Message

From: MAUTI John -FIN & C CTRL [/O=OH/OU=TORONTO/CN=RECIPIENTS/CN=932974]
Sent: 6/15/2017 6:41:21 PM
To: HARTWICK Ken -FINANCE [/o=OH/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=217097]
CC: MAUTI John -FIN & C CTRL [/o=OH/ou=Toronto/cn=Recipients/cn=932974]; KOGAN Alex -FIN & C CTRL [/o=OH/ou=Toronto/cn=Recipients/cn=206693]
Subject: FW: For your submission to Ken (i.e., the CFO package)
Attachments: CFO_May 2017 Monthly Key Results.pdf

Ken, here's a draft package for you for May reporting

Net income forecast is now above plan $150M after the P6 outage deferral

On the Oma front, we'll send you a graphical chart to show how close / far groups are from achieving the stretch. Chris was able to commit to get there except for about a million for SC consulting and other work. Barb started to move a bit ($1M) but is also keen on driving the cost saving message. The boat's at least going in the same direction.

Capex spending below budget another $15m this month.... not a good trend.

Thanks

Sent with BlackBerry Work
(www.blackberry.com)

From: XING Amanda -FIN & C CTRL <amanda.xing@opg.com>
Date: Thursday, Jun 15, 2017, 4:58 PM
To: MAUTI John -FIN & C CTRL <john.mauti@opg.com>
Cc: FREE David -FIN & C CTRL <david.free@opg.com>, KOGAN Alex -FIN & C CTRL <alexander.kogan@opg.com>, TRAN Banh -FIN & C CTRL <banh.tran@opg.com>
Subject: For your submission to Ken (i.e., the CFO package)

Hi John,

I have removed the OM&A pretty chart following our 4:30 meeting. Please find attached package for your submission to Ken.

Thanks,
Amanda

From: TRAN Banh -FIN & C CTRL
Sent: Thursday, June 15, 2017 4:23 PM
To: MAUTI John -FIN & C CTRL; XING Amanda -FIN & C CTRL
Cc: FREE David -FIN & C CTRL; KOGAN Alex -FIN & C CTRL; TRAN Banh -FIN & C CTRL
Subject: RE: Final (?) CFO package reflecting all changes

Yes it was a test.... ☺. Please see attached with duplication removed. With respect packaging here is a road map:

1) The attached is for CFO (Ken) only.

2) ELT – CFO package less last two pages (starting with Key Operating Results to Refurbishment Summary).
3) KRM – ELT package less OM&A and Capital Expenditures pretty charts PLUS Bill's production page.

We will discuss your other questions via conference in 8 minutes.

Thanks,
Banh

From: MAUTI John -FIN & C CTRL
Sent: Thursday, June 15, 2017 4:08 PM
To: XING Amanda -FIN & C CTRL
Cc: TRAN Banh -FIN & C CTRL; FREE David -FIN & C CTRL; KOGAN Alex -FIN & C CTRL
Subject: RE: Final (?) CFO package reflecting all changes

This a test? Last two pages are a repeat right?

Comparison to stretch is for ELT presentation right and not KRM ? - confusing. You also have the normal pages for KRM too I assume?

A bit confused on the "challenge" view. We have never presented this to the Board, or widely distributed the challenge. Ok to talk to it this way and maybe easier for execs to follow but this is brand new. Don't want this confused with KRM package.

For centrally held costs, the detail shows 24m and 14m over for variance accounts.... what does 8m stand for on the pretty chart ? Yesterday's balance was 30m I thought.

Time for a quick call??

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From: XING Amanda -FIN & C CTRL <amanda.xing@opg.com>
Date: Thursday, Jun 15, 2017, 3:38 PM
To: MAUTI John -FIN & C CTRL <john.mauti@opg.com>
Cc: TRAN Banh -FIN & C CTRL <banh.tran@opg.com>, FREE David -FIN & C CTRL <david.free@opg.com>, KOGAN Alex -FIN & C CTRL <alexander.kogan@opg.com>
Subject: Final (?) CFO package reflecting all changes

Hi John,

I made some changes in the OM&A chart, per Alex's comments (please see details below). Revised CFO package is attached, for your review. Please let us know if you have any further comments/suggestions.

Just want to point it out that in the OM&A chart YE vs. 2017 challenge column, Business Units Operating OM&A (Nuclear, Support, RG&PM) are compared against the $118M challenge submitted to the Board. Project OM&A and centrally held in this column are compared against 2017 budget (per Alex). As a result of this, the total YE OM&A variance would not tie to the OM&A YE variance on the one pager and the Scorecard/NI page (i.e., would look like the YE OM&A is worse, instead of better shown in everywhere else in the package).

Thanks,
Amanda

From: XING Amanda -FIN & C CTRL
Sent: Thursday, June 15, 2017 2:30 PM
To: MAUTI John -FIN & C CTRL; KOGAN Alex -FIN & C CTRL; TRAN Banh -FIN & C CTRL; FREE David -FIN & C CTRL
Subject: Updated CFO package reflecting all changes

All,

Attached, please find the revised CFO reflecting all changes agreed/discussed per email below. The YE NI stayed at $658 M (on stretch). To make the NI neutral to the Stretch target with all these changes:

- OM&A savings plug balance in centrally held ($5.5M) from last night was removed
- $3M higher centrally held pension/OPEB costs were flowed to the year-end

The above resulted in a change (increase) in the centrally held OM&A of ~$9M, compared to the centrally held OM&A table provided last night (from $30M to $39M)

The OM&A pretty chart has been modified to show a YE comparison to the 2017 challenge that was submitted to the Board couple of weeks ago. You will notice the format change made in this chart to be consistent with the Board submission (i.e., Operating OM&A and Project OM&A by groups listed in two sections**). Please let me know any comments for the YE section**, as I showed zero for all project OM&A items since the comparison to the 2017 challenge was only applicable to the operating OM&A for BU.

Thanks,
Amanda

From: MAUTI John -FIN & C CTRL
Sent: Thursday, June 15, 2017 12:44 PM
To: XING Amanda -FIN & C CTRL; KOGAN Alex -FIN & C CTRL; TRAN Banh -FIN & C CTRL; FREE David -FIN & C CTRL; YUAN Bosco -FIN & C CTRL
Subject: RE: Forecast for May (June reporting)

Deltas look right

John G. Mauti
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From: XING Amanda -FIN & C CTRL
Sent: Thursday, June 15, 2017 12:21 PM
To: MAUTI John -FIN & C CTRL; KOGAN Alex -FIN & C CTRL; TRAN Banh -FIN & C CTRL; FREE David -FIN & C CTRL; YUAN Bosco -FIN & C CTRL
Subject: RE: Forecast for May (June reporting)

Just to summarize various agreed (by ELT members) Support Services OM& YE forecast changes that are not in FRA yet, but have been reflected in our reports for submission purpose. Please let me know if I have missed anything.

To have alignment between FRA and what we will submit for May forecast, can the following changes be made in FRA for May? We will ask Xin's team to unlock FRA May forecast to facilitate the FRA updates.

Total agreed reduction of $9.98 M to base OM&A

- Finance: Base OM&A reduced by $2M
- CAO: Base OM&A reduced by $6.98 M (exact amount), with the following splits

	$ M	Note
Legal, Ethics & Compliance	-0.77	To meet challenge
Real Estate & Services	-4.00	To meet challenge
Supply Chain	**-3.71**	To meet challenge
Other	1.50	Incremental
Total	**6.98**	

- P&C Base OM&A reduced by $1M

From: MAUTI John -FIN & C CTRL
Sent: Thursday, June 15, 2017 12:02 PM
To: KOGAN Alex -FIN & C CTRL; TRAN Banh -FIN & C CTRL; FREE David -FIN & C CTRL; XING Amanda -FIN & C CTRL
Cc: YUAN Bosco -FIN & C CTRL; MAUTI John -FIN & C CTRL
Subject: RE: Forecast for May (June reporting)

Just met with Barb,
Please reduce the P&C OM&A forecast by $1M at YE....if you need to in FRA, split between L&D and HR 50 / 50

This way, all support orgs are forecasting under ... even if they all have not gone to the stretch 5%

Thanks

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From: KOGAN Alex -FIN & C CTRL
Sent: Thursday, June 15, 2017 11:06 AM
To: MAUTI John -FIN & C CTRL; TRAN Banh -FIN & C CTRL; FREE David -FIN & C CTRL; XING Amanda -FIN & C CTRL
Cc: YUAN Bosco -FIN & C CTRL; MAUTI John -FIN & C CTRL
Subject: Re: Forecast for May (June reporting)

For Dave and Amanda's reporting, this means practically:

-ignore FHP since not supposed to be recovered
-reduce each of the three sub-groups by 5 percent
-create "other" line in CAO on the "pretty charts' that would have 1.5M unfavourable,
-so of the approx 9m challenge, CAO would show at about 7.5M

-since headcount is going down, I would offset part through increased centrally-held pension/opeb. Someone please remind me how much is YTD variance for that and will make a call how much to up by.

From: MAUTI John -FIN & C CTRL
Sent: Thursday, June 15, 2017 10:55 AM
To: KOGAN Alex -FIN & C CTRL; TRAN Banh -FIN & C CTRL; FREE David -FIN & C CTRL; XING Amanda -FIN & C CTRL
Cc: YUAN Bosco -FIN & C CTRL; MAUTI John -FIN & C CTRL

Subject: RE: Forecast for May (June reporting)

Chris G's decision

1) Reflect all sub groups as achieving a 5% challenge reduction in their forecasts
2) At the CAO level, add $1.5M in costs for SC consulting and other work – not at the sub group level
3) For Law, identify the amounts and keep separate for the Fair Hydro Plan drain of resources (staff and external legal fees).....flag as amounts to be recovered from the FHP ---- see if we can set them up as deferred expenses or charges that are recoverable. Will address the slight overspend in Law OM&A ytd.

OK to do this for May reporting

Thanks

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From: YUAN Bosco -FIN & C CTRL
Sent: Friday, June 09, 2017 5:36 PM
To: MAUTI John -FIN & C CTRL
Cc: TRAN Banh -FIN & C CTRL; KOGAN Alex -FIN & C CTRL; QUADROS Sachin -FIN & C CTRL; GIRARD Michelle -FIN & C CTRL; ALI Faisal -FIN & C CTRL
Subject: RE: Forecast for May (June reporting)

Hi John,
As requested. Attached you will a high level summary for Corporate Support groups. Sachin should be able to provide more insight on the forecasts as he is currently working on the reporting package.

Thanks,
Bosco

From: MAUTI John -FIN & C CTRL
Sent: Friday, June 09, 2017 2:40 PM
To: TRAN Banh -FIN & C CTRL; KOGAN Alex -FIN & C CTRL; YUAN Bosco -FIN & C CTRL
Cc: MAUTI John -FIN & C CTRL
Subject: RE: Forecast for May (June reporting)

That's unfortunate.

Bosco, can you, at a high level, summarize where each of the corp groups are at the end of May, what they are forecasting and the gap to the 5% challenge.

A few words for each of the groups, in your assessment, as to whether you think they are being realistic or if you think they have more room to get to the challenge (i.e. your perspective).

For some point Monday is fine

John G. Mauti
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From: TRAN Banh -FIN & C CTRL
Sent: Friday, June 09, 2017 9:56 AM
To: MAUTI John -FIN & C CTRL; KOGAN Alex -FIN & C CTRL
Subject: FW: Forecast for May (June reporting)

Fyi.....

From: YUAN Bosco -FIN & C CTRL
Sent: Friday, June 09, 2017 9:50 AM
To: TRAN Banh -FIN & C CTRL
Subject: RE: Forecast for May (June reporting)

Hi Banh,
The Y/E forecasts are in FRA. Unfortunately, they have not committed to the 5% challenge at this point.

Thanks,
Bosco

From: TRAN Banh -FIN & C CTRL
Sent: Friday, June 09, 2017 9:36 AM
To: YUAN Bosco -FIN & C CTRL
Subject: RE: Forecast for May (June reporting)

Hi Bosco,
Did all your client groups forecast in the 5% challenge? Is the forecast in FRA?

Thanks,
Banh

From: YUAN Bosco -FIN & C CTRL
Sent: Friday, June 02, 2017 2:49 PM
To: MAUTI John -FIN & C CTRL; KOGAN Alex -FIN & C CTRL; TRAN Banh -FIN & C CTRL
Subject: RE: Forecast for May (June reporting)

Hello all,
We are expecting to have all the Y/E forecasts from our client groups by next Wednesday.

Thanks,
Bosco

From: MAUTI John -FIN & C CTRL
Sent: Friday, June 02, 2017 1:35 PM
To: TRAN Banh -FIN & C CTRL; YUAN Bosco -FIN & C CTRL; KOGAN Alex -FIN & C CTRL
Subject: FW: Forecast for May (June reporting)

Challenge with be Chris G and Barb on movement to the 5% stretch target OM&A forecast by end of year.
See how much movement we get voluntarily.
Thanks

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From: HARTWICK Ken -FINANCE
Sent: Friday, June 02, 2017 1:05 PM
To: MAUTI John -FIN & C CTRL
Cc: MAUTI John -FIN & C CTRL
Subject: RE: Forecast for May (June reporting)

Assume in informing the ieso we are out front a bit on oeb although probably necessary

On the Corp groups go with a very strong message on expectations.

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From: MAUTI John -FIN & C CTRL <john.mauti@opg.com>
Date: Friday, Jun 02, 2017, 8:45 AM
To: HARTWICK Ken -FINANCE <ken.hartwick@opg.com>
Cc: MAUTI John -FIN & C CTRL <john.mauti@opg.com>
Subject: Forecast for May (June reporting)

Quick update for you Ken (read in between classes!)

1. Nuclear – they have informed the IESO that they are moving the fall outage so we should reflect about 1.5 TWh pick up in forecast. Few other things offset at Pickering (+ and -) and with Darlington forecasting below for several FLR issues, likely coming in around 1 – 1.3 TWh better than plan in forecast. May be more upside room but we're trying to slowly move the forecast
2. Moving the outage also saves OM&A by ~ $45M for nuclear
3. RGPM OM&A will move closer to their stretch targets and maybe be ~$10M below in the forecast this month
4. Corp Groups – Outside your org, not as aggressive getting to 5% stretch targets but seeing how far they will move in this month's reporting.

We'll have a much more realistic forecast starting to crystallize this month.

Thanks

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