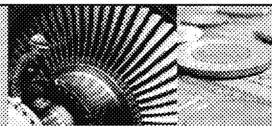
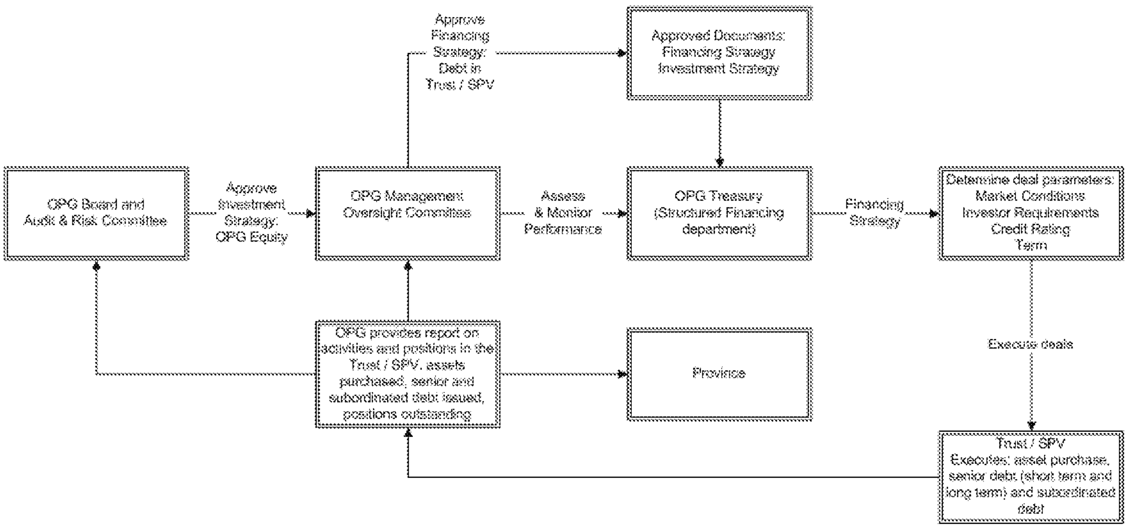


Appendix 1
Fair Hydro Trust – Control & Operating Framework

- Objective is to provide appropriate oversight of OPG's activities on financing and management services to the Trust / SPV and to provide sufficient separation between the OPG Board and the Trust / SPV.
- Investment Strategy provides the expected requirements to fund Trust / SPV subordinated debt through 1) the special class of equity from the Province, and 2) external debt issued by OPG.
- Financing Strategy provides the parameters for deal execution whereby deals outside of these parameters are reported along with an explanation.
- OPG Board's primary accountability is approval of the Investment Strategy.
- Management Oversight Committee primary accountabilities are approval of the Trust's Financing Strategy and assessing performance against the strategy.



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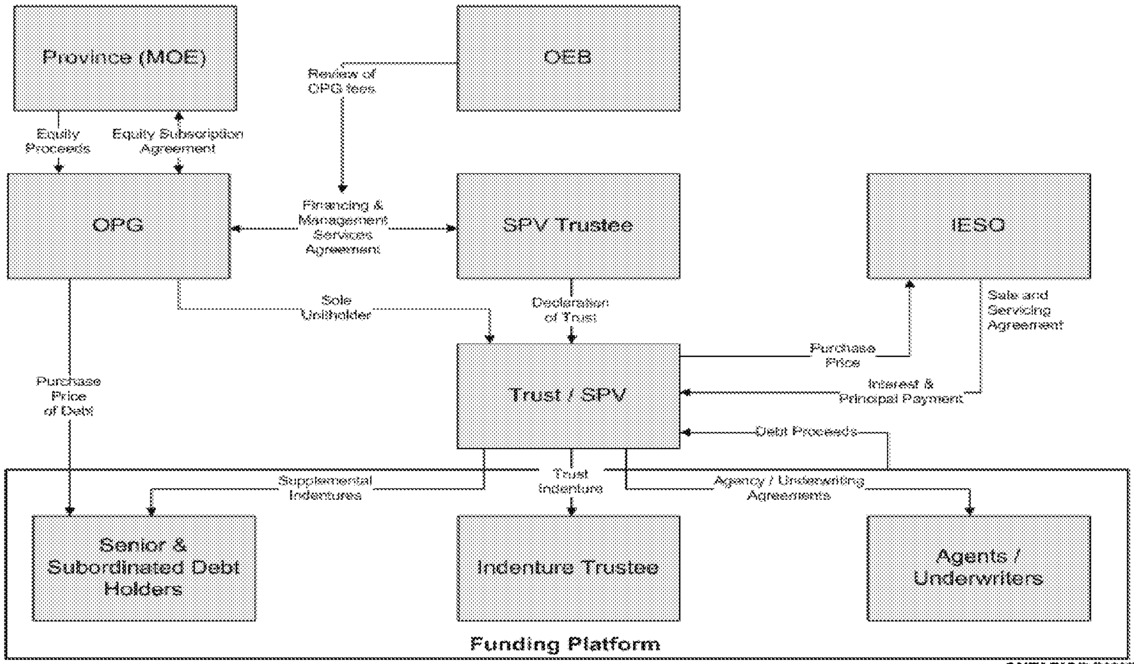
Appendix 2
Fair Hydro Trust – Legal & Structural Framework

- OPG accountabilities with respect to Trust activities are established at Trust inception through Financing & Management Services Agreement
- Program activities are managed consistent with:
  - Investment Strategy for OPG's participation in the Trust [reviewed by OPG Management Oversight Committee] approved by OPG Board, and
  - Financing Strategy for the Trust [approved by OPG Management Oversight Committee]



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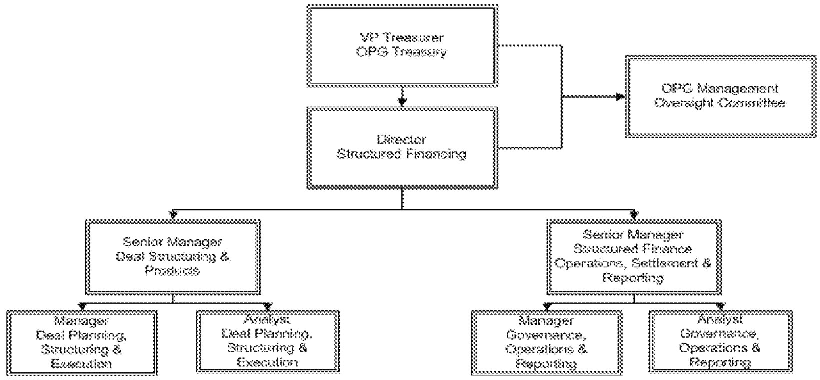
Appendix 3
Fair Hydro Trust – OPG Operating Structure



- Prepare SPV Financing Strategy – approach to financing for the next business plan period
- Prepare OPG Investment Strategy – subordinated debt funded by equity injection from Province
- Arrange Financing Facilities – ABCP, credit facility, credit lines, term debt, CDA/US markets, currency hedging
- Develop and maintain Financing Model
- Assess SPV capacity for asset purchase
- Develop proposal for financing of asset purchase – products used, term, market
- Develop plan for transitioning short term debt to longer term debt
- Manage overall debt portfolio
- Determine repayment profile of existing and planned debt
- Determine recovery profile from customers
- Maintain portfolio of available products – ABCP, commercial paper, bank facility, term debt, swaps
- Arrange acquisition of regulatory asset
- Arrange issuance of financing for asset purchase including senior debt, subordinated debt and OPG debt
- Manage documentation required for deal execution
- Manage financing agreements

- Manage transaction settlement
- Assess consistency with Fair Allocation Plan
- Monitor SPV financing limits – instrument, term, market
- Monitor governance components and compliance
- Report exceptions to Management Oversight Committee and/or OPG Board
- Arrange financial advisory services, legal services and credit rating services
- Arrange additional OPG equity to finance subordinated debt
- Manage reporting to OPG Management Oversight Committee, OPG Board, Province (OEB, MOE, MOF, Treasury Board)
- Manage accounting and reporting processes.
- Manage invoicing of IESO for trust operating, financing and administration costs [may be done through sub-agent]
- Manage payment of trust operating, financing and administration costs [may be done through sub-agent]
- Verify trust operating, financing and administration costs

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