INTERIM MARKET DOCUMENT CHANGE

Title: Ontario Fair Hydro Plan – Regulatory Asset

Document ID: **IMDC-42**

Version Number #: **1.0**

Part 1 – General Information

Document(s) Affected:	"Ontario Fair Hydro Plan – Regulatory Asset"		
	"IMO_GDE_0002"		
Market Rule Reference(s)	"Ch. xx, section yy"		
This Interim Market Document Change represents an amendment to the market document noted above. In the event of any inconsistency between the terms of this Interim Market Document Change and the terms of the affected document, the terms of this Interim Market Document Change shall prevail.			
Date Prepared:	"October 27th, 2017"	**Valid From:**	"November 1st, 2017"
Date Posted:	"TBD"	**Valid To:**	"December 6th, 2017"
Subject:	"Ontario Fair Hydro Plan (OFHP) – Regulatory Asset"		
Reason For Change:	"Update the HST guide with the OFHP – Regulatory Asset charge types and its HST treatment, as a result of Bill 132, Fair Hydro Act, 2017"		
Stakeholder History:	List stakeholder engagement history (i.e. Working Group, MRA, ITSC, Participant request)		
Reason For IMDC	☐ Market Rule Amendment	☐ Government Directive	
	☐ Sustain Reliability	☐ IT System Change	
	☒ Other Per Government Regulation (Fair Hydro Act, 2017)		

Part 2 – Description of Change

Description of Change The following information will be included in a revised version of the affected document on or about, the "Valid To" date provided in Part 1.

"Insert Text Here"

Note: This description will be the same as that used by Settlements for their IMDC.

Attachment A

8.36 Ontario Fair Hydro Plan - Regulatory Asset

As per the Fair Hydro Act, the IESO may from time to time transfer a specified portion of the regulatory asset to a financing entity; and an agreement between the IESO and a financing entity in relation to the transfer of a specified portion of the regulatory asset shall provide for consideration of a payment by the financing entity to the IESO in an amount equal to the amount of the specified portion.

Charge code 6000 "Ontario Fair Hydro Plan - Regulatory Asset Transfer Amount" is the amount debited to the financing entity and charge code 6050 "Ontario Fair Hydro Plan - Regulatory Asset Transfer Balancing Amount" is the amount credited to the IESO and is used to reduce the variance account.

The following *charge types* have been created to settle this program:

- Ontario Fair Hydro Plan - Regulatory Asset Transfer Amount (*charge type* 6000); and
- Ontario Fair Hydro Plan - Regulatory Asset Transfer Balancing Amount (*charge type* 6050).

The Ontario Fair Hydro Plan - Regulatory Asset Transfer Amount under *charge type* 6000 is the transfer of the regulatory asset to the financing entity.

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The Ontario Fair Hydro Plan - Regulatory Asset Transfer Balancing Amount under *charge type* 6050 is the corresponding set-off that is balanced by the *IESO*.

HST Treatment

Charge type 6000 is viewed as a transfer of a financial instrument. As such, it is not subject to HST.

Charge type 6050 is not a payment for a supply. As such, it is not subject to HST.