

July 16, 2018



**VIA Email, Courier and RESS**

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

**Independent Electricity System Operator**  
1600-120 Adelaide Street West  
Toronto, ON M5H 1T1  
t 416.967.7474  
www.ieso.ca

Dear Ms. Walli:

**Re: Independent Electricity System Operator (“IESO”)  
2018 Expenditure and Revenue Requirement Submission  
Ontario Energy Board File No.: EB-2018-0143**

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As part of the IESO’s application and evidence filed with the OEB on April 30, 2018, place-holder exhibits were filed for cost allocation study evidence. The cost allocation study is required as a result of the OEB-approved Settlement Proposal for the IESO’s 2017 Revenue Requirement Submission (EB-2017-0150), Issue 1.0: Revenue Requirement, Operating Costs and Capital Spending, where the IESO agreed to:

- *Conduct a corporate cost allocation study on the charges associated with staff and services the IESO provides to third parties, such as the Ontario Climate Change Solutions Deployment Corporation (“OCCSCD”) and the Smart Metering Entity; and*
- *File this corporate cost allocation study with its next Revenue Requirement Submission.*

BDR North America Inc., has now completed the cost allocation study, allowing the IESO to update the evidence in this proceeding. Attached therefore, please find the following exhibits which have been filed today through the OEB’s electronic filing system:

Exhibit B-3-1 – Cost Allocation Study  
Exhibit B-3-1, Attachment 1 – Corporate Cost Allocation Study - BDR North America  
Exhibit B-3-1, Attachment 2 – OEB Form A and Curriculum Vitae of P. Zarnett

Yours truly,

Tam Wagner  
Senior Manager, Regulatory Affairs

cc: Mr. Fred Cass, Aird & Berlis (email)  
Intervenors to EB-2018-0143 (email)