RE: Did we ever do a BK back in 2015 about the deferred tax asset piece?

From: "Schlaepfer, Martin (ENERGY)" <martin.schlaepfer@ontario.ca>
To: "Teliszewsky, Andrew (ENERGY)" <andrew.teliszewsky@ontario.ca>
Cc: "Imbrogno, Serge (ENERGY)" <serge.imbrogno@ontario.ca>, "Lyon, Sam (ENERGY)" <sam.lyon@ontario.ca>
Date: Tue, 09 May 2017 12:51:55 -0400

Hi Andrew,

This was the backgrounder from October 2015: https://news.ontario.ca/mei/en/2015/10/asset-optimization---broadening-ownership-of-hydro-one.html

Section that mentions deferred tax:

2015-16 Asset Optimization Targets

Hydro One has indicated in the amended and restated prospectus that as a result of the revaluation of its fixed asset, there will be an enhanced deferred tax benefit. A deferred tax benefit will result in a one-time fiscal gain by the Province.

Detailed information on the estimated deferred tax benefit is provided in Hydro One's amended and restated prospectus, including the proforma financial statements. Based on the document, an estimated deferred tax benefit of $2.6 billion would result in a benefit to the Province, at consolidation, of about $2.2 billion, based on the Province having about an 85 per cent share of Hydro One following the IPO. The actual deferred tax benefit will depend on the actual results of Hydro One at closing of the IPO.

As this deferred tax benefit results in a net fiscal gain, the Province proposes to credit it, along with other net fiscal gains, into the Trillium Trust.

From: Teliszewsky, Andrew (ENERGY)
Sent: May 9, 2017 12:32 PM
To: Lyon, Sam (ENERGY); Schlaepfer, Martin (ENERGY)
Subject: Did we ever do a BK back in 2015 about the deferred tax asset piece?
Importance: High

Red exclamation mark means “high importance”

Andrew Teliszewsky

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