Re: FHP Technical Briefing

From: "Imbrogno, Serge (ENERGY)" <"/o=govon/ou=ontario public sector - iserv ems/cn=recipients/cn=imbrognose">
To: "Schlaepfer, Martin (ENERGY)" <martin.schlaepfer@ontario.ca>
Date: Tue, 06 Feb 2018 17:33:45 -0500

Great. Thanks

Sent from my iPad

On Feb 6, 2018, at 5:26 PM, Schlaepfer, Martin (ENERGY) <Martin.Schlaepfer@ontario.ca> wrote:

Hi Deputy,

Below is a debrief from the technical briefing:

3 members of the media called in, none attended in person. Those 3 were:

Paola Loriggio, Canadian Press

David Hains, QP Briefing

Maciej Onoszko, Bloomberg

Questions were relatively simple:

What was the rate assumed in FHP calculations? Did OPG consider what they got a good rate? Answer: Ministry technical briefing suggested an average interest rate on the debt over the full time frame of the FHP of 4.5%. Yes, today's offering was at the low end of expectations and a good rate, better than comparator entities in the sector.

Were there second thoughts about going ahead, given recent market turmoil? Answer: Yes, naturally enough. They did discuss it with the banks, but ultimately the price was good, so decided to take the opportunity.

What are the implications of these numbers for ratepayers/Ontarians? Answer: Low rates will keep debt totals down, which will benefit ratepayers when it comes to paying back the accrued debt.

Clarifications about likely structure of future offerings (maturity length, offering amounts). Answer: TBD, but likely in the 15-30 year range, and in the range of $300M-$500M each time.

Thanks,

Martin