Message

Sent: 2017-12-04 8:07:28 PM
To: RYFA Ken -TREASURY [ken.ryfa@opg.com]
Subject: RE: EXTERNAL – FW: Mock up of First Transfer Notice

We are working through the Participation Agreement received today from your lawyers - of course we have edits on the lawyers' edits. Nothing is easy. I understand from Market Registration once the Fair Hydro Trust is traceable business entity (post signing of all the agreements), and OPG provides the signed PA, we can proceed with IT setting you for access to the Portal. This typically takes one week so may not work for the carrying cost submission and we may need to get your banking information so that we can enter it and complete a manual invoice. I am still working on the IT time to be reduced but I am facing facts that we may be doing things differently for December all around. JB

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: RYFA Ken -TREASURY [mailto:ken.ryfa@opg.com]
Sent: December 04, 2017 4:51 PM
To: Anthony Martinello
Cc: Jeannette Briggs; Kim Marshall; LADAK Lubna -TREASURY; Susan Nicholson; Olga Whiteley; Michael Boll; LEE John -TREASURY
Subject: RE: EXTERNAL – FW: Mock up of First Transfer Notice

Anthony,
Thanks for the clarifying information on your Treasury policy limitations and other issues on Dec 18th as it is the regular monthly settlement date for LDC payments to the IESO. You indicated an alternative closing date of Dec 19th would work as the OFA is willing to accommodate earlier repayment of the loan to the IESO. We would go with Tues Dec 19th as the closing of the first purchase from the IESO but we would still want to maintain Fri Dec 15 as the date all documents are signed and held in escrow.
Thanks,
Ken

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Friday, December 01, 2017 12:49 PM
To: RYFA Ken -TREASURY <ken.ryfa@opg.com>
Cc: Jeannette Briggs <jeannette.briggs@ieso.ca>; Kim Marshall <Kim.Marshall@ieso.ca>; LADAK Lubna -TREASURY <lubna.ladak@opg.com>; Susan Nicholson <susan.nicholson@ieso.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>; Michael Boll <Michael.Boll@ieso.ca>
Subject: RE: EXTERNAL – FW: Mock up of First Transfer Notice

Ken – let me circle with the group and get back to you.
However, I am likely going to seek that the OPG Trust not pay the IESO any earlier than on Dec 20th since I have strict bank limits re: IESO Treasury Policy requirement to adhere too.

Regards.

From: RYFA Ken -TREASURY [mailto:ken.ryfa@opg.com]
Sent: December 01, 2017 12:14 PM
To: Anthony Martinello
Cc: Jeannette Briggs; Kim Marshall; LADAK Lubna -TREASURY; Susan Nicholson; Olga Whiteley
Subject: RE: EXTERNAL – FW: Mock up of First Transfer Notice

Anthony,

It looks like the dates used are the latest possible dates. The agreement provides flexibility to do earlier as the wording is "no later than".

Intent is to close the debt issuance on December 18 which is same day that the asset is purchased from IESO – the reason for selecting this date is to avoid issues with settlement later that week given the holidays, fewer people available, market activity very limited, etc. Also, if something happens on Dec 18 there is time to fix things before the end of the week.
Transfer Notice would need to be issued on December 11 but it would be better if we got it on December 8.
Is it IESO intention to issue an invoice for the amount of the asset purchase?
The funds for the asset purchase would go to the IESO from a few different sources. Senior debt would come directly from the debt issuance process as the dealers don't want the funds to go through the Trust. Subordinated debt – it was intended to flow through the Trust but it may come from OPG.

Thanks,
Ken

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Friday, December 01, 2017 11:29 AM
To: RYFA Ken -TREASURY <ken.ryfa@opg.com>
Cc: Jeannette Briggs <jeannette.briggs@ieso.ca>; Kim Marshall <Kim.Marshall@ieso.ca>; LADAK Lubna -TREASURY <lubna.ladak@opg.com>; Susan Nicholson <susan.nicholson@ieso.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>
Subject: EXTERNAL – FW: Mock up of First Transfer Notice
Importance: High

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Ken,
Below is the proposed timeline for Dec 2017 (I am keeping to the MTSA timelines/concept) – subject to any comments from the group:

MTSA is signed next week;
Dec 12th (eighth bus day) -> IESO sends Transfer Notice to trust with approx. $1.2 Billion offer (note: trust will round down to nearest million – this means IESO will carry a variance balance over to January);
Dec 18th (twelveth bus day) -> IESO sends notice to OFA for draw on Dec 20 until Dec 28
Dec 20th (fourteenth bus day) -> IESO pays generators

Dec 22th (sixteenth bus day) -> IESO issues invoice to OPG Trust for purchase, and IESO sends notice to OFA for paydown Dec 28 and rollover remainder to January
Dec 28th (eighteenth bus day) – Trust pays IESO, and IESO repays OFA, OFA rollovers remainder to January

Regards,

From: RYFA Ken -TREASURY [mailto:ken.ryfa@opg.com]
Sent: December 01, 2017 9:43 AM
To: Anthony Martinello; Jeannette Briggs
Cc: LADAK Lubna -TREASURY
Subject: Mock up of First Transfer Notice

Anthony / Jeannette,
Attached is a mock up of a partially completed Transfer Notice for the first asset purchase by the Trust. We using this as part of a discussion with the Province related to the process to get an equity injection into OPG for the subordinated debt of the Trust. We're having discussions around timing of the first transfer since the supporting documentation for the equity injection is the Transfer Notice. Due to the challenges around document finalization and signing we need to follow a different process for this first transaction. We need to provide them with an unsigned Transfer Notice to get their process started which we would follow up with a signed document.
Thanks,
Ken

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