

RE: Call re Delivery of Reference Documentation to Province

From: "Hanslep, Malle (MOF)" <malle.hanslep@ontario.ca>
To: "Kandeepan, Ken (OFA)" <ken.kandeepan@ofina.on.ca>, "ASHBOURNE, STEPHEN" <stephen.ashbourne@blakes.com>, "Thouin, Alena (ENERGY)" <alena.thouin@ontario.ca>, "Whitfield, Tobias P. (MOF)" <tobias.whitfield@ontario.ca>, "Manning, Mike (OFA)" <mike.manning@ofina.on.ca>, "Strathy, Anna (OFA)" <anna.strathy@ofina.on.ca>, "Kwan, Ronald (OFA)" <ronald.kwan@ofina.on.ca>, "Christie, Tim (ENERGY)" <tim.christie@ontario.ca>, "Veinot, Cindy (TBS)" <cindy.veinot@ontario.ca>, "Donaldson, Mark (TBS)" <mark.donaldson@ontario.ca>
Cc: "Sawwaf, Khareem (ENERGY)" <khareem.sawwaf@ontario.ca>, "Huang, Jackson (MEDG/MRIS)" <jackson.huang@ontario.ca>, "Cayley, Daniel (ENERGY)" <daniel.cayley@ontario.ca>, "Lightbody, Ava (ENERGY)" <ava.lightbody@ontario.ca>, "Rehob, James (ENERGY)" <james.rehob@ontario.ca>, "VINER, JON" <jon.viner@blakes.com>
Date: Fri, 12 Jan 2018 09:34:37 -0500

Hi,

MOF LSB doesn't have any further comments on the mark-up. I understand that MOE was reviewing the mark-up yesterday. Do we have an estimated time when the comments will be sent to OPG?

Thanks,

Malle

From: Ken Kandeepan [mailto:Ken.Kandeepan@ofina.on.ca]
Sent: January 11, 2018 10:51 AM
To: 'ASHBOURNE, STEPHEN'; Thouin, Alena (ENERGY); Whitfield, Tobias P. (MOF); Manning, Mike (OFA); Hanslep, Malle (MOF); Strathy, Anna (OFA); Kwan, Ronald (OFA); Christie, Tim (ENERGY); Veinot, Cindy (TBS); Donaldson, Mark (TBS)
Cc: Sawwaf, Khareem (ENERGY); Huang, Jackson (MEDG/MRIS); Cayley, Daniel (ENERGY); Lightbody, Ava (ENERGY); Rehob, James (ENERGY); VINER, JON
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Hi all

From the perspective of both Mike and I the comments and edits are very factual and should not pose any issues to OPG or the Trust should they choose to accept them. If others are of the same opinion, I suggest that either MOF or MOE Legal forward the marked up version to Torys with cc's to the usual suspects.

Thanks

Ken k

From: ASHBORNE, STEPHEN [mailto:STEPHEN.ASHBOURNE@blakes.com]
Sent: Wednesday, January 10, 2018 2:53 PM
To: Ken Kandeepan <Ken.Kandeepan@ofina.on.ca>; 'Thouin, Alena (ENERGY)' <Alena.Thouin@ontario.ca>; Tobias P. Whitfield (MOF) <Tobias.Whitfield@ontario.ca>; Mike Manning <Mike.Manning@ofina.on.ca>; Malle Hanslep (MOF) <Malle.Hanslep@ontario.ca>; Anna Strathy <Anna.Strathy@ofina.on.ca>; Ronald Kwan <Ronald.Kwan@ofina.on.ca>; Tim Christie (ENERGY)

<Tim.Christie@ontario.ca>; Veinot, Cindy (TBS) <Cindy.Veinot@ontario.ca>; Mark Donaldson (MOF) <Mark.Donaldson@ontario.ca>
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Oops. This time with the revisions.

Stephen R. Ashbourne
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From: ASHBOURNE, STEPHEN
Sent: Wednesday, January 10, 2018 2:51 PM
To: 'Ken Kandeepan'; 'Thouin, Alena (ENERGY)'; 'Tobias P. Whitfield (MOF)'; 'Mike Manning'; 'Malle Hanslep (MOF)'; 'Anna Strathy'; 'Ronald Kwan'; 'Tim Christie (ENERGY)'; 'Veinot, Cindy (TBS)'; 'Mark Donaldson (MOF)'
Cc: 'Sawwaf, Khareem (ENERGY)'; 'Huang, Jackson (MEDG/MRIS)'; 'Daniel Cayley (ENERGY)'; 'Lightbody, Ava (ENERGY)'; 'James Rehob (ENERGY)'; VINER, JON
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Hi. Here are further revisions to the OM mark-up circulated yesterday, based on comments recently received. This is still a work-in-progress, so please do not on-circulate. Please let us know if you have any questions or concerns. Thanks, Steve

Stephen R. Ashbourne
Partner
stephen.ashbourne@blakes.com
Dir: 416-863-3086

From: ASHBOURNE, STEPHEN

Sent: Tuesday, January 09, 2018 9:26 AM

To: 'Ken Kandeepan'; 'Thouin, Alena (ENERGY)'; 'Tobias P. Whitfield (MOF)'; 'Mike Manning'; 'Malle Hanslep (MOF)'; 'Anna Strathy'; 'Ronald Kwan'; 'Tim Christie (ENERGY)'; 'Veinot, Cindy (TBS)'; 'Mark Donaldson (MOF)'

Cc: 'Sawwaf, Khareem (ENERGY)'; 'Huang, Jackson (MEDG/MRIS)'; 'Daniel Cayley (ENERGY)'; 'Lightbody, Ava (ENERGY)'; 'James Rehob (ENERGY)'; VINER, JON

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Hi. Here is a list of items that could be discussed at 9:30, in order to settle on the scope and nature of commenting on the OM:

MOE – Alignment Considerations

- 1. Simplified references to the OFHPA (general caveat)
- 2. Scope of descriptions (generally, should be ...subject to the OFHPA and the Regulations)
- 3. “purposes” of the OFHPA (e.g., implies that is rate reduction)
- 4. Nature and duration of the “moratorium period” (non-legislative)
- 5. Trust vs. “financing entity” (permit multiple FEs and co-ownership arrangements – minimally described)
- 6. “Fair Allocation Amount” – amount vs. effect of calculation (imprecise); concept of “Readjustments” missing
- 7. Financing Plan – refinements (e.g., references to Refinancings)
- 8. Expectations re FAA – negative until 2024
- 9. “Ontario’s Fair Allocation Plan” – styling
- 10. OPG appointment as FSM (initial only – ability for Minister to replace)
- 11. Inclusions into IESO deferrals (precision)
- 12. Carrying costs vs funding rebates (impact on nature of Investment Asset)???
- 13. No reference to pre-OFFHPA adjustments (piggy bank)
- 14. Risk Factors – approach to describing legal risks and Protection Agreement as mitigation
- 15. Technical definitions and descriptions (e.g., carrying costs; forecasts from IESO rather than forecast information; invoicing mechanics; simplifications of definitions; etc.)
- 16. Limited discussion re contents of “Financing Plan”
- 17. No real recognition of tail risk and duration mismatch considerations and mitigants/strategies
- 18. No discussion re OFFHPA rights of action, etc.
- 19. “non-bypassable” (meaning)

OFA - Change of Law Protection Agreement

- 1. Narrative (e.g., “in favour of the Issuer”)

2. Notes do not constitute debt of Province, etc. (confirm description) – additional considerations?
3. Scope of “Approved Obligations” (overbroad)
4. Positive obligations in favour of Province (e.g., apply amounts; credit for applied amounts)
5. Definition of “Protection Events” (align)
6. Rights of Subrogation (needs to be more detailed)
7. Mechanics of Protection Account
8. Limited direct rights of Noteholders (through indenture trustee)
9. Limitations on damages
10. Only passing reference to the “Process Agreement” in OM (but referred to in more detail in the Investor Presentation)

Other

1. Confidentiality (deemed vs. confirmed in writing)
2. Liability for Taxes (priority claim in waterfall; impact on triggers)
3. IESO - descriptions
4. Electricity Market; OEB; OPG
5. Platform (e.g., very broad cross default – beyond generic risk factors?)
6. Interplay between Warehouse and Term issuances
7. Description of 2018 Notes
8. Optional Redemption of Notes (confirm if applicable/acceptable)

FYI, attached is our internal (preliminary) mark-up of the OM. It should not be on-circulated at this stage. We are providing it now in case you would find it useful to have specified illustrations of the foregoing items.

Regards, Steve

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