Message

From: Anthony Martinello [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=3FB7D76317B34780B15D96309B995C31-ANTHONY MAR]
Sent: 2017-04-02 2:52:36 PM
To: Michael Boll [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=4811917e15054407b665fe16d12ff415-Michael Bol]
CC: Jeannette Briggs [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=148095610f7242f48a5a9da24b1a8a87-Jeannette B]
Subject: RE: taxes for the new rate mitigation asset

Michael – can the IESO insist that either the legislation/regs or the SLA with OPG to keep the IESO whole on taxes.....meaning if for some reason the IESO has to incur a tax (income, HST) where the IESO cannot be reimbursed in normal course of business that the IESO will place this "cost" into the deferred asset which is sold to OPG?

From: Anthony Martinello
Sent: March 24, 2017 12:34 PM
To: Susan Nicholson
Cc: Michael Boll; Jeannette Briggs
Subject: taxes for the new rate mitigation asset

Susan,

The good topic of taxes came up (income taxes, excise HST) brought up by Michael.

The purported plan is that the IESO is selling a regulatory asset to a trust (separate legal entity or entities), and the IESO will be paid a purchase price for those assets. At a point in the future, the IESO will repay for those assets (akin to a repurchase or repo agreement that banks use today with great frequency).

Will the IESO be subject to any income or excise taxes/HST? Maybe KPMG who is already on this file may have some headway into this topic and you could ask Michel or Rhonda?

This matter will be place on our list of issues.

Regards.