OPQs

Would the Minister of Finance state whether the government is in possession of an opinion from KPMG or E&Y on how this Fair Hydro Plan transaction should be recorded in the government's Consolidated Financial Statements, and further state precisely where they disagree with the Auditor General.

The government has engaged external accounting advisors to assist in the review of other high-quality accounting standards to supplement the accounting standards for government as issued by the Public Sector Accounting Board, which do not provide specific guidance on the recognition of rate regulated assets under the Fair Hydro Plan transaction. That work is on-going at this time, and will subject to the opinion of the Auditor General in 2017-18, but KPMG, the external independent auditor of the Independent Electricity System Operator, has already expressed its opinion publicly in the 2016 IESO Annual Report that it's reporting of rate regulated assets and market accounts is appropriate and was not subject to any audit qualification.

Would the Minister of Finance state whether the government plans on creating more "regulatory assets" or any other anomalous legislated accounting structures in the future.

The government is committed to provide high-quality financial statements in compliance with the requirements of public sector accounting standards, and the government will continue to apply public sector accounting standards in a fair and consistent manner. With respect to the reporting of regulatory assets, or in any circumstances where government accounting standards are silent on a matter, we have and will continue to correctly reference other high-quality accounting standards, as required by PSAS in circumstances where PSAS does not provide guidance, to determine the proper public financial reporting under generally accepted accounting principles.