Message

From: HARTWICK Ken -FINANCE [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=78BFB008D47F44FFA1344207E5DA97CE-HARTWICK KE]
Sent: 2/7/2018 1:32:27 PM
To: Lisa DeMarco [Lisa@demarcoallan.com]
Subject: RE: EXTERNAL – Fwd: OPG: Fair Hydro Trust Bond Issued Today

Lisa
Thanks for the note. You will be pleased to hear that one of my objectives for the year is to achieve leading disclosure (not good or middle of the pack but top decile) in this area by the time we report at year end 2018. I do listen on the topic and have actually developed a belief (like you) that this can be to OPG's advantage. With FHP now up and running the team is turning to a special project in this area to achieve this goal. In my view I want to go beyond just reporting the information and include why it is relevant to an investor/customer/stakeholder.

Net we are on the same path. I think it is a lot of work but the team is very excited to tackle the challenge. We are going to try to build quarter to quarter with YE being first class. That is our goal and perhaps with a few misses and resets we are going to get there.

Ken

From: Lisa DeMarco [mailto:Lisa@demarcoallan.com]
Sent: Wednesday, February 07, 2018 1:19 PM
To: HARTWICK Ken -FINANCE <ken.hartwick@opg.com>
Subject: EXTERNAL – Fwd: OPG: Fair Hydro Trust Bond Issued Today

*** Exercise caution. This is an EXTERNAL email. DO NOT open attachments or click links from unknown senders or unexpected email. ***

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Begin forwarded message:

From: Bill Coley <bcoley1@carolina.rr.com>
Date: February 7, 2018 at 3:10:29 AM MST
To: Lisa DeMarco <Lisa@demarcoallan.com>
Cc: KING Catriona -OFFCORPSEC <catriona.king@opg.com>, Bernard Lord <bernardlord@outlook.com>, George Lewis <m.george.lewis@gmail.com>, "Gerry Phillips" <gerryphillips@rogers.com>, Jim Reinsch <ejreinsch@aol.com>, "Joe Sheppard" <jamesjsheppard@prodigy.net>, John Herron <johnnyfish711@gmail.com>, JP Gladu <jpgladu@ccab.com>, "LYASH Jeffrey -PRESIDENT" <jeffrey.lyash@opg.com>, Peggy Mulligan <peggy.mulligan120@gmail.com>, Wendy Kei <wkei@rogers.com>, Yezdi Pavri <ypavri@retired.deloitte.ca>, "ani.hotoyanjoly@gmail.com" <ani.hotoyanjoly@gmail.com>, David Abbot <dabbott@ccab.com>, "HOILETT Rosemarie -PRESIDENT" <rosemarie.hoilett@opg.com>, Katherine Watson <katherine@demarcoallan.com>, Susan Herron <mrsh7272@me.com>, "HARTWICK Ken -FINANCE" <ken.hartwick@opg.com>, ROWE Jennifer -CORPAFFAIRS <jennifer.rowe@opg.com>, MATHIAS Carlton -OFFCORPSEC <carlton.mathias@opg.com>
Subject: Re: OPG: Fair Hydro Trust Bond Issued Today

Well done!

Sent from my iPad

On Feb 6, 2018, at 8:22 PM, Lisa DeMarco <Lisa@demarcoallan.com> wrote:

Wow. Demand also 4 times greater than offer? Rate. Wow.

Very impressive work.

L.

Elisabeth (Lisa) DeMarco, B.Sc.(Hon), M.Sc., LL.B., M.S.E.L
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On Feb 6, 2018, at 4:23 PM, KING Catriona -OFFCORPSEC <catriona.king@opg.com> wrote:

The following correspondence is sent on behalf of Ken Hartwick, SVP Finance and CFO:

To: OPG Board of Directors

Today, OPG successfully issued the first Fair Hydro Trust (FHT) bonds. The transaction was for $500M for a 15 year term with a coupon of 3.357% which is 92 bps over the Government of Canada bonds or 24 bps over the Province of Ontario. For comparison purposes, Hydro One would be 15 bps higher than FHT and OPG would be 41 bps higher than FHT. This means that the FHT has the lowest cost financing in the energy sector across Canada.

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The attached slide provides a summary of the deal. Feel free to contact me if you require any additional information.

Ken Hartwick
SVP, Finance and CFO
Ontario Power Generation

<FHT - Case Study (CIBC) - February 2018.pptx>