

September 12, 2016

VIA Email, Courier and RESS



Independent Electricity System Operator

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

Dear Ms. Walli:

Re: Ontario Energy Board File No.: EB-2016-0152
Ontario Power Generation – Application for an Order Approving Payment Amounts for
Prescribed Generating Facilities

The IESO has reviewed the reply submissions of OPG and Board Staff on the draft Issues List, and after further discussions with OPG, the IESO and OPG have committed to working together outside the formal regulatory process to address the IESO's concerns. The IESO is hopeful that it will be able to address its concerns in this manner and it will not be necessary to address the proposed issues in this proceeding.

OPG and the IESO will report back to the Board as necessary, regarding any suggested changes to payment amount design and/or variance account treatment relating to Other Revenues. The IESO is particularly interested in this as it relates to ancillary services as OPG is a principal provider of ancillary services in Ontario, and as such, is a key contributor to achieving operational flexibility for the system.

Should you require additional information, please do not hesitate to contact me.

Yours truly,

Nancy Marconi
Senior Manager, Regulatory Affairs

cc via email:

Chris Fralick, OPG
Barbara Rueber, OPG
Carlton Mathias, OPG
Charles Keizer, Torys
Crawford Smith, Torys
EB-2016-0152 Intervenor