Message

From: Jeannette Briggs [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=148095610F7242F48A5A9DA24B1A8A87-JEANNETTE B]
Sent: 2017-04-03 3:58:46 PM
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: RE: Timeline of Initial Purchase and Sale of Deferred Asset Account

Should we let Matt aware that there will be only one variance?

Regards,

Jeannette Briggs Director, Settlements - Corporate Services
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Corporate Services collaborates with you to deliver solutions and expertise that enable the IESO to achieve its goals

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From: GO Matthew -TREASURY [mailto:matthew.go@opg.com]
Sent: April 03, 2017 2:48 PM
To: Jeannette Briggs
Cc: Anthony Martinello; Michael Boll
Subject: RE: Timeline of Initial Purchase and Sale of Deferred Asset Account

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FYI - Updated to reflect the initial sale as two months of deferrals. Also included the illustrative timeline as a separate tab.

From: GO Matthew -TREASURY
Sent: Friday, March 31, 2017 5:12 PM
To: 'Jeannette Briggs'
Cc: 'Anthony Martinello'; 'Michael Boll'
Subject: Timeline of Initial Purchase and Sale of Deferred Asset Account

Hi Jeanette,

I created a timeline to illustrate the initial purchase of the deferred asset by the Trust based on our discussion this morning. Key things to note are:

1. 4th business day in June, the LDC will enter into the IESO portal an estimated shortfall for their upcoming May customer collections in order to get a credit on their May invoice. Based on our discussion, this was the option which would allow the IESO to carry the shortfall and not trigger LDC defaults. The other option was the IESO

would bill for the full May amount (credit would not reflect Fair Hydro Plan) and LDC would just shortchange the payment or borrow to make up the difference. However, I understand in reality it could be a mixed bag of options as LDCs will not be consistent in dealing with the shortfall.

2. IESO would carry two months worth of deferrals on their bank facility (June & July deferral) and sell to Trust in August. IESO would need to ensure bank facility capacity is sufficient. Trust would not be ready to buy the initial deferral until August. Trust also needs to ensure it has capacity to purchase two months worth of deferrals.

Please let me know if I haven't correctly captured anything. I will be reflecting elements here in the larger process spreadsheet.

Thanks,
Matt