FYI - Globe and Mail Media Inquiry - Cindy Veinot's instructions to IESO

From: "DiMuzio, Sofie (TBS)" <sofie.dimuzio@ontario.ca>
To: "Angus, Helen (TBS)" <helen.angus@ontario.ca>, "Veinot, Cindy (TBS)" <cindy.veinot@ontario.ca>, "Hughes, Karen (TBS)" <karen.hughes@ontario.ca>
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Sharing this for your awareness. My team will be reaching out to work on responses. MO has indicated the Energy MO Press Secretary will be taking the lead on responding to the reporter and have committed to ensure the final response is reviewed and approved by TBS prior to releasing.

From: McClearn, Matthew [mailto:MMcClearn@globeandmail.com]
Sent: March 22, 2018 3:26 PM
To: Hadisi, Lawvin (TBS)
Subject: Cindy Veinot's instructions to IESO

Lawvin:

It's McClearn here again.

Before the Public Accounts Committee on Feb. 28, 2017, provincial controller Cindy Veinot testified to the following:

> There are two different issues. One is the reflection of market accounts in the financial statements of the IESO. As the provincial controller, I actually asked the IESO to look at that issue. When I first heard about the fact that the IESO had a second set of accounts that was not reflected in their financial statements, I asked them to consider whether or not that was the appropriate accounting treatment.

She also said:

> The issue that the Auditor General qualified the statements on, the inclusion of market accounts, is something that I directed them, I asked them to look at, because I didn't think the accounting that they were doing, which was not showing any of the $17 billion in the transactions that they settled for the market—I didn't think it was appropriate.

Before the same committee, IESO CFO Kim Marshall testified:

> We fast-forward a couple of years and we have some conversations with a new provincial controller. At that time, there are questions about, "But why do you do what you do?" So we undertook some processes to go, first of all, right back to the beginning of the IESO and see what was some of the advice that was presented at that point in time…

My questions:

1) On what date did Ms. Veinot ask the IESO to "look at" the issue of market accounts on the IESO's financial statements?
2) What form did this request take? (Letter, memo, personal conversation, etc.)
3) To whom at IESO did Ms. Veinot direct this request?

4) Did Ms. Veinot indicate to the IESO a time frame in which her instructions were to be executed? If so, what was that timeframe?

Thanks for considering my questions. Best regards,

Matt.

THE GLOBE AND MAIL

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