Message

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Sent: 2017-05-30 3:25:54 PM
To: Macfarlane, Gavin [Gavin.Macfarlane@moodys.com]
CC: Hamlet Alexanian [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d0fcff8aeea84848ba5a12380ec04460-Hamlet Alex]
Subject: Fair hydro - FAO report

FYI

1,
FAO Report:
"The Province plans to borrow an average of $2.5 billion annually to pay a portion of the cost of electricity thereby lowering the price paid by ratepayers."

And in Appendix C, Figure 6-4, the proposed annual amount is shown as $2.5B.

http://fao-on.org/web/default/files/publications/Fair%20Hydro/Fair%20Hydro%20Plan.pdf

2.
If you assume the IESO market clearing is about $1.3 billion per month then @ 17% (1.3*.17) is about $2.6B/year. Remember 8% is HST rebate on bills.

Again, the actual Fair Hydro monthly amounts are likely to be volatile due to the actual market prices less fixed Fair Hydro rate.

Regards.