



EB-2015-0275

Independent Electricity System Operator

Application for approval of 2016 revenue requirement, expenditures and fees

PROCEDURAL ORDER NO. 2

May 18, 2016

The Independent Electricity System Operator (IESO) filed an application with the Ontario Energy Board (OEB) on January 20, 2016 under section 25 (1) of the *Electricity Act, 1998*, seeking approval for the IESO's 2016 expenditures, revenue requirement and fees.

A Notice of Hearing was issued on February 17, 2016.

On March 31, 2016, the IESO updated its application and filed the actual 2015 financial statements that it had undertaken to provide. On April 11, 2016, the IESO filed a letter informing the OEB that it wished to again update its evidence and requested that the OEB delay issuance of Procedural Order No. 1 until after it had filed its update.

On April 18, 2016, the OEB issued Procedural Order No. 1. In the Order, the OEB granted intervenor status to all parties that requested such status and placed the application in abeyance, until the IESO had filed its update. On May 13, 2016, the IESO filed its update and proposed a case schedule for the OEB's consideration.

Issues List

Attached as Schedule A to this procedural order is a draft issues list, prepared by the IESO. Parties will have an opportunity to review the draft issues list and provide any comments or additions to this list. The IESO will also be given an opportunity to respond to any comments or additions received to the draft issues list. The OEB will

determine the final issues list and only those issues on the approved issues list will be considered during the review.

Interrogatories

Parties should consult sections 26 and 27 of the OEB's *Rules of Practice and Procedure* regarding required naming and numbering conventions and other matters related to interrogatories.

Provision is being made for the following matters. The OEB may issue further procedural orders from time to time.

THE ONTARIO ENERGY BOARD ORDERS THAT:

1. OEB staff and intervenors may provide any comments or additions to the draft issues list proposed by the IESO by **May 26, 2016**.
2. The IESO may provide its reply to any comments or additions received to the draft issues list by **June 2, 2016**.
3. OEB staff and intervenors shall request any relevant information and documentation from the IESO that is in addition to the evidence already filed, by written interrogatories filed with the OEB and served on all parties by **June 20, 2016**.
4. The IESO shall file with the OEB complete written responses to all interrogatories and serve them on all intervenors and OEB staff by **July 4, 2016**.
5. If Board staff or intervenors wish to submit evidence, they shall notify the OEB of their intention by **July 8, 2016**, in which case the OEB may reschedule the Settlement Conference.
6. A Settlement Conference among the parties and OEB staff will be convened on **July 26, 2016** starting at 9:30 a.m., at 2300 Yonge Street, 25th floor, Toronto. If necessary, the Settlement Conference will continue on **July 27, 2016**.
7. Any settlement proposal arising from the Settlement Conference shall be filed with the OEB on or before **August 5, 2016**. In addition to outlining the terms of any settlement, the settlement proposal should contain a list of any unsettled

issues, indicating with reasons whether the parties believe those issues should be dealt with by way of oral or written hearing.

8. Any submission from OEB staff on a settlement proposal shall be filed with the OEB and served on all parties within 7 days from when a settlement proposal is filed.
9. If there is no settlement proposal arising from the Settlement Conference, the IESO shall file a statement to that effect with the OEB by **July 29, 2016**. In that event, parties shall file and serve on the other parties by **August 2, 2016** any submissions on which issues could be heard in writing, and for which issues the OEB should hold an oral hearing.

All filings to the OEB must quote the file number, EB-2015-0275, be made in searchable / unrestricted PDF format electronically through the OEB's web portal at <https://www.pes.ontarioenergyboard.ca/eservice/>. Two paper copies must also be filed at the OEB's address provided below. Filings must clearly state the sender's name, postal address and telephone number, fax number and e-mail address. Parties must use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at <http://www.ontarioenergyboard.ca/OEB/Industry>. If the web portal is not available parties may email their documents to the address below. Those who do not have internet access are required to submit all filings on a CD in PDF format, along with two paper copies. Those who do not have computer access are required to file 7 paper copies.

All communications should be directed to the attention of the Board Secretary at the address below, and be received no later than 4:45 p.m. on the required date.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Rudra Mukherji at Rudra.Mukherji@ontarioenergyboard.ca.

ADDRESS

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto ON M4P 1E4
Attention: Board Secretary

E-mail: boardsec@ontarioenergyboard.ca
Tel: 1-888-632-6273 (Toll free)
Fax: 416-440-7656

DATED at Toronto, **May 18, 2016**

ONTARIO ENERGY BOARD

By delegation, before: Kristi Sebalj

Original signed by

Kristi Sebalj
Registrar

SCHEDULE A
TO PROCEDURAL ORDER NO. 2
EB-2015-0275
The IESO's Draft Issues List
DATED: May 18, 2016

Appendix "A"
IESO Fiscal Year 2016 Revenue Requirement Submission
Draft Issues List
EB-2015-0275

1.0 Proposed Fees

- 1.1 Are the expenditures and revenue requirement of \$182.1 million, and the usage fee of \$1.13/MWh as described in the Minister-approved Business Plan, appropriate?
- 1.2 Is the proposed single usage fee appropriate?
- 1.3 Are the registration fees of up to \$10,000 per proposal for electricity supply and capacity procurements, including conservation and load management procurements, appropriate?
- 1.4 Are the non-refundable application fees for standard offer programs, such as the Feed-in-Tariff ("FIT") program of \$0.50/kW of proposed Contract Capacity, having a minimum of \$500 and to a maximum of \$5,000, appropriate?
- 1.5 Is the Large Renewable Procurement qualification submission fee from RFQ applicants appropriate? Which is the sum of:
 - a) The greater of: (a) \$2,000 for the first (or only, if only one renewable fuel is proposed) proposed renewable fuel submitted; or (b) \$1.00 per KW of estimated contract capacity for all large renewable projects to a maximum amount of \$30,000; plus
 - b) \$2,000 for each additional renewable fuel proposed.
- 1.6 Is the \$1,000 application fee for market participation appropriate?

2.0 Deferral and Variance Accounts

- 2.1 Are the proposed dispositions of the existing Deferral and Variance Accounts appropriate?
- 2.2 Are the proposed Deferral and Variance Accounts appropriate?
- 2.3 Is the retention of \$10 million of operating reserve appropriate?

3.0 Merger Costs and Savings

- 3.1 Have the merger costs been dealt with appropriately?
- 3.2 Have merger savings been captured appropriately?