

# MEETING OF THE AUDIT COMMITTEE THE INDEPENDENT ELECTRICITY SYSTEM OPERATOR

**Tuesday, October 23, 2018**

8:00 a.m. – 8:30 a.m. Light Breakfast in 16<sup>th</sup> Floor Boardroom  
120 Adelaide Street West,  
Toronto, ON M5H 1T1

8:30 a.m. – 11:00 a.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 |
| <b>CONSENT AGENDA ITEMS</b>                              |                                     |            |             |             |
| 3. a. Minutes<br>- June 12, 2018                         |                                     |            |             | Decision    |
| b. Treasury Update                                       |                                     |            |             | Information |
| c. Pension Plan Performance                              |                                     |            |             | Information |
| <b>CORPORATE FINANCIAL REPORTING</b>                     |                                     |            |             |             |
| 4. Review and Approve Audit Plan for 2018                | Anthony Martinello<br>Matthew Betik | 15 Minutes |             | Decision    |
| 5. Q3 YTD 2018 Results vs. Plan and Full Year Projection | Anthony Martinello<br>Lia Kasic     | 5 Minutes  |             | Discussion  |
| 6. Capitalization Policy                                 | Anthony Martinello                  | 5 Minutes  |             | Recommend   |
| 7. Adjustment Account Allocation                         | Lia Kasic                           | 5 Minutes  |             | Recommend   |

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|---------------------------------------------------------------------------------|---------------------------------|------------|-------------|-------------|
| 8. RFP – External Auditor – Scope of work                                       | Anthony Martinello              |            |             | Decision    |
| <b>PENSION &amp; TREASURY</b>                                                   |                                 |            |             |             |
| 9. Fair Hydro Debt Limit                                                        | Anthony Martinello              |            |             | Recommend   |
| <b>RISK MANAGEMENT</b>                                                          |                                 |            |             |             |
| 10. Quarterly ERM Key Risk Mitigation Update                                    | Alexander De Angelis            | 10 Minutes |             | Discussion  |
| <b>INFORMATION TECHNOLOGY (IT)</b>                                              |                                 |            |             |             |
| 11. IT Strategy                                                                 | Alex Foord                      | 20 Minutes |             | Information |
| 12. Market Interface System (MIS) Refresh Project Closure                       | Alex Foord                      |            |             |             |
| <b>ENERGY PRICING &amp; PROGRAMS</b>                                            |                                 |            |             |             |
| 13. Market Renewal Program (MRP) Update                                         | Shawn Cronkwright               | 10 Minutes |             | Discussion  |
| 14. Semi-annual Conservation Update                                             | Nik Schruder<br>Candice Trickey | 15 Minutes |             | Information |
| <b>THIRD PARTY AUDIT</b>                                                        |                                 |            |             |             |
| 15. MDM/R CSAE Annual Audit Results                                             | Sorana Ionescu                  |            |             |             |
| <b>INTERNAL AUDIT</b>                                                           |                                 |            |             |             |
| 16. Internal Audit Update                                                       | Julia McNally                   |            |             | Information |
| 17. Update on Management Action Plans from the Strategic Decision Making Review | Julia McNally                   |            |             | Discussion  |
| 18. Independence Declaration                                                    | Julia McNally                   |            |             | Information |

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|------------------|--------------------------------|----------------------------------------------------------|------------|-------------|------------|
| 19.              | Draft 2019 Audit Service Plane | Julia McNally                                            |            |             | Discussion |
| 20.              | In-Camera                      | Julia McNally                                            | 10 Minutes |             |            |
| <b>IN-CAMERA</b> |                                |                                                          |            |             |            |
| 21.              | Ethics Line Report             | Michael Lyle, Marcia<br>Mendes-d'Abreu,<br>Julia McNally | 5 Minutes  |             | Discussion |
| 22.              | Legal Update                   | Michael Lyle                                             | 5 Minutes  |             | Discussion |