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Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, Suite 2700
Toronto, ON
M4P 1E4

Re: APPrO Intervention Request: EB-2017-0150: Independent Electricity System Operator 2017 Expenditure and Revenue Requirement Application

Dear Ms. Walli:

We are counsel to the Association of Power Producers of Ontario ("APPrO"). The Independent Electricity System Operator ("IESO") has filed its 2017 Expenditure and Revenue Requirement Application (EB-2017-0150) with the Ontario Energy Board (the "OEB" or the "Board"). APPrO hereby requests intervenor status in this proceeding. APPrO inadvertently missed the deadline to request to be an intervenor and therefore requests that the Board extend this deadline in order to allow it to be an intervenor in this proceeding. APPrO notes that the deadline was only four days ago, and submits that no party would be prejudiced by the Board's decision to allow it to be an intervenor.

A. APPrO and Its Interest in the Proceeding

APPrO is a non-profit organization representing more than 100 companies involved in the generation of electricity in Ontario, including generators and suppliers of services, equipment and consulting services. APPrO's members produce electricity from natural gas, hydro, nuclear, wind, biogas and other sources. A description of APPrO, its mandate and objectives, membership and representative constituency, and programs and activities are summarized in Attachment I.

APPrO participated in the IESO's 2016 Expenditure and Revenue Requirement proceeding. In the IESO's 2016 Expenditure and Revenue Requirement, APPrO submits that it contributed to a

better understanding by the Board of one of the issues in that proceeding, namely the IESO usage fee issue.¹

B. APPrO's Experience as a Frequent Intervenor

APPrO has a record of frequent participation in OEB proceedings as an intervenor. In addition to the IESO's 2016 Expenditure and Revenue Requirement proceeding, APPrO has participated in proceedings involving Union Gas, Enbridge, Hydro One, the IESO and the former Ontario Power Authority, as well as OEB-sponsored consultations.

C. Nature and Scope of APPrO's Intended Participation

APPrO intends to be an active participant in this proceeding, and will act responsibly to coordinate with other intervenors where common issues may arise and be otherwise addressed. APPrO intends to participate by requesting information, participating in any requisite motions, testing evidence through the stipulated processes, submitting written interrogatories and providing argument in accordance with the Board's procedures stipulated for this proceeding. Subject to the development of the record in this matter, APPrO may also submit evidence.

D. Costs

In accordance with the Board's Practice Direction on Cost Awards (the "Cost Awards Direction"), APPrO is eligible to seek an award of costs from the IESO, as APPrO is a party that represents the direct interests of customers (generators and exporters) in relation to IESO services that are regulated by the Board (s. 3.03(a)).² Furthermore, although s. 3.05 of the Cost Award Direction stipulates that despite s. 3.03, generators are not eligible for a cost award, s. 3.06 states that notwithstanding s. 3.05, a party which falls into one of the categories listed in section 3.05 may be eligible for a cost award if it is a customer of the applicant.

Therefore, APPrO submits that it should be eligible for its reasonably incurred costs on the grounds that it represents a class of IESO customers in this proceeding. All APPrO generator members are participants in the IESO administered market ("IAM") and sell into it. APPrO members export significant energy through it to other neighbouring control areas. The IAM is

¹ In its decisions in the IESO's 2016 Expenditure and Revenue Requirement proceeding, the Board agreed with what APPrO proposed in relation to the IESO usage fee. Specifically, (i) the Board agreed with APPrO (who combined its intervention with Hydro Québec Energy Marketing) in its Decision and Order dated December 1, 2016 that the IESO should recover its revenue requirement through two separate usage fees, one for domestic customers and one for export customers; and (ii) the Board determined in its Decision and Order dated December 29, 2016 that the new IESO usage fees would not be retroactively charged or rebated.

² APPrO notes that s. 3.03(a) of the Cost Awards Direction refers to "consumers" as opposed to "customers". If s. 3.03(a) is meant to capture solely the definition of consumers as defined in the *OEB Act* and *Electricity Act* (as opposed to, more broadly, customers of an applicant), APPrO is nevertheless eligible to apply for costs under s. 3.03 as APPrO primarily represents an interest or policy perspective relevant to the Board's mandate and to the current proceeding, pursuant to s. 3.03(b).

their primary channel of sales and they currently pay IESO fees to access this market. Changes to fees may have a significant and negative impact on their business. APPrO has participated on this basis in previous OEB proceedings addressing the imposition of payments on power exports, including Hydro One's application for approval of its 2013 and 2014 transmission rates (EB-2012-0031), the OPA's application for approval of its 2011 fees (EB-2010-0279), and, as noted, the IESO's 2016 Expenditure and Revenue Requirement proceeding (EB-2015-0275).

Moreover, APPrO has applied for, been found eligible for and received costs in a number of proceedings including the above-noted IESO 2016 Expenditure and Revenue Requirement proceeding (EB-2015-0275), Hydro One application for approval of its 2013/14 transmission rates (EB-2012-0031), as well as Hydro One's application for its 2011/12 transmission rates (EB-2010-0002). APPrO submits that it should once again be found eligible for its reasonably incurred costs in this proceeding.

E. APPrO's Representatives

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Yours Truly,



George Vegh

cc: David Butters, President & CEO, APPrO
Ms. Miriam Heinz, Senior Regulatory Advisor, IESO
Mr. Fred Cass, Counsel for IESO

ATTACHMENT I

The Association of Power Producers of Ontario

Description

The Association of Power Producers of Ontario ("APPrO") is a not-for-profit trade and professional organization which represents Ontario-based commercial electricity generators and suppliers of services, equipment and consulting services. APPrO is the largest organization of its type in Canada. APPrO was established in 1986 as the Independent Power Producers' Society of Ontario and changed its name to APPrO in 2003.

Mandate and objectives

APPrO's principal objective is the achievement of an economically and environmentally sustainable electricity sector in Ontario that supports the business interests of electricity generators and the provincial economy. APPrO's role in the electricity sector is to raise awareness and understanding of its members' concerns with senior decision-makers in government, regulatory bodies and the public at large and to undertake business risk mitigation efforts on its members' behalf.

Membership and representative constituency

APPrO currently has 22 generator and 100 corporate members. The generator members collectively produce almost 50% of the electricity made in Ontario. APPrO's members produce electricity from a range of sources, including natural gas, hydroelectricity, cogeneration, windpower, solar energy, biomass, biogas, nuclear energy, and other sources. The total value of assets owned or operated by APPrO members is estimated at more than C\$30 billion, and the total annual sales of electricity by APPrO members exceeds C\$4 billion per year (wholesale value).

Programs and activities

APPrO acts as an advocate for its members. It aims to have a voice on regulatory and policy issues which affect generators in Ontario, including electricity market rules, power procurement processes, the regulation of the natural gas market (both provincially and federally), climate change rules and compliance mechanisms, approval requirements, transmission development, distributed generation, and a number of other issues. APPrO is a leading advocate for public policies and regulatory treatments that it believes will facilitate the development of power generation in the province and assist in the development of a more open and competitive market for power.

APPrO also organizes a significant industry conference each year, and produces a magazine (IPPSO FACTO), an authoritative periodical on the electricity business and policy issues in Canada.