Message

From: Ryan Blackbyrne [Ryan.Blackbyrne@ofina.on.ca]
Sent: 2017-12-04 3:24:09 PM
To: Anthony Martinello [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=3fb7d76317b34780b15d96309b995c31-Anthony Mar]
Subject: IESO - OEFC execution agreements
Attachments: $160M revolving credit - amending agreement no.7.pdf; $120M Note - amending agreement no.7.pdf

Hi Anthony,

I'm back at my desk now and happy to discuss when you have some availability. I can be reached at 416-325-8143. I dated the attached execution copies December 5th, 2017. Does this work for you? I'd recommend having Kimberly Marshall sign two copies of each agreement (4 signatures total). You can then courier the partially executed docs to me and I will have Michael Manning sign. I can then courier back a fully executed original of each agreement to you. And we will keep the other original of each agreement for ourselves. Does this work for you?

Thank You,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Monday, December 04, 2017 2:44 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: IESO - OEFC Drafts - IESO Comments Nov 29

Ryan – Good news, IESO has nothing further. Therefore, let's proceed to execution.

Call me to discuss.

Regards.

Anthony Martinello Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944
Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca]

From: Ryan Blackbyrne [mailto:Ryan.Blackbyrne@ofina.on.ca]
Sent: November 30, 2017 4:37 PM

To: Victor Buza; Anthony Martinello
Cc: Jean-Francois Beaupre; John Kim; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein
Subject: RE: IESO - OEFC Drafts - IESO Comments Nov 29

Hi Victor,

We have reviewed and approved the changes you made to the drafts. We having nothing further to add. Are there any other revisions you wish to make before preparing execution copies?

Thank You,
Ryan

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Wednesday, November 29, 2017 6:50 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: IESO - OEFC Drafts - IESO Comments Nov 29

Hi Ryan – thanks for the drafts. Please see attached markups that include our comments – I haven't had an opportunity to discuss these changes/comments internally but thought I should forward these asap given the time pressure.

The main adders that I have included track the language in the recently executed FHP Credit Facility.

Regarding the deletion of s.3.7 in the Note Agreement ("Other Indebtedness"), this is duplicative of s.3.8 ("Negative Pledge") but also conflicts with it in certain respects so may cause confusion and I believe the easiest way to deal with it is to delete it since I don't think it adds anything. (You will note that a similar clause is not included in the Revolving Credit Agreement.)

We may have more comments after we have a chance to discuss your draft and my comments internally tomorrow.

Regards,
Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
1600-120 Adelaide Street West, Toronto, ON M5H 1T1
Web: www.ieso.ca[ieso.ca][na01.safelinks.protection.outlook.com] | Twitter: IESO_Tweets[twitter.com][na01.safelinks.protection.outlook.com] | LinkedIn: IESO[linkedin.com][na01.safelinks.protection.outlook.com]

From: Ryan Blackbyrne [mailto:Ryan.Blackbyrne@ofina.on.ca]
Sent: November 29, 2017 4:50 PM
To: Anthony Martinello
Cc: Jean-Francois Beaupre; John Kim; Victor Buza; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein
Subject: RE: IESO - OEFC Nov 27

Hi Anthony,

Please find initial draft documents for your review. Please note terms of these documents are still subject to internal approval at the OFA. Please let us know your comments.

Regards,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Monday, November 27, 2017 2:50 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: IESO - OEFC Nov 27

Ryan – are you able to send over draft documents for our review? I understand that we may start to work on them now.

Regards.

From: Anthony Martinello
Sent: November 07, 2017 4:07 PM
To: 'Ryan.Blackbyrne@ofina.on.ca'
Cc: 'Jean-Francois.Beaupre@ofina.on.ca'; William Tan; John Kim; Victor Buza
Subject: IESO - OEFC Nov 7

Ryan,

As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.

For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;

1.DRAFT
The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):
"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

2.DRAFT

The OFA agreements had required an intercept provision, ...not sure if the same applies to OEFC if yes:

"Section 5.7 Intercept
(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").
(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.
(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.
(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation. The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

3.
If any... other relevant updates that make sense to do now......I do not anticipate any material ones.

We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.
Regards.