Message

Sent: 2018-02-22 9:21:58 AM
To: Olga Whiteley [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=a8aa010dbbc243af97222fcd3f2ae4a0-Olga Whitel]
Subject: FW: Funding from the OFA to the IESO
Attachments: 2005-01-01 Credit Agreement.pdf

FYI
2005 section 3.4 – without looking at all the agreement, just say based on looking at 2005 and today the spread is 25bps.

3.3(2) shall be repayable on the applicable Repayment Date.

Section 3.4 Interest on Advances.

(1) The OPA shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

From: Veinot, Cindy (TBS) [mailto:Cindy.Veinot@ontario.ca]
Sent: February 22, 2018 9:16 AM
To: Olga Whiteley
Cc: Anthony Martinello; Kim Marshall
Subject: RE: Funding from the OFA to the IESO

Thanks Olga – what is the spread meant to represent.

Cindy

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: February 22, 2018 8:59 AM
To: Veinot, Cindy (TBS)
Cc: Anthony Martinello; Kim Marshall
Subject: RE: Funding from the OFA to the IESO

Good morning,
The OFA rate has always been (before and after Fair Hydro) the cost to the province plus a spread.
Regards.

Olga Whiteley | Treasury and Pension Operations

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From: Veinot, Cindy (TBS) [mailto:Cindy.Veinot@ontario.ca]
Sent: February 21, 2018 6:44 PM
To: Kim Marshall
Cc: Anthony Martinello; Olga Whiteley
Subject: RE: Funding from the OFA to the IESO

Ok -- thanks

From: Kim Marshall [mailto:Kim.Marshall@ieso.ca]
Sent: February 21, 2018 6:44 PM
To: Veinot, Cindy (TBS)
Cc: Anthony Martinello; Olga Whiteley
Subject: Re: Funding from the OFA to the IESO

Copying Anthony and olga...not sure but could check tomorrow

Sent from my iPad

On Feb 21, 2018, at 6:42 PM, Veinot, Cindy (TBS) <Cindy.Veinot@ontario.ca> wrote:

> Hi Kim – just thinking about one of the questions from the session earlier today – prior to the Fair Hydro Act, what rate did the OFA lend to the IESO re: the financing used by the IESO to bridge the difference between payments made to the generators and payments received from the LDCs (e.g. the variance account that had to be settled within 12 months). – Was it at market or the provincial cost of borrowing, or something in between?
>
> Thx