

Message

From: Patel, Bharat (TBS) [Bharat.Patel3@ontario.ca]
Sent: 2017-05-03 2:39:46 PM
To: Susan Nicholson [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=f668e601bd2b4865a5c31dca531047c8-Susan Nicho]
Subject: RE: IESO change in accounting policy

Thanks.

From: Susan Nicholson [mailto:susan.nicholson@ieso.ca]
Sent: May-03-17 2:34 PM
To: Patel, Bharat (TBS); Kim Marshall
Cc: Li, Wendy (TBS); Susan Nicholson
Subject: RE: IESO change in accounting policy

Taken from Note 2b:

“These financial statements do not include the revenue and expenses of the financial transactions of market participants within the IESO-administered markets (IAM).”

From: Patel, Bharat (TBS) [mailto:Bharat.Patel3@ontario.ca]
Sent: May 03, 2017 2:02 PM
To: Kim Marshall; Susan Nicholson
Cc: Li, Wendy (TBS)
Subject: IESO change in accounting policy

What is IAM stand for?

In January 2016, Independent Electricity System Operator (IESO) changed its accounting policy regarding the recognition of market accounts assets and liabilities on its financial statements, and to adopt rate regulated accounting. The change is made to better reflect the assets and liabilities and amounts due to and from market participants held by IESO on behalf of IAM at year end. This change has been applied retroactively and as a result the IESO's 2015-16 comparative financial statements were restated for presentation changes. There is no impact to the accumulated deficit or revenue and expense as the IESO is not party to these transactions as part of market rules. The impact of the IESO's adoption of rate regulated accounting is reflected in the opening accumulated deficit.

Thank you,

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