

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Newmarket-Tay Power Distribution Ltd.

We have audited the accompanying schedule of the RSVA variance accounts of Newmarket-Tay Power Distribution Ltd., for the period from January 1st, 2013 to December 31st, 2017, and a summary of significant accounting policies and other explanatory information, hereby referred to as "the financial schedule". The financial schedule has been prepared by management in accordance with Article 490 of the Accounting Procedures Handbook for Electricity Distributors as published by the Ontario Energy Board effective January 1, 2012 and Guidance, and Frequently Asked Questions issued by the Ontario Energy Board from time to time.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial schedule of Newmarket-Tay Power Distribution Ltd. in accordance with Article 490 of the Accounting Procedures Handbook for Electricity Distributors as published by the Ontario Energy Board effective January 1, 2012 and Guidance, and Frequently Asked Questions issued by the Ontario Energy Board from time to time, and for such internal control as management determines is necessary to enable the preparation of the financial schedule of Newmarket-Tay Power Distribution Ltd. that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this statement based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial schedule of Newmarket-Tay Power Distribution Ltd. is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial schedule. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the schedule, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the schedule in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial schedule.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial schedule of Newmarket-Tay Power Distribution Ltd., for the period from January 1st, 2013 to December 31st, 2017 is prepared, in all material respects in accordance with Article 490 of the Accounting Procedures Handbook for Electricity Distributors as published by the Ontario Energy Board effective January 1, 2012 and Guidance and Frequently Asked Questions issued by the Ontario Energy Board from time to time.

Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to the Note 1 to the financial schedule which describes the basis of accounting. This financial schedule is prepared by Newmarket-Tay Power Distribution Ltd. in order to comply with the financial reporting provisions of the Ontario Energy Board, in accordance with Article 490 of the Accounting Procedures Handbook for Electricity Distributors. As a result, this financial schedule may not be suitable for another purpose and should not be distributed to parties other than Newmarket-Tay Power Distribution Ltd. or the Ontario Energy Board.

Collins Barrow Kawarthas LLP

Chartered Professional Accountants
Licensed Public Accountants

Peterborough, Ontario
November 2, 2018