



14th October, 2016

Matthew Kellway  
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**VIA Canada Post, email and RSS Filing**

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

**Re: EB-2015-0275 Independent Electricity System Operator (IESO)  
Application for Approval of 2016 Revenue Requirement, Expenditures and Fees  
The Society of Energy Professionals' Submission**

Dear Ms. Walli,

Further to the OEB's Procedural Order No.4 dated 28<sup>th</sup> September 2016 in the above noted proceeding, attached please find the submission of The Society of Energy Professionals regarding the unsettled Issue #2 "Usage Fee" and its 5 sub-issues. We have also directed via email copies of the same to the Applicant and all parties of record. Thank you.

*[Original Signed by Mathew Kellway]*

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**ONTARIO ENERGY BOARD**

**IN THE MATTER OF section 25.(1)  
Of the *Ontario Energy Board Act, 1998*;  
AND IN THE MATTER OF AN APPLICATION BY  
THE INDEPENDENT ELECTRICITY SYSTEM OPERATOR  
FOR APPROVAL OF 2016 REVENUE REQUIREMENT, EXPENDITURES & FEES  
EB-2015-0275**

**SUBMISSION  
OF  
THE SOCIETY OF ENERGY PROFESSIONALS**

**14<sup>TH</sup> OCTOBER, 2016**

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## **EB-2015-0275: SUBMISSION OF THE SOCIETY OF ENERGY PROFESSIONALS**

1. The Society of Energy Professionals (“The Society”) supports the position put forward by the Independent Electricity System Operator (the “IESO”) in its written submission dated 7<sup>th</sup> October, 2016 regarding the unsettled Issue #2 “Usage Fee” and its 5 component sub-issues.
2. Specifically, The Society agrees with the IESO that it is appropriate to charge all market participants one usage fee on a similar basis to the manner in which the IESO has historically charged its usage fee.
3. The Society accepts and supports the IESO’s assertions and justifications that it has put forward in argument and in evidence to support its position.
4. The Society in particular finds compelling the IESO’s assertion that ultimately it does not operate to serve single customers or only export or domestic customers, rather it operates to benefit all sector participants without discretion<sup>1</sup>. This is key.
5. Further, as stated in evidence,  
“The IESO’s activities do not fluctuate in the short run or the long run based on domestic and export volumes, and there is no discernible link between domestic and export volumes and work levels/expenditures at the IESO ... For clarity, the IESO focuses its efforts on ensuring efficient trade for the overall benefit of the market. This role involves essentially fixed costs that are an overhead for the Ontario electricity system.”<sup>2</sup>

As a consequence, it would not seem justifiable to even have a separate export usage rate never mind adjust it annually to reflect variations in volumes.

6. Also, as noted by IESO, in time, as it further evolves organizationally it will become gradually more and more complex and impractical to try to separate the costs and benefits of its operations and attempt to assign them to specific customers.<sup>3</sup>

***ALL OF WHICH IS RESPECTFULLY SUBMITTED ON THIS 14th DAY OF OCTOBER 2016***

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<sup>1</sup> B1-1-1 pp4 ln22-25

<sup>2</sup> B1-1-2 pp3 ln1-7

<sup>3</sup> B1-1-1 pp5 ln1-2