Message

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Sent: 2017-03-06 2:34:51 PM
To: Terry Young [/O=IMO/OU=MSX1/cn=Recipients/cn=Terry Young]
CC: Chuck Farmer [/O=IMO/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=Chuck Farmerfa1]; Jordan Penic [/O=IMO/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=Penicj]
Subject: Rate Mitigation Costing

Hi Terry,

Here's a breakdown of the costing for the rate mitigation plan, as I understand it from the technical briefing and materials I've seen:

Item	**Cost**	**Ratepayers or Taxpayers**
GA Refinancing	$2.5B per year, on average, over first 10 years	Ratepayers
8% Rebate	$1B per year, indefinitely	Taxpayers
Rate relief programs (OESP expansion, RRRP expansion, and on-reserve First Nations delivery credit)	$2.5B over three years	Taxpayers
Affordability Fund	Unclear (I think its TBD)	Taxpayers

Other notes:

- Rates will be kept at inflation for first four years. After that point, the OPG's accumulated GA debt will begin being paid off by ratepayers.
- The Rural and Remote Rate Protection (RRRP) will be moved from the rate base to the tax base
- Only Regulated Rate Plan consumers will benefit from the GA refinancing
- The government estimates there will be an additional cost of $25B in interest over the 30 years

Let me know if you have any questions.

Andrew

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