

**PRESS RELEASE**

29 April 2013

**IASB announces membership of Consultative Group for rate regulation**

**The International Accounting Standards Board (IASB) today announced membership of a new consultative group for its Rate-regulated Activities research project.**

The IASB has established the group to help in its project on rate regulation by providing a variety of expert perspectives, including those of preparers, auditors and users of financial statements, and regulators. The group consists of senior professionals with extensive practical experience in the operation of a variety of rate-regulatory schemes. The members and official observers are listed below.

<b>Name</b>	<b>Organisation</b>	<b>Country</b>
Jacob Buys	Eskom Holdings SOC Ltd	South Africa
Leonardo George de Magalhães	Companhia Energética de Minas Gerais (Cemig)	Brazil
Richard McCabe	AltaLink Management Ltd	Canada
Tim Murray	RBC Capital Markets, Royal Bank of Canada	Canada
Michel Picard	KPMG	Canada
Duane DesParte	Exelon Corporation	USA
Sherman Myers	Standard & Poor's	USA
John Leotta	Deloitte Touche Tohmatsu	Australia
Poon Man Wah	CLP Power Hong Kong Limited	Hong Kong
Keyman Kim	Korea Gas Corporation (KOGAS)	Korea
Pascale Mourvillier	GDF SUEZ	France
Lily Ayalon	Government Companies Authority	Israel
Jesús Herranz Lumbreras	Ferrovial SA	Spain
Dennis Deutmeyer	Ernst & Young	United Kingdom
Michael Timar	PricewaterhouseCoopers	United Kingdom

**Official observers:**

Bryan Craig, US Federal Energy Regulatory Commission (FERC)

Karen Taylor, Ontario Securities Commission (OSC)

European Financial Reporting Advisory Group (EFRAG)

The IASB greatly appreciates the wide interest in the project, as shown by the large number of applications to join the consultative group. The IASB was constrained in the selection of group members by the need to keep the group small enough to work effectively. However, it encourages other interested parties to register as observers at consultative group meetings, which will be open to the public, and to share their thoughts and concerns throughout the consultative stages of the project.

**End**

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**About the International Accounting Standards Board**

The IASB was established in 2001 and is the standard-setting body of the IFRS Foundation, an independent, private sector, not-for-profit organisation. The IASB is committed to developing, in the public interest, a single set of high quality, global accounting Standards that provide high quality, transparent and comparable information in general purpose financial statements. In pursuit of this objective the IASB conducts extensive public consultations and seeks the co-operation of international and national bodies around the world. The IASB has 16 full-time members drawn from 11 countries and a variety of professional backgrounds. Board members are appointed by, and accountable to, the Trustees of the IFRS Foundation, who are required to select the best available combination of technical expertise and diversity of international business and market experience. In their work the Trustees are accountable to a Monitoring Board of public authorities.

**About Rate Regulation**

Rate regulation is a restriction in the setting of prices that can be charged to customers for services or products. Generally, it is imposed by regulatory bodies or governments when an entity has a monopoly or a dominant market position that gives it excessive market power.

The objective of the Rate-regulated Activities research project is to develop a Discussion Paper to consider whether rate regulation creates assets or liabilities in addition to those already recognised in accordance with IFRS for non-rate-regulated activities. If so, the project will also consider how such

assets and liabilities should be accounted for, and whether (or how) IFRS should consequently be amended.

Rate regulation is widespread and significantly affects the economic environment of rate-regulated entities. Some national GAAP provides specific guidance on this matter, but there is no equivalent guidance in IFRS. Deciding whether and, if so, how IFRS should be amended to recognise the consequences of rate regulation is therefore important.