

RE: For David Reevely

From: "Berry, James (ENERGY)" <james.berry5@ontario.ca>
To: "Teliszewsky, Andrew (ENERGY)" <andrew.teliszewsky@ontario.ca>
Date: Wed, 24 May 2017 18:07:48 -0400

Yeah, I'll chat with him.

From: Teliszewsky, Andrew (ENERGY)
Sent: May-24-17 6:03 PM
To: Berry, James (ENERGY)
Subject: FW: For David Reevely

You handled this?

From: Nikolaichuk, Colin (ENERGY)
Sent: May-24-17 5:50 PM
To: Teliszewsky, Andrew (ENERGY); Berry, James (ENERGY)
Subject: For David Reevely

Hey Andrew,

I went through David's story, and while the headline isn't great I don't see it as being too bad of a story. He does a good job of taking history into context, and laying blame with the Opposition. In any case, it would be good to give him the same background as QP gallery. The CTV request took over this aft, but I suggest sending this to him now, with a follow-up call tomorrow:

Hi David,

I wanted to give you some material on background following the news of the day. I've attached the following documents for your review:

1. KPMG's report on the Fair Hydro Plan accounting practices
 - a. KPMG's accounting opinion, delivered to the Independent Electricity System Operator, maintains that accounting treatments outlined in the Fair Hydro Act are within accepted practices. Relevant conclusions can be seen on pages 10, 16, 19, and 23.
2. Comparison of electricity costs
 - a. You've probably noticed the Minister has been mentioning our track record of taking projected costs out of the electricity system. These lines show how the government was able to bend the cost curve down between the 2010 and 2013 LTEPs – meaning that we can effect real change through policy decisions. We'll continue to do this for the 2017 LTEP and beyond. The issue with the FAO report is that those projections don't allow for any of those policy decisions to take place. IESO's market renewal, for example, is estimated to save \$5.2 billion over 10 years.
3. Debt of electrical utilities by province
 - a. In terms of electrical system debt per capita, Ontario is on the lowest end of Canadian provinces, even with the Fair Hydro Plan. If legislation passes and we stretch out the costs of the system, we'll still be in better shape than most of the country.

I wanted to get you on the phone for a chat, but the afternoon got away from me. Let me know if

you're up for a background call tomorrow.

Cheers,
Colin

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