

April 8, 2019 VIA E-MAIL

Ms. Kirsten Walli Board Secretary Ontario Energy Board Toronto, ON

Dear Ms. Walli:

Re: EB-2019-0002 – Independent Electricity System Operator

Interrogatories of the Vulnerable Energy Consumers Coalition (VECC) - Amended

Please find attached the interrogatories of VECC in the above-noted proceeding. We have also directed a copy of the same to the Applicant. This version supersedes that sent to the Board earlier on this date.

Yours truly,

Mark Garner
Consultants for VECC/PIAC

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Ms. Miriam Heinz, Advisor Regulatory Affairs, IESO regulatoryaffairs@ieso.ca

REQUESTOR NAME VECC

TO: IESO 2019 Fees Application
DATE: April 8, 2019 - Amended
CASE NO: EB-2019-0002

APPLICATION NAME 2019 Fees

1. Revenue Requirement, Operating Costs and Capital Spending

1.1 Reference A-2-2, pg. 6 & 12; A-3-1, pg.9

The IESO 2019-2021 Business Plan notes as one of its priority initiatives "Building the infrastructure required to enable approved third parties to access data from the Smart Metering Entity (SME)'s meter data management repository (MDM/R).

a) Please confirm that no amounts of the \$190.8 million sought in usage fees are being expended on SME projects. If this cannot be confirmed please explain what amounts collected in IESO Fees are being allocated for SME activities and the nature of those activities.

1.2 Reference B-3-1 Attachment 4

a) Please update Appendix 2-K to show March 2019 month-end actual FTEs and headcount.

1.3 Reference A-2-3

a) The Minister's letter approving the IESO Business Plan was issued December 11, 2018. The Application was subsequently filed January 28, 2019. What was the cause(s) of the 6 week delay in filing an application with the Board?

1.4 Reference B-2-1 /pg.2

a) Please update Table 4: 2019 Capital Envelope to include 2016 and 2018 envelope and actuals.

1.5 Reference: B-3-1 Appendix 2-AA

a) Please expand Appendix 2-AA to show (a) 2017 actuals and (b) 2018 actuals.

- 1.6 Reference: B-3-1 Attachment 3, Appendix 2-JC
 - a) Please update Appendix 2-JC to show (a) 2017 actuals.

Mercer Report

- 1.7 Reference: C-2-1 Attachment 1, pg.9
 - a) Please explain why NAV Canada is included under the grouping "Private Energy Companies" when it is neither an energy company nor private (having been formed in accordance with the *Civil Air Navigation Services Commercialization Act.*"
 - b) Please explain why the government of Ontario, and specifically the Ministry of Energy, employment positions appear to be excluded from the "boarder public sector position? Is it Mercer's view that IESO positions are significantly different from those of policy advisors at the Ministry of Energy?
 - c) Arguably the IESO is most similar to a government ministry. Please explain why there is no comparison made to IESO compensation and those of the narrow federal and provincial public sectors (e.g. the ministry/departments of energy/environment).
 - d) What (if any) comparison was completed between the OPSEU and PWU represented position?
 - e) For each comparator sector (i.e. Energy, Broader Public, Private Sector) please identify the number (not name) of companies shown with whom Mercer has contracted with in the past 5 years.

2. Usage Fees

3. Registration and Application Fees

4. The Deferral and Variance Account

- 4.1 Reference: B-1-1/pg.7
 - a) IESO explains it is seeking to increase its reserve fund from \$6 million to \$10 million "In response to potential volatility in spending driven by changes in the volume of activities and the external environment, the IESO is seeking approval to retain an operating reserve of \$10 million in 2019"

Please elaborate on what "volatility" and changes in the "external environment" are contemplated by this statement.

- b) When has IESO last been required to use its reserve fund?
- c) What is the financial risk to IESO in the event it cannot access a reserve fund? Specifically, in the case of a shortfall what plans/options has IESO made for access to short term financing from commercial sources?
- 4.2 References: B-2-1, pg. 1
 - a) Please provide the year-end balance in the FVDA for the 2015 through 2018.

5. Commitments from Previous OEB Decisions

- 5.1 Reference C-1-1
 - a) Please update the 2018 scorecard to show year-end actual results.
- 5.2 Reference: C-1-1, pg. 1
 - a) The IESO explains that it is proposing to replace the current Stakeholder Satisfaction Measure with a more focused measure. Please explain how this new metric will be measured and when it will be implemented.

6. Market Renewal Program

- 6.1 Reference A-2-2, pg. 18
 - a) Please provide an update as to the expected completion date of the MRP business case.
 - b) Does the IESO intend on circulating for comment a draft of the MRP business case?

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