



Power to Ontario.
On Demand.

BY ELECTRONIC MAIL

February 1, 2008

Ms. Kirsten Walli
Secretary
Ontario Energy Board
P.O. Box 2319
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Toronto, ON M4P 1E4

Independent Electricity
System Operator
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Dear Ms. Walli:

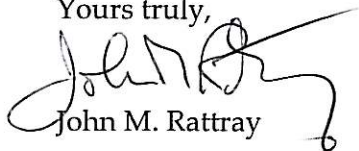
**Re: Ontario Power Generation Inc. - Payment Amounts for Prescribed Generating
Facilities – Board File # EB-2007-0905**

I act as counsel for the Independent Electricity System Operator ("IESO").

Further to Procedural Order #1 I am writing to file the submissions of the Independent Electricity System Operator ("IESO") with respect to the issues identified in the Procedural Order.

Would you please add my name to the distribution list for this proceeding; my contact information is set out below.

Yours truly,



John M. Rattray

Encl.

Independent Electricity System Operator
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**Application by Ontario Power Generation Inc.
Under Section 78.1 of the Ontario Energy Board Act, 1998
EB-2007-0905**

**Submissions of the Independent Electricity System Operator
On Issues Associated with Request for an Interim Order**

The Independent Electricity System Operator (IESO) makes the following submissions in response to the Board's Procedural Order No. 1 dated January 24, 2008, and the submissions of Board Staff dated January 30, 2008.

The IESO takes no position on issues 1 and 2, and limits its submissions to addressing the practical implementation issue of whether and how the IESO can give effect to an interim order in the nature of that requested by Ontario Power Generation Inc. (OPG). For the purposes of these submissions it is assumed that the Board's order will have determined the issue of the Board's authority to grant an interim order making the regulated payment amounts interim and will have addressed the related matters raised by Issue 2.

The amount of work required to implement an interim order will, of necessity, depend upon the specific nature of any such interim rate order. If an interim order is granted in the nature of that requested by OPG, that is to say an order which adjusts the existing rates and continues to make use of the existing settlement structure, the IESO can implement the interim order within a week. The resources required to implement an interim order of this nature are minimal. The changes would require the minor adjustment of certain inputs into existing settlement tools, processes and documentation.

In relation to the issue of retrospective adjustments of rate orders, the IESO can implement, as required, such adjustments. Again, the amount of work required to process such adjustments will depend upon the specific order made.

All of which is respectfully submitted,

January 31, 2008