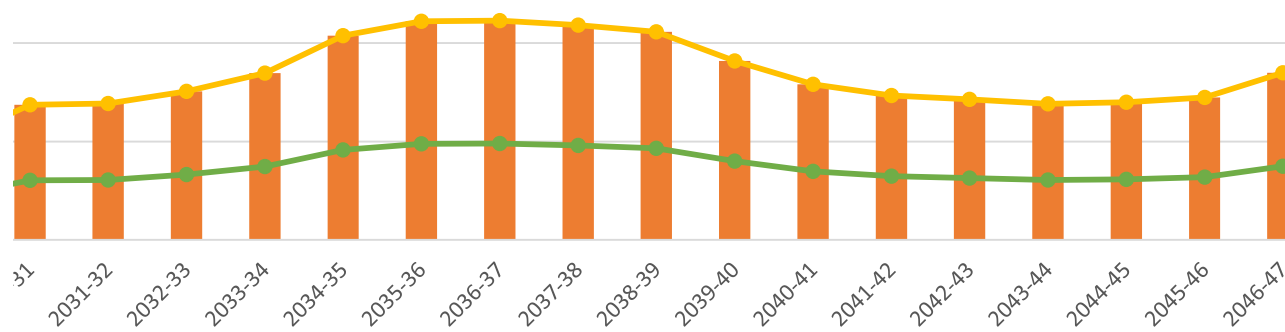
Ian GA Financing - Calendar Year



2030 2031 2032 2033 2034 2035 2036 2037 2038 2039 2040 2041 2042 2043 2044 2045 20

● Total borrowing requirement including financing costs ● OPG Equity Injection (44%)*

Plan GA Financing - Fiscal Year

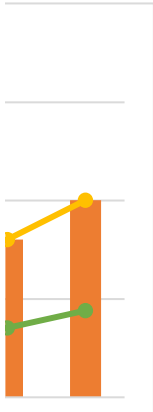


● Total borrowing requirement including financing costs ● OPG Equity Injection (44%)*

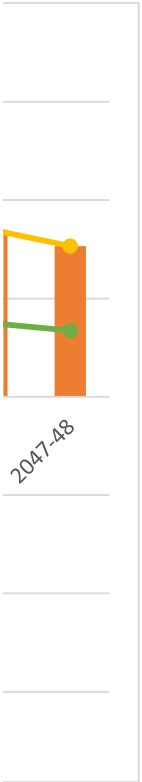
2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov	2027-May
2023	2023	2024	2024	2025.00	2025	2026	2026	2027
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
45047	45231	45413	45597	45778	45962	46143	46327	46508
45046	45230	45412	45596	45777	45961	46142	46326	46507
-98	-50	-27	21	45	95	121	141	152
-429	-287	-220	-73					
-527	-337	-247	-52	45	95	121	141	152

2030	2031	2032	2033	2034	2035	2036	2037	2038
1340	1365	1486	1609	2007	2201	2237	2185	2163
0	0	0	0	0	0	0	0	0
1340	1365	1486	1609	2007	2201	2237	2185	2163
590	600	654	708	883	969	984	961	952

2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39
1373	1385.167	1510	1693.667	2076	2221.333	2227.3333	2182.667	2113.5
0	0	0	0	0	0	0	0	0
1373	1385.167	1510	1693.667	2076	2221.333	2227.3333	2182.667	2113.5
604.12	609.4733	664.4	745.2133	913.44	977.3867	980.02667	960.3733	929.94



46 2047



2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May	2031-Nov
2027	2028	2028	2029	2029	2030	2030	2031	2031
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
46692	46874	47058	47239	47423	47604	47788	47969	48153
46691	46873	47057	47238	47422	47603	47787	47968	48152
224	262	376	437	612	706	678	673	719

224	262	376	437	612	706	678	673	719

2039	2040	2041	2042	2043	2044	2045	2046	2047
1892	1626	1484	1444	1385	1395	1421	1603	2006
0	0	0	0	0	0	0	0	0
1892	1626	1484	1444	1385	1395	1421	1603	2006
832	716	653	635	610	614	625	705	883

2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48
1820	1580.3333	1468.167	1429.6667	1382.833	1398	1448.833	1699	1533.5
0	0	0	0	0	0	0	0	0
1820	1580.3333	1468.167	1429.6667	1382.833	1398	1448.833	1699	1533.5
800.8	695.34667	645.9933	629.05333	608.4467	615.12	637.4867	747.56	674.74

2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov	2036-May
2032	2032	2033	2033	2034	2034	2035	2035	2036
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
48335	48519	48700	48884	49065	49249	49430	49614	49796
48334	48518	48699	48883	49064	49248	49429	49613	49795
751	767	785	937	1024	1075	1113	1115	1129
751	767	785	937	1024	1075	1113	1115	1129

2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May	2040-Nov
2036	2037	2037	2038	2038	2039	2039	2040	2040
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
49980	50161	50345	50526	50710	50891	51075	51257	51441
49979	50160	50344	50525	50709	50890	51074	51256	51440
1095	1091	1091	1105	992	948	848	809	756
1095	1091	1091	1105	992	948	848	809	756

2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov	2045-May
2041	2041	2042	2042	2043	2043	2044	2044	2045
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
51622	51806	51987	52171	52352	52536	52718	52902	53083
51621	51805	51986	52170	52351	52535	52717	52901	53082
738	725	728	697	690	692	701	698	705
738	725	728	697	690	692	701	698	705

2045-Nov	2046-May	2046-Nov	2047-May	
2045	2046	2046	2047	2047.00
Nov	May	Nov	May	Nov
11	5	11	5	11
53267	53448	53632	53813	53997
53266	53447	53631	53812	53996
753	786	945	1376	
753	786	945	1376	

\$ nominal million	2017-Jul	2017-Nov	2018-May	2018-Nov
Fair Allocation Amount	-931	-779	-629	-562
Readjustment amount	-74	-341	-470	-564
Total borrowing requirement including financing costs	-1005	-1120	-1099	-1126

2019-May	2019-Nov	2020-May	2020-Nov	2021-May	2021-Jul	2021-Nov	2022-May	2022-Nov
-535	-462	-431	-348	-98	-213	-233	-197	-130
-617	-721	-781	-784	-250	-546	-697	-657	-501
-1152	-1183	-1212	-1132	-348	-759	-930	-854	-631

2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov	2027-May
-98	-50	-27	21	45	95	121	141	152
-429	-287	-220	-73					
-527	-337	-247	-52	45	95	121	141	152

2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May	2031-Nov
224	262	376	437	612	706	678	673	719

224	262	376	437	612	706	678	673	719

2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov	2036-May
751	767	785	937	1024	1075	1113	1115	1129

751	767	785	937	1024	1075	1113	1115	1129

2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May	2040-Nov
1095	1091	1091	1105	992	948	848	809	756

1095	1091	1091	1105	992	948	848	809	756

2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov	2045-May
738	725	728	697	690	692	701	698	705

738	725	728	697	690	692	701	698	705

2045-Nov	2046-May	2046-Nov	2047-May
753	786	945	1376

753	786	945	1376

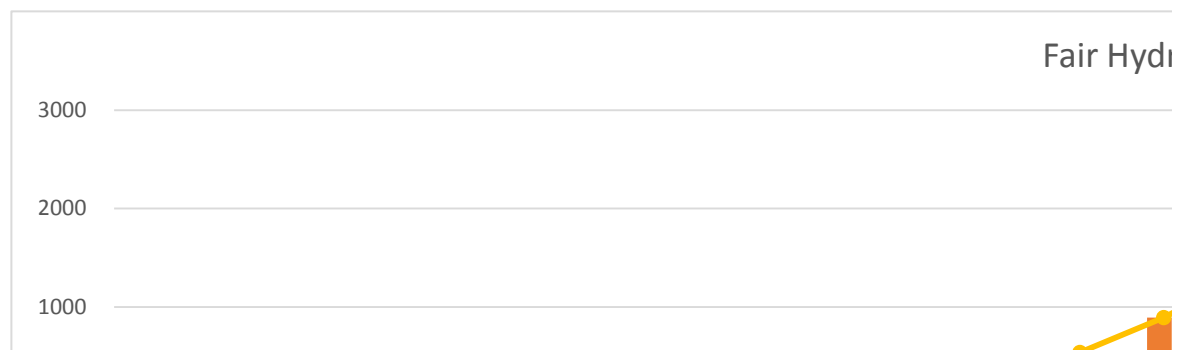
Equity Injection	44%
Assumed Interest Cost	4.5%

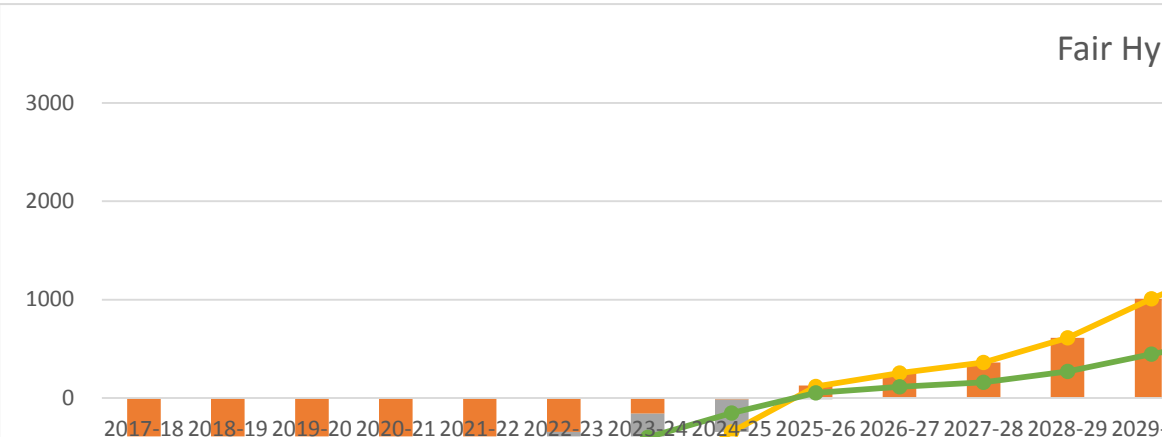
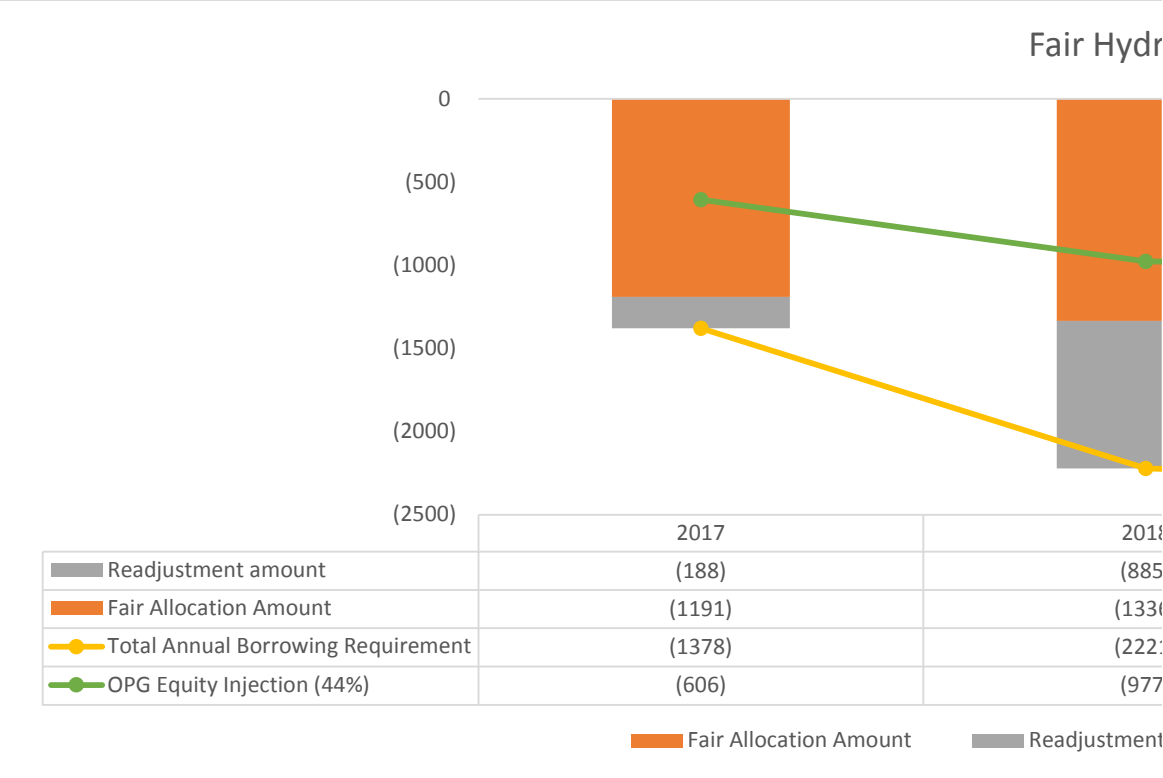
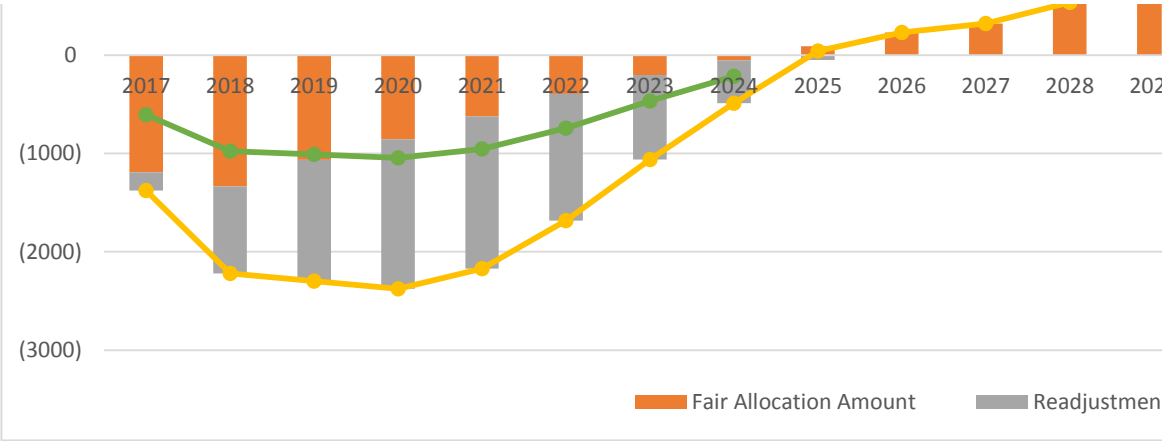
Biennial			
\$ nominal million	2017-Jul	2017-Nov	2018-May
	2017 Jul	2017 Nov	2018 May
	7	11	5
First Date	42917	43040	43221
		43039	43220
Fair Allocation Amount	-931	-779	-629
Readjustment amount	-74	-341	-470
Total borrowing requirement including financing costs	-1005	-1120	-1099

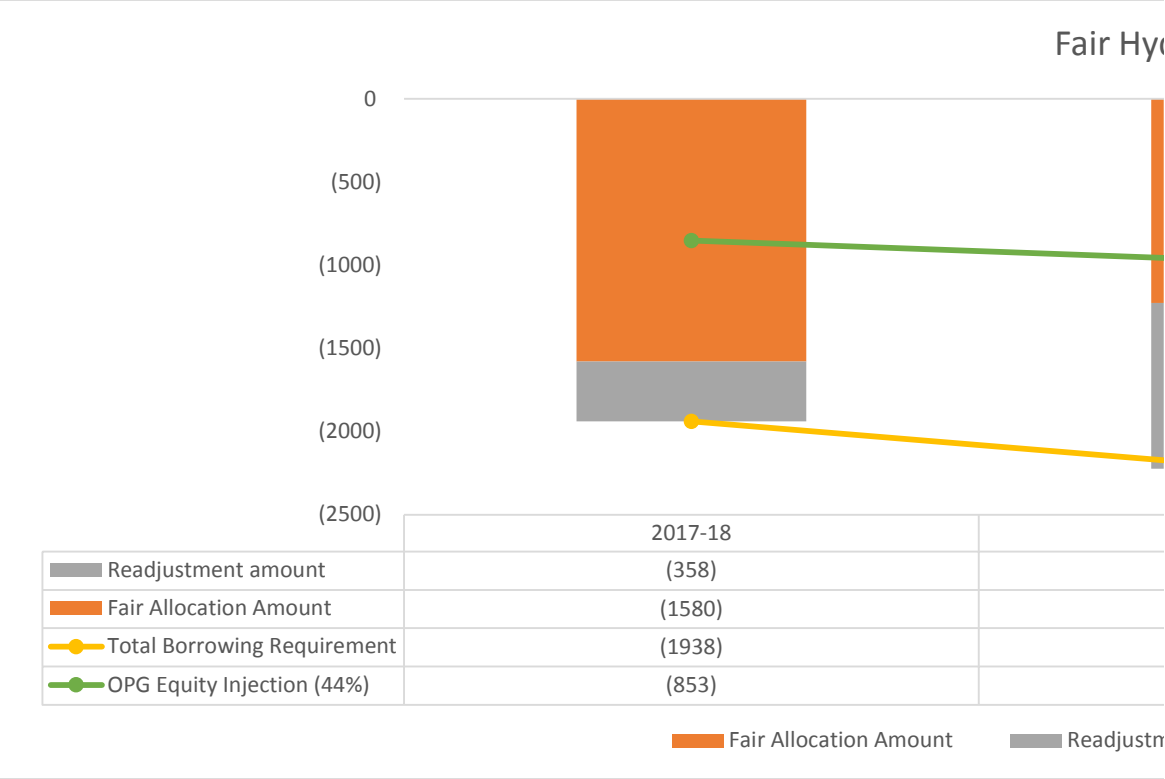
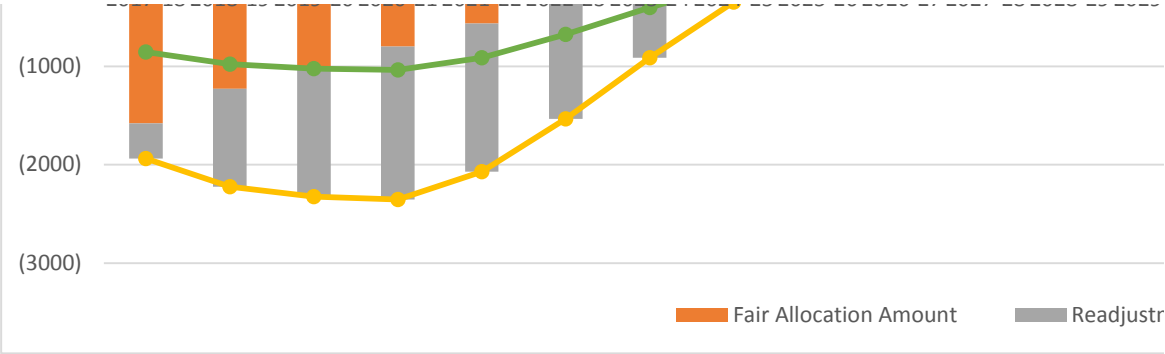
Annual			
\$ nominal million	2017	2018	2019
Fair Allocation Amount	(1191)	(1336)	(1064)
Readjustment amount	(188)	(885)	(1233)
Total Annual Borrowing Requirement	(1378)	(2221)	(2297)
Accumulated borrowing requirement including financing costs		(3599)	(5896)
OPG Equity Injection (44%)	(606)	(977)	(1011)

*This includes financing costs, which may need to be excluded upon further information available

Fiscalized			
\$ nominal million	2017-18	2018-19	2019-20
Fair Allocation Amount	(1580)	(1227)	(1014)
Readjustment amount	(358)	(997)	(1312)
Total Borrowing Requirement	(1938)	(2224)	(2326)
Accumulated borrowing requirement including financing costs		(4162)	(6488)
OPG Equity Injection (44%)	(853)	(979)	(1023)







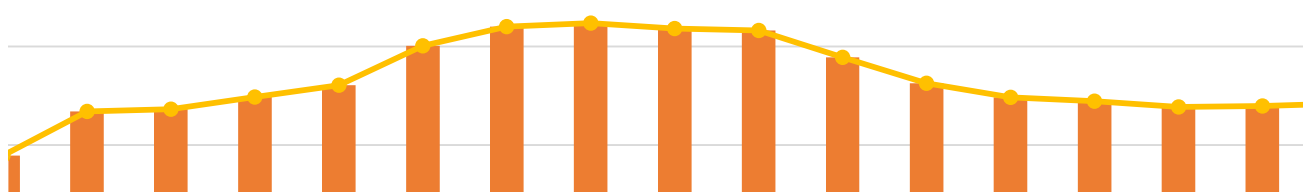
2018-Nov 2018 Nov	2019-May 2019 May	2019-Nov 2019 Nov	2020-May 2020 May	2020-Nov 2020 Nov	2021-May 2021 May	2021-Jul 2021 Jul	2021-Nov 2021 Nov	2022-May 2022 May
11	5	11	5	11	5	7	11	5
43405	43586	43770	43952	44136	44317	44378	44501	44682
43404	43585	43769	43951	44135	44316	44377	44500	44681
-562	-535	-462	-431	-348	-98	-213	-233	-197
-564	-617	-721	-781	-784	-250	-546	-697	-657
-1126	-1152	-1183	-1212	-1132	-348	-759	-930	-854

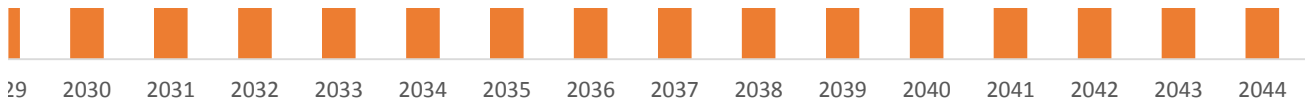
2020	2021	2022	2023	2024	2025	2026	2027	2028
(855)	(621)	(396)	(201)	(53)	91	231	321	537
(1523)	(1551)	(1289)	(859)	(436)	(49)			
(2378)	(2172)	(1684)	(1060)	(489)	42	231	321	537
(8274)	(10446)	(12130)	(13190)	(13679)	(13637)	(13406)	(13085)	(12549)
(1046)	(956)	(741)	(466)	(215)	18	102	141	236

3.

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
(798)	(563)	(344)	(161)	(18)	128	254	362	613
(1555)	(1508)	(1191)	(752)	(329)	(12)			
(2353)	(2071)	(1535)	(913)	(347)	116	254	362	613
(8840)	(10911)	(12446)	(13359)	(13705)	(13590)	(13336)	(12973)	(12361)
(1035)	(911)	(675)	(402)	(152)	51	112	159	270

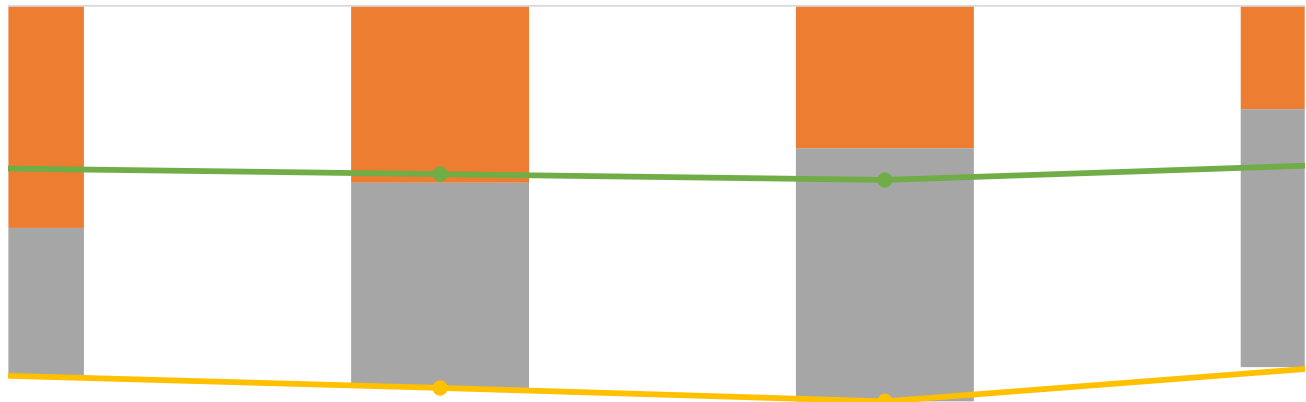
ro Plan GA Financing - Calendar Year





Amount ● Total Annual Borrowing Requirement ● OPG Equity Injection (44%)

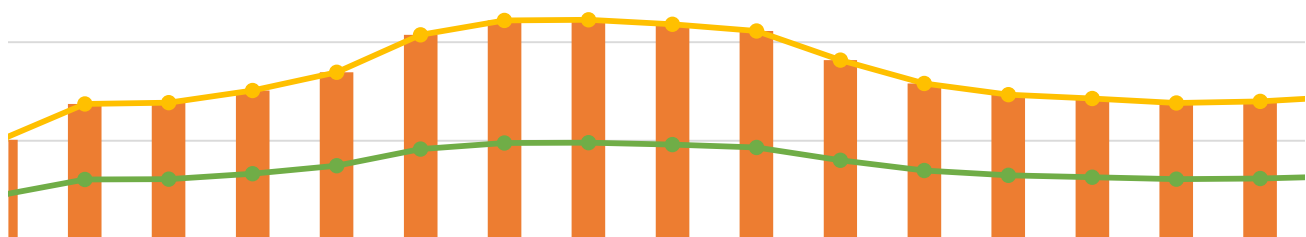
Pro Plan GA Financing - Calendar Year



	2019	2020	
8			
i)	(1233)	(1523)	(
6)	(1064)	(855)	
1)	(2297)	(2378)	(
7)	(1011)	(1046)	

Amount ● Total Annual Borrowing Requirement ● OPG Equity Injection (44%)

Pro Plan GA Financing - Fiscal Year



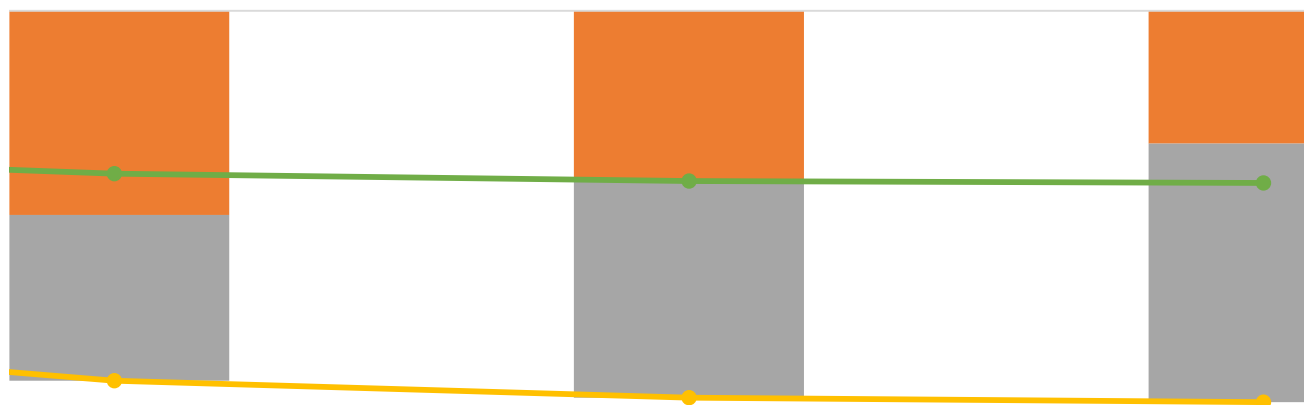
-30 2030-31 2031-32 2032-33 2033-34 2034-35 2035-36 2036-37 2037-38 2038-39 2039-40 2040-41 2041-42 2042-43 2043-44 2044-45

ment amount  Total Borrowing Requirement  OPG Equity Injection (44%)

— Total Borrowing Requirement

— OPG Equity Injection (44%)

dro Plan GA Financing - Fiscal Year



2018-19	2019-20	2020-21
(997)	(1312)	(1555)
(1227)	(1014)	(798)
(2224)	(2326)	(2353)
(979)	(1023)	(1035)

● Total Borrowing Requirement
 ● OPG Equity Injection (44%)

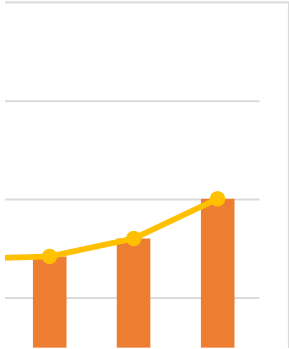
—●— Total Borrowing Requirement

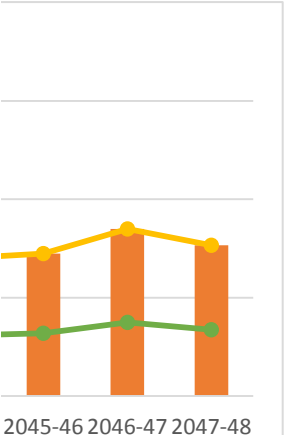
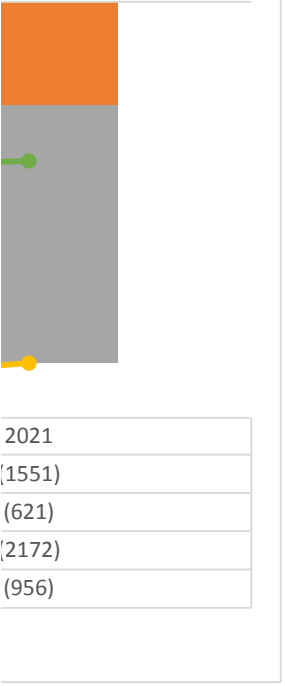
— OPG Equity Injection (44%)

2022-Nov	2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov
2022	2023	2023	2024	2024	2025.00	2025	2026	2026
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
44866	45047	45231	45413	45597	45778	45962	46143	46327
44865	45046	45230	45412	45596	45777	45961	46142	46326
-130	-98	-50	-27	21	45	95	121	141
-501	-429	-287	-220	-73				
-631	-527	-337	-247	-52	45	95	121	141

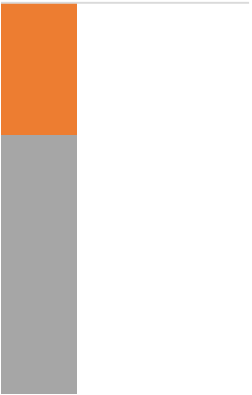
2029	2030	2031	2032	2033	2034	2035	2036	2037
892	1340	1365	1486	1609	2007	2201	2237	2185
892	1340	1365	1486	1609	2007	2201	2237	2185
(11657)	(10317)	(8952)	(7466)	(5858)	(3851)	(1649)	588	2773
392	590	600	654	708	883	969	984	961

2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38
1010	1373	1385	1510	1694	2076	2221	2227	2183
1010	1373	1385	1510	1694	2076	2221	2227	2183
(11351)	(9978)	(8593)	(7083)	(5389)	(3313)	(1092)	1136	3318
444	604	609	664	745	913	977	980	960





DATE RECEIVED FROM



2027-May	2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May
2027	2027	2028	2028	2029	2029	2030	2030	2031
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
46508	46692	46874	47058	47239	47423	47604	47788	47969
46507	46691	46873	47057	47238	47422	47603	47787	47968
152	224	262	376	437	612	706	678	673

152 224 262 376 437 612 706 678 673

2038	2039	2040	2041	2042	2043	2044	2045	2046
2163	1892	1626	1484	1444	1385	1395	1421	1603
2163	1892	1626	1484	1444	1385	1395	1421	1603
4936	6828	8454	9938	11381	12767	14162	15583	17186
952	832	716	653	635	610	614	625	705

2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47
2114	1820	1580	1468	1430	1383	1398	1449	1699
2114	1820	1580	1468	1430	1383	1398	1449	1699
5432	7252	8832	10300	11730	13113	14511	15960	17659
930	801	695	646	629	608	615	637	748

2031-Nov	2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov
2031	2032	2032	2033	2033	2034	2034	2035	2035
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
48153	48335	48519	48700	48884	49065	49249	49430	49614
48152	48334	48518	48699	48883	49064	49248	49429	49613
719	751	767	785	937	1024	1075	1113	1115
719	751	767	785	937	1024	1075	1113	1115

2047

2006

2006

19192

883

2047-48

1534

1534

19192

675

2036-May	2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May
2036	2036	2037	2037	2038	2038	2039	2039	2040
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
49796	49980	50161	50345	50526	50710	50891	51075	51257
49795	49979	50160	50344	50525	50709	50890	51074	51256
1129	1095	1091	1091	1105	992	948	848	809
1129	1095	1091	1091	1105	992	948	848	809

2040-Nov	2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov
2040	2041	2041	2042	2042	2043	2043	2044	2044
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
51441	51622	51806	51987	52171	52352	52536	52718	52902
51440	51621	51805	51986	52170	52351	52535	52717	52901
756	738	725	728	697	690	692	701	698
756	738	725	728	697	690	692	701	698

2045-May	2045-Nov	2046-May	2046-Nov	2047-May	2047.00
2045	2045	2046	2046	2047	
May	Nov	May	Nov	May	Nov
5	11	5	11	5	11
53083	53267	53448	53632	53813	53997
53082	53266	53447	53631	53812	53996
705	753	786	945	1376	
705	753	786	945	1376	

Equity Injection 44%

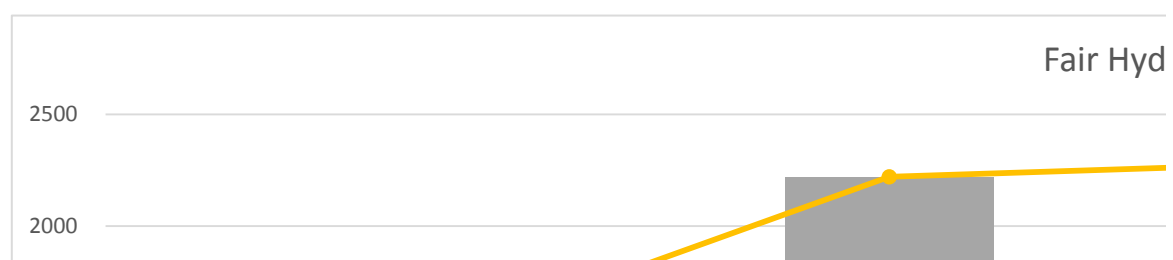
Assumed Interest Cost 4.5%

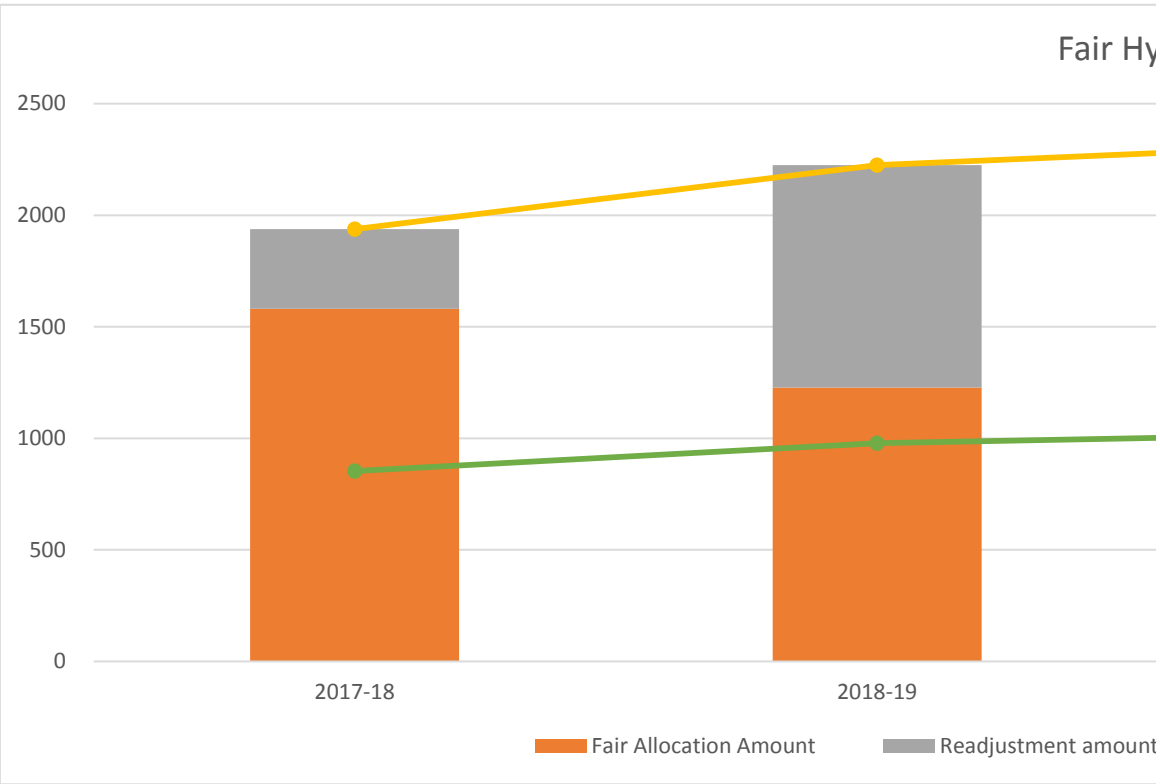
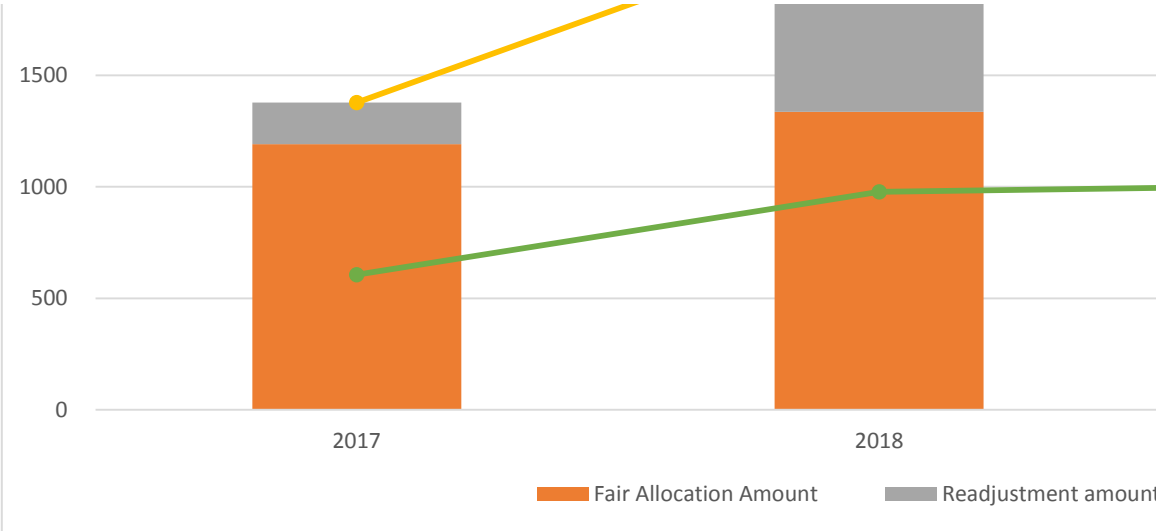
Biennial			
\$ nominal million	2017-Jul	2017-Nov	2018-May
	2017 Jul	2017 Nov	2018 May
	7	11	5
First Date	42917	43040	43221
		43039	43220
Fair Allocation Amount	-931	-779	-629
Readjustment amount	-74	-341	-470
Total borrowing requirement including financing costs	-1005	-1120	-1099

Annual			
\$ nominal million	2017	2018	2019
Fair Allocation Amount	1191	1336	1064
Readjustment amount	188	885	1233
Total borrowing requirement including financing costs	1378	2221	2297
Accumulated borrowing requirement including financing costs		3599	5896
OPG Equity Injection (44%)*	606	977	1011

*This includes financing costs, which may need to be excluded upon further information available

Fiscalized			
\$ nominal million	2017-18	2018-19	2019-20
Fair Allocation Amount	1580	1227	1014
Readjustment amount	358	997	1312
Total borrowing requirement including financing costs	1938	2224	2326
Accumulated borrowing requirement including financing costs		4162	6488
OPG Equity Injection (44%)*	853	979	1023





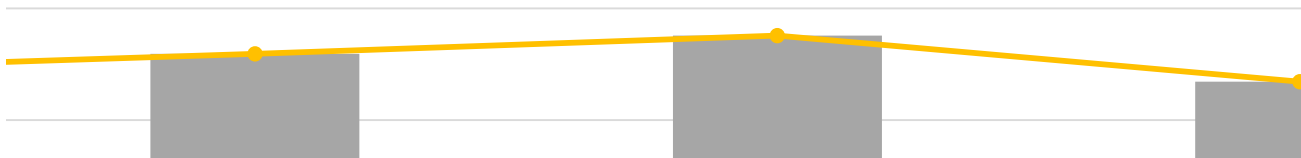
2018-Nov	2019-May	2019-Nov	2020-May	2020-Nov	2021-May	2021-Jul	2021-Nov	2022-May
2018	2019	2019	2020	2020	2021	2021	2021	2022
Nov	May	Nov	May	Nov	May	Jul	Nov	May
11	5	11	5	11	5	7	11	5
43405	43586	43770	43952	44136	44317	44378	44501	44682
43404	43585	43769	43951	44135	44316	44377	44500	44681
-562	-535	-462	-431	-348	-98	-213	-233	-197
-564	-617	-721	-781	-784	-250	-546	-697	-657
-1126	-1152	-1183	-1212	-1132	-348	-759	-930	-854

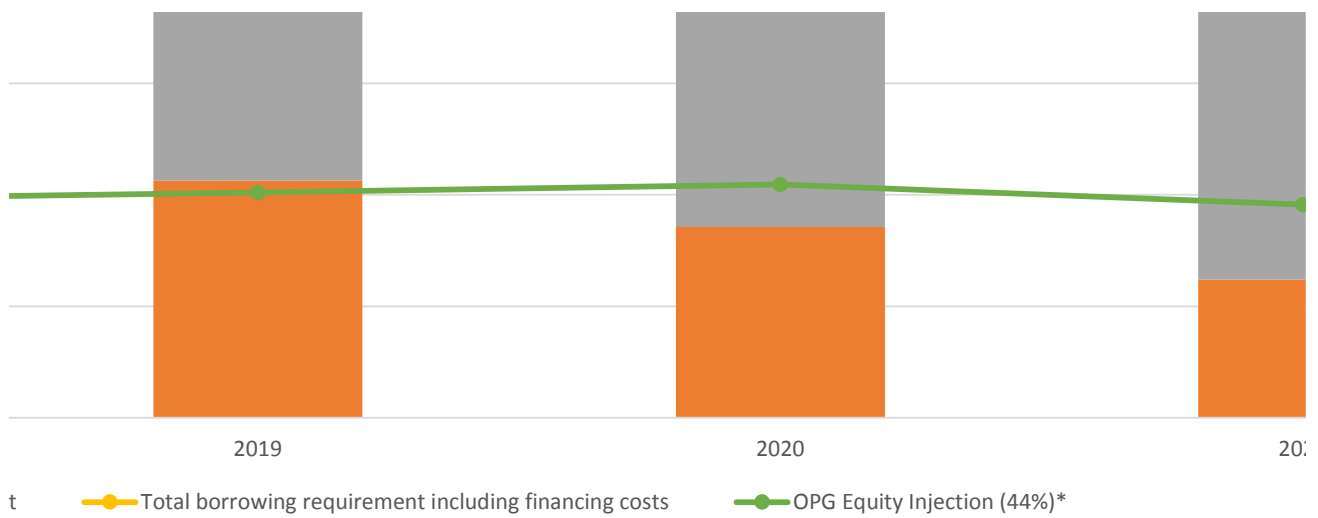
2020	2021
855	621
1523	1551
2378	2172
8274	10446
1046	956

2.

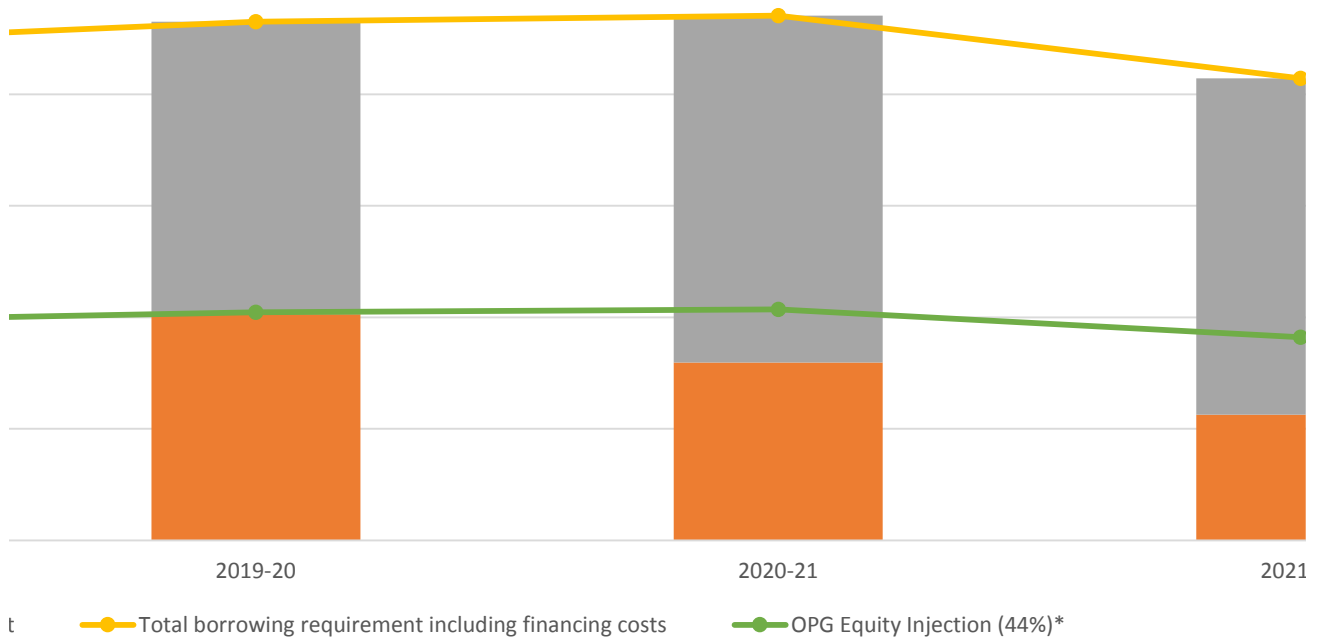
2020-21	2021-22
798	563
1555	1508
2353	2071
8840	10911
1035	911

Pro Plan GA Financing - Calendar Year

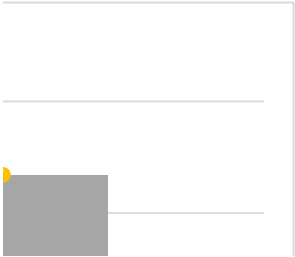


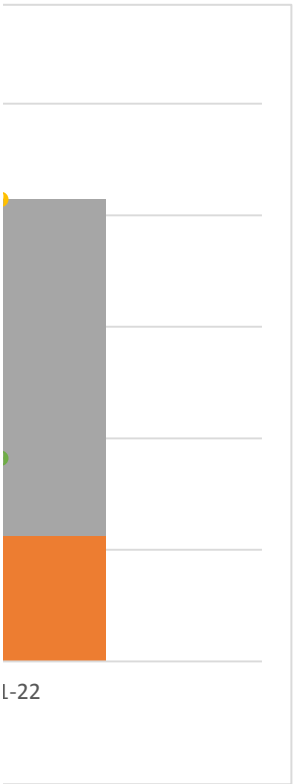
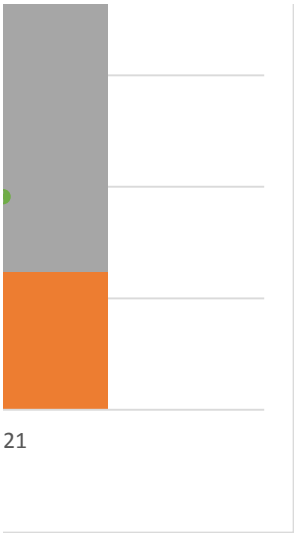


Wairoa Plan GA Financing - Fiscal Year



2022-Nov	2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov
2022	2023	2023	2024	2024	2025.00	2025	2026	2026
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
44866	45047	45231	45413	45597	45778	45962	46143	46327
44865	45046	45230	45412	45596	45777	45961	46142	46326
-130	-98	-50	-27	21	45	95	121	141
-501	-429	-287	-220	-73				
-631	-527	-337	-247	-52	45	95	121	141





2027-May	2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May
2027	2027	2028	2028	2029	2029	2030	2030	2031
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
46508	46692	46874	47058	47239	47423	47604	47788	47969
46507	46691	46873	47057	47238	47422	47603	47787	47968
152	224	262	376	437	612	706	678	673
152	224	262	376	437	612	706	678	673

2031-Nov	2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov
2031	2032	2032	2033	2033	2034	2034	2035	2035
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
48153	48335	48519	48700	48884	49065	49249	49430	49614
48152	48334	48518	48699	48883	49064	49248	49429	49613
719	751	767	785	937	1024	1075	1113	1115
719	751	767	785	937	1024	1075	1113	1115

2036-May	2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May
2036	2036	2037	2037	2038	2038	2039	2039	2040
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
49796	49980	50161	50345	50526	50710	50891	51075	51257
49795	49979	50160	50344	50525	50709	50890	51074	51256
1129	1095	1091	1091	1105	992	948	848	809
1129	1095	1091	1091	1105	992	948	848	809

2040-Nov	2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov
2040	2041	2041	2042	2042	2043	2043	2044	2044
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
51441	51622	51806	51987	52171	52352	52536	52718	52902
51440	51621	51805	51986	52170	52351	52535	52717	52901
756	738	725	728	697	690	692	701	698
756	738	725	728	697	690	692	701	698

2045-May	2045-Nov	2046-May	2046-Nov	2047-May	2047.00	
2045	2045	2046	2046	2047		
May	Nov	May	Nov	May	Nov	
5	11	5	11	5	11	
53083	53267	53448	53632	53813	53997	
53082	53266	53447	53631	53812	53996	
705	753	786	945	1376		
705	753	786	945	1376		

Equity Injection

44%

Biennial

\$ nominal million	2017-Jul 2017 Jul	2017-Nov 2017 Nov	2018-May 2018 May	2018-Nov 2018 Nov
	7	11	5	11
First Date	42917	43040	43221	43405
		43039	43220	43404
Fair Allocation Amount	-931	-779	-629	-562
Readjustment amount	-74	-341	-470	-564
Total borrowing requirement including financing costs	-1005	-1120	-1099	-1126
	\$1,539.67			

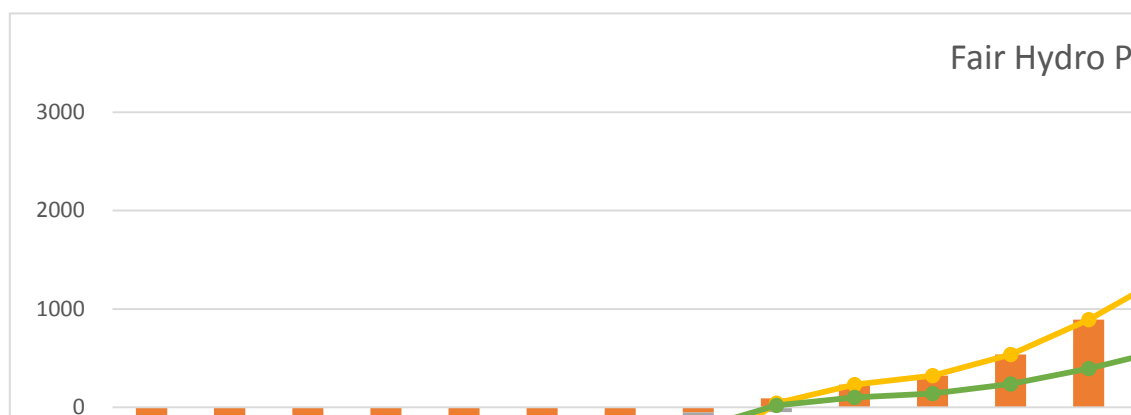
Annual

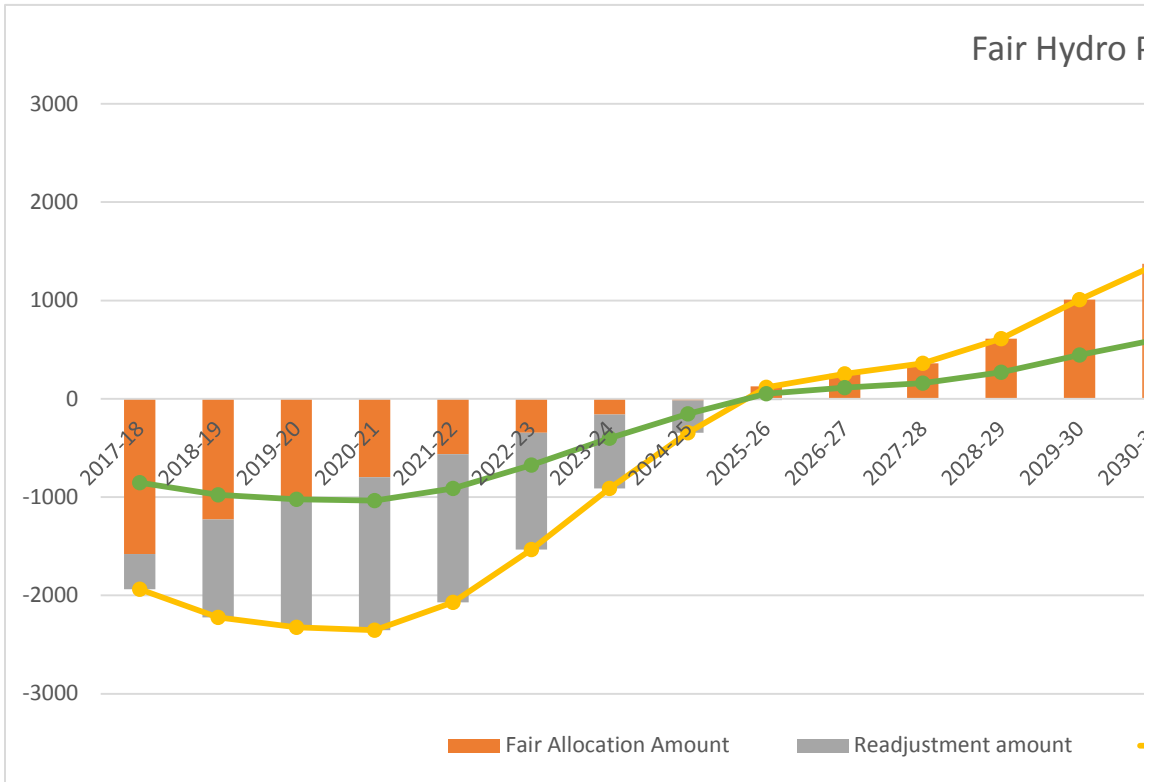
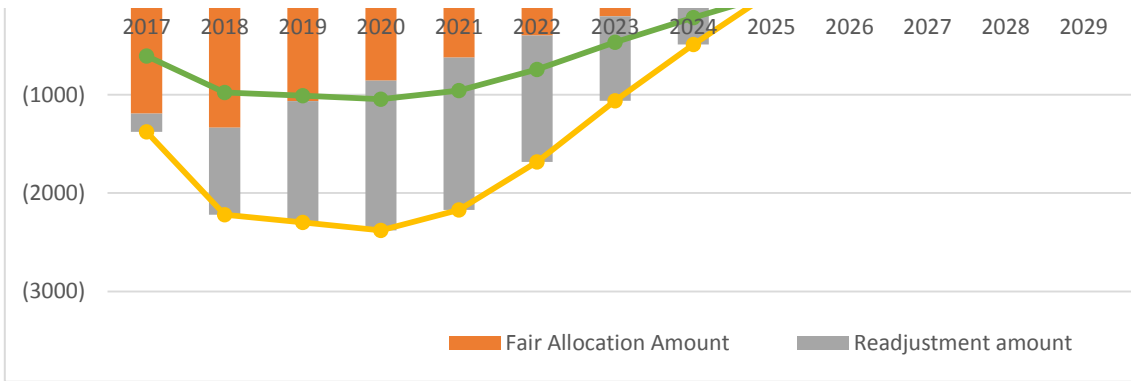
\$ nominal million	2017	2018	2019	2020
Fair Allocation Amount	(1191)	(1336)	(1064)	(855)
Readjustment amount	(188)	(885)	(1233)	(1523)
Total borrowing requirement including financing costs	(1378)	(2221)	(2297)	(2378)
OPG Equity Injection (44%)*	(606)	(977)	(1011)	(1046)

*This includes financing costs, which may need to be excluded upon further information available

Fiscalized

\$ nominal million	2017-18	2018-19	2019-20	2020-21
Fair Allocation Amount	-1580.167	-1227.167	-1013.6667	-798
Readjustment amount	-358.1667	-996.8333	-1311.8333	-1554.5
Total borrowing requirement including financing costs	-1938.333	-2224	-2325.5	-2352.5
OPG Equity Injection (44%)*	-852.8667	-978.56	-1023.22	-1035.1





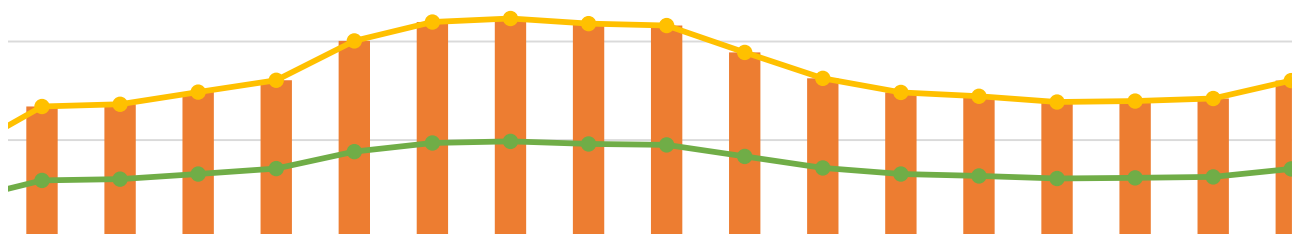
2019-May 2019 May	2019-Nov 2019 Nov	2020-May 2020 May	2020-Nov 2020 Nov	2021-May 2021 May	2021-Jul 2021 Jul	2021-Nov 2021 Nov	2022-May 2022 May	2022-Nov 2022 Nov
5	11	5	11	5	7	11	5	11
43586	43770	43952	44136	44317	44378	44501	44682	44866
43585	43769	43951	44135	44316	44377	44500	44681	44865
-535	-462	-431	-348	-98	-213	-233	-197	-130
-617	-721	-781	-784	-250	-546	-697	-657	-501
-1152	-1183	-1212	-1132	-348	-759	-930	-854	-631

2021	2022	2023	2024	2025	2026	2027	2028	2029
(621)	(396)	(201)	(53)	91	231	321	537	892
(1551)	(1289)	(859)	(436)	(49)	0	0	0	0
(2172)	(1684)	(1060)	(489)	42	231	321	537	892
(956)	(741)	(466)	(215)	18	102	141	236	392

ble.

2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
-563.1667	-344.1667	-161.3333	-17.83333	127.66667	254.333	362.1667	612.66667	1009.667
-1507.5	-1190.667	-751.6667	-328.6667	-12.16667	0	0	0	0
-2070.667	-1534.833	-913	-346.5	115.5	254.333	362.1667	612.66667	1009.667
-911.0933	-675.3267	-401.72	-152.46	50.82	111.907	159.3533	269.57333	444.2533

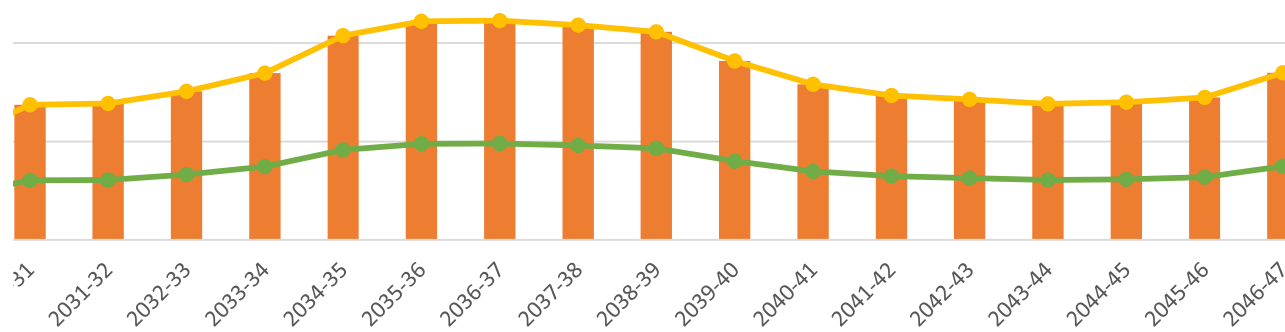
Ian GA Financing - Calendar Year



2030 2031 2032 2033 2034 2035 2036 2037 2038 2039 2040 2041 2042 2043 2044 2045 20

● Total borrowing requirement including financing costs ● OPG Equity Injection (44%)*

Plan GA Financing - Fiscal Year

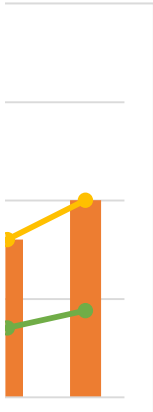


● Total borrowing requirement including financing costs ● OPG Equity Injection (44%)*

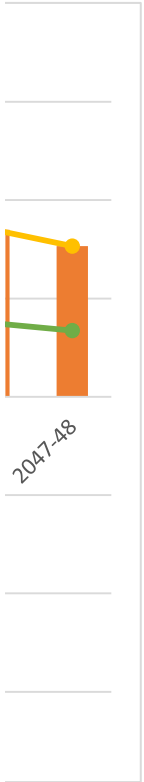
2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov	2027-May
2023	2023	2024	2024	2025.00	2025	2026	2026	2027
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
45047	45231	45413	45597	45778	45962	46143	46327	46508
45046	45230	45412	45596	45777	45961	46142	46326	46507
-98	-50	-27	21	45	95	121	141	152
-429	-287	-220	-73					
-527	-337	-247	-52	45	95	121	141	152

2030	2031	2032	2033	2034	2035	2036	2037	2038
1340	1365	1486	1609	2007	2201	2237	2185	2163
0	0	0	0	0	0	0	0	0
1340	1365	1486	1609	2007	2201	2237	2185	2163
590	600	654	708	883	969	984	961	952

2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39
1373	1385.167	1510	1693.667	2076	2221.333	2227.3333	2182.667	2113.5
0	0	0	0	0	0	0	0	0
1373	1385.167	1510	1693.667	2076	2221.333	2227.3333	2182.667	2113.5
604.12	609.4733	664.4	745.2133	913.44	977.3867	980.02667	960.3733	929.94



46 2047



2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May	2031-Nov
2027 Nov	2028 May	2028 Nov	2029 May	2029 Nov	2030 May	2030 Nov	2031 May	2031 Nov
11	5	11	5	11	5	11	5	11
46692	46874	47058	47239	47423	47604	47788	47969	48153
46691	46873	47057	47238	47422	47603	47787	47968	48152
224	262	376	437	612	706	678	673	719

224	262	376	437	612	706	678	673	719

2039	2040	2041	2042	2043	2044	2045	2046	2047
1892	1626	1484	1444	1385	1395	1421	1603	2006
0	0	0	0	0	0	0	0	0
1892	1626	1484	1444	1385	1395	1421	1603	2006
832	716	653	635	610	614	625	705	883

2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48
1820	1580.3333	1468.167	1429.6667	1382.833	1398	1448.833	1699	1533.5
0	0	0	0	0	0	0	0	0
1820	1580.3333	1468.167	1429.6667	1382.833	1398	1448.833	1699	1533.5
800.8	695.34667	645.9933	629.05333	608.4467	615.12	637.4867	747.56	674.74

2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov	2036-May
2032	2032	2033	2033	2034	2034	2035	2035	2036
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
48335	48519	48700	48884	49065	49249	49430	49614	49796
48334	48518	48699	48883	49064	49248	49429	49613	49795
751	767	785	937	1024	1075	1113	1115	1129
751	767	785	937	1024	1075	1113	1115	1129

2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May	2040-Nov
2036	2037	2037	2038	2038	2039	2039	2040	2040
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
49980	50161	50345	50526	50710	50891	51075	51257	51441
49979	50160	50344	50525	50709	50890	51074	51256	51440
1095	1091	1091	1105	992	948	848	809	756
1095	1091	1091	1105	992	948	848	809	756

2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov	2045-May
2041	2041	2042	2042	2043	2043	2044	2044	2045
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
51622	51806	51987	52171	52352	52536	52718	52902	53083
51621	51805	51986	52170	52351	52535	52717	52901	53082
738	725	728	697	690	692	701	698	705
738	725	728	697	690	692	701	698	705

2045-Nov	2046-May	2046-Nov	2047-May	
2045	2046	2046	2047	2047.00
Nov	May	Nov	May	Nov
11	5	11	5	11
53267	53448	53632	53813	53997
53266	53447	53631	53812	53996
753	786	945	1376	
753	786	945	1376	

\$ nominal million	2017-Jul	2017-Nov	2018-May	2018-Nov
Fair Allocation Amount	-931	-779	-629	-562
Readjustment amount	-74	-341	-470	-564
Total borrowing requirement including financing costs	-1005	-1120	-1099	-1126

2019-May	2019-Nov	2020-May	2020-Nov	2021-May	2021-Jul	2021-Nov	2022-May	2022-Nov
-535	-462	-431	-348	-98	-213	-233	-197	-130
-617	-721	-781	-784	-250	-546	-697	-657	-501
-1152	-1183	-1212	-1132	-348	-759	-930	-854	-631

2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov	2027-May
-98	-50	-27	21	45	95	121	141	152
-429	-287	-220	-73					
-527	-337	-247	-52	45	95	121	141	152

2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May	2031-Nov
224	262	376	437	612	706	678	673	719

224	262	376	437	612	706	678	673	719

2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov	2036-May
751	767	785	937	1024	1075	1113	1115	1129

751	767	785	937	1024	1075	1113	1115	1129

2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May	2040-Nov
1095	1091	1091	1105	992	948	848	809	756

1095	1091	1091	1105	992	948	848	809	756

2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov	2045-May
738	725	728	697	690	692	701	698	705

738	725	728	697	690	692	701	698	705

2045-Nov	2046-May	2046-Nov	2047-May
753	786	945	1376

753	786	945	1376

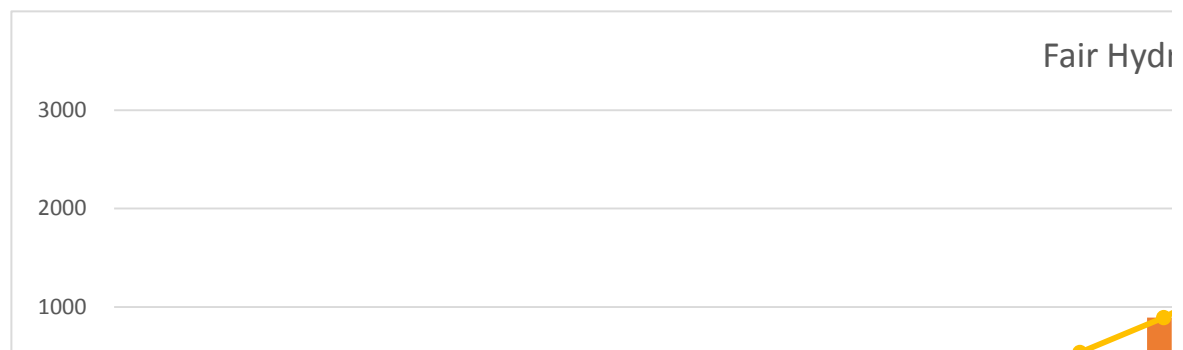
Equity Injection	44%
Assumed Interest Cost	4.5%

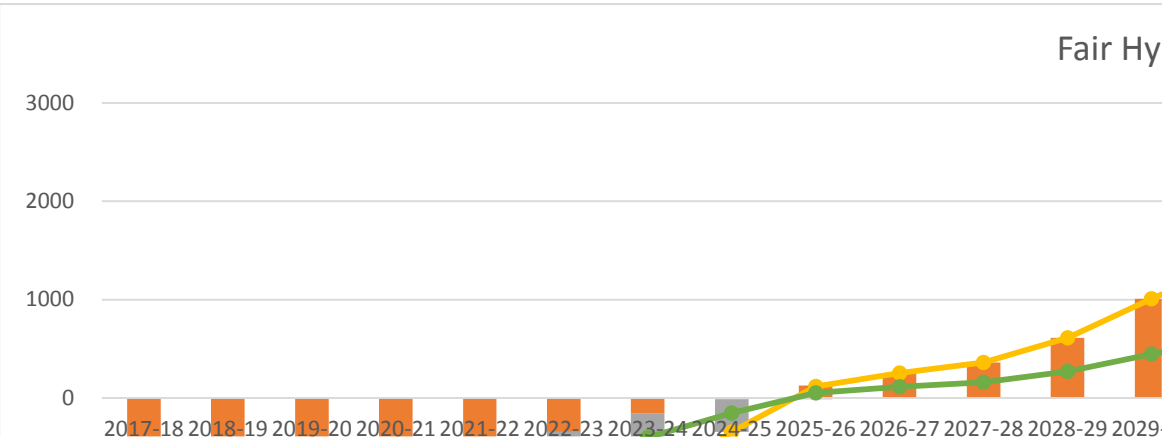
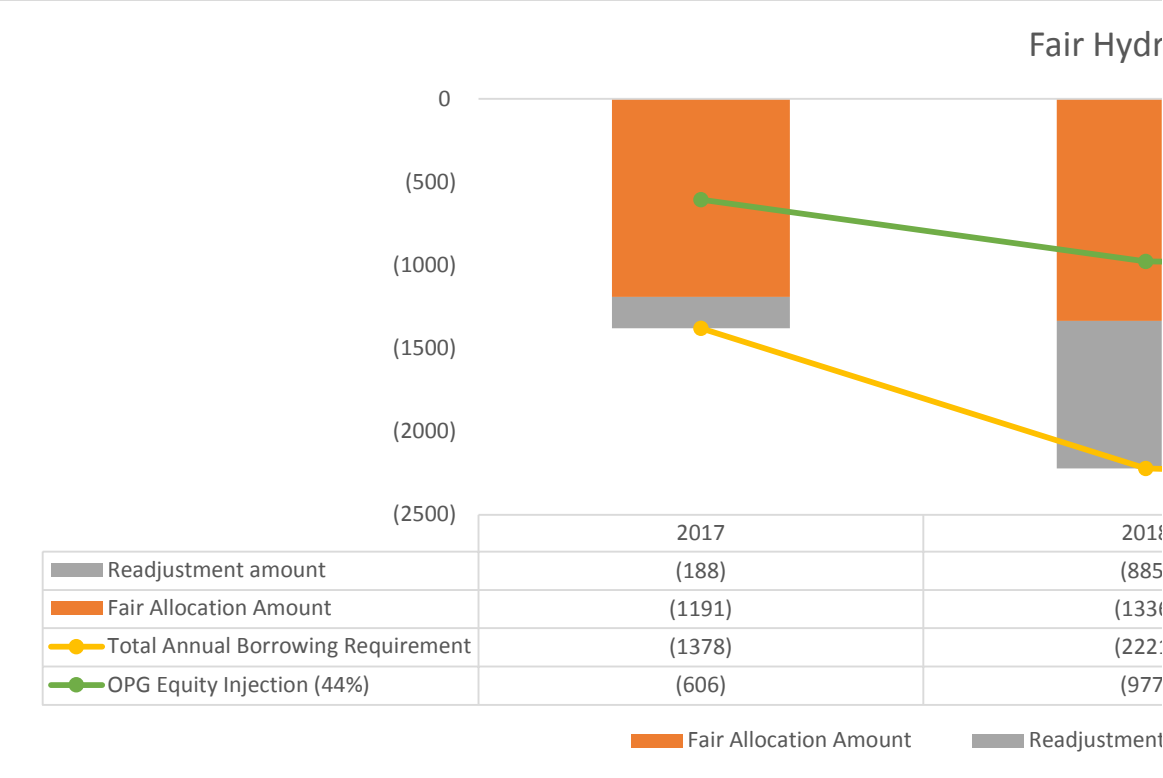
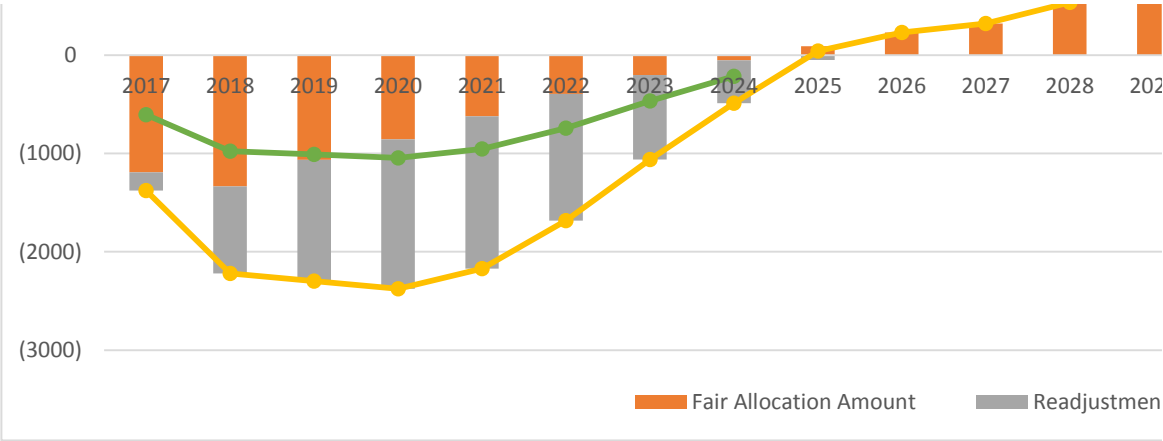
Biennial			
\$ nominal million	2017-Jul	2017-Nov	2018-May
	2017	2017	2018
	Jul	Nov	May
	7	11	5
First Date	42917	43040	43221
		43039	43220
Fair Allocation Amount	-931	-779	-629
Readjustment amount	-74	-341	-470
Total borrowing requirement including financing costs	-1005	-1120	-1099

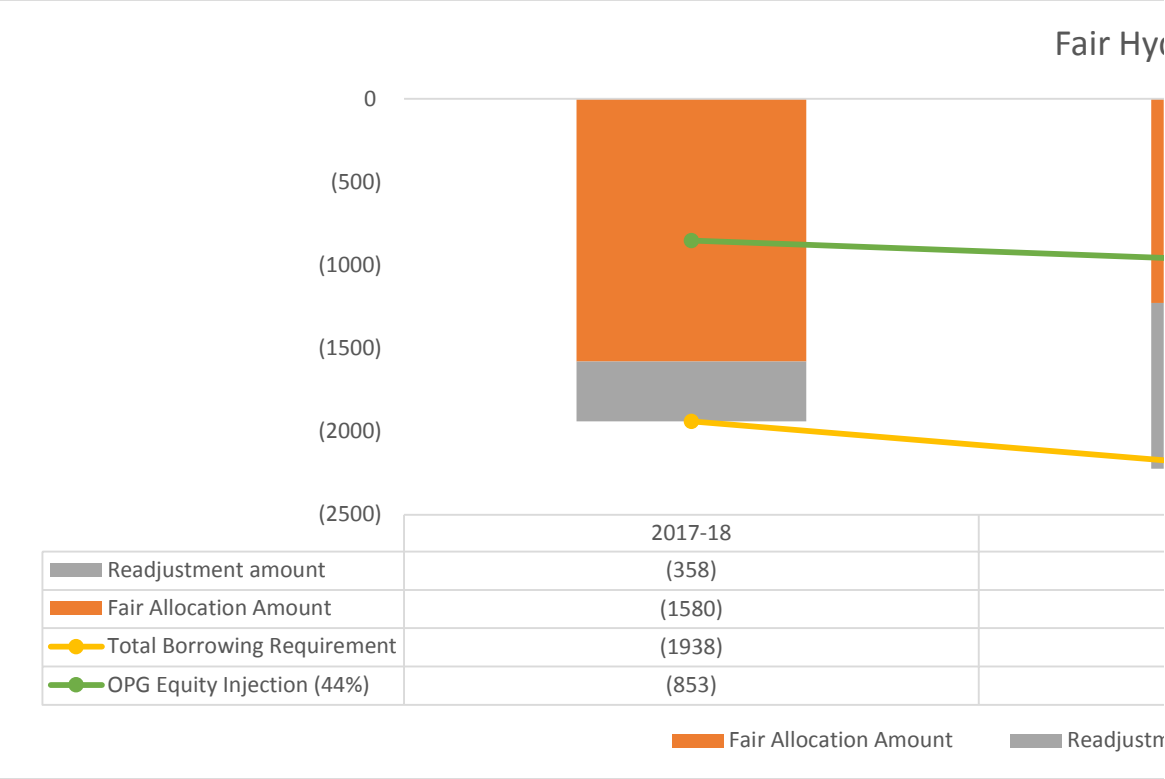
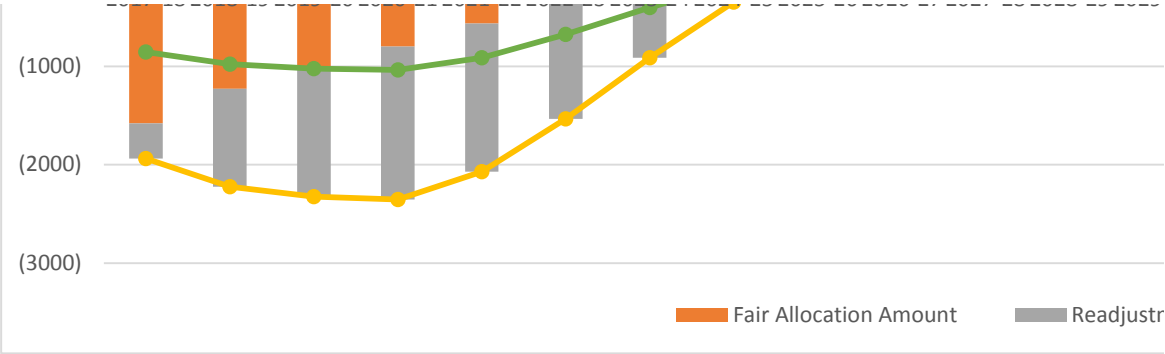
Annual			
\$ nominal million	2017	2018	2019
Fair Allocation Amount	(1191)	(1336)	(1064)
Readjustment amount	(188)	(885)	(1233)
Total Annual Borrowing Requirement	(1378)	(2221)	(2297)
Accumulated borrowing requirement including financing costs		(3599)	(5896)
OPG Equity Injection (44%)	(606)	(977)	(1011)

*This includes financing costs, which may need to be excluded upon further information available

Fiscalized			
\$ nominal million	2017-18	2018-19	2019-20
Fair Allocation Amount	(1580)	(1227)	(1014)
Readjustment amount	(358)	(997)	(1312)
Total Borrowing Requirement	(1938)	(2224)	(2326)
Accumulated borrowing requirement including financing costs		(4162)	(6488)
OPG Equity Injection (44%)	(853)	(979)	(1023)







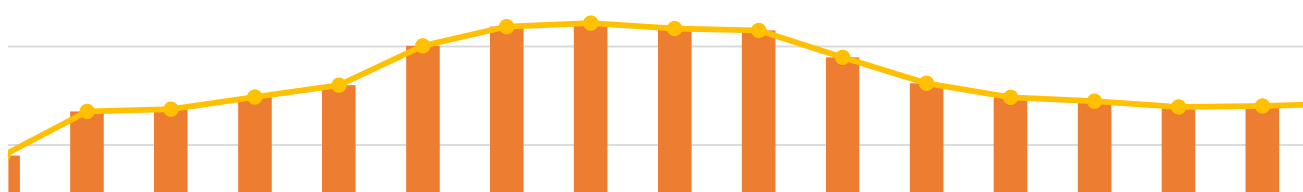
2018-Nov 2018 Nov	2019-May 2019 May	2019-Nov 2019 Nov	2020-May 2020 May	2020-Nov 2020 Nov	2021-May 2021 May	2021-Jul 2021 Jul	2021-Nov 2021 Nov	2022-May 2022 May
11	5	11	5	11	5	7	11	5
43405	43586	43770	43952	44136	44317	44378	44501	44682
43404	43585	43769	43951	44135	44316	44377	44500	44681
-562	-535	-462	-431	-348	-98	-213	-233	-197
-564	-617	-721	-781	-784	-250	-546	-697	-657
-1126	-1152	-1183	-1212	-1132	-348	-759	-930	-854

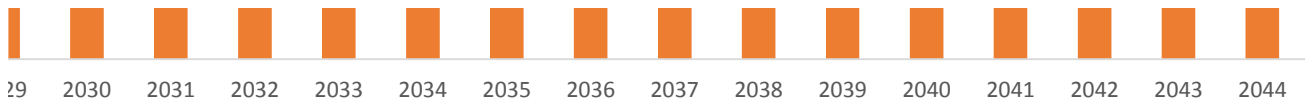
2020	2021	2022	2023	2024	2025	2026	2027	2028
(855)	(621)	(396)	(201)	(53)	91	231	321	537
(1523)	(1551)	(1289)	(859)	(436)	(49)			
(2378)	(2172)	(1684)	(1060)	(489)	42	231	321	537
(8274)	(10446)	(12130)	(13190)	(13679)	(13637)	(13406)	(13085)	(12549)
(1046)	(956)	(741)	(466)	(215)	18	102	141	236

3.

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
(798)	(563)	(344)	(161)	(18)	128	254	362	613
(1555)	(1508)	(1191)	(752)	(329)	(12)			
(2353)	(2071)	(1535)	(913)	(347)	116	254	362	613
(8840)	(10911)	(12446)	(13359)	(13705)	(13590)	(13336)	(12973)	(12361)
(1035)	(911)	(675)	(402)	(152)	51	112	159	270

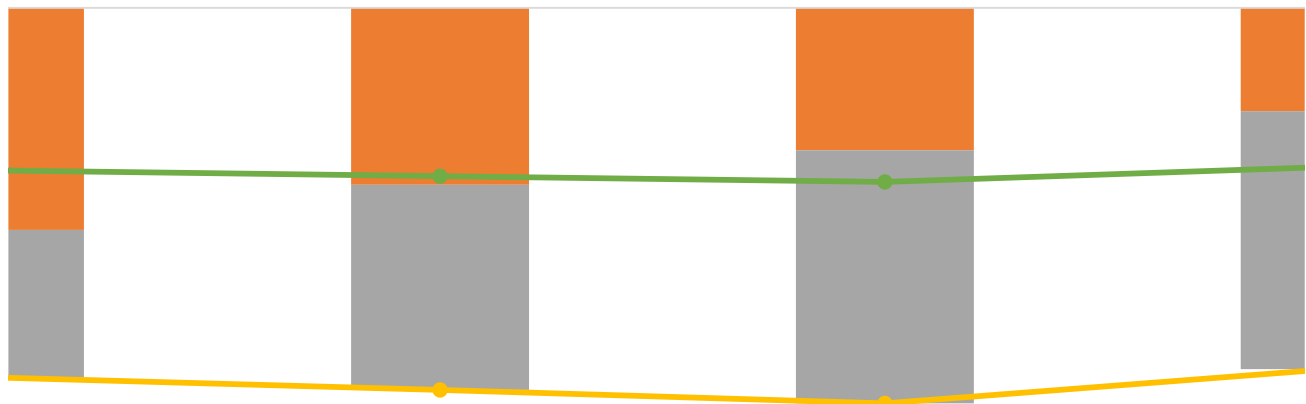
ro Plan GA Financing - Calendar Year





Amount ● Total Annual Borrowing Requirement ● OPG Equity Injection (44%)

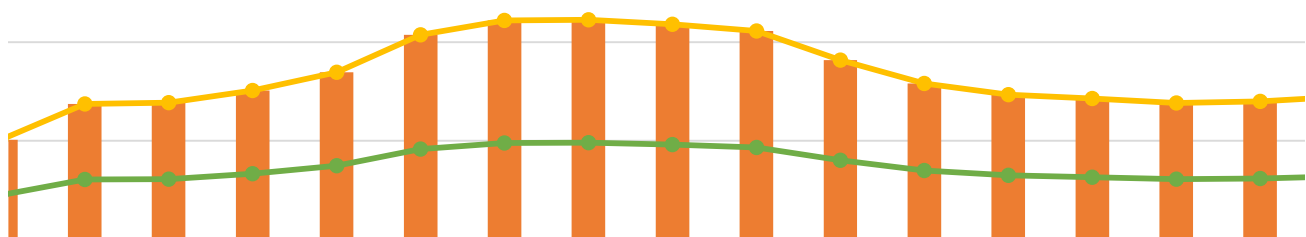
2020 Plan GA Financing - Calendar Year



8	2019	2020	
i)	(1233)	(1523)	(
6)	(1064)	(855)	
1)	(2297)	(2378)	(
7)	(1011)	(1046)	

Amount ● Total Annual Borrowing Requirement ● OPG Equity Injection (44%)

2020 Plan GA Financing - Fiscal Year



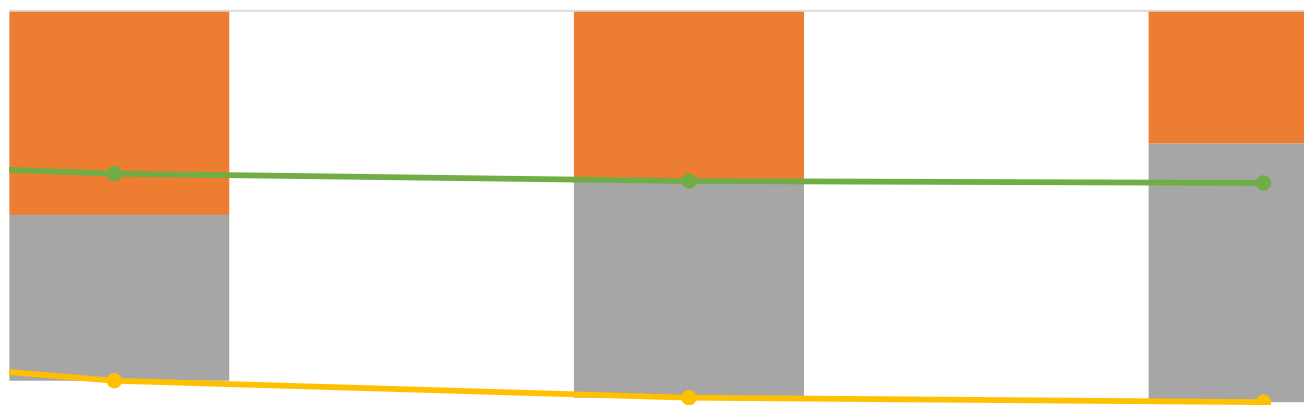
-30 2030-31 2031-32 2032-33 2033-34 2034-35 2035-36 2036-37 2037-38 2038-39 2039-40 2040-41 2041-42 2042-43 2043-44 2044-45

ment amount  Total Borrowing Requirement  OPG Equity Injection (44%)

— Total Borrowing Requirement

— OPG Equity Injection (44%)

dro Plan GA Financing - Fiscal Year



2018-19	2019-20	2020-21
(997)	(1312)	(1555)
(1227)	(1014)	(798)
(2224)	(2326)	(2353)
(979)	(1023)	(1035)

● Total Borrowing Requirement
 ● OPG Equity Injection (44%)

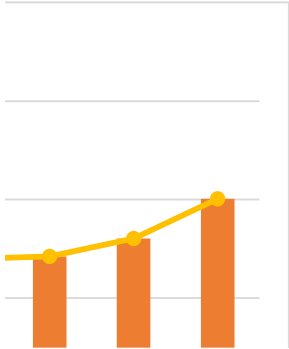
—●— Total Borrowing Requirement

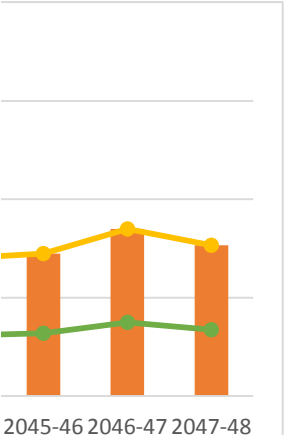
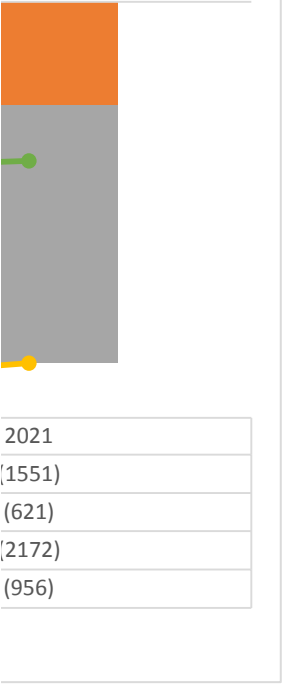
— OPG Equity Injection (44%)

2022-Nov	2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov
2022	2023	2023	2024	2024	2025.00	2025	2026	2026
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
44866	45047	45231	45413	45597	45778	45962	46143	46327
44865	45046	45230	45412	45596	45777	45961	46142	46326
-130	-98	-50	-27	21	45	95	121	141
-501	-429	-287	-220	-73				
-631	-527	-337	-247	-52	45	95	121	141

2029	2030	2031	2032	2033	2034	2035	2036	2037
892	1340	1365	1486	1609	2007	2201	2237	2185
892	1340	1365	1486	1609	2007	2201	2237	2185
(11657)	(10317)	(8952)	(7466)	(5858)	(3851)	(1649)	588	2773
392	590	600	654	708	883	969	984	961

2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38
1010	1373	1385	1510	1694	2076	2221	2227	2183
1010	1373	1385	1510	1694	2076	2221	2227	2183
(11351)	(9978)	(8593)	(7083)	(5389)	(3313)	(1092)	1136	3318
444	604	609	664	745	913	977	980	960





DATE RECEIVED FROM



2027-May	2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May
2027	2027	2028	2028	2029	2029	2030	2030	2031
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
46508	46692	46874	47058	47239	47423	47604	47788	47969
46507	46691	46873	47057	47238	47422	47603	47787	47968
152	224	262	376	437	612	706	678	673

152 224 262 376 437 612 706 678 673

2038	2039	2040	2041	2042	2043	2044	2045	2046
2163	1892	1626	1484	1444	1385	1395	1421	1603
2163	1892	1626	1484	1444	1385	1395	1421	1603
4936	6828	8454	9938	11381	12767	14162	15583	17186
952	832	716	653	635	610	614	625	705

2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47
2114	1820	1580	1468	1430	1383	1398	1449	1699
2114	1820	1580	1468	1430	1383	1398	1449	1699
5432	7252	8832	10300	11730	13113	14511	15960	17659
930	801	695	646	629	608	615	637	748

2031-Nov	2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov
2031	2032	2032	2033	2033	2034	2034	2035	2035
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
48153	48335	48519	48700	48884	49065	49249	49430	49614
48152	48334	48518	48699	48883	49064	49248	49429	49613
719	751	767	785	937	1024	1075	1113	1115
719	751	767	785	937	1024	1075	1113	1115

2047

2006

2006

19192

883

2047-48

1534

1534

19192

675

2036-May	2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May
2036	2036	2037	2037	2038	2038	2039	2039	2040
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
49796	49980	50161	50345	50526	50710	50891	51075	51257
49795	49979	50160	50344	50525	50709	50890	51074	51256
1129	1095	1091	1091	1105	992	948	848	809
1129	1095	1091	1091	1105	992	948	848	809

2040-Nov	2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov
2040	2041	2041	2042	2042	2043	2043	2044	2044
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
51441	51622	51806	51987	52171	52352	52536	52718	52902
51440	51621	51805	51986	52170	52351	52535	52717	52901
756	738	725	728	697	690	692	701	698
756	738	725	728	697	690	692	701	698

2045-May		2045-Nov		2046-May		2046-Nov		2047-May	
2045		2045		2046		2046		2047	
May		Nov		May		Nov		May	
5		11		5		11		5	
53083		53267		53448		53632		53813	
53082		53266		53447		53631		53812	
705		753		786		945		1376	
705		753		786		945		1376	

2047.00

Nov

5

11

53997

53996

1376

1376

Equity Injection 44%

Assumed Interest Cost 4.5%

Biennial

\$ nominal million	2017-Jul	2017-Nov	2018-May
	2017 Jul	2017 Nov	2018 May
	7	11	5
First Date	42917	43040	43221
		43039	43220
Fair Allocation Amount	-931	-779	-629
Readjustment amount	-74	-341	-470
Total borrowing requirement including financing costs	-1005	-1120	-1099

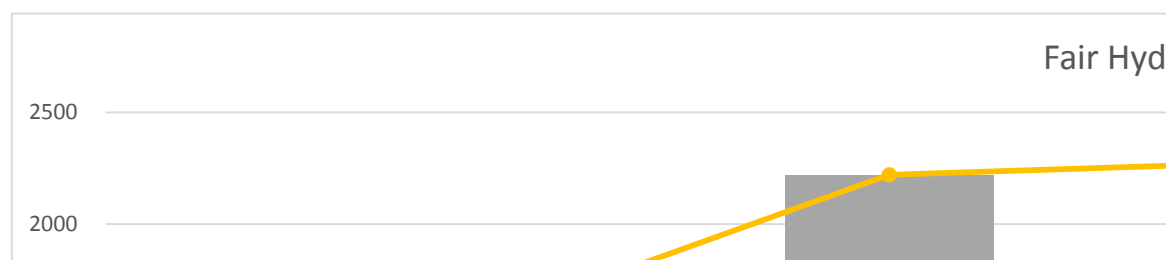
Annual

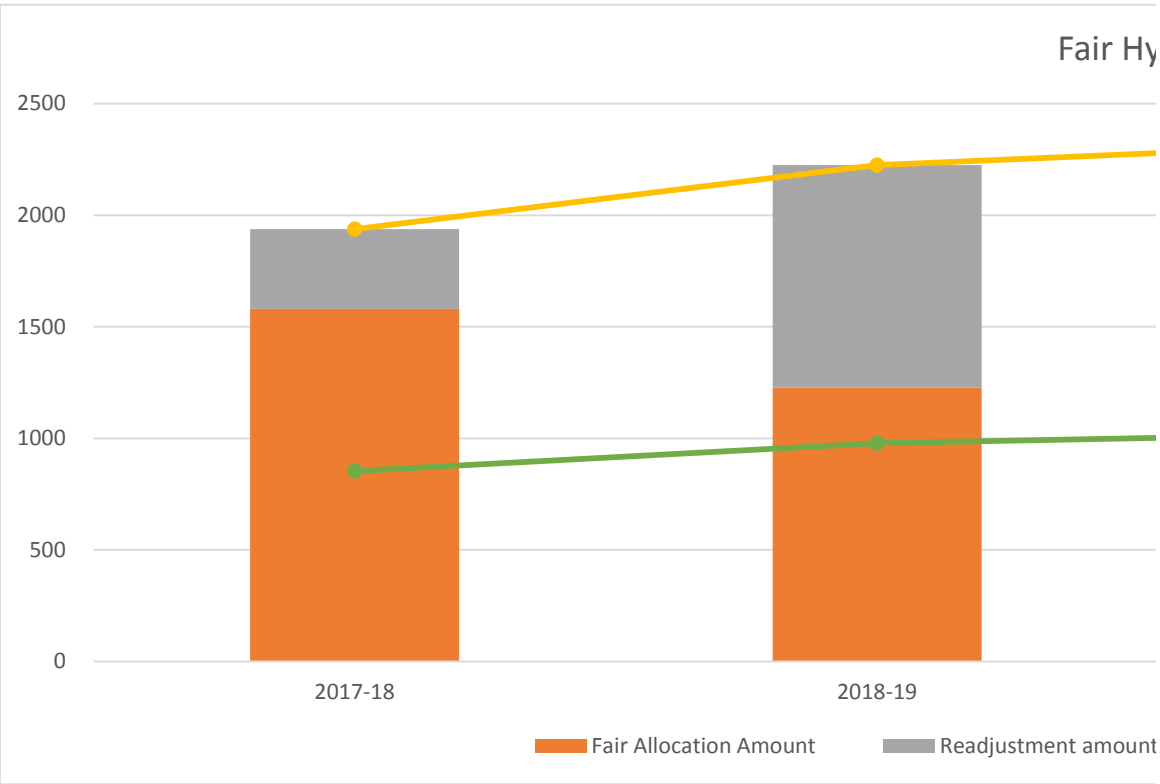
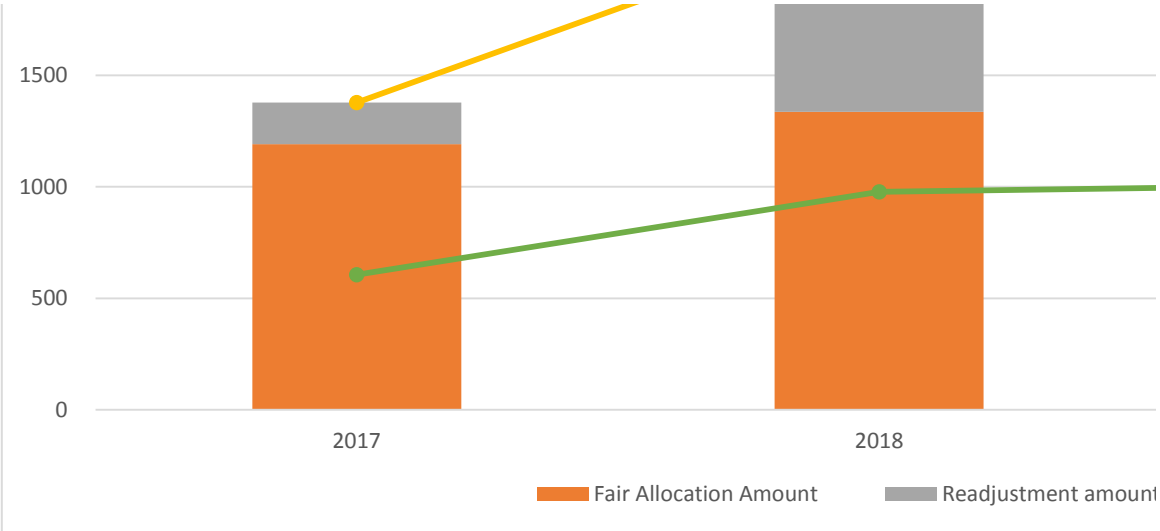
\$ nominal million	2017	2018	2019
Fair Allocation Amount	1191	1336	1064
Readjustment amount	188	885	1233
Total borrowing requirement including financing costs	1378	2221	2297
Accumulated borrowing requirement including financing costs		3599	5896
OPG Equity Injection (44%)*	606	977	1011

*This includes financing costs, which may need to be excluded upon further information available

Fiscalized

\$ nominal million	2017-18	2018-19	2019-20
Fair Allocation Amount	1580	1227	1014
Readjustment amount	358	997	1312
Total borrowing requirement including financing costs	1938	2224	2326
Accumulated borrowing requirement including financing costs		4162	6488
OPG Equity Injection (44%)*	853	979	1023





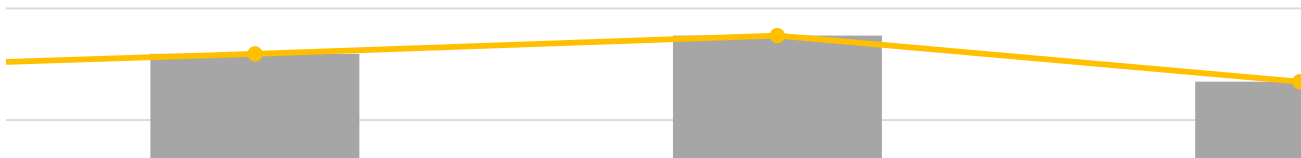
2018-Nov	2019-May	2019-Nov	2020-May	2020-Nov	2021-May	2021-Jul	2021-Nov	2022-May
2018	2019	2019	2020	2020	2021	2021	2021	2022
Nov	May	Nov	May	Nov	May	Jul	Nov	May
11	5	11	5	11	5	7	11	5
43405	43586	43770	43952	44136	44317	44378	44501	44682
43404	43585	43769	43951	44135	44316	44377	44500	44681
-562	-535	-462	-431	-348	-98	-213	-233	-197
-564	-617	-721	-781	-784	-250	-546	-697	-657
-1126	-1152	-1183	-1212	-1132	-348	-759	-930	-854

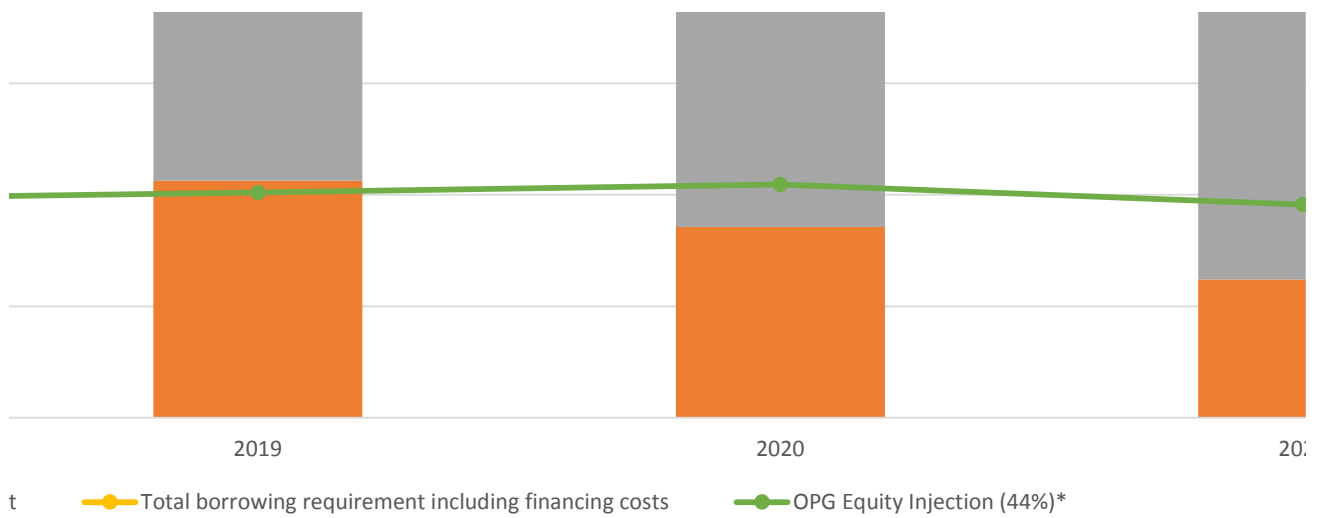
2020	2021
855	621
1523	1551
2378	2172
8274	10446
1046	956

2.

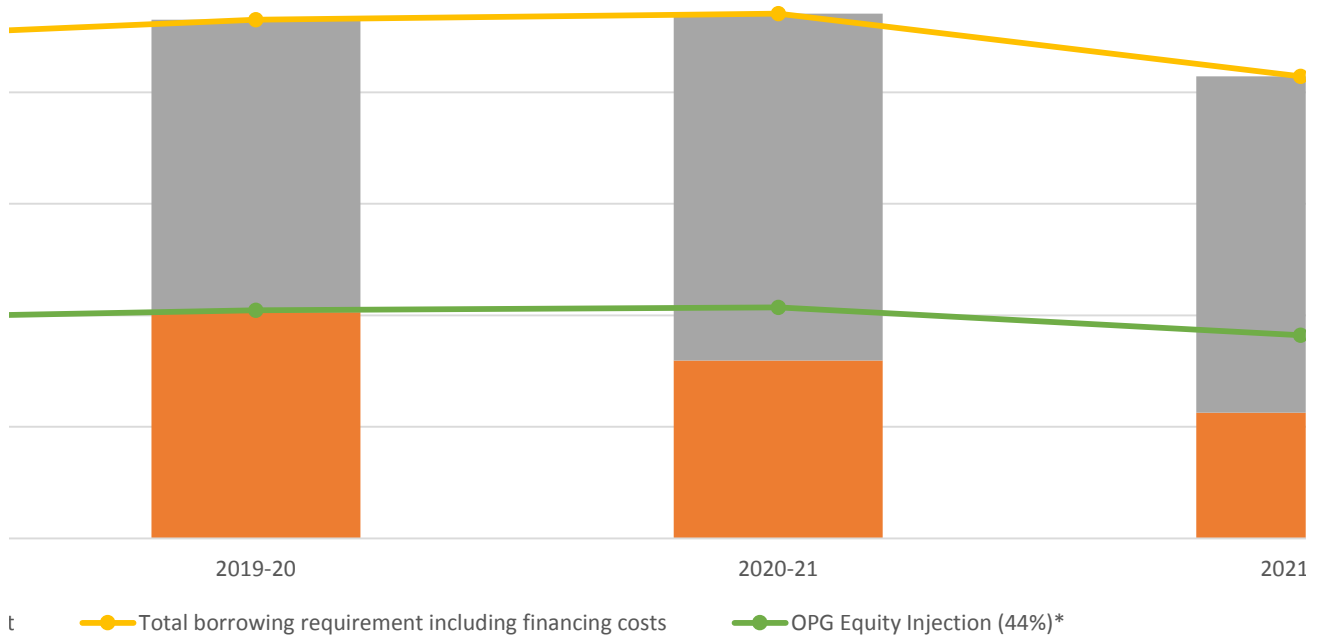
2020-21	2021-22
798	563
1555	1508
2353	2071
8840	10911
1035	911

Pro Plan GA Financing - Calendar Year

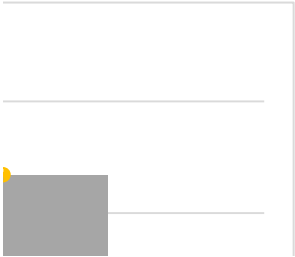


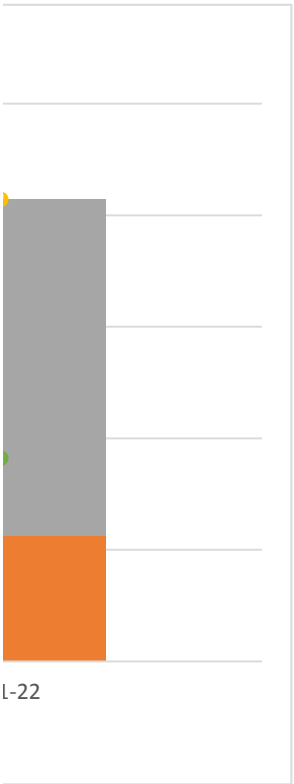
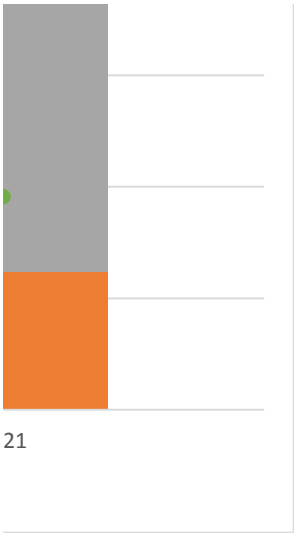


Windsor Plan GA Financing - Fiscal Year



2022-Nov	2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov
2022	2023	2023	2024	2024	2025.00	2025	2026	2026
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
44866	45047	45231	45413	45597	45778	45962	46143	46327
44865	45046	45230	45412	45596	45777	45961	46142	46326
-130	-98	-50	-27	21	45	95	121	141
-501	-429	-287	-220	-73				
-631	-527	-337	-247	-52	45	95	121	141





2027-May	2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May
2027	2027	2028	2028	2029	2029	2030	2030	2031
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
46508	46692	46874	47058	47239	47423	47604	47788	47969
46507	46691	46873	47057	47238	47422	47603	47787	47968
152	224	262	376	437	612	706	678	673
152	224	262	376	437	612	706	678	673

2031-Nov	2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov
2031	2032	2032	2033	2033	2034	2034	2035	2035
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
48153	48335	48519	48700	48884	49065	49249	49430	49614
48152	48334	48518	48699	48883	49064	49248	49429	49613
719	751	767	785	937	1024	1075	1113	1115
719	751	767	785	937	1024	1075	1113	1115

2036-May	2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May
2036	2036	2037	2037	2038	2038	2039	2039	2040
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
49796	49980	50161	50345	50526	50710	50891	51075	51257
49795	49979	50160	50344	50525	50709	50890	51074	51256
1129	1095	1091	1091	1105	992	948	848	809
1129	1095	1091	1091	1105	992	948	848	809

2040-Nov	2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov
2040	2041	2041	2042	2042	2043	2043	2044	2044
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
51441	51622	51806	51987	52171	52352	52536	52718	52902
51440	51621	51805	51986	52170	52351	52535	52717	52901
756	738	725	728	697	690	692	701	698
756	738	725	728	697	690	692	701	698

2045-May	2045-Nov	2046-May	2046-Nov	2047-May	2047.00
2045	2045	2046	2046	2047	
May	Nov	May	Nov	May	Nov
5	11	5	11	5	11
53083	53267	53448	53632	53813	53997
53082	53266	53447	53631	53812	53996
705	753	786	945	1376	
705	753	786	945	1376	

Equity Injection

44%

Biennial

\$ nominal million	2017-Jul 2017 Jul	2017-Nov 2017 Nov	2018-May 2018 May	2018-Nov 2018 Nov
	7	11	5	11
First Date	42917	43040	43221	43405
		43039	43220	43404
Fair Allocation Amount	-931	-779	-629	-562
Readjustment amount	-74	-341	-470	-564
Total borrowing requirement including financing costs	-1005	-1120	-1099	-1126
	\$1,539.67			

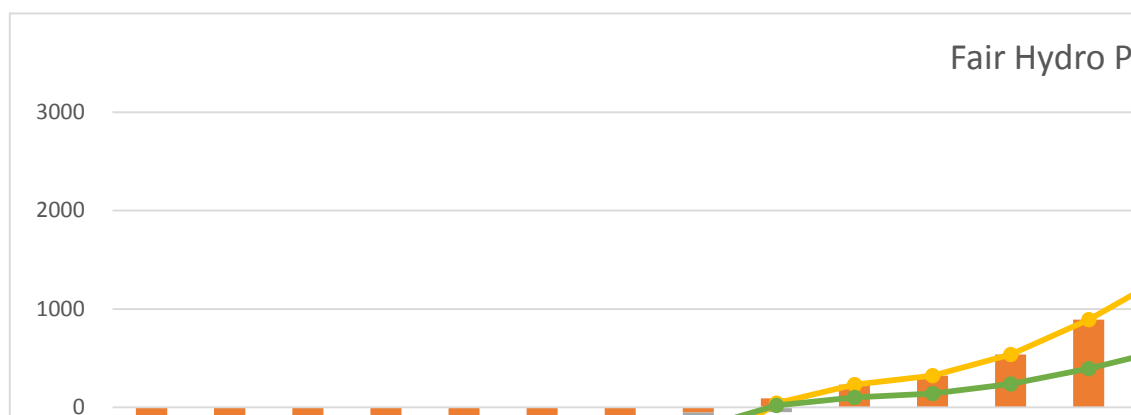
Annual

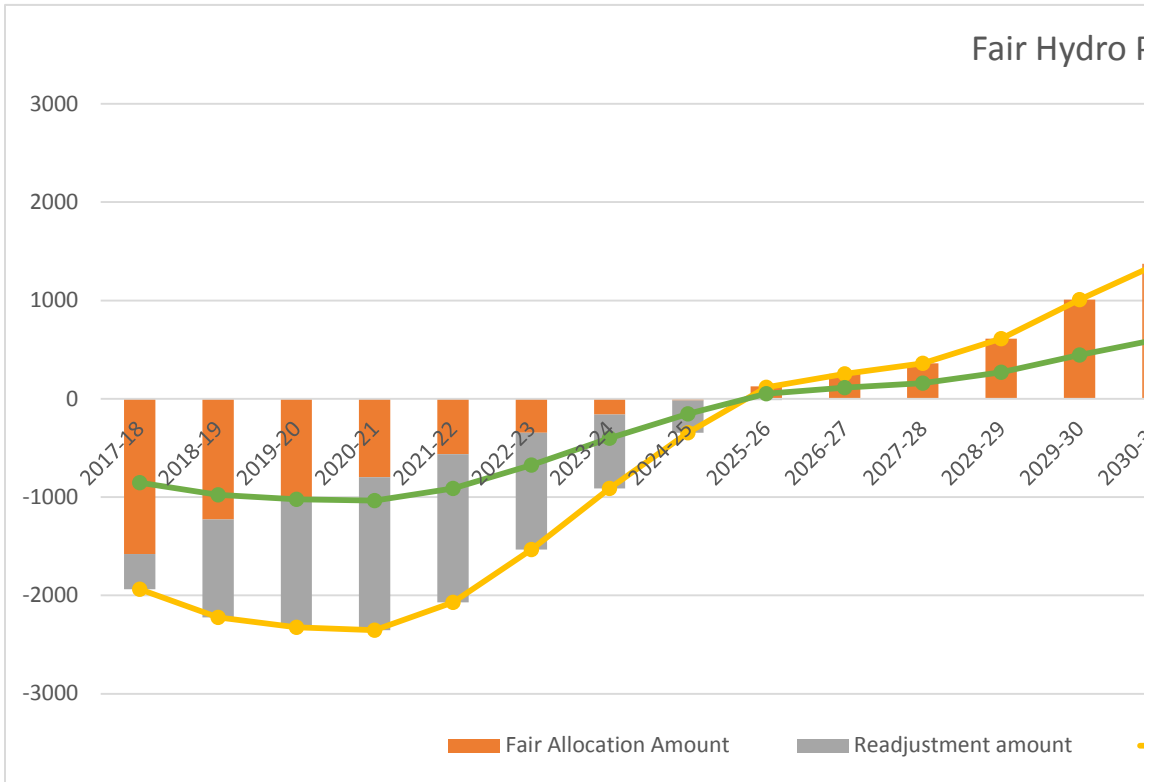
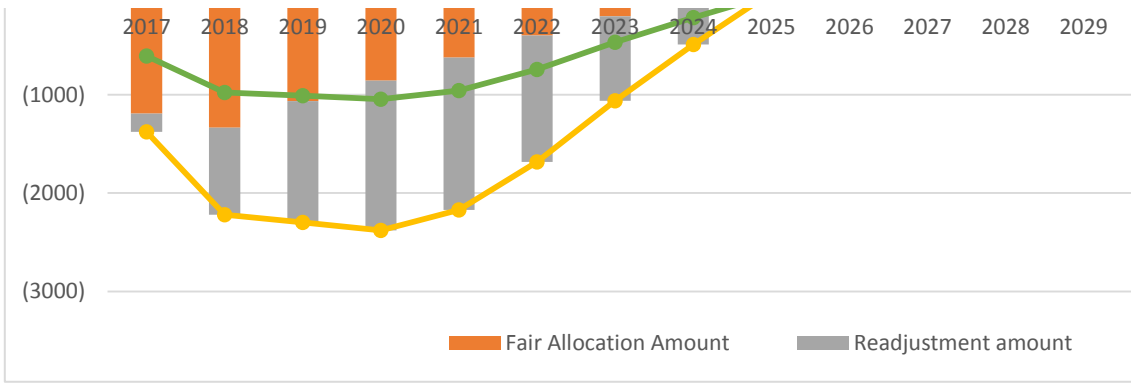
\$ nominal million	2017	2018	2019	2020
Fair Allocation Amount	(1191)	(1336)	(1064)	(855)
Readjustment amount	(188)	(885)	(1233)	(1523)
Total borrowing requirement including financing costs	(1378)	(2221)	(2297)	(2378)
OPG Equity Injection (44%)*	(606)	(977)	(1011)	(1046)

*This includes financing costs, which may need to be excluded upon further information available

Fiscalized

\$ nominal million	2017-18	2018-19	2019-20	2020-21
Fair Allocation Amount	-1580.167	-1227.167	-1013.6667	-798
Readjustment amount	-358.1667	-996.8333	-1311.8333	-1554.5
Total borrowing requirement including financing costs	-1938.333	-2224	-2325.5	-2352.5
OPG Equity Injection (44%)*	-852.8667	-978.56	-1023.22	-1035.1





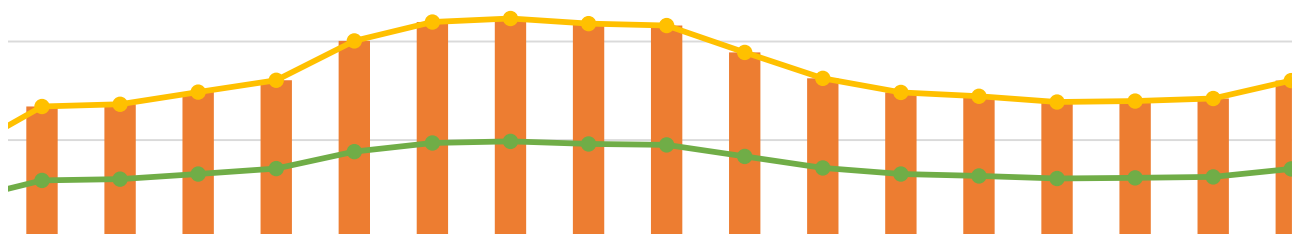
2019-May 2019 May	2019-Nov 2019 Nov	2020-May 2020 May	2020-Nov 2020 Nov	2021-May 2021 May	2021-Jul 2021 Jul	2021-Nov 2021 Nov	2022-May 2022 May	2022-Nov 2022 Nov
5	11	5	11	5	7	11	5	11
43586	43770	43952	44136	44317	44378	44501	44682	44866
43585	43769	43951	44135	44316	44377	44500	44681	44865
-535	-462	-431	-348	-98	-213	-233	-197	-130
-617	-721	-781	-784	-250	-546	-697	-657	-501
-1152	-1183	-1212	-1132	-348	-759	-930	-854	-631

2021	2022	2023	2024	2025	2026	2027	2028	2029
(621)	(396)	(201)	(53)	91	231	321	537	892
(1551)	(1289)	(859)	(436)	(49)	0	0	0	0
(2172)	(1684)	(1060)	(489)	42	231	321	537	892
(956)	(741)	(466)	(215)	18	102	141	236	392

ble.

2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
-563.1667	-344.1667	-161.3333	-17.83333	127.66667	254.333	362.1667	612.66667	1009.667
-1507.5	-1190.667	-751.6667	-328.6667	-12.16667	0	0	0	0
-2070.667	-1534.833	-913	-346.5	115.5	254.333	362.1667	612.66667	1009.667
-911.0933	-675.3267	-401.72	-152.46	50.82	111.907	159.3533	269.57333	444.2533

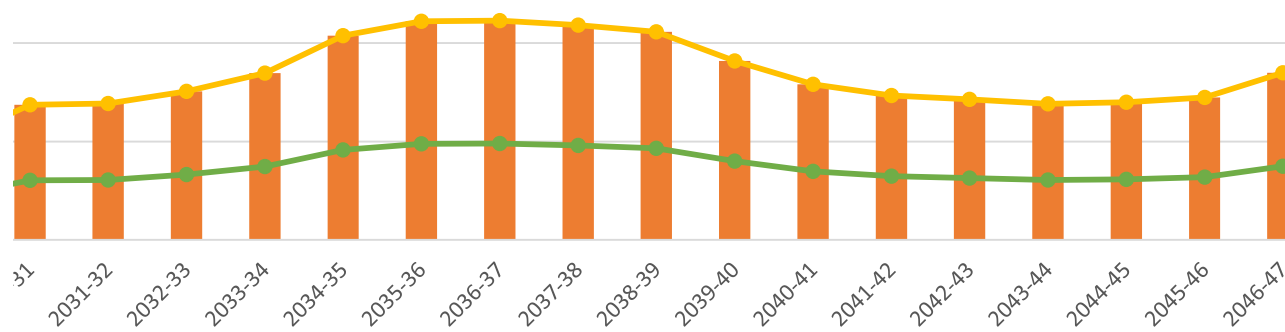
Ian GA Financing - Calendar Year



2030 2031 2032 2033 2034 2035 2036 2037 2038 2039 2040 2041 2042 2043 2044 2045 20

● Total borrowing requirement including financing costs ● OPG Equity Injection (44%)*

Plan GA Financing - Fiscal Year

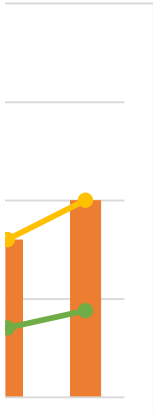


● Total borrowing requirement including financing costs ● OPG Equity Injection (44%)*

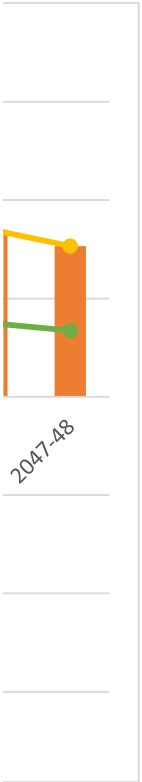
2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov	2027-May
2023	2023	2024	2024	2025.00	2025	2026	2026	2027
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
45047	45231	45413	45597	45778	45962	46143	46327	46508
45046	45230	45412	45596	45777	45961	46142	46326	46507
-98	-50	-27	21	45	95	121	141	152
-429	-287	-220	-73					
-527	-337	-247	-52	45	95	121	141	152

2030	2031	2032	2033	2034	2035	2036	2037	2038
1340	1365	1486	1609	2007	2201	2237	2185	2163
0	0	0	0	0	0	0	0	0
1340	1365	1486	1609	2007	2201	2237	2185	2163
590	600	654	708	883	969	984	961	952

2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39
1373	1385.167	1510	1693.667	2076	2221.333	2227.3333	2182.667	2113.5
0	0	0	0	0	0	0	0	0
1373	1385.167	1510	1693.667	2076	2221.333	2227.3333	2182.667	2113.5
604.12	609.4733	664.4	745.2133	913.44	977.3867	980.02667	960.3733	929.94



46 2047



2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May	2031-Nov
2027 Nov	2028 May	2028 Nov	2029 May	2029 Nov	2030 May	2030 Nov	2031 May	2031 Nov
11	5	11	5	11	5	11	5	11
46692	46874	47058	47239	47423	47604	47788	47969	48153
46691	46873	47057	47238	47422	47603	47787	47968	48152
224	262	376	437	612	706	678	673	719

224	262	376	437	612	706	678	673	719

2039	2040	2041	2042	2043	2044	2045	2046	2047
1892	1626	1484	1444	1385	1395	1421	1603	2006
0	0	0	0	0	0	0	0	0
1892	1626	1484	1444	1385	1395	1421	1603	2006
832	716	653	635	610	614	625	705	883

2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48
1820	1580.3333	1468.167	1429.6667	1382.833	1398	1448.833	1699	1533.5
0	0	0	0	0	0	0	0	0
1820	1580.3333	1468.167	1429.6667	1382.833	1398	1448.833	1699	1533.5
800.8	695.34667	645.9933	629.05333	608.4467	615.12	637.4867	747.56	674.74

2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov	2036-May
2032	2032	2033	2033	2034	2034	2035	2035	2036
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
48335	48519	48700	48884	49065	49249	49430	49614	49796
48334	48518	48699	48883	49064	49248	49429	49613	49795
751	767	785	937	1024	1075	1113	1115	1129
751	767	785	937	1024	1075	1113	1115	1129

2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May	2040-Nov
2036	2037	2037	2038	2038	2039	2039	2040	2040
Nov	May	Nov	May	Nov	May	Nov	May	Nov
11	5	11	5	11	5	11	5	11
49980	50161	50345	50526	50710	50891	51075	51257	51441
49979	50160	50344	50525	50709	50890	51074	51256	51440
1095	1091	1091	1105	992	948	848	809	756
1095	1091	1091	1105	992	948	848	809	756

2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov	2045-May
2041	2041	2042	2042	2043	2043	2044	2044	2045
May	Nov	May	Nov	May	Nov	May	Nov	May
5	11	5	11	5	11	5	11	5
51622	51806	51987	52171	52352	52536	52718	52902	53083
51621	51805	51986	52170	52351	52535	52717	52901	53082
738	725	728	697	690	692	701	698	705
738	725	728	697	690	692	701	698	705

2045-Nov	2046-May	2046-Nov	2047-May	
2045	2046	2046	2047	2047.00
Nov	May	Nov	May	Nov
11	5	11	5	11
53267	53448	53632	53813	53997
53266	53447	53631	53812	53996
753	786	945	1376	
753	786	945	1376	

\$ nominal million	2017-Jul	2017-Nov	2018-May	2018-Nov
Fair Allocation Amount	-931	-779	-629	-562
Readjustment amount	-74	-341	-470	-564
Total borrowing requirement including financing costs	-1005	-1120	-1099	-1126

2019-May	2019-Nov	2020-May	2020-Nov	2021-May	2021-Jul	2021-Nov	2022-May	2022-Nov
-535	-462	-431	-348	-98	-213	-233	-197	-130
-617	-721	-781	-784	-250	-546	-697	-657	-501
-1152	-1183	-1212	-1132	-348	-759	-930	-854	-631

2023-May	2023-Nov	2024-May	2024-Nov	2025-May	2025-Nov	2026-May	2026-Nov	2027-May
-98	-50	-27	21	45	95	121	141	152
-429	-287	-220	-73					
-527	-337	-247	-52	45	95	121	141	152

2027-Nov	2028-May	2028-Nov	2029-May	2029-Nov	2030-May	2030-Nov	2031-May	2031-Nov
224	262	376	437	612	706	678	673	719

224	262	376	437	612	706	678	673	719

2032-May	2032-Nov	2033-May	2033-Nov	2034-May	2034-Nov	2035-May	2035-Nov	2036-May
751	767	785	937	1024	1075	1113	1115	1129

751	767	785	937	1024	1075	1113	1115	1129

2036-Nov	2037-May	2037-Nov	2038-May	2038-Nov	2039-May	2039-Nov	2040-May	2040-Nov
1095	1091	1091	1105	992	948	848	809	756

1095	1091	1091	1105	992	948	848	809	756

2041-May	2041-Nov	2042-May	2042-Nov	2043-May	2043-Nov	2044-May	2044-Nov	2045-May
738	725	728	697	690	692	701	698	705

738	725	728	697	690	692	701	698	705

2045-Nov	2046-May	2046-Nov	2047-May
753	786	945	1376

753	786	945	1376