



File 9  
TQIR.

February 16, 2011

Ms. Kirsten Walli  
Board Secretary  
P.O. Box 2319  
Ontario Energy Board  
2300 Yonge Street, 27th Floor  
Toronto, Ontario M4P 1E4

Dear Ms. Walli:

**Re: Independent Electricity System Operator Fiscal 2011 Fees Submission for Review  
Submission of AMPCO Questions for the Technical Conference  
Board File No. EB-2010-0046**

Attached please find AMPCO's questions for the Technical Conference on Friday February 18, 2011.

Please do not hesitate to contact me if you have any questions or require any further information.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "Adam White".

Adam White  
President

Association of Major Power Consumers in Ontario

Copies to: Mr. Brian Rivard, Independent Electricity System Operator  
Mr. Biju Gopi, Independent Electricity System Operator  
Mr. Glenn Zacher, Stikeman Elliott LLP

**Association of Major Power Consumers in Ontario**  
[www.ampco.org](http://www.ampco.org)

372 Bay Street, Suite 1702  
Toronto, Ontario M5H 2W9

P. 416-260-0280  
F. 416-260-0442

**AMPCO Questions for Technical Conference February 18, 2011**  
**IESO 2011 Fees Application**  
**EB-2010-0046**

**1.0 Operating Costs**

Question # 1

**Reference:** Exhibit B, Tab 1, Schedule 1, page 2

The evidence indicates that "...the IESO will continue to capitalize on the restructured organization put in place last year, centered around the four pillars of Today, Tomorrow, Internal and External."

- a) Have any changes/updates been made to the organizational structure put in place in 2010?  
If yes, please explain.
- b) Are any changes to the IESO's organizational structure planned in 2011?
- c) Please provide a copy of the latest organizational structure that shows FTE's in each division and total FTE's.

Question # 2

**Reference:** Exhibit B, Tab 1, Schedule 1, page 4

The evidence lists five key initiatives to address the expected challenges and respond to stakeholder identified priorities:

- Renewable Integration Project;
- Energy Modelling;
- Market Road Map;
- Addressing the Increasing Complexity of Real-time Operations; and
- Other Committed Projects (EDAC, customer information systems, systems limit derivation, outage management).

How many of the new positions in 2011 are dedicated to each of the above initiatives? Please show the breakdown between regular and temporary staff.

Question # 3

**Reference:** Exhibit B, Tab 1, Schedule 1, page 6

**Reference:** Exhibit B, Tab 1, Schedule 2

Under the key initiative, Addressing the Increasing Complexity of Real-time Operations, the IESO plans to create a renewable integration function in the Control Room and plans to add one additional position on a 7 x 24 hour basis.

**AMPCO Questions for Technical Conference February 18, 2011**  
**IESO 2011 Fees Application**  
**EB-2010-0046**

Question # 6

**Reference:** Exhibit B, Tab 2, Schedule 1, Appendix 3

**Reference:** Exhibit B, Tab 1, Schedule 1, page 10

The evidence on Smart Meter Entity provides financial assumptions including resource requirements. The staffing Plan for 2011 (Exhibit B, Tab 1, Schedule 1, page 10) shows 7 regular positions and 14 temporary positions under Smart Metering.

Please confirm the resource requirements in Appendix 3 are included in the Staffing Plan.

Question # 7

**Reference:** Exhibit B, Tab 1, Schedule 1, page 7

"By reviewing and revising existing processes, practices and tools, the IESO's management team has achieved efficiencies across the organization, including the areas of Settlements, Information Technology, Control Room Support, Market Information, Marketplace Training, Stakeholder Engagement, Market Entry and Finance, among others."

- a) Please provide more information/details on the actions or changes the IESO implemented in 2010 to achieve these efficiencies.
- b) What were the costs savings of the above efforts?
- c) Were any positions removed in 2010? If yes, how many?
- d) Does the IESO plan to remove any positions in 2011 and beyond?

Question # 8

**Reference:** Exhibit B, Tab 1, Schedule 1, page 10

**Reference:** IESO Financial Update dated February 2, 2010, page 2

The Table at the bottom of Page 10 shows budgeted staff levels from 2009 to 2013. The IESO financial update indicates that 2010 actual unaudited staff costs were \$0.8 million lower than 2010 forecast staff costs of \$62.4 million primarily due to staff vacancies and lower spending associated with staff expenses and training.

- a) Please provide a breakdown of staff costs according to salary, benefits, staff expenses and training from 2009 to 2013.
- b) How much of the \$0.8 million is due to staff vacancies?

**AMPCO Questions for Technical Conference February 18, 2011  
 IESO 2011 Fees Application  
 EB-2010-0046**

**2.0 Capital Spending**

Question # 12

**Reference:** Exhibit B, Tab 2, Schedule 1, page 5

The evidence states that the projected capital spending level for 2010 is \$18.5 million, \$3.5 million below the approved budget level of \$21.6 million.

- a) What is the 2010 actual capital spending for 2010? Please explain any variances.
- b) Please provide an updated Appendix 2: IESO Capital Projects to show 2010 actuals.

Question # 13

**Reference:** Exhibit B, Tab 2, Schedule 1, Appendix 2

- a) The IESO Capital Projects table shows capital expenditures in 2011 for Energy Modelling but no spending in 2012 or 2013. Please explain.
- b) Under the Project Funding Provisions, funding is shown for IESO Energy Conservation Initiatives. Please provide a description of this project.

Question # 14

**Reference:** Exhibit B, Tab 2, Schedule 1, page 7

With respect to the Enhanced Day-Ahead Commitment project, the evidence indicates that the total approved capital spend remains unchanged at \$26.5 million with expenditures of \$4.1 million, \$12.5 million and \$9.9 million projected in 2009, 2010 and 2011 respectively.

Please complete the following Table for the EDAC project.

Project	2009 Budget	2009 Actual	2010 Budget	2010 Actual	2011 Budget	2012 Budget	Total
Enhanced Day-Ahead Commitment							