

MONTHLY CARRYING COSTS STATEMENT

TO: INDEPENDENT ELECTRICITY SYSTEM OPERATOR
120 Adelaide Street West, Suite 1600
Toronto, Ontario M5H 1T1

Attention: Chief Financial Officer, General Counsel and Associate General Counsel
Email:

Reference is made to the master transfer and servicing agreement made as of December 15, 2017 (as the same may be amended, restated, supplemented or otherwise modified from time to time, the “**Master Transfer and Servicing Agreement**”) between **FAIR HYDRO TRUST**, a trust formed under the laws of the Province of Ontario (the “**Issuer**”) and the **INDEPENDENT ELECTRICITY SYSTEM OPERATOR** (“**Transferor**” in its capacity as transferor, “**Servicer**”, in its capacity as servicer, and “**IESO**” in its capacity as both Transferor and Servicer), a statutory corporation without share capital amalgamated under the laws of the Province of Ontario. Capitalized terms used but not defined in this Monthly Carrying Costs Statement have their respective meanings as set forth in the Master Transfer and Servicing Agreement.

Pursuant to Section 3.14 of the Master Transfer and Servicing Agreement, the undersigned hereby certifies that the Monthly Carrying Costs (including any adjustments pursuant to Section 3.14(d)) in respect of the calendar month of December, 2017 are expected to be as follows:

Item	Amount
Financing cost – interest on warehouse debt	3,200,000.00
Financing cost – upfront and standby fees on warehouse debt	1,800,000.00
Financing cost – rating agency, trustee and other amounts	1,000,000.00
Total carrying cost	6,000,000.00

In accordance with Section 3.14(c) of the Master Transfer and Servicing Agreement, the undersigned hereby directs you to deliver to the Issuer, by wire transfer or electronic funds transfer to the account set forth below, an amount in Canadian dollars equal to the Monthly Carrying Costs set forth above on or before December 19, 2017, and this shall be your good and valid authority for so doing.

[NTD: Wire transfer instructions to be provided by OPG.]

DATED this 15th day of December, 2017.

FAIR HYDRO TRUST, by its Manager,
**ONTARIO POWER GENERATION
INC.**

By: _____
Name:
Title:

By: _____
Name:
Title: