

FW: "Bad Books" Globe and Mail

From: "Scott, Adrienne (CAB)" <adrienne.scott@ontario.ca>
To: "Betzner, Lynn (CAB)" <lynn.betzner@ontario.ca>
Date: Thu, 10 May 2018 18:02:24 -0400

Just for interest. Thanks

From: Vrancart, Kate (TBS)
Sent: Thursday, May 10, 2018 5:45 PM
To: Scott, Adrienne (CAB)
Subject: RE: "Bad Books" Globe and Mail

Hi Adrienne,

Closing the loop on this one. Please see the Globe's reply below.

Thanks,
Kate

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**From:** Stead, Sylvia [<mailto:SStead@globeandmail.com>]  
**Sent:** May 10, 2018 3:44 PM  
**To:** Tharani, Alisha (TBS)  
**Cc:** McClearn, Matthew  
**Subject:** RE: Globe and Mail

Hello Alisha:

We have reviewed your concerns and are satisfied that there are no significant factual errors, other than the one we have already corrected.

There are certain disputes that are better dealt with as a proposed letter to the editor. Our assertion that the words "radical departure" represent the views of the AG and your assertion that it presents that phrase as a fact and not an opinion, can be dealt with in a letter. Also your objection to the suggestion that the government "shrugged that off" (meaning the AG's qualified opinion) can also be dealt with in a letter should you wish to offer one. The email for that is [letters@globeandmail.com](mailto:letters@globeandmail.com)

Sylvia Stead  
Public Editor

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**From:** Scott, Adrienne (CAB)  
**Sent:** Wednesday, May 9, 2018 5:38 PM  
**To:** Vrancart, Kate (TBS)  
**Subject:** RE: "Bad Books" Globe and Mail

Welcome!

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**From:** Vrancart, Kate (TBS)  
**Sent:** Wednesday, May 9, 2018 5:29 PM  
**To:** Scott, Adrienne (CAB)

**Subject:** RE: "Bad Books" Globe and Mail

You're the best – thanks!

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**From:** Scott, Adrienne (CAB)  
**Sent:** Wednesday, May 9, 2018 5:28 PM  
**To:** Vrancart, Kate (TBS)  
**Subject:** RE: "Bad Books" Globe and Mail

Hi Kate – all good for you to proceed and thanks for checking in

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**From:** Vrancart, Kate (TBS)  
**Sent:** Wednesday, May 9, 2018 4:28 PM  
**To:** Scott, Adrienne (CAB)  
**Subject:** RE: "Bad Books" Globe and Mail

That would be great – thanks. Our DMO hasn't checked in with them yet as they were waiting for your approval first.

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**From:** Scott, Adrienne (CAB)  
**Sent:** Wednesday, May 9, 2018 4:25 PM  
**To:** Vrancart, Kate (TBS)  
**Subject:** RE: "Bad Books" Globe and Mail

Hi – I am , but let me check with SoCs office just in case. Unless your DMO has?

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**From:** Vrancart, Kate (TBS)  
**Sent:** Wednesday, May 9, 2018 4:19 PM  
**To:** Scott, Adrienne (CAB)  
**Subject:** "Bad Books" Globe and Mail

Hi Adrienne,

Further to our chat the other day... per our DMO's direction, we provided an updated table of corrections to the Globe and Mail editor. In response, Matt McClearn (investigative journalists who wrote the story) has come back asking to whom he can attribute the content.

Our DMO suggested connecting with you regarding our proposed response: "The material can be attributed to Treasury Board Secretariat ministry officials."

This will likely prompt a follow-up question of which officials exactly, in which case my suggestion would be Cindy Veinot, Provincial Controller.

Are you okay with this approach ?

Thanks,  
Kate

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**From:** Tharani, Alisha (TBS)  
**Sent:** May 9, 2018 1:39 PM  
**To:** Veinot, Cindy (TBS); Skoberne, Vivienne (TBS); Ue, Allison (TBS)  
**Cc:** Nelson, Dane (TBS); Hosick, Sarah (TBS); Laughton, Patrick (TBS); DiMuzio, Sofie (TBS); Sullivan, Bryant (TBS); Vrancart, Kate (TBS)  
**Subject:** FW: Globe and Mail

Hi all,

Please see below for Matt McClearn's response to the updated table of corrections that

was submitted yesterday.

(Note that the below thread does not include the correspondence with Ms. Stead [Editor] on what was new with the table.)

Our proposed response: **The material in the Word document can be attributed to Treasury Board Secretariat ministry officials.**

This may prompt a follow-up question of which officials exactly, in which case a decision would need to be made about which officials are named.

Please let us know if you are ok with this proposed response, and then we will respond to the reporter.

Thanks,

Alisha

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**From:** McClearn, Matthew [<mailto:MMcClearn@globeandmail.com>]  
**Sent:** May 9, 2018 12:36 PM  
**To:** Tharani, Alisha (TBS)  
**Subject:** RE: Globe and Mail

Thanks, Alisha. To whom can we attribute this material in the Word document to? Are you the author, or someone else? Thanks and regards,

Matt.



**Matthew McClearn** | Data journalist, Enterprise Team  
p: 416.585.5487 | m: 416.705.6047 | e: [mmcclearn@globeandmail.com](mailto:mmcclearn@globeandmail.com)

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**From:** Tharani, Alisha (TBS) [<mailto:Alisha.Tharani@ontario.ca>]  
**Sent:** Tuesday, May 08, 2018 11:15 AM  
**To:** Stead, Sylvia  
**Cc:** McClearn, Matthew  
**Subject:** RE: Globe and Mail

Hello Ms. Stead,

Thank you for your message.

In follow-up to your comments below, please see the attached table for our responses.

Best regards,

Alisha

## Alisha Tharani

Communications Branch | Treasury Board Secretariat

416-327-3803 | [Alisha.Tharani@ontario.ca](mailto:Alisha.Tharani@ontario.ca)

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**From:** Stead, Sylvia [<mailto:SStead@globeandmail.com>]

**Sent:** May 3, 2018 3:30 PM

**To:** Tharani, Alisha (TBS)

**Cc:** McClearn, Matthew

**Subject:** Globe and Mail

Hello Ms. Tharani. I have discussed your complaints about the article of April 21 and reviewed the requests for a correction. I will deal with them one at a time:

1. The words “a radical departure” are clearly representing the views of the AG. This is fair to say as well because the manner in which the borrowing associated with the Fair Hydro Plan would be disclosed would represent a departure from previous debt reporting.

2. “off-balance-sheet”. Borrowing in this piece equates with net debt, and is a primary metric for measuring the province’s debt. Also off-balance-sheet borrowing, which has no strict definition, was used to show that the full amount borrowed in connection with the Fair Hydro Plan does not appear in the net debt figure of the province. That is correct. Not only is borrowing for the Fair Hydro Plan not reflected in the net debt, but borrowing by OPG or the Trust shows up in investment in government business enterprises.

3. The author did not write that recording rate-regulated assets has been controversial in the private sector. He wrote that recording expenses as assets has been controversial in the private sector.

4. The dictionary definition of “ordered” is a person in authority directing or instructing someone to do something. That is a fair word in this case. Ms. Veinot did express an opinion on IESO’s existing policies. (“I didn’t think it was appropriate,” she said.) However, as you correctly note, Ms. Veinot has testified that she asked the IESO to consider adopting market accounts, not rate-regulated accounting as the author stated. We have corrected this reference online and will include a correction in tomorrow’s paper.

5. While the article does not provide the detailed breakdown you are providing, it is not wrong. Phrases such as “the government’s books” are common phrases used to refer to Public Accounts. Also, Ms. Veinot has testified: Essentially, what’s happening now with the fair hydro plan on that piece is that the period of settlement extends from 12 months to 30 years...That period stretches on for 30 years. Those amounts will be collected from ratepayers when the clean energy adjustment is charged to those ratepayers for electricity that is consumed. Rate-regulated accounting permits you to record that amount as an asset. From an accounting perspective, that means that it does not impact the deficit or surplus of the province, which means it reflects that those costs are borne by the ratepayer and not by the taxpayer.

6. This issue seems to turn on the difference between gross and net debt, but net debt is common use. I note that yesterday, the FAO issued its latest Economic and Budget Outlook, which refers to net debt.