Re: Media Request re: Ontario's capacity to borrow to finance electricity relief - time sensitive

From: "Thompson, Scott (MOF)" <"/o=govon/ou=exchange administrative group (fydibohf23spdlt)/cn=recipients/cn=thompson, scott (mof)5d1">
To: "McLean, David (MOF)" <david.mclean@ontario.ca>, "Mayman, Gadi (OFA)" <gadi.mayman@ofina.on.ca>
Cc: "Schuurman, Tim (MOF)" <tim.schuurman@ontario.ca>, "Birks, Ryan (MOF)" <ryan.birks@ontario.ca>, "Young, Gwendolynne (MOF)" <gwendolynne.young@ontario.ca>, "Zhang, Christina (OFA)" <christina.zhang@ofina.on.ca>, "Pearce, Christopher (MOF)" <christopher.pearce@ontario.ca>
Date: Sun, 05 Mar 2017 17:59:20 -0500

Thanks for forwarding, Dave.
Gadi - don't we have to be careful about being too positive about the province's strong borrowing ability, since it's not the Province doing the bulk of the borrowing? And we'll have to continue to stress the independence of the Trust in carrying out these efforts.
Scott

Sent from my iPad

On Mar 5, 2017, at 5:39 PM, McLean, David (MOF) <David.McLean@ontario.ca> wrote:

> FYI
>
> Sent from my BlackBerry 10 smartphone on the Rogers network.
>
> **From:** Jackson, Kelly (MOF) <Kelly.Jackson2@ontario.ca>
> **Sent:** Sunday, March 5, 2017 5:01 PM
> **To:** Mayman, Gadi (OFA)
> **Cc:** McLean, David (MOF); Martin, Jessica (MOF); Nguyen, Marianne (MOF); Moore, Brynne (MOF)
> **Subject:** Media Request re: Ontario's capacity to borrow to finance electricity relief - time sensitive
>
> Hi Gadi,
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> Hope you've been having a great weekend.
>
> Premier's Office has asked us to provide them with some language for a media request they have to respond to today. The PCs are sending a letter to the FAO tonight asking him to look into the costing behind the electricity relief announcement, and specifically the projection that we have shared re: the cost to carry out the GA smoothing - $25B over 30 years.
>
> Right now the draft response looks as follows:
>
> **The GA refinancing will add new borrowing costs. Year by year the impact will vary based on interest rates and other factors. Based on a conservative estimates of an annual 5% interest rate, we project that it will cost $25B over 30 years. We will be working with OPG and others with the experience and expertise to ensure that the approach to refinancing will result in the best deal for Ontarians.**

We would like to be able to add some language that would speak to our capacity to borrow – i.e. given the province's strong borrowing ability, we're confident this is a reasonable projection.

Could you help with some language that speaks to our ability to borrow at competitive rates etc?

I'm in the office, if you would like to chat.

Best,
Kelly

Kelly Jackson
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