

Message

From: GO Matthew -TREASURY [matthew.go@opg.com]
Sent: 2017-05-17 4:16:10 PM
To: Anthony Martinello [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=3fb7d76317b34780b15d96309b995c31-Anthony Mar]
Subject: RE: EXTERNAL – RE: LDC invoice credit

Anthony,

I just got off a call with the dealers and their external counsel. They would like to do a call with OPG/IESO to discuss what they envision the LDCs doing in regards to payment and reporting. Would also be a good chance, from IESO's standpoint, to express the limitations and complications with what they envision (assuming it's going all the way down to individual customers). Giving you a heads up this is coming our way. Would be good to have Jeannette and Michael on the call as well.

Matt

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Wednesday, May 17, 2017 10:02 AM
To: GO Matthew -TREASURY
Subject: EXTERNAL – RE: LDC invoice credit

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It does not flow as per email below – give me a call to discuss.

Are you able to share the Term sheet docs you are working on to start the legal process for the sales/service agreement?

Also, I likely will be sending you the following via email later today:

- action items draft for IESO/OPG – to ensure we are keeping aligned
- draft steps on how, if any, to propose a move to having OPG buy RA before month-end (concept now)

Regards

From: GO Matthew -TREASURY [mailto:matthew.go@opg.com]
Sent: May 16, 2017 6:22 PM
To: Anthony Martinello
Subject: LDC invoice credit

Anthony,

I was thinking about the IESO/LDC billing process and I just want clarification on the aspect of the credit amount they submit via the portal. Discussions with the bankers ie the whole LDC separate collection process for CEA triggered this. I'll use a hypothetical example with a brand new LDC starting out to highlight my question.

1. Month 1 - IESO bills LDC for very first month of energy they distributed - \$100
2. Month 1 - LDC is brand new and has no money, so they enter in \$100 credit amount in portal
3. Month 2 – LDC collects \$100 from customers relating to Month 1
4. Month 2 – IESO bills LDC for second month of energy distributed - \$100
5. Month 2 – LDC has \$100 from Month 1 collections, and uses that to pay Month 2 invoice

How does Month 1 ever get paid by the LDCs? Does the Month 2 bill also include the original Month 1 balance – ie, would the invoice be for \$200?

Matt

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