

AES CORP
Form 8-K
December 13, 2007

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **December 7, 2007**

THE AES CORPORATION
(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-12291
Commission File Number

54-1163725
(I.R.S. Employer Identification No.)

**4300 Wilson Boulevard, Suite 1100
Arlington, Virginia**
(Address of principal executive offices)

22203
(Zip code)

(703) 522-1315
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 4.01 Changes in Registrant's Certifying Accountant

On December 7, 2007, The AES Corporation (the Company) announced that following the completion of the audit for the fiscal year ended December 31, 2007, the Company will dismiss Deloitte & Touche LLP (Deloitte & Touche) as the Company's independent registered public accounting firm. The Company also appointed Ernst & Young LLP (Ernst & Young) as its independent registered public accounting firm for the fiscal year ending December 31, 2008. The decision to change accountants was made by the Company's Board of Directors and its Financial Audit Committee in a joint meeting held on December 7, 2007.

Deloitte & Touche's audit report dated May 22, 2007 (August 6, 2007 as to effects of the August 2007 Restatement and Reclassification into Discontinued Operations described in Note 1 to the consolidated financial statements, Note 26 to the consolidated financial statements, and the Restatement section of Note 1 on page S-5 of the Form 10-K/A filed on August 7, 2007) on the Company's consolidated financial statements as of and for the years ended December 31, 2006 and December 31, 2005 included in its Form 10-K/A filed August 7, 2007 did not contain an adverse opinion or a disclaimer of opinion and was not qualified or modified as to uncertainty, audit scope, or accounting principles, except that the audit report indicated that (i) as discussed in Note 1 to the consolidated financial statements, in 2006 the Company adopted Financial Accounting Standards Board Statement No. 158, Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans and in 2005 the Company adopted Financial Accounting Standards Board Interpretation No. 47, Accounting for Conditional Asset Retirement Obligations and (ii) as discussed in Note 1 to the consolidated financial statements, the consolidated financial statements and the financial statement schedules were restated.

During the years ended December 31, 2006 and December 31, 2005, and the subsequent interim period through the date of this filing, there were no disagreements with Deloitte & Touche on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedures, which disagreements, if not resolved to their satisfaction, would have caused Deloitte & Touche to make reference to the subject matter of the disagreement in connection with its audit report.

During the years ended December 31, 2005 and December 31, 2006, and the subsequent interim period through the date of this filing, there were no reportable events (as defined in Regulation S-K Item 304 (a)(1)(v)), except that as of December 31, 2005, December 31, 2006 and September 30, 2007, the Company's internal control over financial reporting was not effective due to the existence of material weaknesses as more fully described in the Company's Annual Report on Form 10-K for the year ended December 31, 2005, its Annual Report on Form 10-K/A for the year ended December 31, 2006 and its Quarterly Report on Form 10-Q for the quarter ended September 30, 2007, respectively. The Company disclosed in its Form 10-K/A for the year ended December 31, 2006, As a result of the material weaknesses described below, the Company performed additional analysis and other post-closing procedures in order to prepare the consolidated financial statements in accordance with generally accepted accounting principles in the United States of America. Accordingly, management believes that the consolidated financial statements included in this 2006 Form 10-K/A fairly present, in all material respects, our financial condition, results of operations and cash flows for the periods presented. As of December 8, 2007, the Company's remediation efforts with regard to the disclosed material weaknesses are not complete.

The Company has requested that Deloitte & Touche furnish it with a letter addressed to the Securities and Exchange Commission stating whether or not it agrees with the disclosures set forth above. A copy of such letter, dated December 13, 2007, is filed as Exhibit 16.1 to this Form 8-K.

The Company engaged Ernst & Young LLP as its independent registered public accounting firm for the fiscal year ending December 31, 2008. The Company has not consulted with Ernst & Young during its two

most recent fiscal years or during any subsequent interim period prior to its appointment as auditor regarding any matters described in Item 304(a)(2)(i) or Item 304(a)(2)(ii) of Regulation S-K.

Item 9.01 **Financial Statements and Exhibits**

Exhibit 16.1 Letter from Deloitte & Touche LLP, dated December 13, 2007

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

THE AES CORPORATION

/s/ Victoria D. Harker
Victoria D. Harker
Executive Vice President and Chief Financial Officer

Date: December 13, 2007