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Private & Confidential

Independent Electricity System Operator ("IESO")
1600-120 Adelaide Street West
Toronto ON M5H 1T1
Canada
Attention: Kimberly Marshall

June 12, 2017

Dear Ms. Marshall:

In connection with the accounting advisory work performed by KPMG LLP ("KPMG") for IESO pursuant to our engagement agreement dated April 27, 2017, IESO has requested that KPMG attend a meeting with IESO, the Province of Ontario's Treasury Board Secretariat ("TBS"), and Ernst & Young LLP in their capacity as external advisor to TBS (the "Recipient"), in order to answer the questions of the Recipient related to:

1. IESO's market related activities and their potential adoption of rate regulated accounting; and
2. the interpretation and application of Generally Accepted Accounting Principles regarding regulator independence

(collectively, the "Information").

We are prepared to provide the Information to the Recipient subject to IESO's agreement to the terms of this letter.

IESO will accept the risk, and not hold KPMG responsible, if providing the Information to the Recipient results in any adverse consequence to IESO of any kind, including but not limited to its intended adoption of rate regulated accounting.

In addition, in the event of a claim against KPMG, its partners or personnel that arises out of or relates to our providing the Information to the Recipient, IESO will indemnify and hold harmless KPMG, its partners and personnel from all such claims, liabilities, damages, costs and expenses, including reasonable legal fees, except to the extent finally determined to have resulted from the intentional, deliberate or fraudulent misconduct of KPMG.



Please indicate your acceptance to the terms of this letter and to our providing the Recipient with the Information by signing and returning a copy of this letter to the undersigned.

Yours very truly,

KPMG LLP

KPMG LLP

Michel Picard
Partner

We are in agreement with the terms of this letter and to the release of the Information.

Independent Electricity System Operator

by:

K. Marshall
signature

6/13/17
Date:

Name:

Title:

VP & CEO