

## MEETING OF THE AUDIT COMMITTEE THE INDEPENDENT ELECTRICITY SYSTEM OPERATOR

**Tuesday, April 11<sup>th</sup>, 2017**

8:00 a.m. – 8:30 a.m.      Light Breakfast in 16<sup>th</sup> Floor Boardroom  
120 Adelaide Street West, Toronto, Ontario

8:30 a.m. – 12:10 p.m.      Audit Committee Meeting

### Highly Confidential

| Item                                                    | Presenter                                              | Time       | Target Time | Action      |
|---------------------------------------------------------|--------------------------------------------------------|------------|-------------|-------------|
| <b>Introductory Items</b>                               |                                                        |            |             |             |
| 1. Approval of the Proposed Agenda                      | Carole Workman                                         | 5 Minutes  | 8:30 – 8:35 | Decision    |
| 2. Declaration of Potential Conflicts                   | Carole Workman                                         | 5 Minutes  | 8:35 – 8:40 | Information |
| 3. Approval of February 28 <sup>th</sup> , 2017 Minutes | Carole Workman                                         | 5 Minutes  | 8:40 – 8:45 | Decision    |
| <b>Corporate Financial Reporting</b>                    |                                                        |            |             |             |
| 4. Q1 CPM Progress Update                               | Rayhan Malik                                           | 5 Minutes  | 8:45 – 8:50 | Information |
| <b>Risk Management</b>                                  |                                                        |            |             |             |
| 5. Risk Tolerance                                       | Alexander DeAngelis                                    | 10 Minutes | 8:50 – 9:00 | Recommend   |
| 6. Market Renewal Risk Management                       | Lia Kotic<br>Alexander DeAngelis<br>Shawn Cronkwright  | 5 Minutes  | 9:00 – 9:05 | Information |
| 7. Q1 Risk Management Update                            | Alexander DeAngelis                                    | 5 Minutes  | 9:05 – 9:10 | Information |
| 8. IT Systems Planning                                  | Bill Pettitt                                           | 15 Minutes | 9:10 – 9:25 | Information |
| 9. Update on Significant IT Projects                    | Bill Pettitt                                           | 10 Minutes | 9:25 – 9:35 | Information |
| <b>Energy Pricing</b>                                   |                                                        |            |             |             |
| 10. Rate Mitigation Update                              | Jeannette Briggs<br>Anthony Martinello<br>Michael Boll | 10 Minutes | 9:35 – 9:45 | Information |

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|---------------------------------------------------------------------|--------------------------------------------|------------|---------------|-------------|
| <b>Energy Programs</b>                                              |                                            |            |               |             |
| 11. Operations Readiness Initiative Update                          | Nicholas Ingman                            | 20 Minutes | 9:45 – 10:05  | Information |
| 12. CDM-IS Update                                                   | Nik Schruder                               | 10 Minutes | 10:05 – 10:15 | Information |
| <b>Internal Audits</b>                                              |                                            |            |               |             |
| 13. Internal Audit (IA) Update                                      | Julia McNally                              | 45 Minutes | 10:15 – 11:00 |             |
| a. Update on the CSAE 3416 with E&Y                                 |                                            |            |               | Information |
| b. 2017 Audit Plan Progress Update                                  |                                            |            |               | Decision    |
| c. Value of Internal Audit                                          |                                            |            |               | Information |
| d. CPM Review                                                       |                                            |            |               | Information |
| 14. Internal Auditor Meeting with Committee (In-Camera)             | Julia McNally                              | 10 Minutes | 11:00 – 11:10 | Information |
| 15. CFO Report                                                      | Kim Marshall                               | 5 Minutes  | 11:10 – 11:15 | Information |
| - 2017 BP Update                                                    |                                            |            |               |             |
| - CRA Audits Update                                                 |                                            |            |               |             |
| - Q4 2016 CPM Update                                                |                                            |            |               |             |
| - Pension Asset Implementation Update                               |                                            |            |               |             |
| - Treasury Update                                                   |                                            |            |               |             |
| <b>Legal</b>                                                        |                                            |            |               |             |
| 16. Legal Update (In-Camera)                                        | John Rattray                               | 5 Minutes  | 11:15 – 11:20 | Information |
| 17. In-Camera Session                                               |                                            | 5 Minutes  | 11:20 – 11:25 | Information |
| <b>Pension</b>                                                      |                                            |            |               |             |
| 18. Pension Budgeting Policy                                        | Anthony Martinello                         | 5 Minutes  | 11:25 – 11:30 | Recommend   |
| 19. 2016 Audited Pension Financial Statements (In-Camera with KPMG) | Anthony Martinello<br>Matthew Betik (KPMG) | 15 Minutes | 11:30 – 11:45 | Recommend   |

|     | <b>Item</b>                                                    | <b>Presenter</b>                 | <b>Time</b> | <b>Target Time</b> | <b>Action</b> |
|-----|----------------------------------------------------------------|----------------------------------|-------------|--------------------|---------------|
| 20. | 2017 Actuarial Valuation – Preliminary Outlook                 | Anthony Martinello<br>AON Hewitt | 10 Minutes  | 11:45 – 11:55      | Information   |
| 21. | SERP Trust and SERP Reserve Update                             | Anthony Martinello<br>AON Hewitt | 10 Minutes  | 11:55 – 12:05      | Information   |
| 22. | Pension Plan Regulatory and Conflicts of Interest Confirmation | Anthony Martinello               | 5 Minutes   | 12:05 – 12:10      | Information   |