

RE: G&M | Accounting treatment of the Fair Hydro Plan

From: "Berry, James (ENERGY)" <james.berry5@ontario.ca>
To: "Forgione, Andrew (OPO)" <andrew.forgione@ontario.ca>, "@OPO-Media Relations and Issues Management" <opo-mediarelationsandissuesmgmt@msgov.gov.on.ca>
Cc: "Nekolaichuk, Colin (ENERGY)" <colin.nekolaichuk@ontario.ca>, "Den Heijer, Kevin (ENERGY)" <kevin.denheijer@ontario.ca>, "Riggs, Matt (ENERGY)" <matt.riggs@ontario.ca>
Date: Fri, 23 Feb 2018 16:01:38 -0500
Attachments: Minister's Statement - AG Special Report - FINAL - English.docx (20.98 kB)

Sounds good. The Minister's statement responding to the AG's special report is a good starting point for us in terms of its content – attached here.

We'll loop back when we hear from him.

Thanks again.

James

From: Forgione, Andrew (OPO)
Sent: February 23, 2018 3:51 PM
To: Berry, James (ENERGY) <James.Berry5@ontario.ca>; @OPO-Media Relations and Issues Management <OPO-MediaRelationsandIssuesMgmt@msgov.gov.on.ca>
Cc: Nekolaichuk, Colin (ENERGY) <Colin.Nekolaichuk@ontario.ca>; Den Heijer, Kevin (ENERGY) <Kevin.DenHeijer@ontario.ca>; Riggs, Matt (ENERGY) <Matt.Riggs@ontario.ca>
Subject: RE: G&M | Accounting treatment of the Fair Hydro Plan

Maybe just send the below from her, and let's start putting a plan together on the answer when he goes to Colin.

"As the Parliamentary Assistant to the Minister of Indigenous Relations and Reconciliation, I was pleased that our government's Fair Hydro Plan removed the delivery charge for those living on-reserve in First Nations communities – saving these residential customers an average of \$85 extra per month. That's why I was speaking in favour of it at committee. If you have specific questions about the Fair Hydro Plan on the technical side, please contact Colin Nekolaichuk, Press Secretary for the Ontario's Minister of Energy, the Hon. Glenn Thibeault at Colin.Nekolaichuk@ontario.ca and (416) 325-2690."

From: Berry, James (ENERGY)
Sent: February-23-18 2:54 PM
To: @OPO-Media Relations and Issues Management
Cc: Nekolaichuk, Colin (ENERGY); Den Heijer, Kevin (ENERGY); Riggs, Matt (ENERGY)
Subject: G&M | Accounting treatment of the Fair Hydro Plan

Hi all –

We briefly chatted offline with Blane to provide background on this G&M query (located at the bottom of this email) that originally went to MPP Kiwala's constituency office. Colin already spoke to him a week and a half ago to provide background on the FHP along with the various milestones/technical briefings to date. The reporter seemed to have moved off of the story until MPP Kiwala's office went to "close the loop" late yesterday. Matt McClearn mentioned an interest in still speaking to MPP Kiwala. Here is the statement we recommend her office sends to the reporter – we don't suggest she goes into the weeds with respect to accounting practices.

"Ontario's Fair Hydro Plan is the largest rate reduction in the history of the province. All residential

electricity customers have seen a 25 per cent on average reduction on their bills. As many as half a million small businesses and farms are also benefitting. As the Parliamentary Assistant to the Minister of Indigenous Relations and Reconciliation, I was pleased that our government's Fair Hydro Plan removed the delivery charge for those living on-reserve in First Nations communities – saving these residential customers an average of \$85 extra per month.

Any increases will be held to the rate of inflation for four years, ensuring affordability over the medium term. Following this period, Ontario's 2017 Long-Term Energy Plan lays out a path for predictable, affordable electricity prices."

Should you have any further questions in reference to Ontario's Fair Hydro Plan, please contact Colin Nekolaichuk, Press Secretary for the Ontario's Minister of Energy, the Hon. Glenn Thibeault at Colin.Nekolaichuk@ontario.ca and (416) 325-2690.

Let us know if this works. Thanks!

James

From: McClearn, Matthew [<mailto:MMcClearn@globeandmail.com>]

Sent: February 15, 2018 4:21 PM

To: Kiwala, Sophie MPP CO <skiwala.mpp.co@liberal.ola.org>

Subject: Accounting treatment of the Fair Hydro Plan

Dear Ms. Kiwala:

My name is Matt McClearn, and I'm a journalist with The Globe and Mail in Toronto. I'm trying to get my head around the financing and accounting structure of the Fair Hydro Plan. The Hansard of the proceedings of the Standing Committee on Estimates on Oct. 24, 2017 indicates you said the following:

Our plan has been approved by the peers of the Auditor General at some of Canada's top accounting firms, including Ernst and Young, KPMG and Deloitte. In the development of the fair hydro plan, we also consulted with numerous third-party advisers in the application of accounting standards. IESO's management, IESO's audit committee, IESO's board of directors, IESO's external auditor and the Office of the Provincial Controller all support this accounting treatment.

I'm looking for people to speak with about this. Who at E&Y, KPMG and Deloitte approved the accounting treatments being applied here? And in what form was their approval communicated?

Matt.



Matthew McClearn | Data journalist, Enterprise Team

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