RE: Signatures on Public Accounts

From: "Gallant, Gabrielle (OPO)" <gabrielle.gallant4@ontario.ca>
To: "Martin, Jessica (MOF)" <jessica.martin@ontario.ca>
Cc: "Giroux Namian, Orli (MOF)" <orli.girouxnamian@ontario.ca>, "Killorn, Bill (OPO)" <bill.killorn@ontario.ca>
Date: Tue, 17 Apr 2018 11:04:04 -0400

Jessica, he sent a media response. It wasn't declining an interview, it was a statement answering the reporter's questions. Please make it clear that he cannot do that without checking with you.

From: Martin, Jessica (MOF)
Sent: April 17, 2018 11:02 AM
To: Gallant, Gabrielle (OPO); Hadisi, Lawvin (TBS)
Cc: Giroux Namian, Orli (MOF); Killorn, Bill (OPO)
Subject: RE: Signatures on Public Accounts

No I did not. Scott says the request was for an interview with the Deputy Minister.

Jessica Martin
Senior Communications Advisor and Press Secretary
Office of the Honourable Charles Sousa
Minister of Finance
Tel: 416-212-5181
Email: jessica.martin@ontario.ca

From: Gallant, Gabrielle (OPO)
Sent: April-17-18 10:57 AM
To: Martin, Jessica (MOF); Hadisi, Lawvin (TBS)
Cc: Giroux Namian, Orli (MOF); Killorn, Bill (OPO)
Subject: RE: Signatures on Public Accounts

Ok, but then your officials sent the reporter a response. Scott Blodgett sent a response yesterday at 3:46pm. My question is, did you approve that? If you did, why wasn't it shared with the group? If you didn't approve it, please work to understand why that happened and ensure it doesn't happen again. I've reattached the response in question here to this email.

Please get back to me as soon as possible. We need to come to ground on this.

From: Martin, Jessica (MOF)
Sent: April 17, 2018 10:54 AM
To: Gallant, Gabrielle (OPO); Hadisi, Lawvin (TBS)
Cc: Giroux Namian, Orli (MOF); Killorn, Bill (OPO)
Subject: FW: Signatures on Public Accounts

Hi Gabrielle – See below for emails with officials. I was told TBS was responding.

Thanks,
Jess

Jessica Martin

Senior Communications Advisor and Press Secretary
Office of the Honourable Charles Sousa
Minister of Finance
Tel: 416-212-5181
Email: jessica.martin@ontario.ca

From: Blodgett, Scott (MOF)
Sent: April-03-18 9:24 AM
To: Martin, Jessica (MOF)
Subject: RE: Signatures on Public Accounts

Hey Jess – have confirmed – this is TBS.
I have sent to my counterpart there and they will handle it with the reporter.
Thanks
Scott

From: Martin, Jessica (MOF)
Sent: April-02-18 1:00 PM
To: Blodgett, Scott (MOF)
Subject: Fw: Signatures on Public Accounts

Hi Scott,

Here's another. Note that his deadline is the end of the week. Let's aim for Wednesday.

Thanks!
Jess

Sent from my BlackBerry 10 smartphone on the Rogers network.

From: McClearn, Matthew <MMcClearn@globeandmail.com>
Sent: Monday, April 2, 2018 12:54 PM
To: Martin, Jessica (MOF)
Subject: Signatures on Public Accounts

Jessica:

It's Matt McClearn at the Globe again. I've got a few more questions about the Public Accounts. As you may know, in the private sector in Canada, CEOs and CFOs of public companies are required to personally certify that (among other things) their company's financial statements do not contain any misrepresentations or omit to state any material facts. These requirements arose indirectly from the U.S. Sarbanes-Oxley Act and the corporate scandals that preceded it. My questions:

- Are there any such requirements on the individuals whose signatures appear in Ontario's Public Accounts? Why or why not?
- If anyone does "sign off" on Ontario's books, who does that, and what responsibilities accompany their signatures?
- What enforcement mechanisms exist to hold those individuals accountable?

There's no immediate deadline on this, but I would appreciate a response by the end of the week. Thanks and regards,

Matt.

Matthew McClearn | Data journalist, Enterprise Team
p: 416.585.5487 | m: 416.705.6047 | e: mmcclearn@globeandmail.com

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From: Martin, Jessica (MOF) [mailto:Jessica.Martin@ontario.ca]
Sent: Saturday, March 24, 2018 6:04 PM
To: McClearn, Matthew
Subject: RE: Questions regarding the Fair Hydro Plan financial and accounting structure

Hi Matt,

Here is our response:

The Fair Hydro Plan has lowered electricity prices by 25% on average for everyone in Ontario. Officials from Treasury Board, Finance, OPG, IESO and the Ontario Financing Authority along with external advisors that included Ernst and Young, KPMG and Deloitte worked on the accounting related to the Fair Hydro Plan. They, along with the Office of the Provincial Controller, ensured that this plan was in accordance with Public Sector Accounting Standards. It is important to note that the accounting treatment in this plan is also used in jurisdictions across North America including Alberta, New England, New York, Minnesota and Texas.

Given that the Fair Hydro Plan was developed in accordance with Public Sector Accounting Standards by highly qualified public servants and highly respected accounting firms, we know that Ontario's financial statements have been and continue to be presented accurately.

Enjoy the rest of your weekend!
Jess

Jessica Martin
Senior Communications Advisor and Press Secretary
Office of the Honourable Charles Sousa
Minister of Finance
Tel: 416-212-5181
Email: jessica.martin@ontario.ca

From: McClearn, Matthew [mailto:MMcClearn@globeandmail.com]
Sent: March-23-18 7:07 PM
To: Martin, Jessica (MOF)
Subject: Questions regarding the Fair Hydro Plan financial and accounting structure

Jessica:

It's Matt McClearn from The Globe and Mail here.

The Auditor General of Ontario reported to the Public Accounts Committee again this week on matters pertaining to the Fair Hydro Plan. The Auditor General said the IESO's adoption of rate-regulated accounting last year is causing material misstatements in the Province of Ontario's public accounts. Furthermore, she has indicated that the misstatements are intentional, because the government wanted to show a balanced budget for this fiscal year.

I'm writing a story for Monday on the findings of a special audit the AG conducted at IESO. I wanted to put some questions to Mr. Sousa:

- Why does Minister Sousa believe that the IESO's use of rate-regulated accounting in connection with the Fair Hydro Plan is appropriate?
- In light of the Auditor General's strong objections to the IESO's accounting policies, why was Minister Sousa comfortable signing Ontario's Public Accounts in September 2017?
- What is Minister Sousa's response to the allegations that the government is deliberately manipulating its finances to conceal its actual deficits and debt?
- The AG's office has warned that if the government persists in using its current accounting treatment for the Fair Hydro Plan, it risks getting an adverse opinion on its financial statements. Is an adverse opinion acceptable to Minister Sousa? Why or why not?
- The Auditor General has said that the IESO's board, management and auditors have not cooperated with her work. Is that acceptable to Minister Sousa? Why or why not?
- In light of the Auditor General's findings in the special audit of IESO, is Mr. Sousa still comfortable with the financial and accounting structure of the Fair Hydro Plan?

Thanks for considering my questions. I will file my story probably late tomorrow. I should be reachable by e-mail periodically tomorrow. Best regards,

Matt.

THE GLOBE AND MAIL

Matthew McClearn | Data journalist, Enterprise Team
p: 416.585.5487 | m: 416.705.6047 | e: mmcclearn@globeandmail.com