

RE: Language for overall comment re: accounting disagreements -- perhaps include as the first line in the "major section"?

From: "Sharda, Raj (TBS)" <raj.sharda@ontario.ca>
To: "Veinot, Cindy (TBS)" <cindy.veinot@ontario.ca>
Date: Fri, 20 Apr 2018 11:20:54 -0400

Ok I just sent you latest, if you could please add where you deem fit. Thanks.

From: Veinot, Cindy (TBS)
Sent: April-20-18 11:18 AM
To: Sharda, Raj (TBS)
Subject: Language for overall comment re: accounting disagreements -- perhaps include as the first line in the "major section"?

As we are both aware, we disagree on the accounting treatment for both the net pension assets of OTPP and OPSEUPP as well as the accounting treatment for the Global Adjustment Refinancing Aspect of the Fair Hydro Plan. We respect that the Office of the Auditor General's views differ from our own on these two issues, and we would expect that you respect our views, as they are well supported by our own research and analysis as well as by analysis and opinions completed by others who are experts in the field of accounting and actuarial science.

With this disagreement in mind, we have not included comments on these two issues in the report regarding our views on the accounting, except where we believe the disagreement is not appropriately described or the impact of the disagreement is not appropriately assessed re: the purpose of this report. However, our decision not to include comments on the numerous references to both of these issues should not be interpreted as a change in our views regarding the application of PSAS to both of these issues.