

Message

Sent: 2018-06-13 10:09:06 AM
To: Peter Gregg [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=eecb5b8abe1a4998a2ee7b2d68b31ccc-Peter Gregg]
Subject: FW: Explaining Financial Statement Market Inclusion Transparency
Attachments: Including Market Accounts.docx

Importance: High

In follow up to our conversation from last week, see below and attached. The paragraph below summarizes the transparency piece, whereas the attachment focuses on why the decision was made, or as JEa.

From: Jeannette Briggs
Sent: June 13, 2018 8:16 AM
To: Anthy Lovachis
Cc: Barb Anderson
Subject: Explaining Financial Statement Market Inclusion Transparency
Importance: High

Anthy,

If Peter goes to the end of the document he has a summary of what transparency there is by including market accounts in financial statement a result of the accounting policy change. I have included where the notes from 2017 would continue into 2018.

I feel it is important that there is an explanation of what was in “play” when the decision for the accounting policy change was made in early 2016 for the 2015 year end statements. At that point in time, ELT’s presentation to the Board and specifically Audit Committee, identified several rate regulated variance accounts that if disclosed would provide more information to the reader of our statements primarily through note disclosure about our oversight as administrators of the IAM. Since that time, some of the variances reported have been depleted/removed and perhaps with it, the argument the accounting policy change is about transparent account presentation. That said, there remains the issue that we have initiated an accounting policy change appropriately permitted under US GAAP and does provide some information to read but more importantly, the ability to transfer from time to time variances in the deferred global adjustment variance to the Financial Hydro Trust.

Let me know if you need anything further. JB

Regards,

Jeannette Briggs Director, Settlements - Corporate Services
Independent Electricity System Operator (IESO) | T: 905-855-6364 | C: 416-997-6364
Station A, Box 4474, Toronto, ON, M5W 4E5
Web: www.ieso.ca | Twitter: [IESO_Tweets](https://twitter.com/IESO_Tweets) | LinkedIn: [IESO](https://www.linkedin.com/company/ieso)
Conservation: www.saveONenergy.ca | Twitter: [saveONenergyOnt](https://twitter.com/saveONenergyOnt) | LinkedIn: [saveONenergy](https://www.linkedin.com/company/saveONenergy)

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