Message

From: Anthony Martinello [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=3FB7D76317B34780B15D96309B995C31-ANTHONY MAR]
Sent: 2017-10-24 12:53:09 PM
To: Jeannette Briggs [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=148095610f7242f48a5a9da24b1a8a87-Jeannette B]; Hamlet Alexanian [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d0fcff8aeea84848ba5a12380ec04460-Hamlet Alex]; Michael Boll [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=4811917e15054407b665fe16d12ff415-Michael Bol]
Subject: Fw: EXTERNAL – FW: CEA remittances

Fyi

From: matthew.go@opg.com
Sent: October 24, 2017 1:11 PM
To: Anthony.Martinello@ieso.ca
Subject: RE: EXTERNAL – FW: CEA remittances

Anthony,

Because the LDCs will be holding the CEA longer than expected due to their need to reconcile and separate payment likely will increase the security requirements the Ratings Agency will expect (60 day requirement). This is more an FYI. The impact of this is lessened if the eligible security includes IESO guarantee. I haven't heard anything on that front yet.

Thanks,
Matt

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Tuesday, October 24, 2017 5:38 AM
To: GO Matthew -TREASURY <matthew.go@opg.com>
Cc: Jeannette Briggs <jeannette.briggs@ieso.ca>; Hamlet Alexanian <hamlet.alexanian@ieso.ca>
Subject: EXTERNAL – FW: CEA remittances

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Matt

Below are my comments:

-LDCs are collecting CEAs each 30 days during each month since homeowners are not all billed at the same time. Therefore LDCs are likely to have 30 separate days of CEAs deposits for each month. Also, homeowners typically have up to 16 non-bus days (i.e. an OEB retail settlement code requirement) from billing date to final due date…therefore a homeowner billed on Sept 25 will likely have a due date of Oct 11 to remit payment. For example, assume an LDC has collects CEAs $10 dollars per day or $300 per month for the entire FH program…..if the dealers expect the LDC to remit CEAs on the 1st bus day following each completed month-end than other than the first month each subsequent month will be $300 remitted to the IESO…..in other words no real value added to insist on remitting 1st bus day of each month.

-as per the FH Act all LDCs have to segregate CEA monies into a trust acct.....thus as the funds are held in a trust account then the dealers should have comfort. Note that homeowners will be remitting one amount to LDCs for both electricity charges and CEAs.....thus LDCs need some time to separate/reconcile/report these amounts into their respective accounts.

-as per the FH Act all LDCs will have to report fair hydro data to the IESO (note: still awaiting OPG Trust's other proposed info/data requests to review). LDCs will have to build and reconcile/report this new data requirement into their monthly asks to the IESO;

I believe the dealers should have comfort on the proposed dates I have outlined for the MTSA. Let me know if you wish to discuss.

Regards.

From: GO Matthew -TREASURY [mailto:matthew.go@opg.com]
Sent: October 22, 2017 10:30 PM
To: Anthony Martinello
Subject: CEA remittances

Anthony,

In prior conversations, IESO had suggested the following re CEA remittances:

1. Day 16 – LDCs remit CEA collected from prior month
2. Day 18 – IESO remits CEA to the Trust

Is there any issue with moving these elements to the beginning of the month? Dealers will want the CEA in the Trust's hands ASAP after the prior calendar month is done (also to minimize the amount of time CEA is sitting with LDC). I can't see this being a big ask on the LDCs as they don't have to do much other than transfer the contents of their seg account to IESO. Also there really is no reason for them to sit on that cash and it just increases risk if they hold it longer. Let me know your thoughts.

Thanks,
Matt
