FPC Feb. 16/17

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Objective of asset to collect future cash flows

Without increasing net debt

Acts as receivable from OPG trust

Debt would be issued by province

Without OPG, create bigger risk, with debt of $30B/asset on government's books

Accept consolidation of debt will occur but don't want fiscal hit

Getting opinions by tomorrow night, expect to be positive but with conditions

Opinions will be on IESO structure

KPMG, PWG, E&Y, controller?

For OPG looking at opinion that speaks to whether the trust can be consolidated within OPG and then would be one-line on province

E&Y as auditors of OPG providing opinion, expect a view by Tuesday but won't be full opinion, won't get official opinion until leg is drafted

OFA would not be providing loan to OPG

Need to be element of 3rd party lending to OPG, could be 49% OFA/province but can't show all OFA, need to have some mix, at minimum 2 lenders

Need 2 because certain tests have to meet to allow OPG to consolidate the trust:

OPG needs to demonstrate they have control over the trust, how finance the activities of trust, who trustees are

Need to show financial risk and reward to OPG

OPG would need to create a trust, was looking at subsidiary, feel trust is better as want to avoid any situation of collateral

Don't cross securitize??

Comes down to needing to consolidate the trust and mainain status?