



BY EMAIL and RESS

Mark Rubenstein
mark@shepherdrubenstein.com
Dir. 647-483-0113

Ontario Energy Board
2300 Yonge Street
27th Floor
Toronto, Ontario
M4P 1E4

August 10, 2018
Our File: EB20180143

Attn: Kirsten Walli, Board Secretary

Dear Ms. Walli:

Re: EB-2018-0143 – IESO 2018 – SEC Interrogatories

We are counsel to the School Energy Coalition ("SEC"). Enclosed, please find the interrogatories on behalf of SEC.

Yours very truly,
Shepherd Rubenstein P.C.

Original signed by

Mark Rubenstein

cc: Wayne McNally, SEC (by email)
Applicant and interested parties (by email)

ONTARIO ENERGY BOARD

IN THE MATTER OF the subsection 25 (1) of the *Electricity Act*;

AND IN THE MATTER OF a Submission by the Independent Electricity System Operator to the Ontario Energy Board for the review of its proposed expenditure and revenue requirements for the fiscal year 2018 and the fees it proposes to charge during the fiscal year 2018.

INTERROGATORIES

ON BEHALF OF THE

SCHOOL ENERGY COALITION

1.1-SEC-1

Please provide a copy of all instructions, directions, and/or guidance that have been provided to the IESO by the Government of Ontario since June 27th. Please explain how those directions may impact the IESO's proposed 2018 budget and/or the contents of the current Business Plan.

1.1-SEC-2

Please provide a copy of the material provided to the Board of Directors approving the budgets that underlie the 2018-2020 Business Plan and proposed 2018 revenue requirement.

1.1-SEC-3

[Exhibit A-2-2, p.20] With respect to the 2017 Corporate Performance Measures:

- a. Please provide a copy of the 2017 Corporate Performance Measures and targets.
- b. Please provide the actual results of each Corporate Performance Measure.

1.1-SEC-4

Please provide a summary of all internal audit reports issued in the past 2 years, their recommendations and the status of the implementation of those recommendations.

1.1-SEC-5

Please provide a copy of the IESO's organizational chart and explain any material changes that have occurred since the filing of its previous application (EB-2017-0150).

1.1-SEC-6

[Ex.A-2-2, p.21] Please provide a copy of the 2017 employee engagement survey.

1.1-SEC-7

Please provide details of all productivity and efficiency measures the IESO undertook in 2017 and plans to undertake in 2018.

1.1-SEC-8

[Exhibit A-2-3, 1] In the letter approving the Business Plan, the then Minister writes “The clarity you have provided with regard to costs and obligations associated with the IESO’S support to the Ministry of the Environment and Climate Change and the Green Ontario Fund is responsive to my earlier request”. Please explain what clarification was sought and given.

1.1-SEC-9

[Auditor General of Ontario, 2017 Annual report, Section 3.06 - Independent Electricity System Operator— Market Oversight and Cybersecurity] For each finding and recommendation, please provide the status of the recommendation, and if not fully implemented, the implementation plan.

1.1-SEC-10

[Auditor General of Ontario, 2017 Annual report, Section 3.06 - Independent Electricity System Operator— Market Oversight and Cybersecurity] Please provide a copy of all material provided to the IESO’s Board of Directors and Senior Management regarding the 2017 Auditor General of Ontario’s Report.

1.1-SEC-11

[Exhibit B-3-1, Attach 1,3] Please add a column to Appendix 2-AA and 2-JC showing 2018 year-to-date actuals.

1.1-SEC-13

[Exhibit B-3-1, Attach 1-3] Please explain the drivers for IESO to underspend compared to its approved 2017 budget.

1.1-SEC-14

[<http://www.ieso.ca/-/media/files/ieso/document-library/sac/2018/sac-20180427-engagement-strategy.pdf?la=en>] With respect to the IESO engagement strategy:

- a. Please provide a copy of the results of the 2017 stakeholder survey and 2018 engagement review focus groups.
- b. Please provide a status of the strategy, the feedback, and implementation plan.

1.1-SEC-15

With respect to services provided to the Ontario Climate Change Solutions Deployment Corporation (“OCCSDC”):

- a. What assumptions did the IESO make in its 2018 budget regarding services it would be providing to GreenOn and the OCCSDC, and what is the reimbursement it would receive for those services by way of its service agreements?
- b. Please explain how announcements by the Ontario government with respect to the winding down of the GreenOn program will impact those costs and reimbursement discussed in your response to part (a).

1.3-SEC-16

[B-3-1, Attachment 4] With respect to Employees:

- a. The evidence shows that the IESO had 11 fewer FTEs in 2017 than budgeted. Please provide a rationale for this variance.
- b. The evidence shows that the IESO plans to add 30 FTEs in 2018 compared to 2017. Please provide details of these additional FTEs and why they are required.
- c. Please add a column to the table to show the IESO current year-to-date employee data.

1.3-SEC-7

Please provide the budget, and FTEs breakdown, associated with each IESO 8 business unit in a similar format as provided in SEC IR 13 (EB-2017-0150, Exhibit I, Tab 1.4, Schedule 7.13 SEC 13)

1.4-SEC-18

The IESO states: “2016 and 2017 capital spending levels were \$4.6 million and \$9.4 million lower than planned, respectively. The lower spending was primarily due to changes in timing of the initial stages of development which are treated as expense, and a number of minor projects that were not undertaken in year as planned”.

- a. Please provide further details.
- b. Please explain why based on the underspending in 2016 and 2017, the 2018 budget is accurate.

5.2-SEC-19

[C-3-1, p.3] If the IESO implements the recommendations proposed by BDR to its 2018 revenue required, please provide a summary of those changes and the additional costs allocated to the non-core functions.

5.2-SEC-20

[Auditor General of Ontario, 2017 Annual report, Section 3.06 - Independent Electricity System Operator— Market Oversight and Cybersecurity] Considering the 2017 Auditor General of Ontario’s Report made certain findings and recommendations related to the IESO’s market assessment and compliance work, please provide the IESO’s recommendation on an appropriate additional metric to include on its scorecard to measure its work in this area.

6.2-SEC-21

Please provide a copy of all material provided to the Board of Directors and Senior Management regarding Market Renewal work plans, approvals, budgets and updates.

6.2-SEC-22

Please provide an updated Market Renewal Project budget in the same format as provided in response to BOMA IR #45 (EB-2017-0150 Exhibit I-1.6-Schedule 2.45 BOMA 45(a)(i), p.4). Please provide an explanation of all differences for costs between 2018 and the end of the program.

6.2-SEC-23

Please provide an updated Market Renewal Project program milestones in the same format as provided in response to BOMA IR #45 (EB-2017-0150 Exhibit I-1.6-Schedule 2.45 BOMA

45(c), p.5-6). Please provide an explanation of the status of all 2018 milestones and any changes to future milestones.

6.2-SEC-24

[Exhibit C-2-1, p.9] Please provide a breakdown of both 2017 actual and 2018 planned 'Professional & Consulting' market renewal costs. This breakdown should provide information regarding who the service providers are, their cost, and a summary of the services provided.

6.2-SEC-25

[Exhibit C-2-1, p.9] Please update table 3 to provide year-to-date actuals.

6.3-SEC-26

[Exhibit C-2-1, p.10, Table 5] Please explain what type of capital work is being done for each initiative.

6.3-SEC-27

[Exhibit C-2-1, p.10, Table 5] Please explain why there is \$0.7M of Operating and Administrative costs allocated to capital.

7.1-SEC-28

With respect to the IESO's LTEP implementation plan:

- a. Please provide a copy of the IESO's LTEP implementation plan.
- b. Please provide the status of each element of the implementation plan;
- c. For each element of the implementation plan, please provide the cost associated with the implementation both in its entirety and in 2018;

Respectfully submitted on behalf of the School Energy Coalition this August 10th, 2018.

Original signed by

Mark Rubenstein
Counsel for the School Energy
Coalition