

Slide decks

HR issues

December-21-16

2:59 PM

- ☐ Bruce's position
 - Review ad
 - Determine composition of interview panel
- ☐ Coaching for Helen
- ☐ Internal training
 - Indigenous Cultural Training
- ☒ WIN absences

Material to review

December-21-16 2:59 PM

Strategy

December-21-16 3:01 PM

- ☐ Review input from various individuals re: structure of division -- what is our human capital plan, how does the OTB strategy tie get reflected in our strategy

Meetings with CAOs

- What are they looking for
- How do they access OPCD
- What do they need that they are not getting
- What is the responsibility for the Ministry finance function

- ☐ Meetings to set up in new year -- need a list of the CAOs with which ministries they are responsible for -- from Linda?
 - Health and Long-term Care -- Justine Jackson
 - Education -- Rubashewsky, Bohodar (EDU) <Bohodar.Rubashewsky@ontario.ca>
 - MAESD
 - Children and Youth
 - Community and Social Services
 - Transportation
 - Community and Correctional

- ☐ Communications plan
 - OPCD newsletter
 - highlight new people
 - highlight each management group -- one branch per newsletter? -- a list of 5 questions --
 1. what does the team do,
 2. who are members of the team (with a group photo)
 3. how does the team interact with other members of the branch, the division and the broader OPS,
 4. What are the current challenges for the group

OPCD Division Day

- Agenda

Briefings to schedule

December-21-16 3:27 PM

Karen

Audit committee update

Helen

- ☒ BPS -- changes to consolidation
- ☒ Early release of public accounts

Follow ups

January-26-17 10:35 AM

☐ Metrolinx briefing on AFP

Touch point re: Pre-election report

Core member from OPCD re: Pre-election report

PSSD -- check re: legislation re: lead ministry; follow up -- can we get the legislation changed

CPA Canada -- email to Birender

Emails re: Shannon

Nancy Kennedy letter

Electricity File

March-15-17 9:09 AM

Update from OPG

-- more comprehensive modelling required for rating agencies -- will probably need 3 rating agencies -- plans for soft sounding during the next few weeks

-- may need customer data

-- considering whether there is a need for a new class of shares re: equity injection

-- OFA considering whether OFA could provide initial financing -- concern over crossing quarters and having to report; temporary only; permanent is not ok; could the OFA act as a lead buyer -- for a small percentage -- could drive interest rate down -- cognizant of accounting risks -- OPG will connect with OFA

-- GA -- DM -- has to be flexible re: exact amounts -- how does that impact the financing

-- discussions with OPG board last week -- special committee of the board set up to deal with this issue -- first meeting this Friday

IESO -- conversations with IT re: how system will work; continuing to work with KPMG with formal opinion

Legislation -- not in a good draft form yet

OEB -- work on a letter from the Minister re: rate setting for RRP as of May 1 -- should be ready for review by legal within a day or two; letter includes reference to OESP (off the bill for May 1); sending a letter of direction to the LDCs to be up and running for May 1; working on increasing enrolment (won't be by May 1 -- perhaps by July 1)

May 1 -- RPP rate reset to include first rate that has smoothing; OESP is removed, etc -- will need some quick facts for communications purposes (will the legislation be passed by then -- probably ok if not, as the OEB is coming up with a forecast)

July 1 -- RRRP delivery line change effective (will be retroactive to July 1 regardless of implementation timing)

Legislation -- have met with external firms
5 buckets -- see document

Affordability fund

TPA and Trust Deed with Blakes -- expecting to have documents finalized by the end of next week

Computershare -- initial trustee (professional administrator) -- within a certain timeline, trustees would be appointments, up to 5 -- LDCs and social services agencies (3 + 2)

RRRP/OESP/First Nations

-- OESP -- may need a reg; reg posted for comment -- deals with three enhancements

-- met with MCSS re: automatic qualification

RRRP -- first working group meeting next week -- 7 LDCs + IESO + OEB; many LDCs going through rate hearings -- need to assess impact

First Nations -- decision point -- who is eligible (First Nations living on reserve? -- needs to be a geographic boundary)

ICI -- regulation posted for next 30 days

Warehouse facility -- true up -- how does this actually work? -- How does RPP currently work re: forecasting \$500M to \$1B -- short term borrowing facility -- warehouse facility will purchase the asset and then refinance it with long-term borrowing

03/23/2017 9:04 AM

Legal update (Blakes)

Deferral in the short term -- of the costs of the GA -- moving to talking about it as the process of spreading the capital cost of moving away from coal (a way of articulating what the program is) -- not a nuts and bolts issue -- a way to keep the program as a regulatory program

Q -- how does that matter if challenged -- this is a major tool to defend against a potential challenge; would be perfect if the program shows that the ratepayers had overpaid in the period to date; intergenerational funding of infrastructure

Energy -- working with Navigant to complete a study of the useful life of the assets

Asset (future cash flow) -- has to be clearly defined -- means by which the asset is raised (collected) has to be clearly defined; how easy will it be for consumers to opt out; asset produces no cash flow in the initial period of time;

Q -- how specific will the legislation get on recovery? Will have to link to consumption of energy; will have to be clear that it can be traced through IESO/through LDCs/through to consumer; not planning for detailed calculations to be included in the legislation (will appear in the regulations)

Blakes -- working through US regulations

OPG -- has hired Goldman/RBC/CIBC to assess difference between US and Canada -- Goldman lead on looking at legislation

Shortage in cash flow over time -- may not be able to borrow against the asset (need modelling) -- intersects with role of equity; first few years -- commitment not to increase beyond rate of inflation -- will lenders accept that interest being part of the next GA deferral (need modelling)

Two key issues to work through with agencies -- when does responsibility move from IESO to OPG -- OPG to get back to legal folks

What happens if commodity prices go up and there is no GA?

Legislation -- pens down on April 17 -- introduction in the House May 4; TB Monday May 1 before LRC; opinions from accounting firms available by Monday May 1; legislation to be sent from Carolyn

OPG Update

-- Board committee up and running

-- **Accounting -- continuing to work on whether OFA can be the lead order**

-- Shareholder direction -- being worked between Carolyn and OPG (Board indemnification -- Section 28 -- comes to TBS)

--John Lee -- 4 hr session with banks yesterday; going down the securitization path; likely will end up as a hybrid vehicle -- better for pricing; Q to banks -- define lender's protection -- lender's covenants, etc; working through building a more robust model; next 1-2 weeks -- plan to have a discussion with the rating agencies (focus on AAA rating); discussion with IESO re: how to operationalize; a number of legal documents identified; need to start having OFA in the room on future discussion

IESO -- back office

Social programs under way -- no issues

RPP -- good conversation OEB last week -- need to have another conversation re: OEB and LDCs;

Board approved f/s with regulatory accounting this week -- good discussion

Working on turning accounting analysis into an opinion -- KPMG

If the IESO sets the RPP that is setting the amount that gets collected now from the ratepayers; the requirement is

to make the amount that is not part of the RPP a regulatory asset -- what is the role of the OEB

OEB Update

Comfort letter for May RPP rate; drafted comfort letter; planning to announce rates week after Easter

OESP -- expectation - new rates go into effect on May 1; Board decision to remove charge on bills this week; wet signature on application issue -- Energy working with MOF who is working with CRA re: security issue

First Nations -- implementation target -- July 1 (or retro to July 1)

Affordability Fund

Trust deed and trustee agreement tracking for signature today

Money to Compushare by end of month

? Report back to TBC -- when?

04/06/2017 9:59 AM

Comments to resolve:

- A number of items have come up in the context of "must haves" re: being able to access financing -- but Steve Ashborne from Blakes notes that the asset is an excellent asset re: financing -- how much of this is posturing -- who is advising the government on this (CV to connect with Gadi)
- Other --