

**SCHEDULE 2
FORM OF ELECTION NOTICE*****

Date: November 17, 2017

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "**Agreement**", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue all or a portion of an Advance for an additional term, and in that connection with such election, sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

- (a) The date of the proposed election, being a Business Day is November 21, 2017
- (b) The aggregate amount of the new loan is \$0.00
 - i. previous principal amount: \$825,639,102.00
 - ii. repayment: \$825,639,102.00
- (c) The new Repayment Date applicable to such Advance is None

IESO confirms it will also be paying interest in the amount of \$882,189.73.
This transaction relates to the settlement of the Regulated Price Plan (RPP) variance.

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management (416) 325-8108.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement, and are not being used for any other purpose.

Yours truly,
INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: 

Kimberly Marshall
VP Corporate Services, CFO and Treasurer