Message

From: Kim Marshall [/O=IMO/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=KIM MARSHALL9F5]
Sent: 2017-02-16 8:05:46 AM
To: Picard, Michel [mpicard@kpmg.ca]; Cindy.Veinot@ontario.ca; Nadine Petsche [nadine.petsche@ontario.ca]
Subject: RE: Importance of setting up regulatory accounting in 2016
Attachments: IESO Position Paper v2 DRAFT.PDF

Attached is an updated paper from the KPMG audit partner on IESO. In Matt's own words he has : added additional insights around the components of assets/liabilities, recognizing the differing views and significantly updated the conclusions to indicate that multiple conclusions could be reached. Happy to revisit as needed.

Matt and I have had a conversation about potential impacts and what we should say to the IESO board and when. So happy to discuss next steps.

E&Y will deliver an updated memo by tomorrow.

Michel, when can we have the other KPMG memo?

Should we have a conf call at some point today before the 4pm meeting, although Cindy maybe you are not at the 4pm meeting?

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-----Original Message-----
From: Picard, Michel [mailto:mpicard@kpmg.ca]
Sent: February 15, 2017 8:22 PM
To: Cindy.Veinot@ontario.ca; Nadine Petsche; Kim Marshall
Subject: Importance of setting up regulatory accounting in 2016

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Ladies,

I believe it is important for IESO to recognize the economic impacts of rate regulation in 2016 under PSAB. Assuming that the AG rejects it under PSAB, then it will require IESO to move to option b) ie. to create a GBE in 2017 to execute the contemplated transaction. As you will remember, IFRS 14 requires IESO to have recognized regulatory balances in its prior year FS. This would be an easier sale than the market books.

Regards,

Michel

Sent from my iPhone

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