Sequence of Events:
AG's Financial Statement Audit of the IESO

April 2018

Date	Activity and Documentation
November 16, 2017	• Letter to IESO from AG advising of intent to conduct a financial statement audit; option to rescind appointment of KPMG as auditor, or to conduct a joint audit.
December 6, 2017	• Letter to AG from IESO advising of intent to proceed with two separate audits; one with KPMG and one with OAGO.
December 14, 2017	• Initial request listing received from OAGO; includes request for 2017 Board and Audit Committee meeting materials.
January 8, 2018	• OAGO staff arrive at IESO offices; OAGO staff remain on site until February 2, 2018.
January 16, 2018	• Final and signed Board and Audit Committee meeting minutes provided to the OAGO (does not include December 2017 meeting minutes, as approval and finalization would follow at the next Board meeting in February 2018).
January 19, 2018	• Letter to IESO from AG requesting availability of Audit Committee for meeting.
January 23, 2018	• Staff from KPMG visit OAGO offices to review advice the OAGO received and used in assessing the use of rate regulated accounting.
February 2, 2018	• Letter to IESO from AG with materials for Audit Committee meetings; materials include Chapter 2 of the OAGO's annual report, the OAGO's special report on the Fair Hydro Plan, a letter to the IESO Board from June 2017, and a memorandum related to rate-regulated assets/liabilities and market accounts.
February 7, 2018	• Special meeting of the Audit Committee (teleconference). Audit Committee verbally responds to AG's fraud questions, and the AG and OAGO staff provide an update on their analysis of accounting principles. • AG requests to attend Audit Committee meeting at the end of February to discuss audit findings report.
February 14, 2018	• Letter to AG from IESO inviting her to participate in a special teleconference meeting of the Audit Committee on February 26, 2018.
February 22, 2018	• IESO receives draft audit findings report via email from OAGO staff; draft report does not include finding on discount rate or disclosure of the security agreement.
February 26, 2018	• Special meeting of the Audit Committee (teleconference). The AG and OAGO staff provide an overview of the draft audit findings report received

	on February 22. • Audit Committee Chair advises AG of IESO's intent to postpone the approval of the financial statements until after the scheduled technical meeting on March 7. • AG requests to attend the Audit Committee meetings on February 27 to observe KPMG's presentation on their draft audit report. • Letter to AG from IESO advising of decision to allow AG to observe KPMG's presentation to the Audit Committee on February 27.
February 27, 2018	• Meeting of the Audit Committee (in-person). AG staff participate in discussion alongside KPMG and Audit Committee members; AG does not attend due to observer status.
February 28, 2018	• IESO attends Standing Committee on Public Accounts to discuss Chapter 2 of the OAGO's annual report relating to rate regulation and market accounts.
March 5, 2018	• IESO provides OAGO staff with final and signed Board and Audit Committee meeting minutes and materials from December 2016, approved on February 28. Materials reference security agreement.
March 7, 2018	• Technical meeting between KPMG and OAGO staff. IESO CFO asked not to join meeting. • Following meeting, OAGO sends KPMG questions related to the security agreement.
March 8, 2018	• Financial statements reviewed and approved by IESO Board; KPMG issues clean audit opinion on financial statements. • IESO CEO notifies AG of approved financial statements.
March 9, 2018	• Letter to AG from IESO with accompanying management responses to the draft audit report, received on February 22.
March 13, 2018	• Letter to IESO from AG identifying new issue related to disclosure of security agreement.
March 20, 2018	• Letter to IESO from AG with updated draft audit findings report; includes new findings on discount rate and disclosure of security agreement.
March 21, 2018	• AG presents draft findings report to the Standing Committee on Public Accounts, as further evidence to inform report writing on Chapter 2 of her annual report.
March 27, 2018	• IESO Board adopted AG's recommendation to include security agreement disclosure in financial statements; revised financial statements approved via written resolution (no meeting).
March 28, 2018	• IESO's annual report, with newly approved financial statements, provided to OAGO.
April 2, 2018	• IESO's annual report posted publically.
April 6, 2018	• Letter to IESO from AG with final audit findings report.