

September 7, 2016

**VIA Email, Courier and RESS**

**Independent Electricity System Operator**

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Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
27<sup>th</sup> Floor, 2300 Yonge Street  
Toronto, ON M4P 1E4

**Re: Independent Electricity System Operator  
2016 Expenditure and Revenue Requirement Submission  
Ontario Energy Board File No.: EB-2015-0275**

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The Independent Electricity System Operator (“IESO”) is writing to file the settlement proposal with the Ontario Energy Board (“Board”) in which parties reached a settlement of all issues (1.0, 3.0, 4.0, 5.0, 6.0) and the associated sub-issues in its 2016 Revenue Requirement Submission, with the exception of Issue 2.0 and its associated sub-issues.

As described above and set out in the settlement proposal, a full settlement has been reached on all issues, except for certain issues relating to the IESO’s proposal for a single usage fee to be charged to all market participants based on energy withdrawn from the IESO-controlled grid, including scheduled exports. All parties have agreed to the settled issues, or take no position on the issues in the settlement proposal, leaving only Issue 2.0 and its associated sub-issues, as unsettled issues. The IESO respectfully submits that the Board should proceed to written submissions on these unsettled issues in this proceeding. The unsettled issues do not require a Board determination on underpinning factual matters and are thus well-suited to written submissions. Indeed, no party other than the IESO filed evidence on Issue 2.0 and its sub-issues. Moreover, there has already been extensive examination of the IESO’s evidence on the unsettled issues: the IESO filed responses to approximately 70 interrogatories received on Issue 2.0 and its sub-issues, many of which were multi-part questions, and as such, there is now a substantial evidentiary record.

The IESO submits that there is a difference in opinion on Issue 2.0 and its sub-issues rather than a lack of adequate evidence. The IESO believes that the extensive body of evidence before the Board would not be improved by a hearing process and respectfully submits that this evidentiary record is adequate for the Board to reach a decision. The IESO believes that further exploration and elucidation of the issues can be achieved

most efficiently through written submissions rather than an oral hearing process. For these reasons, the IESO respectfully submits that its 2016 Revenue Requirement Submission should proceed to written submissions on the unsettled issues.

Along with the settlement proposal, the IESO is taking this opportunity to also file corrected interrogatories and an updated exhibit list as follows:

1. Exhibit I, Tab 2.0, Schedule 5.08 ENERGY PROBE 8, page 2
2. Exhibit I, Tab 2.1, Schedule 6.14 HQEM-APPrO 14, pages 1 and 2
3. Exhibit A, Tab 1, Schedule 2 – Exhibit List, page 4
4. Exhibit S, Tab 1, Schedule 1 – Settlement Proposal

Yours truly,



Nancy Marconi  
Senior Manager, Regulatory Affairs

Attach.

cc: Mr. Fred Cass, Aird & Berlis (email)  
EB-2015-0275 Intervenors (email)  
Rudra Mukherji, Case Manager, Ontario Energy Board (email)