RE: Impact of pension asset test if asset is based on 50% of funding valuation

From:	"Petsche, Nadine (TBS)" <nadine.petsche@ontario.ca>
To:	"Veinot, Cindy (TBS)" <cindy.veinot@ontario.ca>
Date:	Fri, 09 Sep 2016 23:43:20 -0400

Thanks Cindy. I've asked Pauline and Bharat to review on Monday am.   I guess that the $5B difference represents the sum of diff between ON's asset of $10B and 50% of $13B plus the in-year impact of $1.7? If so, sound reasonable.

From: Veinot, Cindy (TBS)
Sent: September-09-16 10:49 PM
To: Petsche, Nadine (TBS)
Cc: Fong, Pauline (TBS); Patel, Bharat (TBS)
Subject: Impact of pension asset test if asset is based on 50% of funding valuation

Hi Nadine,

I crunched some numbers based on our discussion with Greg re: impact to the statements if the funding valuation (50% thereof) was the asset cap. I'm a better reviewer than cruncher, so I'd like someone to take a look at the logic/calcs before we provide to Greg.

If this is correct, there would be a $5.1 billion impact to opening deficit at the beginning of last year (assuming we would restate), a nominal impact to last year of $106 million (expense) and reduced expense in 2016 of $1,72 billion.

Thanks,