

Message

From: Susan Nicholson [/O=IMO/OU=MSX1/CN=RECIPIENTS/CN=SUSAN NICHOLSON]
Sent: 2017-03-03 8:34:38 AM
To: Kim Marshall [/O=IMO/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=Kim Marshall9f5]
Subject: Re: Today's Rate Mitigation Announcement

Heading in now.

Sent from my BlackBerry 10 smartphone on the Bell network.

From: Kim Marshall
Sent: Friday, March 3, 2017 8:32 AM
To: Susan Nicholson
Subject: RE: Today's Rate Mitigation Announcement

Let's talk when you get in

Kimberly Marshall | VP, Corporate Services & CFO
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From: Susan Nicholson
Sent: March 03, 2017 8:31 AM
To: Kim Marshall
Subject: Re: Today's Rate Mitigation Announcement

We are good and have our heads done to make it happen. Had a meeting with govt relations and communications on Wednesday so we are all on the same page and proceeding with March 31 date.

Sent from my BlackBerry 10 smartphone on the Bell network.

From: Kim Marshall
Sent: Friday, March 3, 2017 8:28 AM
To: Susan Nicholson
Subject: RE: Today's Rate Mitigation Announcement

What can I do to help?

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From: Susan Nicholson
Sent: March 03, 2017 8:27 AM
To: Kim Marshall
Subject: Re: Today's Rate Mitigation Announcement

Am I correct that this is not confidential any more. We met with Matt yesterday about auditing the market accounts. I may need some help from IT pulling some info from CRS (not sure yet).

Sent from my BlackBerry 10 smartphone on the Bell network.

From: Kim Marshall
Sent: Friday, March 3, 2017 8:21 AM
To: Lia Kasic; Elizabeth Squizzato; Jeannette Briggs; Anthony Martinello; Susan Nicholson
Subject: FW: Today's Rate Mitigation Announcement

fyi

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From: Andrew Dow
Sent: March 02, 2017 8:47 PM
To: Bruce Campbell; Kim Marshall; Michael Lyle; Terry Young; JoAnne Butler; Leonard Kula; Doug Thomas
Cc: Jordan Penic; Chuck Farmer; Mary Bernard; Reena Goyal; Glenna Ford; Anthy Lovachis
Subject: Today's Rate Mitigation Announcement

Hi,

As you'll have seen by now, the government announced its rate mitigation plan today – *Ontario's Fair Hydro Plan*. The IESO (Kim Marshall) participated in today's technical briefing for media and briefly spoke to the IESO's role in refinancing the global adjustment.

Here's how the plan impacts the IESO:

- The IESO will work with OPG to facilitate the refinancing of global adjustment over a 30-year term.
 - This will involve the IESO collecting less money from LDCs and transferring the outstanding amount to OPG as an "asset" they will manage
 - Current Ministry of Energy forecasts indicate a GA reduction of about \$2.5B per year for consumers over the first ten years, with annual interest costs not exceeding \$1.4B
 - Legislation will be introduced that will enable IESO and OPG to refinance GA
 - IESO contracts will not be affected
- The Industrial Conservation Initiative is being expanded by reducing the threshold from 1MW to 500kW and targeting more small manufacturing and industrial customers
- The Rural or Remote Rate Protection will be broadened to cover more customers and its costs will be now be recovered through the tax base
- Market Renewal was cited by the Minister during this morning's press conference and in a media backgrounder as another measure to mitigate rates

- The backgrounder saying it is “estimated to save at least \$200M per year, starting in 2021”

Further information can be found in the government’s media materials, attached.

Andrew

Andrew Dow | Analyst, Government Affairs and Issues Management

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