

Re: Meeting with Cindy

From: "Ghiassi, Ali (MOF)" <"o=govon/ou=exchange administrative group (fydibohf23spdlt)/cn=recipients/cn=ghiassi, ali (mof)0ef">
To: "Nguyen, Marianne (MOF)" <marianne.nguyen@ontario.ca>
Date: Tue, 31 Jan 2017 19:09:14 -0500

Thx

Ali Ghiassi
Chief of Staff
Minister of Finance
416.948.5409

> On Jan 31, 2017, at 7:04 PM, Nguyen, Marianne (MOF) <Marianne.Nguyen@ontario.ca> wrote:

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> Gadi said they would try to include that as well. Ron Kwan received additional data late today that he will use to run through a number of models.

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> Original Message
> From: Ghiassi, Ali (MOF)
> Sent: Tuesday, January 31, 2017 7:02 PM
> To: Nguyen, Marianne (MOF)
> Subject: Re: Meeting with Cindy

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>
> Ok thanks. How does this impact debt financing?

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> Ali Ghiassi
> Chief of Staff
> Minister of Finance
> 416.948.5409

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>> On Jan 31, 2017, at 6:51 PM, Nguyen, Marianne (MOF) <Marianne.Nguyen@ontario.ca> wrote:

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>> Cindy said that while KPMG may argue that we can create an asset and use an analogy to liken it to a private sector example, she recommends the asset is not consolidated - the key reasons being that we can neither access rate-based accounting nor meet other necessary standards.

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>> There was consensus today that while we ideally should use private sector funding (at a reasonable rate) to create the asset to facilitate risk transfer, that is highly unlikely. A third party entity would likely demand a provincial guarantee so it makes more sense to finance it ourselves initially and then move to securitize the asset over time.

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>> The Deputy had concerns over the slow movement in developing this policy and ongoing uncertainty over the fiscal impact. He is pushing to have a clearer estimate before the meeting with the Premier next week so that a more informed fiscal plan conversation can take place.

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>> The OFA is working to put together some numbers, hopefully by tomorrow, on how much the cumulative ratepayer benefit will be and how much borrowing will cost over the 30 years at different interest rate assumptions.

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>> Finally, there will be another accounting meeting on Thursday.

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>> Original Message
>> From: Ghiassi, Ali (MOF)
>> Sent: Tuesday, January 31, 2017 6:31 PM

>> To: Nguyen, Marianne (MOF)
>> Subject: Meeting with Cindy
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>> How did the meeting go?
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>> Ali Ghiassi
>> Chief of Staff
>> Minister of Finance
>> 416.948.5409
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