

The following are questions from Ontario Power Generation Inc. (OPG) in relation to the 2010 Fees Application (EB-2009-0377) of the Independent Electricity System Operator of Ontario (IESO).

**Issue # 3: Methodology for Calculating Usage Fee**

*References:*

- 2010 – 2012 Business Plan (Exhibit B Tab 1 Schedule 1 (Appendix 1))
- Methodology for Calculating 2010 Usage Fee (Exhibit B Tab 4 Schedule 1)
- Application (Exhibit A Tab 1 Schedule 1 – Approvals Requested)

*Preamble:*

The IESO has set out its methodology for calculating its 2010 Usage Fee, which includes a line item labeled “Cost Recovery for Services”.

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**Question #1**

As set out in Exhibit B Tab 1 Schedule 1 Appendix 1 (among other places), what services are included in the line item labeled “Cost Recovery for Services”?

**Question #2**

Are there additional items contemplated to be recovered within “Cost Recovery for Services” in 2010 as compared with 2009 and before? Specifically, does this line item now cover fees associated with Technical Feasibility Exceptions (TFEs) related to NERC Critical Infrastructure Protection Reliability Standards?

**Question #3**

What is the IESO’s forecast of TFE charges for 2010, 2011 and 2012? How was this forecast arrived at?

**Question #4**

Is the IESO expecting to use third party service providers to disposition TFE requests?

Question #5

Is the IESO charging fees associated with TFEs that are exclusively “cost based”? If the answer to Question #4 is “Yes”, what due diligence is the IESO proposing to perform to minimize these costs?

Question #6

Is the IESO’s approach to collecting fees for TFEs consistent with other North American jurisdictions that are similarly charged with dispositioning TFE requests? If not, how are other jurisdictions different?

Question #7

Does the IESO feel that, pursuant to section 19 (4) of the Electricity Act, it must seek specific approval of the OEB for the amounts recovered in the line item labeled “Cost Recovery for Services”? Is the IESO seeking such approval? If not, why not.

OPG reserves the right to ask additional questions, if necessary, at the Technical Conference on January 29, 2010.