Message

Sent: 2017-04-26 10:58:28 AM
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Subject: OFA : IESO - Fair Hydro funding call

Proposed Agenda for Friday's discussion:

1.
IESO's need to have $ commitment for funding Fair Hydro shortfalls – we can discuss the quantum on the call

Background to support the commitment's quantum:

- Fair Hydro plan propose to lower bills for the next 4 years;
- OPG has no requirement to purchase from the IESO;
- For any purchases made, OPG may need a timing delay for purchases – may be one or two months after IESO settles the Fair Hydro shortfall each month
- The monthly Fair Hydro amounts will have forecast variances (these are expected to be funded by IESO, same as RPP today)

2.
Current $975M OFA-IESO credit facility may be used to include the Fair Hydro commitment

Background:

- The current $975M includes a component for today's RPP shortfalls – so this amount can be reduced/transformed for Fair Hydro commitment;
- Looking for more flexibility on the current minimum 28 day borrowing restriction,.. if OPG buys from IESO would like IESO to pay down the debt as soon as possible;
- Moody's will be examining if IESO has sufficient capacities to fund

3.
IESO to examine whether O.Reg 280/14 needs to be updated for Fair Hydro;

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