Excerpt from G&M Article	Description of error in text
What she didn't know was that it represented a radical departure in how the government of Premier Kathleen Wynne – not just the IESO – planned to disclose its future borrowing activities to the public.	The accounting for the Fair Hydro Plan does not change the way borrowing is recorded. Direct borrowing by the Province will continue to be included in gross debt of the Province, with all other borrowing of the Province. Borrowing by OPG, or the Fair Hydro Trust (which is consolidated with OPG) will be recorded on the financial statements of OPG and then included in the investment account for OPG on the Province, as OPG has been recorded for the last 18 years when the Ontario government began consolidating the results of the entities that made up the former Ontario Hydro. The debt of the Fair Hydro Plan is not the only long term debt of OPG. All of OPG's long-term debt is reported on a consistent basis.
…..a discrepancy that will grow markedly as the government's off-balance-sheet borrowing continues.	The borrowing is not off-balance-sheet – see previous comment re: where the debt is recorded.
Recording expenses as assets is perfectly legal in certain contexts, but the practice has been controversial in the private sector. In their book Easy Prey Investors, forensic accountants Al Rosen and Mark Rosen write that recording "fake assets" on corporate balance sheets is one of the "most common financial scams of the past 50 years."	Recording rate-regulated assets in the private sector is not controversial. The vast majority of Canadian companies who are subject to rate-regulation in Canada, prepare their financial statements using rate-regulated accounting, including many publicly traded companies. See link to report issued by the Chartered Professional Accountants of Canada (CPA Canada) providing an overview of those Canadian organizations following rate regulated accounting (http://www.ifrs.org/-/media/feature/meetings/2016/september/asaf/rate-regulated-activities/1609-asaf-03a-rate-regulated-activities-canada.pdf) and also the project update by Accounting Standards Board of CPA Canada which states, "The Accounting Standards Board (AcSB) is participating in the International Accounting Standards Board's (IASB) comprehensive project to determine whether (or how) IFRSs should be amended to provide guidance on rate-regulated activities." (http://www.frascanada.ca/international-financial-reporting-

	standards/projects/active/item79005.aspx)
The official explanation is that in mid-January, 2017, at one of the earliest meetings to discuss the Fair Hydro Plan, Ontario Controller Cindy Veinot ordered Ms. Marshall to “take a closer look” at adopting rate-regulated accounting because she didn’t think the IESO’s existing policies were appropriate.	The statement is not accurate. As provided to you in an email on April 20, 2018 (from Lawvin Hadasi at 4:13 pm) *“In January 2017, at one of the initial meetings that the Provincial Controller attended to discuss Ontario’s Fair Hydro Plan (OFHP or “the Fair Hydro Plan”), she became aware of the accounting for the market accounts at the Independent Electricity System Operator (IESO). At that point she requested that IESO management review the accounting for these accounts. While no specific timeframe was discussed during the conversation, the intention was to have this review completed before the Province’s year-end of March 31, 2017.”* There was no “order”, the request did not relate to rate-regulated accounting -- it related to the accounting for the market accounts, and Cindy Veinot expressed no opinion on IESO’s existing accounting policies.
With the provincial controller’s encouragement, the agency’s management had effectively adopted a new accounting policy on behalf of the entire province.	This statement is not accurate. The provincial controller neither encouraged nor discouraged IESO’s management, its audit committee or its board regarding the adoption of rate-regulated accounting. However, the use of rate-regulated accounting is not a new accounting policy. Both Hydro One and Ontario Power Generation use rate regulated accounting. Hydro One has over $3 billion in rate-regulated assets (2016 - $3 billion) and Ontario Generation has over $7 billion in rate regulated assets recorded (2016 -- $6 billion). The change in the balances of rate-regulated assets