Message

From: Anthony Martinello [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=3FB7D76317B34780B15D96309B995C31-ANTHONY MAR]
Sent: 2017-07-13 1:12:48 PM
To: Sarah Harris [Sarah.Harris@ofina.on.ca]
CC: Salman Qadir [Salman.Qadir@ofina.on.ca]; Bruno Amara [Bruno.Amara@ofina.on.ca]; Victor Buza [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=7643c3d5ac26488bab32d07049f1e089-Victor Buza]; Lisa Stein [Lisa.Stein@ofina.on.ca]; William Tan [William.Tan@ofina.on.ca]
Subject: RE: IESO : OFA new FH credit facility

Sarah,

Four points.

a) Thank you very much for accommodating the 5 day request, ...it will be more efficient for cash flows and better alignment.
b) We examined our TD credit facility and it specifically does not permit IESO to use for Fair Hydro programs purposes.
c) The good news is that the Fair Hydro amounts for May and June (a draw to be made in mid-July on the $475 million facility) is a total of $260 million. Therefore, the next draw for Fair Hydro's month of July will be in mid-Aug of which I expect at least another $200-$250 million will be added. I hope the $2B facility will be signed before mid-August, so there should be no concerns. The first FH sale to the Financing Entity is expected to be made in August so I (hope) expect the May, June, July's FH amounts will be sold by mid-end of August and then I can repay the OFA.
d) Victor will address Bruno's comments directly on the amendment #10 shortly.

Regards.

From: Sarah Harris [mailto:Sarah.Harris@ofina.on.ca]
Sent: July 13, 2017 9:41 AM
To: Anthony Martinello
Cc: Salman Qadir; Bruno Amara; Victor Buza; Lisa Stein; William Tan
Subject: RE: IESO : OFA new FH credit facility

Hello Anthony,

Will is currently away today, and I just wanted to follow up on the e-mail below.

We are fine reducing the minimum draw period from 7 to 5 days for the new $2B FHP facility.

Further, to clarify Will's e-mail below, from our conference call the week before last, you had mentioned that in the event that IESO's funding needs were to exceed the $475M before the current $975M facility is reduced, IESO had another line of credit with TD that it would be able to draw on to fund any potential gap before the $2B facility is up and running. I think some confusion may have been created in referencing IESO's agreement to reduce to the size of the $2B OFHP credit facility if IESO's funding needs exceed $475M before the new FHP facility is executed. This is not something we proposed to you on the call, but was part of OFA internal discussions on contingency options that might be available in the event that there were delays getting both the amending agreement and FHP facility in place. My apologies should there have been any misunderstanding.

We expect to have comments to you on the amending agreement tomorrow.

Best regards,

Sarah

From: William Tan
Sent: Wednesday, July 12, 2017 4:29 PM
To: 'Anthony Martinello' <Anthony.Martinello@ieso.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Salman Qadir <Salman.Qadir@ofina.on.ca>; Bruno Amara <Bruno.Amara@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: FW: IESO : OFA new FH credit facility

Hello Anthony,

Thank you for your email and sorry for the delay in replying. We look forward to getting these agreements up and running. As discussed, IESO has a supplemental credit facility with TD bank. In the unlikely event, IESO exceeds $475 million under its existing credit facility, it agrees to reduce the $2 billion OFHP Credit Facility by the amount that it exceeds $475 million.

Best regards,

Will

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Wednesday, June 28, 2017 12:35 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Salman Qadir <Salman.Qadir@ofina.on.ca>; Bruno Amara <Bruno.Amara@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
Subject: RE: IESO : OFA new FH credit facility

Will,

As discussed, the IESO will work on completing amendment #10 followed then by the new FH $2B line.
The amendment #10 may take a few weeks to complete (mid-July), and then the new FH $2B line may need a few more additional weeks – likely end of July.

I am using the $975MM line today for FH (RPP) draws, and expect this will continue until the FH$2B line is up and running.

I would prefer to do both docs at the same time (i.e. signing on the same day both docs), but I understand that the OFA has been given direction to lower the $975MM to $475MM first.

Over the next few weeks in July I will be drawing on the $975MM again for the FH (RPP) amounts and I expect (but not 100% sure) that I should be under a total of $475MM.

Regards