Message

From: Jordan Penic [/O=IMO/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=PENICJ]
Sent: 2016-10-26 10:49:32 AM
To: Mary Bernard [/O=IMO/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=Mary Bernard42a]; Chuck Farmer [/O=IMO/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=Chuck Farmerfa1]; Brian Shields [/O=IMO/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=Brian Shields047]
Subject: FW: Proposed note to employees on the accting story

Does this work?

From: Andrew Dow
Sent: October 26, 2016 10:28 AM
To: Jordan Penic
Subject: RE: Proposed note to employees on the accting story

Hi Jordan – here's a proposed addition to the employee email, pulled from the transcript below it.

The Minister responded to questions in the legislature yesterday, saying "we need to be very clear there's no new additional impact to ratepayers. Accounting experts determined over which period the payments would need to be taken. All government agencies use these standards." Premier Wynne also responded, noting that "this issue goes back to 2010", and reiterating that "there are no additional impacts to ratepayers."

>> Premier Wynne: The member opposite should know there are no additional impacts to rate payers. This issue goes back to 2010. The 70 million dollars in saves remains a net saves to Ontario ratepayers. The issue goes back to 2010. There are no additional impacts on ratepayers.

>> Min. Thibeault: Thank you, Mr. Speaker. I thank the Honourable member for his question. As we said in committee, we need to be very clear there's no new additional impact to ratepayers. Accounting experts determined over which period the payments would need to be taken. All government agencies use these standards. Last week in the House we passed legislation to save 5 million Ontarians 8% on their electricity bill. This week the opposition is talking about accounting practices for pension payments dating back to 2010 that have previously been disclosed for several years worth of public accounts. We announced regulations to save businesses one-third of their energy costs. This week the opposition talking about accounting practices and disclosures from years ago. We'll continue to stay focussed on the issues.

Andrew Dow | Analyst, Government Affairs and Issues Management
Independent Electricity System Operator (IESO) | T: (416) 506-2827

From: Jordan Penic
Sent: October 26, 2016 10:07 AM
To: Andrew Dow
Subject: Fw: Proposed note to employees on the accting story

Do we have one from #QP or is there an instant hansard?

From: Mary Bernard <Mary.Bernard@ieso.ca>
Sent: Wednesday, October 26, 2016 9:33 AM
To: Jordan Penic

Cc: Brian Shields; Chuck Farmer
Subject: Re: Proposed note to employees on the accting story

Jordan -- did you get a transcript of the committee hearing? If not, can we see if we can get one to finish off what Terry has suggested below.

Thanks.

Mary

Sent from my BlackBerry 10 smartphone on the Rogers network.

From: Terry Young
Sent: Wednesday, October 26, 2016 9:21 AM
To: Chuck Farmer; Jordan Penic; Mary Bernard
Cc: Brian Shields
Subject: RE: Proposed note to employees on the accting story

From: Mary Bernard [[redacted]]
Sent: October 25, 2016 8:25 PM
To: Terry Young; Chuck Farmer; Jordan Penic
Cc: Brian Shields
Subject: Proposed note to employees on the accting story

I couldn't get on webmail tonight so am sending from my personal email.

Terry: Chuck, Jordan and I discussed sending a note to employees from the employee communications mailbox on Wednesday morning about the Keith Leslie story. Susan Nicholson had suggested it and given the coverage, we think we should communicate something. Below is a proposed draft. I've kept it fairly straightforward.

Please review and provide your comments. Thanks.

There have been media stories yesterday and today that claim an $80-million actuarial loss in the IESO's accounts represents additional expenses for ratepayers.

Unfortunately, the IESO's perspective was not included in the story. Here are some points that the IESO has subsequently made to the reporter that provide further context to the story:

- Effective January 1, 2011, the IESO adopted Canadian public sector accounting standards with a transition date of January 1, 2010. This was a change from using Generally Accepted Accounting Principles (GAAP).

- Under the new accounting standards, this item was required to be listed separately. Previously, it was included on the IESO's balance sheet, it just wasn't listed separately.

- This item represents actuarial losses and past service costs related to pension and other post-employment benefits prior to 2010 that were previously unamortized.

- This item has been in the IESO's publicly issued audited financial statements ever since the change. It does not represent any new expense or charge and has been covered in the IESO fee approved by the OEB, both before and after the accounting standards change.

- Furthermore, the IESO's fee has gone down from 0.137 cents per kWh in 2010 to 0.124 cents per kWh in 2015, and our proposal before the OEB would see that decline to 0.113 cents per kWh in 2016, if approved.

The Minister also noted in Estimates yesterday that ...