RE: OFA Lending

From: "Veinot, Cindy (TBS)" <"/o=govon/ou=exchange administrative group (fydibohf23spdlt)/cn=recipients/cn=veinot, cindy (tbs)d57">
To: "Nelms, Scott (ENERGY)" <scott.nelms@ontario.ca>
Cc: "Hume, Steen (ENERGY)" <steen.hume@ontario.ca>, "Mayman, Gadi (OFA)" <gadi.mayman@ofina.on.ca>
Date: Wed, 15 Feb 2017 11:05:00 -0500

Please work with OPG on this – it will impact their requirements – I'll also think about this, but need to loop Alec in ASAP.

Cindy

From: Nelms, Scott (ENERGY)
Sent: February-15-17 10:15 AM
To: Veinot, Cindy (TBS)
Cc: Hume, Steen (ENERGY); Mayman, Gadi (OFA)
Subject: OFA Lending

Hi Cindy,

We are working through modelling GA options with OPG. OPG will provide advice on financing assumptions from a 3rd party lender perspective. In parallel we would like to discuss what terms are realistic with OEFC as lender. From a financing perspective, I understand we have a fair bit of flexibility. So the limitation is likely on the accounting side. For example, the current model assumes 10+ years of interest capitalization. Would OEFC be in a position to book this as an asset, or would we need to consider a shorter period before interest repayment is required.

On a related note, do we have a more clarity on the importance of 3rd party lending to the overall construct?

Thanks,
Scott

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