

Message

From: LADAK Lubna -TREASURY [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=3A66883DDAEE446BBDB6B34D4A0C3D09-LADAK LUBNA]
Sent: 06/04/2018 4:43:10 PM
To: HARTWICK Ken -FINANCE [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=78bfb008d47f44ffa1344207e5da97ce-HARTWICK Ke]
CC: LAURETA LAPIRA May -TREASURY [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=049a3a939c8c47f4904a2485475913fa-LAURETA LAP]; MAUTI John -FIN & C CTRL [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=b282b6c298514fca80b0c455fca1ac78-MAUTI John]
Subject: RE: Globe & Mail Questions
Attachments: OPG Globe response - MO review LL.docx; Responses to Questions from MO.docx

Neal told me this morning he thinks it's a bigger story. Attached is the current draft of our responses to the reporter's questions, which addresses comments from the Minister's Office. Their comments weren't significant.

Our responses to questions from the Minister's Office are attached in the second file.

New questions from the reporter with draft responses are below:

- When will the Fair Hydro Trust's first set of financial statements be published? **The first set of the Trust's financial statements is for the 12-day period ended December 31, 2017. Since the Fair Hydro Trust is a private entity, the financial statements are not required to be publicly posted. However, the Trust's Earnings Before Interest & Taxes are disclosed in the segmented information note to OPG's quarterly and annual financial statements.**
- When will the first audited set of FHT financial statements be published? **As noted in the previous response, the financial statements of the Trust are not required to be publicly posted. The audited annual and unaudited quarterly financial statements are required to be delivered to the Indenture Trustee and credit rating agencies 140 days after year end and 90 days after each quarter end.**
- Who's auditing the FHT's books? **OPG, as the Financial Services Manager, appointed Ernst & Young to perform the audit of the Trust's 2017 financial statements. The audit is currently ongoing.**
- How are the borrowing of the FHT recorded on OPG's books? **As OPG owns the subordinated debt of the Trust, OPG's consolidated financial statements only reflect the senior debt issued to external investors. For OPG's 2017 financial statements, senior notes payable of \$601 million is reflected as Long-term debt. This amount represents 51% of the total financing receivable asset acquired from the IESO of \$1.179 billion.**

Lubna Ladak | VP Treasury - FHP | Ontario Power Generation
700 University Avenue, Toronto, Ontario M5G 1X6 | 416-592-5984 | Cell 416-578-0219 | Fax 416-592-4189
lubna.ladak@opg.com

From: HARTWICK Ken -FINANCE
Sent: Friday, April 06, 2018 3:54 PM
To: LADAK Lubna -TREASURY <lubna.ladak@opg.com>
Subject: Re: Globe & Mail Questions

ok so perhaps a bigger story than originally thought. Can I see the new questions. We should try to get answers back monday or tuesday. Out of interest why are we clearing them past the province? Did the province have any relevant comments on the first set?

From: LADAK Lubna -TREASURY
Sent: Friday, April 6, 2018 3:52:33 PM
To: HARTWICK Ken -FINANCE
Subject: RE: Globe & Mail Questions

Ken,
The reporter just sent 4 more questions regarding availability of the Trust's financial statements, and how the Trust's financing costs are recorded in OPG's financial statements.
Neal told him we would send answers to his original questions as well as these new ones early next week.

Lubna Ladak | VP Treasury - FHP| Ontario Power Generation
700 University Avenue, Toronto, Ontario M5G 1X6 | 416-592-5984 | Cell 416-578-0219 | Fax 416-592-4189
lubna.ladak@opg.com

From: LADAK Lubna -TREASURY
Sent: Friday, April 06, 2018 1:18 PM
To: HARTWICK Ken -FINANCE <ken.hartwick@opg.com>
Subject: Re: Globe & Mail Questions

Energy has them right now, and Neal will send them to all of us shortly.

Get Outlook for iOS

From: HARTWICK Ken -FINANCE
Sent: Friday, April 6, 2018 12:39:22 PM
To: LADAK Lubna -TREASURY
Subject: Re: Globe & Mail Questions

Can I get an email with the final version of the questions and answers. Thanks

Get Outlook for iOS

From: HARTWICK Ken -FINANCE
Sent: Friday, April 6, 2018 12:10:46 PM
To: LADAK Lubna -TREASURY
Subject: Re: Globe & Mail Questions

Ok and thanks

Get Outlook for iOS

From: LADAK Lubna -TREASURY
Sent: Friday, April 6, 2018 11:39:22 AM
To: HARTWICK Ken -FINANCE
Subject: Globe & Mail Questions

Ken,

Jennifer is doing a final review of our responses to the reporter's questions. The Minister's Office also asked some questions, which I provided responses to, and Jennifer is reviewing.

Neal will reach out to the reporter this afternoon and offer to have a conversation off the record. He'll let us know if a call will take place or not.

Lubna Ladak | VP Treasury - FHP| Ontario Power Generation

700 University Avenue, Toronto, Ontario M5G 1X6 | 416-592-5984 | Cell 416-578-0219 | Fax 416-592-4189

lubna.ladak@opg.com