

Project Backgrounder: The Financial Impact of the Fair Hydro Plan

(FAO ref: FA1710)

The objective of this project is to provide Members of Provincial Parliament (MPPs) with an estimate of the financial impact of the Province's Fair Hydro Plan.

The report would answer the following key questions:

- **What is the financial impact over 30 years to electricity ratepayers of the Fair Hydro Plan?**
- **What is the financial (fiscal) impact over 30 years to the Province of the Fair Hydro Plan?**
 - o How will the Province's income statement, including surplus and/or deficit, be affected?
 - o How will the Province's balance sheet (assets, liabilities and net debt) be affected?
- **What is the financial impact of using Ontario Power Generation to conduct financing operations rather than the Ontario Electricity Financial Corporation?**

Scope:

This report will not evaluate or opine on the policy rationale for the FHP or any measure therein.

FAO will not undertake economic, environmental or other impacts associated with the FHP.