Message

From: Lia Kosic [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=73708C51CF2349CFB6FB2106D496B3AB-LIA KOSIC]
Sent: 2018-09-28 10:35:54 AM
To: Alexander DeAngelis [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=98aa7a2d7069420da02cf8a091ee45d1-Alexander D]; Anthony Martinello [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=3fb7d76317b34780b15d96309b995c31-Anthony Mar]; Jeannette Briggs [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=148095610f7242f48a5a9da24b1a8a87-Jeannette B]
Subject: FW: Fair Hydro Plan risk update

FYI – some feedback prior to our 11am meeting.

From: Barb Anderson
Sent: September 28, 2018 10:34 AM
To: Lia Kosic
Subject: RE: Fair Hydro Plan risk update

I agree with the recommendations you make.
However, this reads like a committee wrote it. We need to make it much clearer.
We can discuss at 11.
Cheers

Barbara Anderson
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From: Lia Kosic
Sent: September 27, 2018 10:50 PM
To: Barb Anderson
Subject: Fair Hydro Plan risk update

Hi Barb,

Attached is our consolidated draft of the Fair Hydro Plan risk analysis.

I recognize that this draft is perhaps lengthier than required, however it incorporates feedback from the whole team and I did not want to streamline without your initial input.

Additionally, while the team considered the write-off issue, further discussion is required to align on its positioning within the memo.

Michael Boll provided the below context:

Under the current legislation, IESO has the right to recover the regulatory asset (ie the debt) from consumers commencing in 2021. Under the Master Transfer and Servicing Agreement, Fair Hydro Trust was not obligated to accept a transfer of a regulatory asset and so the IESO was never assured it would receive funding from FHT.

What has changed now is the government's statement that it plans to change the Fair Hydro Act refinancing components. It is not clear it intends to also remove the IESO's right to recover the IESO's regulatory asset from consumers. It is also not clear how the government intends to address the debt being held by the IESO relating to Fair Hydro.

We have not seen a statement in the public accounts or in today's article indicating an intent by government to not fund the IESO, and we believe it is highly unlikely the government will not fund this debt or create some other mechanism for its recovery.

Further clarity is required regarding the possible tests for determining whether or not to write off the debt.

I look forward to your comments and will work with the team to update the draft in advance of Peter's review.

Thanks,

Lia

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