FW: Affordability Fund

From:	"Patel, Bharat (TBS)" <bharat.patel3@ontario.ca>
To:	"Graham, Helen (TBS)" <helen.graham@ontario.ca>
Date:	Tue, 21 Feb 2017 14:27:27 -0500
Attachments:	Affordability Fund.pdf (96.12 kB)

From: Patel, Bharat (TBS)
Sent: February 21, 2017 10:18 AM
To: Nadine PETSCHE (Nadine.Petsche@ontario.ca)
Subject: FW: Affordability Fund

By reading this document , trust will not controlled either by H1 or Province and will be not consolidated to the Province CFS. For any amount paid has to meet the criteria of TP to be classified as TP expense in fiscal 2016-17. However, there would be an audit risk from VFM audit perspective and following questions may arise:

- Is this a true trust? Who really controls it? Who are the beneficiaries?
- Will the funds come back to the Province under any circumstance? What is the windup provisions?
- Why is the Trust being set up so close to year-end? Why is $200M flowed in to the Trust, ahead of any expense being incurred?
- Why do you need the Trust? Why does the Ministry not deliver the program directly?

Thanks,
Bharat

From: Veinot, Cindy (TBS)
Sent: February 21, 2017 8:53 AM
To: Petsche, Nadine (TBS); Patel, Bharat (TBS)
Subject: FW: Affordability Fund

Can you take a look at this and get back to me ASAP.

Thanks,

From: Nelms, Scott (ENERGY)
Sent: February-21-17 8:38 AM
To: Veinot, Cindy (TBS)
Subject: FW: Affordability Fund

Hi Cindy,

Hydro One is of the view they can establish a trust structure that would not be consolidated to its financials for the $200M Affordability Fund (see attached for details). Let me know if more information is required, or if a conversation with Hydro One / KPMG is warranted.

Thanks,
Scott

From: Michael.Vels@HydroOne.com [mailto:Michael.Vels@HydroOne.com]

Sent: February 21, 2017 7:34 AM
To: Nelms, Scott (ENERGY)
Subject: Affordability Fund

Scott, here is a first draft of an outline. What else would you need to help you put forward a recommendation for approval?

Mike.