APPENDIX "B"

Contingent Liabilities

Request for Approval of Minister of Finance Pursuant to Section 28 of the *Financial Administration Act* (Ontario)

Contingent Liability	Description/ Explanation	Justification	Risk Trigger	Within Area of Control (Yes/No)	Probability of Liability (High/Medium/ Low)	Duration of Liability (Include End Date)	Maximum Estimated Financial Exposure	If Exposure Not Quantified, Why?	Risk Mitigants (Mitigation Strategy)	Impact of Non-Approval
Indemnity to the OPG, OPG's subsidiaries (not including the financing entities as defined in the *Ontario Fair Hydro Plan Act, 2017*) and their respective directors, officers and employees (the "Protected Persons") to indemnify, defend, and save harmless the Protected Persons from and against all losses, costs, damages, charges, expenses, demands, liabilities, fines, penalties, judgments and/or settlement amounts directly or indirectly suffered, sustained or incurred by a Protected Person, including any special, indirect, incidental, punitive, exemplary and/or consequential damages and/or loss of	On June 1, 2017 the *Ontario Fair Hydro Plan Act, 2017* (the "Act") received Royal Assent. Under the Act, the implementation of the Ontario Fair Hydro Plan will require the participation of the Ontario Power Generation ("OPG"). OPG has requested an indemnity covering their respective corporation, corporation's subsidiaries (not including any financing entities as defined under the Act) and their respective directors, officers and employees against any claims that may arise in relation to their respective roles with respect to the Ontario Fair Hydro Plan. The Indemnity provides a carve out for acts of gross negligence, dishonesty and willful misconduct.	Providing this indemnity will facilitate OPG in carrying out its role in implementing the Ontario Fair Hydro Plan.	Claim, loss or costs incurred by OPG or its subsidiaries (not include the financing entities as defned under the Act), or their respective directors, officers or employees in carrying out their respective roles with respect to implementing the Ontario Fair Hydro Plan.	No	The Probability of risk of liability for the Province is low with respect to the directors, officers and employees; and medium with respect to the corporations themselves.	No specified end date.	Maximum financial exposure is uncertain as there various sources and types of potential claims. It is expected, however, that the largest liability risks would be related to potential losses related to OPG special purpose entity's debt offerings. The maximum financial exposure, therefore, would likely be linked to the amount of OPG special purpose entities debt offerings.	The risk is theoretical and cannot be quanitified.	The Indemnity is limited specifically to claims arising in relation to the Protected Persons' respective roles in implementing the Ontario Fair Hydro Plan under the *Ontario Fair Hydro Plan Act, 2017* , its respective regulations or the agreements (A) relating to any financing entity (as defined in the Act) and/or any debt issued by any such financing entity and/or (B) to which any such financing entity is a party. The Indemnities do not apply with respect to Losses to the extent which coverage is paid under insurance, to the extent which indemnification is already provided under any other indemnity or is brought about by the dishonesty, gross negligence or willful misconduct of the Protected Persons.	Could jeopordize the successful implementation of the Ontario Fair Hydro Plan.

Contingent Liability	Description/ Explanation	Justification	Risk Trigger	Within Area of Control (Yes/No)	Probability of Liability (High/Medium/ Low)	Duration of Liability (Include End Date)	Maximum Estimated Financial Exposure	If Exposure Not Quantified, Why?	Risk Mitigants (Mitigation Strategy)	Impact of Non-Approval
Indemnity to the IESO, its directors, officers, members of a committee or panel established by the directors, and employees (the "Protected Persons") to indemnify, defend, and save harmless the Protected Persons from and against all losses, costs, damages, charges, expenses, demands, liabilities, fines, penalties, judgments and/or settlement amounts directly or indirectly suffered, sustained or incurred by a Protected Person, including any special, indirect, incidental, punitive, exemplary and/or consequential damages and/or loss of profits and damages in respect of economic loss and/or loss of	On June 1, 2017 the *Ontario Fair Hydro Plan Act, 2017* (the "Act") received Royal Assent. Under the Act, the implementation of the Ontario Fair Hydro Plan will require the participation of the IESO. The Act would impose certain obligations and requirements on IESO to carry out various activities in relation to the implementation of the Ontario Fair Hydro Plan such as the creation of a regulatory asset in relation to the GA financing component of the Ontario Fair Hydro Plan, the conveyance of that asset to OPG's financing entity (the SPV) and providing a servicing role in recovering OPG's funding costs from future ratepayers. IESO may also be required to play a role in potential securities offerings of OPG's financing entity. IESO has requested an indemnity covering it, and its respective directors, officers	Providing this indemnity will facilitate IESO in carrying out its role in implementing the Ontario Fair Hydro Plan.	Claim, loss or costs incurred by the IESO, its directors (including a member of a committee or panel established by the directors), officers or employees in carrying out their respective roles with respect to implementing the Ontario Fair Hydro Plan.	No	The Probability of risk of liability for the Province is low with respect to the directors (inlucidng a member of a committee or panel established by the directors), officers and employees; and medium with respect to the corporation itself.	No specified end date.	Maximum financial exposure is uncertain as there various sources and types of potential claims. It is expected, however, that the largest liability risks would be related to potential losses related to OPG special purpose entity's debt offerings. The maximum financial exposure, therefore, would likely be linked to the amount of OPG special purpose entities debt offerings.	The risk is theoretical and cannot be quanitified.	The Indemnity is limited specifically to claims arising in relation to the Protected Persons' respective roles in implementing the Ontario Fair Hydro Plan under the Act, its respective regulation, and/or any agreements relating to the implementation of the Act or regulations, including with any financing entity (as defined in the Act). The Indemnities do not apply with respect to Losses to the extent which coverage is paid under insurance, to the extent which indemnification is already provided under any other indemnity or is brought about by the dishonesty, gross negligence or willful misconduct of the Protected Persons.	Could jeopordize the successful implementation of the Ontario Fair Hydro Plan.