Re: AG

From: "Angus, Helen (TBS)" <helen.angus@ontario.ca>
To: "Veinot, Cindy (TBS)" <cindy.veinot@ontario.ca>
Cc: "Hughes, Karen (TBS)" <karen.hughes@ontario.ca>
Date: Sun, 12 Feb 2017 12:35:17 -0500

Thanks!

Sent from my iPad

On Feb 12, 2017, at 12:33 PM, Veinot, Cindy (TBS) <Cindy.Veinot@ontario.ca> wrote:

OPG's position is that the costs that they are being asked to collect are not all their costs. Their view is that for an asset to be a regulatory asset on OPG's books, it has to be an incurred cost of OPG, so perhaps 1/3 of the costs would be eligible for deferral, but not the costs that are incurred by others.

We talked through both the model that was put forth in MMMP meeting (the OPG financing sub) and a scenario where OPG itself took on this role. Neither result in a better outcome re: the regulatory asset argument above, and if a financing subsidiary were used, I believe we also have an issue with that entity being a GBE, which would create an issue on consolidation (e.g. the results of the financing sub would have to be prepared in accordance with PSAB, which doesn't have a regulatory asset construct.)

Happy to chat live it that would help.

Cindy

From: Angus, Helen (TBS)
Sent: February-12-17 12:20 PM
To: Veinot, Cindy (TBS)
Subject: Fwd: AG

Any help answering the SOC's question much appreciated. Thanks.

Sent from my iPad

Begin forwarded message:

> **From:** "Orsini, Steve (CAB)" <Steve.Orsini@ontario.ca>

Date: February 12, 2017 at 12:08:38 PM EST
To: "Angus, Helen (TBS)" <Helen.Angus@ontario.ca>
Subject: RE: AG

OK. What I don't understand is that OPG already has regulatory assets, whereas the IESO doesn't and is not a GBE.

I will call you later today.

Steve