RE: Media Request - SCOPA - Globe and Mail

From: "Hosick, Sarah (TBS)" <sarah.hosick@ontario.ca>
To: "Veinot, Cindy (TBS)" <cindy.veinot@ontario.ca>
Date: Tue, 13 Mar 2018 11:10:49 -0400
Attachments: FHP Globe and Mail media inquiry - TBS - tracked.docx (21.59 kB)

Yes was submitted last week (the version with Energy edits).

From: Veinot, Cindy (TBS)
Sent: March 13, 2018 10:56 AM
To: Hosick, Sarah (TBS)
Subject: RE: Media Request - SCOPA - Globe and Mail

Was this submitted?

From: Hosick, Sarah (TBS)
Sent: March 2, 2018 11:07 AM
To: Veinot, Cindy (TBS); Donaldson, Mark (TBS)
Subject: FW: Media Request - SCOPA - Globe and Mail

FYI – this response will stand for both media Qs for now.
So we don't need a separate response for the "what form of approvals did it take'" question unless DMO wants us to add when they review

From: Laughton, Patrick (TBS)
Sent: March 2, 2018 9:20 AM
To: Tharani, Alisha (TBS); Hosick, Sarah (TBS)
Cc: Vrancart, Kate (TBS)
Subject: RE: Media Request - SCOPA - Globe and Mail

Hi Alisha –

Please see below for our Associate DM approved response to the media enquiry.

Happy to discuss if you've any questions.

P.

" Who were the senior decision-makers at Treasury Board responsible for the accounting/financial structure with the Fair Hydro Plan? And what were their roles in establishing the accounting/financial structure?"

The Treasury Board Secretariat (TBS) was not responsible for developing the financial structure for the Fair Hydro Plan. Senior TBS officials and their staff worked with officials from the Ministries of Finance and Energy, Ontario Power Generation, Independent Electricity System Operator and Ontario Finance Authority, as well as their external advisors, to understand the structure of the Ontario Fair Hydro Plan (the "OFHP") proposed by the Ministry of Energy and assess the accounting treatment of the OFHP in the consolidated financial statements of the Province. The consolidated financial statements of the Province are prepared in accordance with Public Sector Accounting Standards.

In developing Ontario's Fair Hydro Plan, the government considered a range of implementation options and consulted with legal, accounting, financial and energy sector third-party experts to provide advice and ensure due diligence was completed. The OFHP operates under a financial and accounting framework that is appropriate for the intended purpose.

In order to meet the needs of users, including the legislature and the public, for accountability in government reporting and decision making, it is essential that public sector financial statements reflect the economic substance of the government's activities, and the accounting is in accordance with Public Sector Accounting Standards.

From: Tharani, Alisha (TBS)
Sent: March-01-18 5:23 PM
To: Hosick, Sarah (TBS)
Cc: Vrancart, Kate (TBS); Laughton, Patrick (TBS)
Subject: RE: Media Request - SCOPA - Globe and Mail

Hi again,

FYI – Finance has now also received a question from the reporter (see below). Still nothing from Energy at this time. This has been flagged for CO issues.

Thanks,

Alisha

Alisha Tharani
Senior Corporate Issues Management Analyst | Treasury Board Secretariat
416-327-3803 | Alisha.Tharani@ontario.ca

Questions for Finance

As you may be aware, last year the Financial Accountability Office estimated that the FHP would cost Ontario $45 billion over 29 years, or a net cost of $21 billion once the resultant savings to electricity ratepayers are subtracted. The FAO also said that "After 10 years,ratepayers will be required to repay the deferred electricity costs plus approximately $21.0 billion in interest."

In its response to the Auditor General of Ontario's report on the FHP, the government asserted the following:

> *While total borrowing costs will not be known until the program is complete, __accumulated interest is projected to be considerably less__ than the estimates in the report of the Financial Accountability Office (FAO), cited by the report. __Total borrowing estimates over the thirty year life of the program have been revised down substantially by the government__ since the FAO released its report in May 2017 and borrowing costs are now forecast to be substantially lower than original estimates. Current government estimates forecast that the peak debt over the thirty year life of OFHP will be below $20 billion. The preliminary estimate from March 2017 was about $28 billion.*

(Emphasis added)

I request the detailed borrowing estimates cited by the government above, including the underlying math behind peak debt and interest charges and any assumptions made. Happy to discuss and clarify further if required.

From: Tharani, Alisha (TBS)
Sent: March 1, 2018 4:09 PM
To: Hosick, Sarah (TBS)
Cc: Vrancart, Kate (TBS); Laughton, Patrick (TBS)

Subject: RE: Media Request - SCOPA - Globe and Mail

Hi Sarah,

Thanks for the call. As discussed, we have received follow-up questions from the reporter:

Part 1: *" Who were the senior decision-makers at Treasury Board responsible for the accounting/financial structure with the Fair Hydro Plan?*
And what were their roles in establishing the accounting/financial structure?"

Part 2: ***"The Hansard of the proceedings of the Standing Committee on Estimates on Oct. 24, 2017 indicates Ms. Sophie Kiwala 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.*

(Emphasis added.)
Who at the Office of the Provincial Controller signed off on the financial/accounting structure of the Fair Hydro Plan? What form did that approval take?"

It looks like the second question is quite similar to the first.

We've also followed up with the Ministry of Energy and Ministry of Finance to see if they have received any similar questions.

I understand Karen is in meetings until 6pm – if we could get the response by tomorrow morning (10am) it would be very much appreciated.

We'll be sure to keep you updated with any developments on our end. Thanks very much for your work on this, and please let us know if you need anything from us.

Thanks,

Alisha

Alisha Tharani
Senior Corporate Issues Management Analyst | Treasury Board Secretariat
416-327-3803 | Alisha.Tharani@ontario.ca

From: Tharani, Alisha (TBS)
Sent: March 1, 2018 3:30 PM
To: Hosick, Sarah (TBS)
Cc: Vrancart, Kate (TBS); Laughton, Patrick (TBS)
Subject: RE: Media Request - SCOPA - Globe and Mail

Hi Sarah,

Thanks for the update.

To confirm, once we get the response from Cindy/Karen, we'll move it through approvals on our end and then will share with DMO for final approval -- before it goes to MO to share with the reporter.

We've asked MO to look into an extension with the reporter – however, in the case that the reporter is unwilling to budge, it would be great to get the response from you as soon as possible, given the various levels of approval that still need to happen.

Thanks very much!

Alisha

Alisha Tharani
Senior Corporate Issues Management Analyst | Treasury Board Secretariat
416-327-3803 | Alisha.Tharani@ontario.ca

From: Hosick, Sarah (TBS)
Sent: March 1, 2018 3:00 PM
To: Tharani, Alisha (TBS)
Cc: Vrancart, Kate (TBS); Laughton, Patrick (TBS)
Subject: RE: Media Request - SCOPA - Globe and Mail

Hi Alisha,

Sorry for delay, I've sent our response to Cindy to approve via email. I haven't had a chance to see her since early this morning since she's been in meetings back to back (one of those days!)

Will send her a friendly nudge.

Sarah

From: Tharani, Alisha (TBS)
Sent: March 1, 2018 2:50 PM
To: Hosick, Sarah (TBS)
Cc: Vrancart, Kate (TBS); Laughton, Patrick (TBS)
Subject: RE: Media Request - SCOPA - Globe and Mail

Hi Sarah,

Checking in about this media call – MO is tracking to get back to the reporter by end of day. Any updates on the response?

Thanks – and appreciate your time on this. I know there are many things coming your way today! Let us know if you need anything from us.

Alisha

Alisha Tharani
Senior Corporate Issues Management Analyst | Treasury Board Secretariat
416-327-3803 | Alisha.Tharani@ontario.ca

From: Tharani, Alisha (TBS)
Sent: March 1, 2018 11:07 AM
To: Hosick, Sarah (TBS)
Cc: Vrancart, Kate (TBS); Laughton, Patrick (TBS)
Subject: RE: Media Request - SCOPA - Globe and Mail

Hi Sarah,

MO has confirmed that the question was only posed to TBS, at this time.

Alisha Tharani
Senior Corporate Issues Management Analyst | Treasury Board Secretariat
416-327-3803 | Alisha.Tharani@ontario.ca

From: Hosick, Sarah (TBS)
Sent: February 28, 2018 6:05 PM
To: Vrancart, Kate (TBS); Laughton, Patrick (TBS)
Cc: Tharani, Alisha (TBS)
Subject: RE: Media Request - SCOPA - Globe and Mail

Thanks, I think that will help formulate the answer

From: Vrancart, Kate (TBS)
Sent: February 28, 2018 6:01 PM
To: Hosick, Sarah (TBS); Laughton, Patrick (TBS)
Cc: Tharani, Alisha (TBS)
Subject: RE: Media Request - SCOPA - Globe and Mail

Not sure - will ask MO.

Sent with BB Work for iPhone

From: Hosick, Sarah (TBS) <Sarah.Hosick@ontario.ca>
Date: Wednesday, Feb 28, 2018, 6:00 PM
To: Vrancart, Kate (TBS) <Kate.Vrancart@ontario.ca>, Laughton, Patrick (TBS) <Patrick.Laughton@ontario.ca>
Cc: Tharani, Alisha (TBS) <Alisha.Tharani@ontario.ca>
Subject: RE: Media Request - SCOPA - Globe and Mail

Ok, though we weren't solely responsible for the financial structure of it. Are they also asking this to the other ministries involved?

From: Vrancart, Kate (TBS)
Sent: February 28, 2018 5:54 PM
To: Hosick, Sarah (TBS); Laughton, Patrick (TBS)
Cc: Tharani, Alisha (TBS)
Subject: RE: Media Request - SCOPA - Globe and Mail

Hi Sarah,

I think we're okay to go with both their names and roles. Our officials sign attestations in the public accounts themselves (i.e. Cindy, TBS DM & MOF DM) so that part is already public record.

Thanks,
Kate

Sent with BB Work for iPhone

From: Hosick, Sarah (TBS) <Sarah.Hosick@ontario.ca>

Date: Wednesday, Feb 28, 2018, 5:21 PM
To: Vrancart, Kate (TBS) <Kate.Vrancart@ontario.ca>, Laughton, Patrick (TBS) <Patrick.Laughton@ontario.ca>
Cc: Tharani, Alisha (TBS) <Alisha.Tharani@ontario.ca>
Subject: RE: Media Request - SCOPA - Globe and Mail

Hi Kate,

We don't normally name specific public servants for media purposes do we?
Should we just go with the approach of what TBS' role was in regards to the FHP?

Thanks for any insight
Sarah

From: Vrancart, Kate (TBS)
Sent: February 28, 2018 5:15 PM
To: Hosick, Sarah (TBS); Laughton, Patrick (TBS)
Cc: Tharani, Alisha (TBS)
Subject: FW: Media Request - SCOPA - Globe and Mail

Hi Sarah and Patrick,

Please see below request from the Globe and Mail via MO.

Would you be able to provide an answer tomorrow morning?

Thanks (and hooray for SCOPA being over!).

Kate

From: Hadisi, Lawvin (TBS)
Sent: Wednesday, February 28, 2018 5:11 PM
To: @TBS-L-Issues and Media
Subject: Media Request - SCOPA - Globe and Mail

Hi all,

Got the media request below from Globe and Mail. Can we get something tomorrow? Thank you.

Lawvin

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Who were the senior decision-makers at Treasury Board responsible for the accounting/financial structure with the Fair Hydro Plan?
And what were their roles in establishing the accounting/financial structure?

Lawvin Hadisi
Communications Advisor & Press Secretary
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