

Message

From: Michael Boll [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=4811917E15054407B665FE16D12FF415-MICHAEL BOL]
Sent: 2018-01-18 7:18:22 AM
To: Picard, Michel [mpicard@kpmg.ca]
CC: Kim Marshall [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=b63a22b42bf14587870d93119a054d88-Kim Marshal]
Subject: Re: Opinion

The payment made was carrying costs, not CEA remittances. CEA does not start until 2021.

Sent from my iPhone

On Jan 17, 2018, at 8:39 PM, Picard, Michel <mpicard@kpmg.ca> wrote:

Thanks.

I thought that IESO made a transfer to the OPG Trust in December 2017. Is the amount not covered?

From: Michael Boll [<mailto:Michael.Boll@ieso.ca>]
Sent: Wednesday, January 17, 2018 8:37 PM
To: Picard, Michel <mpicard@kpmg.ca>
Cc: Kim Marshall <Kim.Marshall@ieso.ca>
Subject: RE: Opinion

The security has not been provided yet. It is only required to be in place when CEAs are being collected by LDCs. The security in place now is the security agreement that you have, which provides security for the IESO's payment obligation for Carrying Costs.

From: Picard, Michel [<mailto:mpicard@kpmg.ca>]
Sent: January 17, 2018 7:51 PM
To: Michael Boll
Cc: Kim Marshall
Subject: RE: Opinion

Michael,

I found the reference in the Section 3.15 of the MTSA IESO Security for CEA Remittances

The IESO shall provide to the Issuer, on or prior to the first day of the first Billing Period when amounts are invoiced to Specified Consumers in respect of Clean Energy Adjustments, security for any failure of Non-Investment Grade Rated Electricity Vendors to remit their Electricity Vendor CEA Collections in the form of (x) a letter of credit from a provider that satisfies the Rating Agency Condition and with a term extending to the first day of the immediately following calendar year, or (y) a performance guarantee or such other form of security as may be acceptable to the Issuer and that satisfies the Rating Agency Condition.

Can you please provide me with the Security provided?

Regards,

Michel

From: Picard, Michel
Sent: Wednesday, January 17, 2018 6:36 PM
To: 'Michael Boll' <Michael.Boll@ieso.ca>
Cc: 'Kim Marshall' <Kim.Marshall@ieso.ca>
Subject: Opinion

Michael,

I am currently working on the derecognition of the regulatory asset section.

If I remember correctly, IESO is required to provide a guarantee/indemnity for the performance of the Distributors that do not meet a certain rating level required by the Rating Agencies.

I cannot find the reference to this requirement. Can you put me in the right direction?

Thanks,

Michel Picard, CPA, CA

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