Independent Electricity System Operator
Statement of Financial Position
Unaudited

As at (in thousands of Canadian dollars)	September 30, 2019	December 31, 2018
	$	$
FINANCIAL ASSETS		
Cash	75,754	156,124
Accounts receivable	40,456	111,257
Long-term investments	49,659	43,670
TOTAL FINANCIAL ASSETS	**165,869**	**311,051**
LIABILITIES		
Accounts payable and accrued liabilities	25,442	61,382
Debt	120,000	245,000
Accrued pension liability	26,844	30,566
Accrued liability for employee future benefits other than pension	138,443	131,524
TOTAL LIABILITIES	**310,729**	**468,472**
NET DEBT	(144,860)	(157,421)
NON-FINANCIAL ASSETS		
Net tangible capital assets	109,397	103,952
Prepaid expenses	8,998	6,234
TOTAL NON-FINANCIAL ASSETS	**118,395**	**110,186**
ACCUMULATED DEFICIT		
Accumulated deficit from operations	(40,020)	(54,804)
Accumulated remeasurement gains	13,555	7,569
ACCUMULATED DEFICIT	**(26,465)**	**(47,235)**

Independent Electricity System Operator
Statement of Operations and Accumulated Deficit
Unaudited

For the quarter ended September 30 (in thousands of Canadian dollars)	2019 Budget	2019 Actual	2018 Actual
IESO CORE OPERATIONS	$	$	$
System fees	144,392	145,343	144,550
Other revenue	420	5,079	3,552
Interest and investment income	4,425	1,699	1,649
Core operation revenues	**149,237**	**152,121**	**149,751**
Core operation expenses	(149,230)	(140,540)	(144,961)
Core operations surplus before rebates	7	11,581	4,790
Rebates issued to market participants	-	-	-
Core operations surplus	**7**	**11,581**	**4,790**
OTHER GOVERNMENT PROGRAMS			
Government transfer	223	3,457	176,455
Government transfer expenses	(223)	(3,457)	(176,455)
Government transfer surplus/(deficit)	**-**	**-**	**-**
SMART METERING ENTITY			
Smart metering charge	26,451	26,184	25,906
Smart metering expenses	(23,650)	(22,909)	(20,758)
Smart metering entity surplus	**2,801**	**3,275**	**5,148**
MARKET SANCTIONS AND PAYMENT ADJUSTMENTS			
Market sanctions and payment adjustments	5,706	6,037	4,179
Customer education and market enforcement expenses	(5,902)	(6,109)	(4,276)
Market sanctions and payment adjustments deficit	**(196)**	**(72)**	**(97)**
SURPLUS	**2,612**	**14,784**	**9,841**
ACCUMULATED DEFICIT FROM OPERATIONS, BEGINNING OF PERIOD	(54,804)	(54,804)	(65,985)
ACCUMULATED DEFICIT FROM OPERATIONS, END OF PERIOD	**(52,192)**	**(40,020)**	**(56,144)**

Independent Electricity System Operator
Statement of Remeasurement Gains and Losses
Unaudited

For the quarter ended September 30 (in thousands of Canadian dollars)	2019	2018
	$	$
ACCUMULATED REMEASUREMENT GAINS, BEGINNING OF PERIOD	**7,569**	**10,484**
UNREALIZED GAINS/LOSSES ATTRIBUTABLE TO:		
Foreign exchange - derivatives	-	122
Foreign exchange - other	886	897
Portfolio investments	6,419	956
AMOUNTS RECLASSIFIED TO THE STATEMENT OF OPERATIONS:		
Foreign exchange - derivatives	-	-
Foreign exchange - other	(897)	(456)
Portfolio investments	(422)	(573)
NET REMEASUREMENT GAINS FOR THE PERIOD	**5,986**	**946**
ACCUMULATED REMEASUREMENT GAINS, END OF PERIOD	**13,555**	**11,430**

Independent Electricity System Operator
Statement of Change in Net Debt
Unaudited

For the quarter ended September 30 (in thousands of Canadian dollars)	2019 Budget	2019 Actual	2018 Actual
	$	$	$
SURPLUS	**2,612**	**14,784**	**9,841**
CHANGE IN NON-FINANCIAL ASSETS			
Acquisition of tangible capital assets	(18,511)	(23,333)	(20,590)
Amortization of tangible capital assets	17,130	17,888	17,485
Change in prepaid expenses	-	(2,764)	(162)
TOTAL CHANGE IN NON-FINANCIAL ASSETS	**(1,381)**	**(8,209)**	**(3,267)**
NET REMEASUREMENT GAINS FOR THE PERIOD	-	5,986	946
CHANGE IN NET DEBT	**1,231**	**12,561**	**7,520**
NET DEBT, BEGINNING OF PERIOD	(157,421)	(157,421)	(93,683)
NET DEBT, END OF PERIOD	**(156,190)**	**(144,860)**	**(86,163)**

Independent Electricity System Operator
Statement of Cash Flows
Unaudited

For the quarter ended September 30 (in thousands of Canadian dollars)	2019	2018
	$	$
OPERATING TRANSACTIONS		
Change in accumulated surplus:		
Surplus	14,784	9,841
	14,784	9,841
Changes in non-cash items:		
Amortization	17,888	17,485
Unrealized foreign exchange (losses)/gains for the period	(11)	563
Pension expense	7,327	9,549
Other employee future benefits expense	8,928	6,766
Gain on disposal of long-term investments	(422)	(573)
	33,710	33,790
Changes in non-cash balances related to operations:		
Change in accounts payable and accrued liabilities	(36,358)	122
Change in accounts receivable	70,801	(113,025)
Change in prepaid expenses	(2,764)	(162)
	31,679	(113,065)
Other:		
Contributions to pension fund	(11,049)	(10,633)
Payment of employee future benefits	(2,009)	(1,996)
	(13,058)	(12,629)
Cash applied/provided by operating transactions	**67,115**	**(82,063)**
CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	(23,333)	(20,590)
Change in accounts payable and accrued liabilities related to tangible capital assets	418	(328)
Cash applied to capital transactions	**(22,915)**	**(20,918)**
INVESTING TRANSACTIONS		
Purchase of long-term investments	(132)	(518)
Proceeds on sale of long-term investments	562	838
Cash provided by investing transactions	**430**	**320**
FINANCING TRANSACTIONS		
Debt Repayment or Issuance	(125,000)	60,000
Cash applied/provided by financing transactions	**(125,000)**	**60,000**
DECREASE IN CASH	**(80,370)**	**(42,661)**
CASH - BEGINNING OF PERIOD	156,124	64,214
CASH - END OF PERIOD	**75,754**	**21,553**