Board Meeting (Friday, August 11, 2017)

Barb, Dietmar, Catriona, Jeff, Carlo, Ken, Mike Martelli, Glenn, larry Makovich, Bill Coley, Wendy Kei, Ani, Jim reinsch, Peggy, Gerry Phillips, George Lewis, JP Gladhu, John Herron, Joe Sheppard, Lisa Demarco,Yezdi, Jennifer Rowe, Bernard Lord

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– 4. Reports from the Committees
– a. ARC (george lewis)

[redacted]

[redacted] information items reviewed E&Y audit plan, consistent with prior years with some additional steps built in for FHP, [redacted]

[redacted]

– GL: our articles were amended by shareholder to access the public debt markets for FHP, and it is now in place, so timing is coincidental, and management would like to proceed, and we would agree

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- e. Special Committee Meeting
  - George – update continuing to work with Province, IESO and external counsel to implement fair hydro trust and acess capital markets in fall of this year, we are bout a month behindm and bringing motion to see through to conclusion prior to transfering obligations when up and running
  - there baic reasons why behind schedule – fair allocaiton curve and for credit rating agencies, and that is tied to and has to jive with the Province's long term energy plan
  - moratorium of interest and calling it something else, but lots of work going through and

- ___
- work continues on all documents in terms o fimplementing structure, invite Ken to provide some additoinal details
  - Ken: timetable, while a month behind, ahead of our high confidence schedule – backing up on timing, september 12/13 to get fnal approval to get provincial gguarantee to get through process over there, curve in terms of how to get to customers and all other elements around the plan, come out of the 13th with necessary approvals and then be in a positon to go formally to a credit rating agency, so 6-8 weeks, preliminary discussions with all with intention to latter part of this year to issue off the program and buy the regulatory asset – 3 points raised by George covered well, and futurer customer price increases to wha the FHP says, so the reconciliation is largely done, and technical accounting items around interest component of the deby that the trust would borrow and ensure regulatory asset and subject to fill recovery, and that has been covered
  - fees are half way to ensuring tha tht efee strucutuer is wher eit needs to be, moved it back to get the curve right and information correct on that and sortout interst recovery issues, bu will be consistent with what was provided to the board on economics to undertake the activity – a lot of work going on, a little delayed but moving towards a good outcome
  - ani: doy ou have all your team in place to move with tis project as soon as approvals are obtained?
  - KH: Lubna, CA from E&Y, company for a while, will be trust activity, placed two others in there so more, and will add a few more as lead to trust operations, and good path to filling the full 7
  - JH: is it all internal or external?
  - KH: it is intenral for now, and one role that we need to fill with expertise, but may train up frm treasury. Backfilling roles are identified from internal including RGPM to backfill Lubna.
    - overall headcount increase will be 7, funded by the trust
    - George motion, jim second, all in favour

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