Message

**From**: Macpherson, Robin (ENERGY) [Robin.Macpherson@ontario.ca]
**Sent**: 2017-06-19 3:39:27 PM
**To**: Christie, Tim (ENERGY) [Tim.Christie@ontario.ca]; Joyce Poon [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=3093c75378834fd195c6a07d2c0aded1-Joyce Poon]; Chris Ciaravino [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=8f9ee5c0adfa45739eedb7072d93bf38-Chris Ciara]; George Pessione [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=fe1264f59cb3428a90a73766e96ea517-George Pess]; Cayley, Daniel (ENERGY) [Daniel.Cayley@ontario.ca]; Bergman, Mark (ENERGY) [Mark.Bergman@ontario.ca]
**Subject**: RE: LTEP / OFHP cost modelling
**Attachments**: GA Financing - by RPP period 170619.xlsm

Hi Joyce / Chris,

Good to meet earlier today and align on the LTEP price modelling.

Further to our discussion I have made a series of edits to the GA financing model (see attached):

1. On the 'Res Bill Biennial' and 'Calcs Biennial' tabs added new columns for the Jul-17 and Jul-21 to represent the new cap period.

a. This includes edits to row 10 to ensure demand / GA fractions are accurate

2. On the 'Res Bill Biennial' tab

b. added in May 2017 OEB actuals (I have taken these from the 'summary of residential monthly' tab on the sheet that you provided last week)
c. edited row 12 so CPI increases during capped period occur in full in May, as opposed to 50% in each RPP period
d. edited row 19 so CPI cap period aligns with latest thinking. Note that I have also adjusted cell M19 so that annual increase post-cap is proportional to the 4 month only period

3. On the 'Summary biennial' tab

e. Edited tables to include Jul special periods

As discussed, there is uncertainty around the shape of the curve post-cap in Jul 2021. Our working assumption is that it would revert to a 6.3% annual increase (this was the curve trajectory for the post-cap period in the original model) until the inflexion point with the long-term non OFHP curve but this is subject to change.

To get the target bill numbers I suggest:

- update with your latest long-term projection in the 'IESO Res Bill' tab (the model reads from row 11)
- on the 'summary biennial' tab hold C4 at the 6.3% and then goal seek C5 until there is 0 debt in the final year (C9).

Happy to discuss and do let me know if you think there are further edits to be made in light of our discussion this morning.

Thanks,
Robin

-----Original Appointment-----
**From:** Macpherson, Robin (ENERGY)
**Sent:** June 14, 2017 5:13 PM
**To:** Macpherson, Robin (ENERGY); Christie, Tim (ENERGY); 'Joyce Poon'; Chris Ciaravino; George Pessione; Cayley, Daniel (ENERGY); Bergman, Mark (ENERGY)
**Subject:** LTEP / OFHP cost modelling
**When:** June 19, 2017 9:00 AM-10:00 AM (UTC-05:00) Eastern Time (US & Canada).
**Where:** Boardroom 7C - 7th Floor, 77 Grenville St.