Message

Sent: 2017-06-20 7:24:49 AM
To: GO Matthew -TREASURY [matthew.go@opg.com]
Subject: RE: EXTERNAL – FW: Draft asset purchase cycle

My comments on revised cycle for IESO swimlane:

- LDCs submit FH shortfall by bd 4 – the IESO takes this number as is, and this becomes the asset
- Trust will submit costs, interest (with or without HST to be determined) in IESO portal – the IESO will take these amounts as is
- IESO will inform Trust on bd 8 (not bd 5). The settlements staff will need a buffer to double check the results before releasing to Trust.
- IESO issues invoices

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From: GO Matthew -TREASURY [mailto:matthew.go@opg.com]
Sent: June 08, 2017 10:01 AM
To: Anthony Martinello
Subject: RE: EXTERNAL – FW: Draft asset purchase cycle

See attached. Let me know if you are OK with this or if there's any issues to point out.

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Wednesday, June 07, 2017 7:40 PM
To: GO Matthew -TREASURY
Subject: RE: EXTERNAL – FW: Draft asset purchase cycle

1. Next Tues or Wed.
2. Thx.

From: GO Matthew -TREASURY [mailto:matthew.go@opg.com]
Sent: June 07, 2017 5:42 PM
To: Anthony Martinello
Subject: RE: EXTERNAL – FW: Draft asset purchase cycle

Anthony,

1. Do you have an estimate as to when IESO's comments on the Sale and Servicing agreement will be available?

2. An update on the workflow. I'm almost done – should be able to pass something to you tomorrow. Key point is Trust should be able to get you funding prior to you paying market participants, so you don't need to borrow. But that is all predicated on the regulations stating the regulated asset is created on Day 4/when LDCs enter amount in portal.

Thanks,
Matt

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Tuesday, May 30, 2017 9:58 AM
To: GO Matthew -TREASURY
Cc: Jeannette Briggs; Susan Nicholson
Subject: EXTERNAL – FW: Draft asset purchase cycle

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My comments below on the workflow V2:

Month T

- Bus day 3-4: add that OPG Trust will self-enter in the IESO portal a) OPG admin fees, b) any interest costs, c) vendor invoices for the IESO to reimburse OPG Trust during the month
- Bus day 5 : no changes/comments
- Bus day 6-9 : OPG Trust will not need to enter an amount in the IESO portal per se (although a form may still be created for such contingency - maybe) since the full amount including up to the pennies will be 100% sold each month to OPG Trust automatically. We should discuss how/when that OPG Trust will give some sort of notice a few months in advance if no further purchases will be made and therefore the IESO will not create an invoice that month for OPG Trust.
- Bus day 10: add may need to issue second invoice to OPG Trust each month for reimbursement of costs (this is a credit invoice)
- Bus day 14: add OPG Trust receives monies for reimbursement costs this day. Not sure about "IESO certifies" as the IESO's invoice should suffice as formal notice that reg asset is created. Also the FH ACT says the regulations can stipulate when the reg asset is created and so this can be spelled out in the regulations.
- Bus day 15-19: try to avoid the last few bus days of each month to avoid bank/errors/delays and hiccups (e.g. Feb is short month so maybe 19th is the last day and not preferred). My lender will impose a min of 7 days borrowing (not bus days) so the OPG Trust payment and my repayment of debt needs to align to min interest costs for overall FH program.

Regards.

From: GO Matthew -TREASURY [mailto:matthew.go@opg.com]
Sent: May 29, 2017 11:13 AM
To: Anthony Martinello
Subject: RE: Draft asset purchase cycle

Correction. Here is a version with the note about the earlier borrowing.

From: GO Matthew -TREASURY
Sent: Thursday, May 25, 2017 5:42 PM
To: Anthony Martinello
Subject: Draft asset purchase cycle

Anthony,

I've updated the asset purchase cycle draft to reflect the new process where the Trust buys the reg asset in the month. It includes information from our discussion today. Assuming the "asset creation" is triggered by the borrowing on the 14th business day, you can see repayment would occur between the 15-19th business day. As you mentioned, I've put a note that the borrowing could be earlier to satisfy your minimum draw term requirement. However, you mentioned you may need to speak to your bank about that – which could make sense so you don't have to borrow early or as early. Also awaiting input from Michael Boll on asset creation.

Thanks,
Matt

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