

Message

From: Susan Nicholson [/O=IMO/OU=MSX1/CN=RECIPIENTS/CN=SUSAN NICHOLSON]
Sent: 2017-03-09 10:21:38 AM
To: Betik, Matthew [mbetik@kpmg.ca]
Subject: RE: Memo re Reg Assets and Market Accounts.doc

Sorry, just seeing this. I am at Adelaide so can you call me at 416-969-6006 whenever it is good for you.

From: Betik, Matthew [mailto:mbetik@kpmg.ca]
Sent: March 09, 2017 9:52 AM
To: Susan Nicholson
Subject: RE: Memo re Reg Assets and Market Accounts.doc

Can we have a call around 10:15 on this?

From: Susan Nicholson [mailto:susan.nicholson@ieso.ca]
Sent: March 9, 2017 9:16 AM
To: Kim Marshall <Kim.Marshall@ieso.ca>; Betik, Matthew <mbetik@kpmg.ca>
Cc: Susan Nicholson <susan.nicholson@ieso.ca>
Subject: RE: Memo re Reg Assets and Market Accounts.doc

I have a couple of things that I am struggling with regarding treatment of revenues. Matt – can you please send me the appropriate accounting standard. My knotia subscription only gives me PSAB, I will look into changing this.

Thanks, Susan

From: Kim Marshall
Sent: March 09, 2017 5:10 AM
To: Betik, Matthew; Susan Nicholson
Cc: Kim Marshall
Subject: Re: Memo re Reg Assets and Market Accounts.doc

A few comments, feel free to disagree

Do we need to say as a result of a new transaction, can we say as a side effect of discussions with government including the provincial controller....or something like that?

I don't love the word perceived here, implies not real, I would say the provincial controller is asking why isn't there some market transparency given that IESO is a counter party to the generator and conservation contracts?

As a result of contemplated new transactions within the Ontario energy market, for which IESO will participate in and a perceived change in financial statement user needs,

the conversation previously around this was the word appropriate instead of supportable, what do you think, I bring this up as bruce had picked up on the word

a supportable position for either treatment was acceptable

the pros and cons and discussion of unintended consequences looks good

page 3 another supportable

The journal entries are very helpful, Is there an opportunity to add the "mocked" up financial statements. I know you had the balance sheet and income statement impacts?

I suspect they will want to see note disclosure at some point soon

Susan do we need to add any language around we are working with provincial controllers office.....in the loop type words?

From: Betik, Matthew <mbetik@kpmg.ca>
Sent: March 8, 2017 1:08 PM
To: Kim Marshall; Susan Nicholson
Subject: Memo re Reg Assets and Market Accounts.doc

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Kim and Susan – I updated this as discussed. I put in pros & cons that I could think of – let me know if you have more to add. I don't see any real unintended consequences of regulatory accounting. There wasn't much to add (i.e., it didn't take too long)

Also, to Carole's question about whether or not the transactions with OPG trust happen before we have this approved, that is unlikely as we should have this wrapped up by the end of this month.

I am available Friday afternoon (on the safe side, after 2:00 as I have a 12:30 doctor appt and while my doctor is great, he has a tendency to be very behind).

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