



PUBLIC INTEREST ADVOCACY CENTRE

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March 14, 2014

VIA E-MAIL

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge St.
Toronto, ON
M4P 1E4

Dear Ms. Walli:

**Re: EB-2013-0381 - IESO 2014 Fees Submission for Review
Interrogatories of the
Vulnerable Energy Consumers Coalition (VECC)**

As per Procedural Order No. 1 we have enclosed the Interrogatories of VECC with respect to the above-noted proceeding. As directed we have also filed a copy with the Applicant, their counsel and all parties.

Thank you.

Yours truly,

Michael Janigan
Counsel for VECC

cc IESO - Adrian Pye – regulatoryaffairs@ieso.ca
IESO - Jessica Savage – regulatoryaffairs@ieso.ca
IESO – Glenn Zacher - gzacher@stikeman.com

Ontario Energy Board

IN THE MATTER OF sections 18 and 19 of the *Electricity Act*, 1998;

AND IN THE MATTER OF a Submission by the Independent Electricity System Operator for a review of its proposed expenditures and revenue requirements and the fees it proposes to charge for 2014 in connection with the IESO-controlled grid and IESO-administered markets.

**INTERROGATORIES OF THE
VULNERABLE ENERGY CONSUMERS COALITION (“VECC”)**

March 14, 2014

1.0 Operating Costs

1.1 Are the IESO's projected OM&A Costs appropriate and reasonable?

1-VECC-1

Reference: Exhibit B, Tab 1, Schedule 1, 2014-2016 Business Plan, page 7, 2013
Projected Financial Results and

Exhibit C, Tab 1, Schedule 1, Supplementary Evidence, page 1, 2013 Actual
Financial Results

Preamble: There are some significant line item differences between projected 2013 revenues and costs and actual 2013 revenues and costs.

- a) When were the 2013 projections that appear in the business plan developed?
- b) Please explain, by line item if possible, the drivers of material differences between projected 2013 and actual 2013 results for both revenue and cost components.
- c) Please provide a table containing historical budgeted, projected, and actual results for both cost and revenue components as provided in the referenced tables.
- d) Does the IESO consider that its budgets and projections of revenues and costs separately, have, overall, been historically accurate?

1-VECC-2

Reference: Exhibit B, Tab 1, Schedule 1, 2014-2016 Business Plan

- a) Has the IESO benchmarked its compensation packages for executives, management, and staff against any comparator group recently? If so, please provide the results of any such benchmarking.
- b) Does the IESO monitor or assess its operational performance against any quantified metrics? If so, please provide a list of all such metrics with a summary of the IESO's historical performance versus the metrics.
- c) Do the compensation packages offered by the IESO to its executives, management, and staff include any incentive components? If so, please provide details of such incentives including targets and other determinants along with budgeted and actual amounts paid under any such incentive packages.

3.0 The IESO Usage Fee

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

3-VECC-3

Reference: Exhibit C, Tab 1, Schedule 1, Supplementary Evidence, page 1, 2013 Actual Financial Results

Preamble: The actual 2013 results indicate that there will be a rebate of \$12.6M to “market participants.”

- a) Does the amount of this rebate indicate that the IESO’s fees should have been lower for 2013?
- b) Historically, what has been the IESO’s experience regarding the amount of rebates in each past year?
- c) Please provide a high-level breakdown showing the allocation of the 2013 rebate among market participants.
- d) Under the IESO’s fee proposal, does the IESO expect any material change in respect to actual rebates or the allocation of any such rebates.

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