FAO on Fair Hydro Plan

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Attachments:	QA - FAO Report - FHP Fiscal Impact - AH 20170515 - Q2 Placeholder.docx (31.8 kB)

Hi Blane and Jordan,
You've likely seen this – attached is Energy's Q&A on the Financial Accountability Officer's report to be released tomorrow morning.

The ministry has prepared responses to expected FAO estimates that the FHP will cost the province approximately $44 billion over 29 years, while providing overall savings to electricity ratepayers of $24 billion; expected estimates that the provincial cost of the plan could increase to between $68B and $93B; that the ratepayer will repay $39.4B from 2028-2045, $21B of which is interest alone; an expected FAO assumption that in 2020-21 electricity relief programs will no longer be funded by the province; and expected FAO questioning whether the province's proposed accounting treatment meets public sector accounting standards.

Ministry answer is in approvals to a Q on an expected FAO assertion that starting in 2028, the pre-tax cost of electricity is projected to be on average 12% higher than it would have been under the status quo.

-Jonathan