



**EB-2009-0377**

**IN THE MATTER OF** the *Ontario Energy Board Act*,  
1998, S.O. 1999, c.15, Schedule B;

**AND IN THE MATTER OF** the Independent Electricity  
System Operator Fiscal 2010 Fees Submission for  
Review.

### **PROCEDURAL ORDER NO. 1**

On November 2, 2009, the Independent Electricity System Operator (the "IESO") filed its fiscal 2010 Fees Submission for Review with the Ontario Energy Board for review in accordance with sections 18 and 19 of the *Electricity Act*, 1998. The Board assigned file number EB-2009-0377.

The Board issued a Notice of Application ("Notice") dated November 25, 2009 with respect to this matter. A draft issues list, prepared by Board staff was included with the Notice and potential intervenors were given the opportunity to provide comments on the draft.

An intervenor list is attached as Appendix "A" to this Procedural Order.

VECC provided comments on the draft issues list as well as the discovery process for this proceeding. The IESO provided comments on the draft issues list as well as VECC's comments in a letter dated December 17, 2009.

The Board has considered the draft issues list and discovery process in light of the comments received from intervenors and from the IESO. The Board has now finalized the issues list (attached as Appendix "B") and decided on the process for discovery.

The Board will consider the need for an oral hearing at a later date.

The Board considers it necessary to make provision for the following procedural matters. The Board may issue further procedural orders from time to time.

**THE BOARD ORDERS THAT:**

1. The issues for this proceeding are as set out in Appendix "B" attached to this Order.
2. In lieu of a written interrogatory process, a technical conference will be held at 2300 Yonge Street, Toronto on the 25<sup>th</sup> floor in the West Hearing Room on **Friday, January 29, 2010 from 9:30 AM to 5:00 PM**. At this conference, the IESO will provide a brief overview of its pre-filed evidence and there will be an opportunity for questions by Intervenor and Board staff. The technical conference will be transcribed.
3. If the IESO staff is unable to provide complete and satisfactory answers to questions raised at the technical conference, Intervenor may seek undertakings for the IESO to provide written responses to all Intervenor and Board staff by 4:45PM on **Friday, February 05, 2010**.
4. A Settlement Conference will be held at 2300 Yonge Street, Toronto on the 25<sup>th</sup> floor in the North Hearing Room commencing **Thursday, February 25, 2010 from 9:30 AM to 5:00 PM** and continuing, if necessary, on **Friday, February 26, 2010 at 9:30AM**.

All filings to the Board must quote file number EB-2009-0377, and consist of two paper copies and one electronic copy in searchable / unrestricted PDF format filed through the Board's web portal at [www.errr.oeb.gov.on.ca](http://www.errr.oeb.gov.on.ca). Filings must clearly state the sender's name, postal address and telephone number and, if available, a fax number and e-mail address. Please use the document naming conventions and document submission standards outlined in the RESS Document Guideline found on the "e-Filing Services" webpage of the Board's website at [www.oeb.gov.on.ca](http://www.oeb.gov.on.ca). If the web portal is not available you may email your document to BoardSec@oeb.gov.on.ca. Those who do not have internet access are required to submit all filings on a CD or diskette in PDF

format. Those who cannot provide an electronic version of their filing are required to file 7 paper copies.

All filings should be directed to the attention of the Board Secretary, and be received no later than **4:45 p.m.** on the required date. Parties must also include the Case Manager, Robert Caputo at [robert.caputo@oeb.gov.on.ca](mailto:robert.caputo@oeb.gov.on.ca) and Board Counsel, Maureen Helt at [Maureen.helt@oeb.gov.on.ca](mailto:Maureen.helt@oeb.gov.on.ca) on all electronic correspondence related to this case.

**DATED** at Toronto December 23, 2009  
**ONTARIO ENERGY BOARD**

*Original signed by*

Kirsten Walli  
Board Secretary

**APPENDIX "A"**  
**INDEPENDENT ELECTRICITY SYSTEM OPERATOR**  
**2010 FEES SUBMISSION FOR REVIEW**  
**EB-2009-0377**  
**APPLICANT AND INTERVENOR LIST**  
**DATED: December 23, 2009**

**Independent Electricity System Operator (IESO)  
EB-2009-0377**

**APPLICANT & LIST OF INTERVENORS**

December 23, 2009

**APPLICANT**

**Rep. and Address for Service**

**Independent Electricity System  
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**INTERVENORS**

**Rep. and Address for Service**

**Independent Electricity System Operator (IESO)  
EB-2009-0377**

**APPLICANT & LIST OF INTERVENORS**

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**Independent Electricity System Operator (IESO)**  
**EB-2009-0377**

**APPLICANT & LIST OF INTERVENORS**

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December 23, 2009

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**Independent Electricity System Operator (IESO)  
EB-2009-0377**

**APPLICANT & LIST OF INTERVENORS**

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December 23, 2009

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**APPENDIX "B"**  
**INDEPENDENT ELECTRICITY SYSTEM OPERATOR**  
**2010 FEES SUBMISSION FOR REVIEW**  
**EB-2009-0377**  
**BOARD APPROVED ISSUES LIST**  
**DATED: December 23, 2009**

**INDEPENDENT ELECTRICITY SYSTEM OPERATOR (“IESO”)  
FISCAL 2010 FEES SUBMISSION FOR REVIEW  
BOARD APPROVED ISSUES LIST  
EB-2009-0377**

**1.0 Operating Costs**

- 1.1 Are the IESO’s projected OM&A Costs appropriate and reasonable?
- 1.2 Are the IESO’s projected staff costs and strategy for setting compensation levels appropriate and reasonable?
- 1.3 What are the financial consequences of the IESO’s investments in ACP on the IESO’s operating costs and its 2010 revenue requirements and have these costs been appropriately incorporated in the 2010 fees submission?
- 1.4 Is the IESO’s policy for treatment of ABCP investments going forward appropriate and reasonable?

**2.0 Capital Spending**

- 2.1 Are the IESO’s proposed 2010 capital expenditures on the enhanced day-ahead commitment (EDAC) project reasonable?
- 2.2 Is the EDAC project on budget and schedule?
- 2.3 Are the IESO’s proposed capital expenditures, other than EDAC, appropriate and reasonable?

**3.0 Methodology for Calculating Usage Fee**

- 3.1 Are the methodologies for calculating the 2010 usage fee and process for rebating surpluses appropriate and reasonable?
- 3.2 Is the forecast Market Demand and methodology appropriate and have the impact of Conservation or Demand Management initiatives been suitably reflected?

**4.0 Smart Metering Entity**

- 4.1 Is the IESO’s process for separating costs associated with its role as the Smart Metering Entity from costs associated with its role in operation the provincial

electricity grid and managing the wholesale electricity market reasonable?

- 4.2 Is the IESO's proposal and timing for recovery of its smart metering costs through a separate regulatory mechanism appropriate and reasonable?

**5.0 Reliability**

- 5.1 Are the IESO's proposed 2010 measures to address reliability appropriate and cost effective?

**6.0 Green Energy and Green Economy Act (GEGEA) Initiatives**

- 6.1 Is the IESO proposal to address GEGEA initiatives appropriate and cost effective?