QUESTIONS & ANSWERS OVERVIEW

Based on the Auditor General's 2017 Annual Report, media analysis, Hansard analysis, and the invitee list for the SCOPA session on February 28, 2018, it is anticipated that the focus of the Committee will be the following:

- Ontario Fair Hydro Plan (OFHP) Accounting
- Independent Electricity System Operator (IESO) Accounting (market accounts; rate-regulated accounting; other – IESO/OPG "inappropriate expenses"; OPG compensation)
- Pension asset accounting
- Pre-Election Report
- Province's debt burden

Long-Form Member Questions

1. Why did the government choose to recognize pension assets from the Ontario Teacher's Pension Plan and the Ontario Public Sector Employee's Union Pension Plan? What evidence and processes were used to support this decision?

2. Why did the Treasury Board Secretariat accept the IESO's recognition of market accounts on the province's consolidated financial statements? Is there any precedent for this?

3. Can you explain when and how the Treasury Board Secretariat looks to other accounting methods to support the preparation of Public Accounts?

4. What are the plans to keep Ontario's credit rating in good standing?

5. What is Ontario's debt repayment plan?

6. How is Ontario planning to keep a balanced budget?

7. *MOE to add*

8. *MOE to add*

9. *MOE to add*

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Top Questions

1. How do you respond to the Auditor General's recommendation that the government should record valuation allowances to offset the net pension assets recorded from the Ontario Teacher's Pension Plan and the Ontario Public Sector Employee's Union Pension Plan until you receive formal written authorization from their pension plan co-sponsors?

2. How do you respond to the Auditor General's recommendation that the government remove the Independent Electricity System Operator's (IESO) market accounts from the province's consolidated financial statements?

3. The government has received a second qualified audit opinion on its Public Accounts – this time based on two separate issues. Why do you continue to disagree with the Auditor General?

4. The Auditor General says that you anticipated the government would receive a qualified audit opinion – and accepted this risk. In the private sector this would be unacceptable. How do you figure you can get away with this?

5. Will the government implement the recommendations in the Auditor General's Special Report on the Fair Hydro Plan?

6. The Auditor General says that she has consulted with all of the Auditor Generals in Canada – and they agree with her assessments. How are we supposed to believe this government when all legislative auditors in the country say you are wrong?

7. Why does the government use external advisors/consultants? It seems convenient that whenever you disagree with the Auditor General, you turn to consultants to justify your accounting methods.

8. The Auditor General says that the IESO's use of rate-regulated accounting is inappropriate. Why has the government allowed the IESO to adopt this accounting method that she says is not in accordance with PSAS?

9. Why has the government legislated accounting for things like Ontario's Fair Hydro Plan? Aren't you just changing the rules to suit your needs?

10. Will the government issue a regulation confirming the source of reference for the Pre-Election Report and the timeline for issuance of the report that will be subject to the Auditor General's review?

**See appendix A for a full list of QAs, which are organized on the basis of Auditor General recommendation number.*

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