Message

From: Susan Nicholson [/O=IMO/OU=MSX1/CN=RECIPIENTS/CN=SUSAN NICHOLSON]
Sent: 2017-02-23 9:18:29 AM
To: Kim Marshall [/O=IMO/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=Kim Marshall9f5]; Picard, Michel [mpicard@kpmg.ca]
CC: Adrian Pye [/O=IMO/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=Pyea]; Susan Nicholson [/O=IMO/OU=MSX1/cn=Recipients/cn=Susan Nicholson]
Subject: RE: OEB decision - smart metering entity

Michel – please see note below taken from our audited financial statement notes. Since 2011 the recovery of these costs has been included in our annual business plan and revenue requirement to the OEB.

Also please note that the majority of the costs are related to pension but there is also an other post-employment benefit component, hence, I refer to this charge as the PSAB adjustment.

Please let me know if you have any further questions.

Effective January 1, 2011, the IESO adopted Canadian public sector accounting standards with a transition date of January 1, 2010. The adoption of PSAB was accounted for by retroactive application with restatement of prior periods subject to the requirements in Section PS 2125, First-time Adoption by Government Organizations. The corresponding change to pension and other post-employment benefits resulted in previously unrecognized actuarial losses and past service costs of $80,617 thousand at the date of transition being charged to the accumulated deficit.

The IESO includes a portion of the accumulated deficit resulting from the PSAB transition items in the annual proposed expenditures to the OEB for recovery through system fees.

From: Kim Marshall
Sent: February 23, 2017 7:42 AM
To: Picard, Michel
Cc: Adrian Pye; Susan Nicholson
Subject: Re: OEB decision - smart metering entity

Susan can speak to the plan pension

Sent from my iPhone

On Feb 23, 2017, at 7:40 AM, Picard, Michel <mpicard@kpmg.ca> wrote:

> Thanks Adrian.
>
> Is this the only rate decision? Do you have a rate decision for pension costs? How are IESO costs recovered in the rates? I presumed it is on an accrual basis. How do you recover what is included in the OCI?
>
> Michel
>
> ---
>
> > **From:** Adrian Pye [mailto:Adrian.Pye@ieso.ca]
> > **Sent:** Wednesday, February 22, 2017 4:02 PM

To: Picard, Michel <mpicard@kpmg.ca>
Cc: Susan Nicholson <susan.nicholson@ieso.ca>; Kim Marshall <Kim.Marshall@ieso.ca>
Subject: RE: OEB decision - smart metering entity

Michel,

A link to the decision is below, and the extract below from it should be adequate:

THE BOARD ORDERS THAT:

1. Effective May 1, 2013, the Smart Metering Entity charge to be levied and collected by the Smart Metering Entity from all Distributors identified in the Board's annual *Yearbook of Electricity Distributors* shall be $0.788 per month for each Residential and General Service <50kW customers for each distributor. The Smart Metering Entity charge shall be in effect from May 1, 2013 to October 31, 2018. The number of Residential and General Service <50kW customers to which the Smart Metering Entity charge will be applied to shall be in accordance with the methodology set forth in the Settlement Agreement Attached as Appendix A.

http://www.ontarioenergyboard.ca/oeb/_Documents/EB-2012-0100/dec_order_IESO-SME_20130328.pdf

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From: Kim Marshall
Sent: February 22, 2017 3:53 PM
To: Picard, Michel
Cc: Adrian Pye; Susan Nicholson
Subject: Re: OEB decision

I am copying Adrien and susan?

Sent from my iPad

On Feb 22, 2017, at 3:42 PM, Picard, Michel <mpicard@kpmg.ca> wrote:

> *** EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials. ***
>
> Kim,
>
> Can you provide me with an extract of the OEB decision for the MDMR to include as an appendix to the white papers?
>
> **Michel Picard, CPA, CA**
>
> Partner, Accounting Advisory Services
>
> KPMG LLP
>
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If you are unable to access the links above, please cut and paste the URL that follows the link into your browser.
