

Fwd: Globe and Mail

From: "DiMuzio, Sofie (TBS)" <sofie.dimuzio@ontario.ca>
To: "Angus, Helen (TBS)" <helen.angus@ontario.ca>
Date: Thu, 10 May 2018 16:23:54 -0400

FYI - sharing for your info the response from the Globe editor in response to the table we sent over the other day.

Sent from my iPad

Begin forwarded message:

From: "Tharani, Alisha (TBS)" <Alisha.Tharani@ontario.ca>
Date: May 10, 2018 at 3:49:59 PM EDT
To: "Veinot, Cindy (TBS)" <Cindy.Veinot@ontario.ca>, "Skoberne, Vivienne (TBS)" <Vivienne.Skoberne@ontario.ca>, "Ue, Allison (TBS)" <Allison.Ue@ontario.ca>, "Nelson, Dane (TBS)" <Dane.Nelson@ontario.ca>, "Laughton, Patrick (TBS)" <Patrick.Laughton@ontario.ca>, "Hosick, Sarah (TBS)" <Sarah.Hosick@ontario.ca>
Cc: "DiMuzio, Sofie (TBS)" <Sofie.DiMuzio@ontario.ca>, "Sullivan, Bryant (TBS)" <Bryant.J.Sullivan@ontario.ca>, "Vrancart, Kate (TBS)" <Kate.Vrancart@ontario.ca>, "Williams, Michelle (TBS)" <Michelle.Williams4@ontario.ca>
Subject: FW: Globe and Mail

Hi all,

Please see below for the response received from the Globe & Mail's Public Editor, in follow-up to the updated table of corrections TBS submitted on Tuesday May 8, 2018.

Best,

Alisha

From: Stead, Sylvia [<mailto:SStead@globeandmail.com>]
Sent: May 10, 2018 3:44 PM
To: Tharani, Alisha (TBS)
Cc: McClearn, Matthew
Subject: RE: Globe and Mail

Hello Alisha:

We have reviewed your concerns and are satisfied that there are no significant factual errors, other than the one we have already corrected.

There are certain disputes that are better dealt with as a proposed letter to the editor. Our assertion that the words “radical departure” represent the views of the AG and your assertion that it presents that phrase as a fact and not an opinion, can be dealt with in a letter. Also your objection to the suggestion that the government “shrugged that off” (meaning the AG’s qualified opinion) can also be dealt with in a letter should you wish to offer one. The email for that is letters@globeandmail.com

Sylvia Stead

Public Editor

From: Tharani, Alisha (TBS) [<mailto:Alisha.Tharani@ontario.ca>]
Sent: Tuesday, May 08, 2018 4:31 PM
To: Stead, Sylvia
Cc: McClearn, Matthew
Subject: RE: Globe and Mail

Hi Sylvia,

This response (particularly the fourth column on the right, “Additional comments from government”) was shared to provide further clarification in follow-up to the points raised in your email from May 3rd.

The table attached in my previous email has been organized in the following manner:

1. Excerpt from G&M Article (from the April 21st “Bad Books” article)
2. Description of Error in the Text (Corrections submitted by TBS on April 25th)
3. Response from G&M May 3rd (Ms. Stead’s comments to the corrections table from May 3rd)
4. Additional Comments from Government (TBS’s comments in response to Ms. Stead’s May 3rd email, submitted May 8th)

Thank you,

Alisha

From: Stead, Sylvia [<mailto:SStead@globeandmail.com>]
Sent: May 8, 2018 12:36 PM
To: Tharani, Alisha (TBS)
Cc: McClearn, Matthew
Subject: RE: Globe and Mail

Alisha, can you highlight what is new in this response compared to the previous complaint?

Sylvia

From: Tharani, Alisha (TBS) [<mailto:Alisha.Tharani@ontario.ca>]
Sent: Tuesday, May 08, 2018 11:15 AM
To: Stead, Sylvia
Cc: McClearn, Matthew
Subject: RE: Globe and Mail

Hello Ms. Stead,

Thank you for your message.

In follow-up to your comments below, please see the attached table for our responses.

Best regards,

Alisha

Alisha Tharani
Communications Branch | Treasury Board Secretariat
416-327-3803 | Alisha.Tharani@ontario.ca

From: Stead, Sylvia [<mailto:SStead@globeandmail.com>]
Sent: May 3, 2018 3:30 PM
To: Tharani, Alisha (TBS)
Cc: McClearn, Matthew
Subject: Globe and Mail

Hello Ms. Tharani. I have discussed your complaints about the article of April 21 and reviewed the requests for a correction. I will deal with them one at a time:

1. The words “a radical departure” are clearly representing the views of the AG. This is fair to say as well because the manner in which the borrowing associated with the Fair Hydro Plan would be disclosed would represent a departure from previous debt reporting.

2. “off-balance-sheet”. Borrowing in this piece equates with net debt, and is a primary metric for measuring the province’s debt. Also off-balance-sheet borrowing, which has no strict definition, was used to show that the full amount borrowed in connection with the Fair Hydro Plan does not appear in the net debt figure of the province. That is correct. Not only is borrowing for the Fair Hydro Plan not reflected in the net debt, but borrowing by OPG or the Trust shows up in investment in government business enterprises.

3. The author did not write that recording rate-regulated assets has been controversial in the private sector. He wrote that recording expenses as assets has been controversial in the private sector.

4. The dictionary definition of “ordered” is a person in authority directing or instructing someone to do something. That is a fair word in this case. Ms. Veinot did express an opinion on IESO’s existing policies. (“I didn’t think it was appropriate,” she said.) However, as you correctly note, Ms. Veinot has testified that she asked the IESO to consider adopting market accounts, not rate-regulated accounting as the author stated. We have corrected this reference online and will include a correction in tomorrow’s paper.

5. While the article does not provide the detailed breakdown you are providing, it is not wrong. Phrases such as “the government’s books” are common phrases used to refer to Public Accounts. Also, Ms. Veinot has testified: Essentially, what’s happening now with the fair hydro plan on that piece is that the period of settlement extends from 12 months to 30 years...That period stretches on for 30 years. Those amounts will be collected from ratepayers when the clean energy adjustment is charged to those ratepayers for electricity that is consumed. Rate-regulated accounting permits you to record that amount as an asset. From an accounting perspective, that means that it does not impact the deficit or surplus of the province, which means it reflects that those costs are borne by the ratepayer and not by the taxpayer.

6. This issue seems to turn on the difference between gross and net debt, but net debt is common use. I note that yesterday, the FAO issued its latest Economic and Budget Outlook, which refers to net debt.