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EMAIL AND COURIER

November 4, 2013 File No.: 101926.1072

Ms. Kirsten Walli Ontario Energy Board Yonge-Eglinton Centre P.O. Box 2319, Suite 2700 2300 Yonge Street Toronto ON M4P 1E4

Dear Ms. Walli:

Re: Independent and Electricity System Operator — Fiscal 2014 Fees Submission for Review: EB – 2013-0381

We are counsel to the Independent Electricity System Operator (the "IESO").

Pursuant to section 19 of the *Electricity Act*, please find enclosed in PDF searchable electronic form the IESO's Submission for Review for its 2014 expenditure, revenue requirements and fees. The requisite number of paper copies will follow by courier. All intervenors in the IESO's 2011 Fees Submission have been copied on this Submission.

There are several procedural matters that we wish to raise with the Board at this time. First, as in previous years' proceedings, the IESO proposes that notice be given as follows:

- The IESO shall post the Notice of Application, including the pre-filed evidence on the IESO's website at the "Regulatory Affairs" page;
- An announcement, in English and French, will also be posted on the "Participant News" page and will be automatically emailed to all market participants and interested parties who are registered to receive IESO news and other communiqués (this will include all connection

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proponents with respect to whom the IESO maintains a public registry); and

The IESO shall deliver an electronic copy of the Notice of Application, ٠ including the pre-filed evidence, to all registered intervenors in its most recent fees proceeding, i.e., the IESO's 2011 Fees Submissions for Review.

Second, as in the case of previous years' proceedings, the IESO has included a draft Issues List (attached as Appendix "A") and requests that this be posted for comment along with the Notice of Application.

Third, the IESO proposes a written hearing with a Settlement Conference for this proceeding. A draft schedule is attached as Appendix "B".

Historically the IESO has filed supplemental information containing projections for the current year with its application and filed updated information with actuals at a later date. For this submission the IESO proposes to submit supplemental information with its 2013 audited financial statements to the Board and all intervenors by February 21, 2014 and requests that Interrogatories, if any, be filed by other parties after this date.

The IESO has had preliminary discussions with intervenors who participated in the settlement conference at the IESO's last fees case. The IESO consulted these intervenors about having a written process follow the filing of supplementary information in February and none of them opposed this approach.

Please contact the undersigned or Adrian Pye of the IESO if you have any questions or wish to discuss these points further.

Yours truly,

Glenn Zacher

/sc Encl.

CC: Adrian Pye Intervenors from IESO's 2011 Fees Submission

Appendix "A"

IESO Fiscal Year 2014 Fees Submission Draft Issues list

1.0 Operating Costs

- 1.1 Are the IESO's projected OM&A Costs appropriate and reasonable?
- 1.2 Are the IESO's projected staffing levels appropriate and reasonable?

2.0 Capital Spending

2.1 Are the IESO's proposed 2014 capital expenditures appropriate and reasonable?

3.0 The IESO Usage Fee

3.1 Is the move to gross billing from net billing appropriate?

Appendix "B"

Draft Schedule of Events for EB-2013-0381

The IESO proposes the following schedule for this Application:

- The IESO shall file any supplementary information containing actuals for 2013 and any other information and material with the Board and serve this to intervenors by **February 21, 2014**.
- Board staff and the intervenors shall request any information and material from the IESO that is in addition to the IESO's pre-filed evidence with the Board, and that is relevant to the hearing, by written interrogatories filed with the Board and served to the IESO on or before March 7, 201.
- The IESO shall file with the Board complete written responses to the interrogatories and serve them on intervenor(s) on or before March 21, 2014.
- A Settlement Conference will be held at 2300 Yonge Street, Toronto on the 25th floor commencing Wednesday April 9, 2014 from 9:30 AM to 5:00 PM and continuing, if necessary, on Thursday April 10, 2014 at 9:30 AM.
- Any Settlement Proposal arising from the Settlement Conference shall be filed with the Board no later than 4:45 p.m. on April 16, 2014