

## MEETING OF THE AUDIT COMMITTEE THE INDEPENDENT ELECTRICITY SYSTEM OPERATOR

**Tuesday, April 11<sup>th</sup>, 2017**

8:00 a.m. – 8:30 a.m. Light Breakfast in 16<sup>th</sup> Floor Boardroom  
120 Adelaide Street West, Toronto, Ontario

8:30 a.m. – 11:55 p.m. Audit Committee Meeting

### Highly Confidential

| Item                                                                                                          | Presenter                                                              | Time       | Target Time | Action      |
|---------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------|-------------|-------------|
| <b>Introductory Items</b>                                                                                     |                                                                        |            |             |             |
| 1. Approval of the Proposed Agenda                                                                            | Carole Workman                                                         | 5 Minutes  | 8:30 – 8:35 | Decision    |
| 2. Declaration of Potential Conflicts                                                                         | Carole Workman                                                         | 5 Minutes  | 8:35 – 8:40 | Information |
| 3. Approval of February 28 <sup>th</sup> , March 15 <sup>th</sup> , and March 22 <sup>nd</sup> , 2017 Minutes | Carole Workman                                                         | 5 Minutes  | 8:40 – 8:45 | Decision    |
| <b>Corporate Financial Reporting</b>                                                                          |                                                                        |            |             |             |
| 4. Communication Plan on Accounting Changes                                                                   | Jordan Penic<br>Terry Young                                            | 5 Minutes  | 8:45 – 8:50 | Information |
| 5. Q1 CPM Progress Update                                                                                     | Rayhan Malik<br>Kim Marshall                                           | 5 Minutes  | 8:50 – 8:55 | Information |
| <b>Pension</b>                                                                                                |                                                                        |            |             |             |
| 6. Pension Budgeting Policy                                                                                   | Anthony Martinello<br>Kim Marshall                                     | 5 Minutes  | 8:55 – 9:00 | Recommend   |
| 7. 2017 Actuarial Valuation – Preliminary Outlook                                                             | Anthony Martinello<br>AON Hewitt                                       | 10 Minutes | 9:00 – 9:10 | Discussion  |
| 8. Pension Plan Regulatory and Conflicts of Interest Confirmation                                             | Anthony Martinello                                                     | 5 Minutes  | 9:10 – 9:15 | Information |
| <b>CFO Report</b>                                                                                             |                                                                        |            |             |             |
| 9. CFO Report                                                                                                 | Kim Marshall                                                           | 5 Minutes  | 9:15 – 9:20 | Information |
| <b>Energy Pricing &amp; Programs</b>                                                                          |                                                                        |            |             |             |
| 10. Rate Mitigation Update                                                                                    | Jeannette Briggs<br>Kim Marshall<br>Anthony Martinello<br>Michael Boll | 10 Minutes | 9:20 – 9:30 | Discussion  |

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|------------------------------------------------------------------|-----------------------------------------------------------|------------|---------------|-------------|
| 11. Operations Readiness Initiative Update                       | Nicholas Ingman<br>Leonard Kula                           | 10 Minutes | 9:30 – 9:40   | Information |
| 12. CDM-IS Update                                                | Nik Schruder<br>Terry Young                               | 10 Minutes | 9:40 – 9:50   | Information |
| <b>Information Technology (IT)</b>                               |                                                           |            |               |             |
| 13. IT Systems Planning                                          | Bill Pettitt<br>Doug Thomas                               | 15 Minutes | 9:50 – 10:10  | Information |
| 14. Update on Significant IT Projects                            | Bill Pettitt                                              | 10 Minutes | 10:10 – 10:20 | Information |
| <b>BREAK</b>                                                     |                                                           | 10 Minutes | 10:20 – 10:30 |             |
| <b>Risk Management</b>                                           |                                                           |            |               |             |
| 15. Risk Tolerance                                               | Alexander DeAngelis<br>Kim Marshall                       | 10 Minutes | 10:30 – 10:40 | Recommend   |
| 16. Market Renewal Risk Management                               | Lia Kotic<br>Alexander DeAngelis<br>Shawn Cronkwright     | 5 Minutes  | 10:40 – 10:45 | Discussion  |
| 17. Q1 Risk Management Update                                    | Alexander DeAngelis                                       | 5 Minutes  | 10:45 – 10:50 | Information |
| <b>Third Party Audits</b>                                        |                                                           |            |               |             |
| 18. Update on the CSAE 3416                                      | Julia McNally<br>Bruce Campbell<br>E&Y                    | 10 Minutes | 10:50 – 11:00 | Discussion  |
| <b>Internal Audits</b>                                           |                                                           |            |               |             |
| 19. Internal Audit (IA) Update                                   | Julia McNally                                             | 20 Minutes | 11:00 – 11:20 |             |
| a. Value of Internal Audit                                       |                                                           |            |               | Information |
| b. 2017 Audit Plan Progress Update                               |                                                           |            |               | Decision    |
| c. CPM Review                                                    |                                                           |            |               | Discussion  |
| 20. Internal Auditor Meeting with Committee (In-Camera)          | Julia McNally                                             | 10 Minutes | 11:20 – 11:30 | Information |
| <b>Pension</b>                                                   |                                                           |            |               |             |
| 21. 2016 Audited Pension Financial Statements (In-Camera – KPMG) | Anthony Martinello<br>Kim Marshall<br>Matthew Betik, KPMG | 10 Minutes | 11:30 – 11:40 | Recommend   |

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|-----------------------|-----------|------------|---------------|-------------|
| <b>Legal</b>          |           |            |               |             |
|                       |           |            |               |             |
| 23. In-Camera Session |           | 10 Minutes | 11:45 – 11:55 | Information |