Message

From: HARTWICK Ken -FINANCE [/O=OH/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=217097]
Sent: 21/02/2017 11:59:39 AM
To: 'Veinot, Cindy (TBS)' [Cindy.Veinot@ontario.ca]; MAUTI John -FIN & C CTRL [john.mauti@opg.com]; Petsche, Nadine (TBS) [Nadine.Petsche@ontario.ca]
CC: Hosick, Sarah (TBS) [Sarah.Hosick@ontario.ca]
Subject: RE: EXTERNAL - RE: Terms for Global Adjustment relief Trust

Cindy
Assume busy times on your side with this and other items. OPG has been working on getting EY comfortable with the consolidation of this asset and liability (whether in a trust or some other corporate vehicle). We are making progress and probably similar to you a lot depends on what is included in the legislation but we assume that it will be supportive.

With respect to the GBE, assuming the legislation works, we will have a view that OPG can fund its operations between the external market and the OFA. Redacted - AG Priv. Redacted - AG Priv. EY (our auditors) cannot give an opinion or view on this as it is more your accounting. I think you mentioned you are also using a different part of EY for advice which they should be able to provide guidance.

Hope that helps and glad to chat.

-----Original Message-----
From: Veinot, Cindy (TBS) [mailto:Cindy.Veinot@ontario.ca]
Sent: Tuesday, February 21, 2017 11:44 AM
To: MAUTI John -FIN & C CTRL; HARTWICK Ken -FINANCE; Petsche, Nadine (TBS)
Cc: CHENG Alec -FIN & C CTRL; JORDA Jenny -FIN & C CTRL; LEE John -TREASURY; Hosick, Sarah (TBS)
Subject: EXTERNAL - RE: Terms for Global Adjustment relief Trust

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Thanks all

Based on my discussion with Ken last week, I understood that OPG Finance was also providing an initial analysis of OPG remaining a GBE and specifically whether it is be self-sustaining, after taking into consideration these structural changes.

Cindy

-----Original Message-----
From: MAUTI John -FIN & C CTRL [mailto:john.mauti@opg.com]
Sent: February-21-17 11:37 AM
To: Veinot, Cindy (TBS)
Cc: MAUTI John -FIN & C CTRL; CHENG Alec -FIN & C CTRL; JORDA Jenny -FIN & C CTRL; LEE John -TREASURY
Subject: Terms for Global Adjustment relief Trust

Cindy,
The attached document is being shared with Ministry of Energy staff this morning.
Its objective is to outline the conditions / criteria under which consolidation of a Trust vehicle within OPG Inc. is a possibility. This list of criteria have been vetted and reviewed with our external auditors (EY).

Redacted - AG Priv.

Redacted - AG Priv. While we feel confident that the conditions as listed could be used to support a consolidation for accounting purposes, the evaluation of the facts and conclusions are not without risk.

Thanks

John G. Mauti
Chief Controller & Accounting Officer
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