Message

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To: Susan Nicholson [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=f668e601bd2b4865a5c31dca531047c8-Susan Nicho]
Subject: OPA financial presentation

Here is material I want to put in the memo with the PWC and Matt "history" . Doesn't have to be today but can you pls do a read for another pair of eyes, thx

Ontario Power Authority (OPA) Accounting Policies
Appendix x contains a selection of pages from the 2014 OPA annual report.
Management presents this information simply to illustrate that there has been different forms of financial statement presentation in the past related to the market activities. These statements were audited by KPMG who issued a clean audit opinion on them and were consolidated into the provincial financial statements as presented.
Page 8 of the financial statements presents the Statement of Financial Position.
As described in Note 3 on page 15 of the financial statements, the Accounts Receivable balance includes amounts due from the IESO to cover the segment of market accounts and global adjustment handled by the OPA.
Note 5 from page 15 of the financial statements details the Accounts Payable and Accrued Liabilities. Included in this balance are the amounts due to the generators in the form of contract settlements.
Note 8 on pages 17 and 18 details the Other Financial Liabilities in the financial statements. This note describes the liabilities and deferrals of the global adjustment arising out of regulatory activities such as the setting of the Regulated Price Plan (RPP). At December 31, 2014, the deferral was actually in a liability position, with amounts being owed back to the market. This reflects the fact that at that time the RPP was actually higher than that the commodity price being paid.
While not called a regulatory asset in the statements or notes, note 8 indicates that in the absence of rate regulated accounting this balance would flow through the Statement of Operations. Note 8 also indicate that the global adjustment disclosure is presented to provide transparency for the transactions.

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