

Message

From: Peter Hamilton [PHamilton@stikeman.com]
Sent: 2018-01-18 5:17:57 PM
To: Saulnier, Brett [bsaulnier@torys.com]; Feldman, Michael [mfeldman@torys.com]; Mansoori, Nina [nmansoori@torys.com]; Ramchandani, Rima [rramchandani@torys.com]; LAURETA LAPIRA May -TREASURY [may.lapira@opg.com]; 'LADAK Lubna -FIN & C CTRL' [lubna.ladak@opg.com]; dup-john.s.lee@opg.com [john.s.lee@opg.com]; 'ken.ryfa@opg.com' [ken.ryfa@opg.com]; 'WONG Leslie -LAWDIV' [leslie.wong@opg.com]
CC: Michael Boll [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=4811917e15054407b665fe16d12ff415-Michael Bol]; Glenn Zacher [GZacher@stikeman.com]; Kim Marshall [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=b63a22b42bf14587870d93119a054d88-Kim Marshall]; Anthony Martinello [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=3fb7d76317b34780b15d96309b995c31-Anthony Mar]
Subject: RE: Fair Hydro Trust -- Revised OM and Term Sheet

This is a point which has been raised before and the language now requested is what the IESO would not agree to in the Regs and the MTSA.

How we (collectively, and not just the IESO) produce a forecast for Specified Consumers is a work in progress. The IESO knows that it is going to have to contribute to that process, but we would not (and did not) agree that it is our sole responsibility.

Section 8(3) of the Regulations provides that " the forecast electricity consumption of specified consumers shall be based on forecast information provided to the Board by the IESO." The MTSA provides that the IESO shall "provide to the Board the forecast information contemplated by Section 8(3) of the Regulations. " The language we have suggested is consistent with the Section 8(3) and the MTSA.

Peter Hamilton

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From: Saulnier, Brett [mailto:bsaulnier@torys.com]
Sent: Thursday, January 18, 2018 5:06 PM
To: Peter Hamilton; Feldman, Michael; Mansoori, Nina; Ramchandani, Rima; LAURETA LAPIRA May -TREASURY; 'LADAK Lubna -FIN & C CTRL'; dup-john.s.lee@opg.com; 'ken.ryfa@opg.com'; 'WONG Leslie -LAWDIV'
Cc: Michael Boll; Glenn Zacher; Kim Marshall; Anthony Martinello (Anthony.Martinello@ieso.ca)
Subject: RE: Fair Hydro Trust -- Revised OM and Term Sheet

Hi Peter,

With respect to the few places in the OM that describe the IESO's duty to provide forecast information, we would like to use the following wording:

"providing certain forecast information, including forecasted electricity consumption by Specified Consumers, to the OEB and the Issuer."

This comes up in a couple of places and in one of the risk factors. Can you let us know if this wording works from your perspective or, if not, explain your objection?

I also wanted to flag that we've deleted the following from the summary at the dealers' request, as we don't think it is relevant for summary purposes:

"The FHPA provides that the OEB shall, from time to time and in accordance with the Regulations, determine and set rates payable by Specified Consumers to allow for the IESO to recover the balance recorded in the variance account and that the IESO shall not be entitled to collect all or part of the balance recorded in the variance account from Specified Consumers before May 1, 2021."

Thanks,
Brett

Brett Saulnier

P. 416.865.8148 | F. 416.865.7380 | 1.800.505.8679

From: Peter Hamilton [mailto:PHamilton@stikeman.com]

Sent: January-18-18 2:40 PM

To: Feldman, Michael <mfeldman@torys.com>; Mansoori, Nina <nmansoori@torys.com>; Ramchandani, Rima <rramchandani@torys.com>; LAURETA LAPIRA May -TREASURY <may.lapira@opg.com>; 'LADAK Lubna -FIN & C CTRL' <lubna.ladak@opg.com>; dup-john.s.lee@opg.com <john.s.lee@opg.com>; 'ken.ryfa@opg.com' <ken.ryfa@opg.com>; 'WONG Leslie -LAWDIV' <leslie.wong@opg.com>; Saulnier, Brett <bsaulnier@torys.com>

Cc: Michael Boll <Michael.Boll@ieso.ca>; Glenn Zacher <GZacher@stikeman.com>; Kim Marshall <Kim.Marshall@ieso.ca>; Anthony Martinello (Anthony.Martinello@ieso.ca) <Anthony.Martinello@ieso.ca>

Subject: Fair Hydro Trust -- Revised OM and Term Sheet

Pls see attached comments on the OM (marked pages only).

Happy to discuss. On the charts, I think that the problem is that you are conflating the IESO deferral cash flows and the CEA cash flows, without adequately distinguishing them. The incorporation of the CEA cash flows is also incomplete in the sense that you do not reflect the payments at all levels (hope this makes my scribbles easier to decipher)..

Peter Hamilton

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From: Michael Boll [mailto:Michael.Boll@ieso.ca]

Sent: Thursday, January 18, 2018 12:06 PM

To: Saulnier, Brett; Peter Hamilton; Glenn Zacher; Kim Marshall

Cc: Feldman, Michael; Mansoori, Nina; Ramchandani, Rima; LAURETA LAPIRA May -TREASURY; 'LADAK Lubna -FIN & C CTRL'; dup-john.s.lee@opg.com; 'ken.ryfa@opg.com'; 'WONG Leslie -LAWDIV'

Subject: RE: Fair Hydro Trust -- Revised OM and Term Sheet

Hi Brett,

Please see attached comments on the presentation. We will revert on OM this afternoon.

Regards,
Michael

From: Saulnier, Brett [<mailto:bsaulnier@torys.com>]

Sent: January 17, 2018 6:08 PM

To: 'Peter Hamilton'; Michael Boll; Glenn Zacher; Kim Marshall

Cc: Feldman, Michael; Mansoori, Nina; Ramchandani, Rima; LAURETA LAPIRA May -TREASURY; 'LADAK Lubna -FIN & C CTRL'; dup-john.s.lee@opg.com; 'ken.ryfa@opg.com'; 'WONG Leslie -LAWDIV'

Subject: RE: Fair Hydro Trust -- Revised OM and Term Sheet

Peter, Michael,

Please find attached a revised Investor Presentation. The dealers have prepared a blackline, but noted that it was done manually and to refer to the clean in the event of any inconsistencies. The attached is being reviewed concurrently by all parties and remains subject to further review and comment by OPG, the dealers and their respective counsel.

We ask that you provide signoff on the IESO-related aspects of the attached by no later than 12:00 noon tomorrow (January 18). I also wanted to quickly follow up on your sign off on the OM.

Thanks,
Brett

Brett Saulnier

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TORYS
LLP

From: Saulnier, Brett

Sent: January-17-18 1:31 AM

To: 'Miao, Amelia' <amiao@osler.com>; 'Stoddart, Jesse - Debt Capital Markets' <Jesse.Stoddart@cibc.com>; 'dup-john.s.lee@opg.com' <john.s.lee@opg.com>; 'ken.ryfa@opg.com' <ken.ryfa@opg.com>; 'WONG Leslie -LAWDIV' <leslie.wong@opg.com>; 'LADAK Lubna -FIN & C CTRL' <lubna.ladak@opg.com>; 'Sebastiano, Rocco' <RSebastiano@osler.com>; 'Milligan, Peter' <PMilligan@osler.com>; 'Fullerton, Rick' <RFullerton@osler.com>; 'ian.benaiah@rbccm.com' <ian.benaiah@rbccm.com>; 'Khan, Nur (nur.khan@rbccm.com)' <nur.khan@rbccm.com>; 'brent.r.taylor@rbccm.com' <brent.r.taylor@rbccm.com>; 'katrina.niehaus@gs.com' <katrina.niehaus@gs.com>; 'brian.delaney@gs.com' <brian.delaney@gs.com>; 'Maciel, Andrew' <Andrew.Maciel@cibc.com>; 'Adalja, Sunil' <Sunil.Adalja@cibc.com>; 'Persad, Nicole' <Nicole.Persad@cibc.com>; 'Persaud, Donnie - Debt Capital Markets' <Donnie.Persaud@cibc.com>; 'Hunter, Rosalind' <RHunter@osler.com>; 'Innes, Michael' <MInnes@osler.com>; 'Malhi, Harman' <harman.malhi@rbccm.com>; 'Alvi, Shariq' <Shariq.Alvi@cibc.com>; 'Daou, Hadi' <Hadi.Daou@cibc.com>; 'Hume, Tyler' <Tyler.Hume@cibc.com>; 'Royer, Kate' <KRoyer@osler.com>; 'LAURETA LAPIRA May -TREASURY' <may.lapira@opg.com>; 'Fitzpatrick, Michael F.' <MFitzpatrick@hunton.com>; 'O'Brian, Adam' <aobrian@hunton.com>; 'Peter Hamilton' <PHamilton@stikeman.com>; 'Michael Boll' <Michael.Boll@ieso.ca>; 'Glenn Zacher' <GZacher@stikeman.com>; 'kim.marshall@ieso.ca' <kim.marshall@ieso.ca>

Cc: Feldman, Michael <mfeldman@torys.com>; Mansoori, Nina <nmansoori@torys.com>; Olusoga, Yinka <yolusoga@torys.com>; Bomhof, Scott <sbomhof@torys.com>; Watson, Gwen <gwatson@torys.com>; Johnson, Richard <rjohnson@torys.com>; Dost, Mitchell <mdost@torys.com>; Myers, Jonathan <jmyers@torys.com>; Ramchandani,

Rima <rramchandani@torys.com>

Subject: Fair Hydro Trust -- Revised OM and Term Sheet

All,

Please find attached revised versions of the Offering Memorandum and Term Sheet. The attached reflect comments received from IESO and the Province and some additional clean-up changes made since the documents were last widely circulated on January 5. We have accepted the majority of the comments provided where appropriate and I have included blacklines of each document against the January 5 versions.

I note that these documents are being circulated to all parties concurrently in the interest of time. They remain subject to review and comment by OPG, the dealers and their counsel.

We would ask that Stikeman/IESO please confirm they are signed off on the IESO-related disclosure by close of business tomorrow (January 17). A revised Investor Presentation will be circulated separately.

Thanks,
Brett

Brett Saulnier

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