

Message

From: Michael Boll [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=4811917E15054407B665FE16D12FF415-MICHAEL BOL]
Sent: 2017-11-08 9:39:47 AM
To: Picard, Michel [mpicard@kpmg.ca]; Kim Marshall [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=b63a22b42bf14587870d93119a054d88-Kim Marshal]
Subject: RE: Revised MTSA per our discussion

Michel, do you think OPG being appointed to take on these responsibilities will create any accounting issues from its perspective?

From: Picard, Michel [mailto:mpicard@kpmg.ca]
Sent: November 08, 2017 9:22 AM
To: Kim Marshall
Cc: Michael Boll
Subject: RE: Revised MTSA per our discussion

Thanks Kim.

We are fine with the additional clauses.

Regards,

Michel

From: Kim Marshall [mailto:Kim.Marshall@ieso.ca]
Sent: Wednesday, November 08, 2017 8:27 AM
To: Picard, Michel <mpicard@kpmg.ca>
Cc: Michael Boll <Michael.Boll@ieso.ca>
Subject: FW: Revised MTSA per our discussion

Here is the latest draft. What has been added is 2 clauses which give IESO enforcement and audit responsibilities. This is to bring the agreement in line with traditional roles of a servicer to make it easier for the rating agencies to assess. As indicated in les's email, OPG (who actually has the legislative right for this enforcement and audit) will agree to undertake under an agency appointment, at no cost to IESO. This should be a form over substance discussion.

Pls let us know if you believe these additions do not impact the current IESO accounting approach. Thanks

3.3

- (a) as agent of the Issuer, where reasonable to do so in accordance with the standards described in Section 3.7, enforce the duties and obligations under the Act of the Electricity Vendors to collect, receive and remit amounts received by the Electricity Vendors in respect of Clean Energy Adjustments,^[1]
- (b) on a periodic basis as requested by the Issuer, review or caused to be reviewed, pursuant to its rights under Section 10(4) of the Regulations, the records maintained by each Electricity Vendor with respect to Clean Energy Adjustments; provided that in the absence of evidence of material non-compliance by an Electricity Vendor with its duties and

^[1] Note: IESO would appoint OPG as its agent to perform these obligations.

obligations in respect of Clean Energy Adjustments, the Servicer shall not be required to review the records of a Electricity Vendor more often than ■,¹ and

3.8 Appointments

The Servicer may at any time appoint OPG or any other Person to act as its agent to perform all or any portion of its obligations as Servicer hereunder

Kimberly Marshall | VP, Corporate Services & CFO

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From: WONG Leslie -LAWDIV [<mailto:leslie.wong@opg.com>]

Sent: November 07, 2017 7:41 PM

To: Michael Boll; Kim Marshall

Cc: LEE John -TREASURY; RYFA Ken -TREASURY; Ramchandani, Rima; 'Feldman, Michael'; 'Saulnier, Brett'

Subject: Revised MTSA per our discussion today

Dear Michael,

Attached per our meeting today is a revised draft of the MTSA. Attached is a clean version and a blackline against the version that went to the rating agencies. Could you please arrange for KPMG to consider the inclusion of the obligations in 3.3(k) and (l) with the expectation that OPG will agree to undertake those obligations under an agency appointment?

Let us know if there are any questions or comments on the attached.

Regards,

Les

Leslie Wong

Senior Counsel

Ontario Power Generation Inc.

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