Message

From: Jeannette Briggs [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=148095610F7242F48A5A9DA24B1A8A87-JEANNETTE B]
Sent: 2018-01-23 9:53:05 AM
To: Anthony Martinello [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=3fb7d76317b34780b15d96309b995c31-Anthony Mar]; Michael Boll [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=4811917e15054407b665fe16d12ff415-Michael Bol]
Subject: FW: Your debt work

Did not see this in our "Today's New" feed. Interesting comment on OPG's current bond rating; guess we did a good job. JB

Regards,

Jeannette Briggs Director, Settlements - Corporate Services
Independent Electricity System Operator (IESO)| T: 905-855-6364 | C: 416-997-6364
Station A, Box 4474, Toronto, ON, M5W 4E5
Web: www.ieso.ca | Twitter: IESO_Tweets | LinkedIn: IESO
Conservation: www.saveONenergy.ca | Twitter: saveONenergyOnt | LinkedIn: saveONenergy

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From: Andrew Briggs [mailto:abriggs@cogeco.ca]
Sent: January 23, 2018 9:50 AM
To: Jeannette Briggs
Subject: Your debt work

Here is a blurb on the debt financing you worked on:
"Cost-recovery bonds"? That's what they're calling **the inaugural sale of debt by issuer Fair Hydro Trust**, the special purpose entity created by Ontario Power Generation. Recall last year in response to political pressure due to rising electricity rates, the Ontario Liberal government announced it would be lowering electricity bills for residential consumers, small businesses and farms as part of a significant restructuring of how the costs of operating the electricity system are treated. Electricity rates have been rising in Canada's largest province due in large part to the cost of fixed-price contracts entered into with clean energy generators over the last decade. The Province's blueprint, known as the "Fair Hydro Plan" contemplates an immediate 25% reduction in electricity rates for eligible consumers. At the same time, it keeps the amount payable to generators of electricity (through the clean energy contracts and otherwise) unchanged. The new private placement offering will consist of senior, subordinated and junior subordinated debt with only the first being offered to investors and the other two placed with Ontario Power Generation according to Bloomberg. Initial talk indicates the tenor will be 15 years with the senior tranche rated AAA by DBRS (higher than OPG's current bond rating). Pricing is set for early February with CIBC, RBC and Goldman Sachs hosting roadshows.

Andrew Briggs MBA CPA, CMA CBV
AGBriggs Consulting Inc.
T: 905-844-3716 | **C:** 905-464-3766
E: abriggs@cogeco.ca