Message

From: Anthony Martinello [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=3FB7D76317B34780B15D96309B995C31-ANTHONY MAR]
Sent: 2017-04-02 2:00:20 PM
To: Anthony Martinello [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=3fb7d76317b34780b15d96309b995c31-Anthony Mar]
Subject: FW: Timeline of Initial Purchase and Sale of Deferred Asset Account
Attachments: Timeline of Initial Purchase and Sale of Deferred Asset Account_v1.pdf

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From: Jeannette Briggs
Sent: March 31, 2017 5:26 PM
To: GO Matthew -TREASURY
Cc: Anthony Martinello; Michael Boll
Subject: Re: Timeline of Initial Purchase and Sale of Deferred Asset Account

To be clear Matt, LDCs can never ",short" their invoice under current market rules without triggering default. They must pay the amount on their respective invoices. So they might estimate a amount needed, entering into our portal for a bill reduction or they do nothing and borrow to pay an unreduced bill - they must pay the invoiced balance

Regards

Jeannette Briggs
416 997-6364

From: matthew.go@opg.com
Sent: March 31, 2017 5:16 PM
To: jeannette.briggs@ieso.ca
Cc: Anthony.Martinello@ieso.ca; Michael.Boll@ieso.ca
Subject: Timeline of Initial Purchase and Sale of Deferred Asset Account

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Hi Jeanette,

I created a timeline to illustrate the initial purchase of the deferred asset by the Trust based on our discussion this morning. Key things to note are:

1. 4th business day in June, the LDC will enter into the IESO portal an estimated shortfall for their upcoming May customer collections in order to get a credit on their May invoice. Based on our discussion, this was the option which would allow the IESO to carry the shortfall and not trigger LDC defaults. The other option was the IESO would bill for the full May amount (credit would not reflect Fair Hydro Plan) and LDC would just shortchange the payment or borrow to make up the difference. However, I understand in reality it could be a mixed bag of options as LDCs will not be consistent in dealing with the shortfall.
2. IESO would carry two months worth of deferrals on their bank facility (June & July deferral) and sell to Trust in August. IESO would need to ensure bank facility capacity is sufficient. Trust would not be ready to buy the initial deferral until August. Trust also needs to ensure it has capacity to purchase two months worth of deferrals.

Please let me know if I haven't correctly captured anything. I will be reflecting elements here in the larger process spreadsheet.

Thanks,
Matt
