



KPMG LLP
Chartered Accountants
115 King Street South
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Waterloo, Ontario N2J 5A3
Canada

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Internet www.kpmg.ca

Mr. Ted Leonard
Independent Electricity System Operator
Station A, Box 4474
Toronto ON M5W 4E5

January 14, 2013

Dear Sir

The purpose of this letter is to amend our previous engagement letter dated March 16, 2010 to include French Translation Services for the annual financial statements.

FRENCH TRANSLATION SERVICES

We understand that Independent Electricity System Operator ("IESO") wishes to hire KPMG LLP to perform the French translation of the following documents:

Annual Financial Statements

KPMG LLP ("KPMG") will provide these services in accordance with the terms and conditions of this letter. Such services are not intended to be an audit, examination, attestation, special report or agreed-upon procedures engagement as those procedures are defined in the guidance of the Canadian Institute of Chartered Accountants. Accordingly, our services will not result in the issuance of a report or any other form of assurance as to the propriety or reliability of the financial statements and other financial data that we translate.

Our support consists in the literal translation of the financial information referred to in this document, nevertheless, these financial statements are and shall remain the responsibility of IESO and under no circumstances does KPMG assume any responsibility over its content whether in English or in French.

IESO authorizes KPMG to use e-mail and other electronic means to transmit and receive information related to the project referred to in this engagement letter, including confidential information between KPMG and IESO and between KPMG and other specialists hired by KPMG or IESO.

IESO recognizes the fact that e-mails travel through the public network, which is not a secure way of communication and that, as a result, the confidentiality of the information transmitted may be compromised without KPMG being responsible for this. KPMG will make all commercially reasonable efforts and take all appropriate precautions to protect the private and confidential character of the information transmitted. Unless IESO submits a written request to KPMG to avoid using these means to transmit information relative to the project subject of this letter, KPMG shall not accept any liability regarding the loss of information or legal actions due to loss of confidentiality, related to the use of communications through the Internet.



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The personnel designated to participate in this effort shall deliver the financial information referred to above, translated into French to IESO, within the time frame and pursuant to the form agreed with the Entity.

Fees for this work are based on the number of hours incurred by each of the team members. We estimate our fees to be \$6,500.

This estimate is based on the level of expertise of the individuals who will be involved in this engagement and our estimate of the volume of work.

If the arrangements outlined are in accordance with IESO's requirements and the above terms are acceptable to IESO, please sign this letter in the space provided and return it to us.

Yours very truly,

KPMG LLP

Matthew Betik, CA

Associate Partner responsible for the engagement and its performance, and for the report that is issued on behalf of KPMG LLP, and who, where required, has the appropriate authority from a professional, legal or regulatory body

(519) 747-8245

Enclosure

cc: Audit Committee

The terms of the engagement set out are as agreed:

Name and Title

Ted Leonard VP & CFO 72

Date (dd/mm/yy)

14/02/13



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Mr. Ted Leonard
Vice-President Markets and Chief Financial Officer
Independent Electricity System Operator
2635 Lakeshore Road West
Mississauga, Ontario
L5J 4R9

June 3, 2014

Dear Mr. Leonard:

Subject: External Audit Services

Thank you for the opportunity to submit our proposal to continue serving as auditors for the Independent Electricity System Operator and the Independent Electricity System Operator Pension Plan (collectively, "IESO"). We have a clear understanding of your requirements and your organization, and are convinced that we will meet IESO's requirements and exceed your expectations.

We believe KPMG continues to be the right firm for IESO and here's why.

A Team You Know and Trust

You know us. We know your business.

We have worked closely with IESO since 2008. You have affirmed your appreciation for the collaborative, open and straight-forward manner in which we interact, reflecting our mutual respect, trust and deep understanding of your business needs. We have worked in partnership with your management team over the years as they have dealt with complex accounting, advisory and tax matters.

What does this mean to you? It means we have an intimate knowledge of your business, your people, your history and your issues. We have a vested interest in your success.

A Leading Auditor of Electricity Sector Companies In Ontario

KPMG's Power & Utilities industry experience is unmatched in the Ontario marketplace. As the market leader in providing audit services to Power & Utilities clients in Ontario, KPMG has developed a solid understanding of the issues and opportunities that are relevant to your operations. Our team works extensively in the Power & Utilities sector every day. Their areas of service include not only audit but also assistance with complex accounting and reporting matters and regulatory matters. There is no question that the amount of talent and resources we have allocated for the audit of IESO is substantial, and we will be able to provide valuable insight on a range of business and industry related issues.

This means you will have professionals who have a deep understanding of issues in the Power & Utilities sector and regulatory matters. We understand the regulatory impact of financial reporting issues. We work diligently to stay abreast of legislative changes and Ontario Energy Board regulations, as well as financial and accounting issues that are relevant to our clients.

For IESO, our strong presence in the marketplace means that we can provide the special insight and advice that leadership and in-depth experience make possible.

In Ontario, we work with dozens of electricity sector market participants in the generation, transmission, distribution and retailing of electricity which gives us a unique perspective on the electricity sector in Ontario that translates into greater understanding of your organization.



Fee Quote

KPMG's extensive experience in the electrical utility sector and in particular with IESO allows us to confidently plan the effort required to complete the audit assignments. KPMG is committed to providing IESO with a competitive fee structure that is fair to both parties over the long term.

We will continue to provide high-quality, comprehensive, timely and value-based professional services and you will continue to receive value beyond our fees.

The schedule below represents the fixed base audit fees for the years ending December 31, 2015 to December 31, 2019:

Entity	2015	2016	2017	2018	2019
IESO - Corporate	\$60,900	\$62,200	\$63,700	\$65,300	\$67,000
French Translation	\$6,500	\$6,600	\$6,700	\$6,800	\$6,900
IESO Pension Plan	\$16,000	\$16,500	\$17,000	\$17,400	\$17,800

Our fee quote is based on the existing operations and accounting framework of the IESO. Should significant changes occur to the structure of the organization or accounting matters, we agree to revisit the fee quote.

Our fees are billed as the engagement progresses, starting with the interim work. Our fees do not include HST, which we are required to collect on our professional fees and expenses. Fees stated are inclusive of any out-of-pocket expenses.

The following are our proposed hourly rates for taxation services beyond the scope of the audit:

Resource	2015	2016	2017	2018	2019
Partner	\$425	\$440	\$450	\$465	\$475
Senior Manager	\$325	\$335	\$345	\$360	\$375
Manager	\$230	\$240	\$250	\$260	\$270

Our Commitment to IESO

IESO is an important client for KPMG. We trust that the past years as your external auditors have demonstrated our ability to serve IESO. We are committed to providing you with responsive services, bringing forward our experience in the electricity sector, and identifying the right resources to help you meet your objectives at all times.

Our renewed appointment as your external auditors is important to us. We can assure you that we will continue to invest the necessary time to provide quality customer service to your organization. We remain available to answer any questions you may have. Please do not hesitate to call on us at any time.

Yours truly,

Matthew Betik, CPA, CA
Partner



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Ms. Kim Marshall
VP Corporate Services and CFO
Independent Electricity System Operator
2635 Lakeshore Road West
Mississauga, Ontario
L5J 4R9

September 21, 2016

Dear Ms. Marshall:

Subject: Amendment to External Audit Services Fees

This letter serves to amend our previously agreed upon fee table for audit services for the Independent Electricity System Operator (IESO) for the years ending December 31, 2016 to December 31, 2019 as set out in our letter to Mr. Ted Leonard on June 3, 2014 and his letter in response on June 10, 2014. The purpose of this amendment is due to the change in scope of IESO which occurred effective January 1, 2015 with the merger of the Ontario Power Authority.

The previous fee table was as listed below (with the 2015 fiscal year excluded for relevance purposes):

Entity	2016	2017	2018	2019
IESO - Corporate	\$62,200	\$63,700	\$65,300	\$67,000
French Translation	\$6,800	\$6,700	\$6,800	\$6,900
IESO Pension Plan	\$16,500	\$17,000	\$17,400	\$17,800

The following amended fee schedule below represents the fixed base audit fees for the years ending December 31, 2016 to December 31, 2019:

Entity	2016	2017	2018	2019
IESO - Corporate	\$66,500	\$68,000	\$69,600	\$71,300
French Translation	\$7,000	\$7,100	\$7,200	\$7,300
IESO Pension Plan	\$16,500	\$17,000	\$17,400	\$17,800

Our amended fee quote is based on the existing operations and accounting framework of the IESO. Should significant changes occur to the structure of the organization or accounting matters, we agree to revisit the fee quote.

Our fees are billed as the engagement progresses, starting with the interim work. Our fees do not include HST, which we are required to collect on our professional fees and expenses. Fees stated are inclusive of any out-of-pocket expenses.

There are no changes to our proposed hourly rates for taxation services beyond the scope of the audit from those previously agreed to on June 10, 2014.

Our continued appointment as your external auditors is important to us. We can assure you that we will continue to invest the necessary time to provide quality customer service to your organization. We remain available to answer any questions you may have. Please do not hesitate to call on us at any time.



Yours truly,

A handwritten signature in black ink, appearing to read "MB.", with a horizontal line extending to the left.

Matthew Betik, CPA, CA
Partner

DRAFT