

AMPCO INTERROGATORY 2**1.0 Revenue Requirement, Operating Costs and Capital Spending****1.1 Is the IESO's Fiscal Year 2018 net revenue requirement of \$190.8 million appropriate?**1.1-AMPCO-2INTERROGATORY

Please provide a summary of the internal audits currently underway and planned for the 2018 to 2020 period.

RESPONSE

The audits planned for 2018 – 2020 are set out in the table below. This audit plan is subject to regular review and update to reflect changing needs.

| 2018                                              | 2019                                          | 2020                                              |
|---------------------------------------------------|-----------------------------------------------|---------------------------------------------------|
| Fraud risk assessment                             | Entity Level Controls                         |                                                   |
| Treasury Board Directive compliance               | Treasury Board Directive compliance           | Treasury Board Directive compliance               |
| Corporate Performance Measures review             | Corporate Performance Measures review         | Corporate Performance Measures review             |
|                                                   | Strategy + Business Plan,                     |                                                   |
| IT Security                                       | IT Architecture, Portfolio & Asset Management |                                                   |
| Ontario Reliability Compliance Program            | Market Monitor                                | IESO Reliability Compliance Program               |
| Evolve Market and market Rules amendment          | Market Renewal Program governance             | Market Renewal Program                            |
|                                                   | IT governance Audit                           |                                                   |
| Internal Audit Quality Assurance                  | Internal Audit Quality Assurance              | Internal Audit Quality Assurance                  |
| Real-time and day ahead dispatch algorithm review |                                               | Real-time and day ahead dispatch algorithm review |

**DRAFT – CONFIDENTIAL – For the Advice of Counsel – Not for External Circulation**

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Exhibit I

Tab 1.1

Schedule 2.02 AMPCO 2

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|                                               |                                                       |                                               |
|-----------------------------------------------|-------------------------------------------------------|-----------------------------------------------|
| Network model build workflow (part 2)         | Control room training                                 | Market Participant Registration               |
| Forecast variable generation                  | Generator cost guarantee program                      | Transmission rights market                    |
| Fair Hydro Plan settlement process            | Market Settlement Service Organisation Controls 1 + 2 | Market settlement dispute process             |
| Metered Market Participant independence audit | Metered Market Participant independence audit         | Metered Market Participant independence audit |
|                                               | Global Adjustment funded transactions                 | Generation Contract & Funds Management        |
|                                               |                                                       | Bulk system planning                          |

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2

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Exhibit I

Tab 1.1

Schedule 2.02 AMPCO 2

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