Media Call Summary: March 2, 2018

From: "Demetriades, Natasha (ENERGY)" <natasha.demetriades@ontario.ca>
To: "Nekolaichuk, Colin (ENERGY)" <colin.nekolaichuk@ontario.ca>, "Berry, James (ENERGY)" <james.berry5@ontario.ca>, "Riggs, Matt (ENERGY)" <matt.riggs@ontario.ca>, "Reis, Sydney (ENERGY)" <sydney.reis3@ontario.ca>, "Byrne-Krzycki, Alexander (ENERGY)" <alexander.byrne-krzycki@ontario.ca>
Cc: "Barbaro, Rachel (ENERGY)" <rachel.barbaro@ontario.ca>, ted.gruetzner@opg.com, martine.holmsen@ieso.ca, alexandra.campbell@ieso.ca, mary.bernard@ieso.ca, john.cannella@ieso.ca, neal.kelly@opg.com, Sylvia Kovesfalvi <sylvia.kovesfalvi@ontarioenergyboard.ca>, John Bozzo (OEB) <john.bozzo@ontarioenergyboard.ca>, Chuck Farmer <chuck.farmer@ieso.ca>, "Chatterjee, Jeet (ENERGY)" <jeet.chatterjee@ontario.ca>, "@ENERGY-COMM-Issues_and_MediaRelations" <energy-comm-issues_and_mediarelations@msgov.gov.on.ca>, "Schlaepfer, Martin (ENERGY)" <martin.schlaepfer@ontario.ca>, "Lyon, Sam (ENERGY)" <sam.lyon@ontario.ca>, "Tretiakov, Ilia (ENERGY)" <ilia.tretiakov@ontario.ca>, "Den Heijer, Kevin (ENERGY)" <kevin.denheijer@ontario.ca>, Jordan Penic <jordan.penic@ieso.ca>, brayden.akers@opg.com, karen.evans@oeb.ca, "Tara Brautigam (Tara.Brautigam@oeb.ca)" <tara.brautigam@oeb.ca>, "Alexandra Day (Alexandra.Day@oeb.ca)" <alexandra.day@oeb.ca>, "Whytock, John (ENERGY)" <john.whytock@ontario.ca>, Mary Ellen Beninger <maryellen.beninger@oeb.ca>
Date: Fri, 02 Mar 2018 17:02:45 -0500

Ministry: 1 inquiry

Topic: FHP – borrowing estimates/peak debt/interest charges

Reporter & Outlet: Matthew McClearn, Globe and Mail

Response Type: Ministry spokesperson

Question :

As you may be aware, last year the Financial Accountability Office estimated that the FHP would cost Ontario $45 billion over 29 years, or a net cost of $21 billion once the resultant savings to electricity ratepayers are subtracted. The FAO also said that "After 10 years, ratepayers will be required to repay the deferred electricity costs plus approximately $21.0 billion in interest."

In its response to the Auditor General of Ontario's report on the FHP, the government asserted the following:

While total borrowing costs will not be known until the program is complete, accumulated interest is projected to be considerably less than the estimates in the report of the Financial Accountability Office (FAO), cited by the report. Total borrowing estimates over the thirty year life of the program have been revised down substantially by the government since the FAO released its report in May 2017 and borrowing costs are now forecast to be substantially lower than original estimates. Current government estimates forecast that the peak debt over the thirty year life of OFHP will be below $20 billion. The preliminary estimate from

March 2017 was about $28 billion.

I request the detailed borrowing estimates cited by the government above, including the underlying math behind peak debt and interest charges and any assumptions made.

Response:

TBD

***

Minister's Office: *0 inquiries*

Agencies: *0 inquiries*