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VIA COURIER and RESS FILING

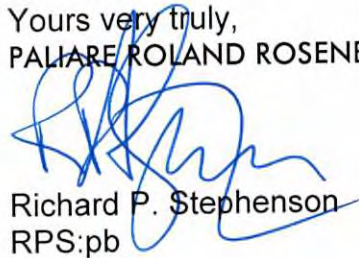
Ms. Kirstin Walli,
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
P.O. Box 2319
Toronto, ON M4P 1E4

Dear Ms. Walli,

Re: Independent Electricity System Operator - 2019 Revenue Requirement, Expenditure & Fees Application (EB-2019-0002)

Attached please find the Interrogatories of the Power Workers' Union in connection with the above-noted proceedings. An electronic copy has been filed through the Board's RESS filing system, and two paper copies will follow by courier delivery.

Yours very truly,
PALIARE ROLAND ROSENBERG ROTHSTEIN LLP



Richard P. Stephenson
RPS:pb

Attach.

Doc 2851512 v1

**Independent Electricity System Operator
2019 Expenditure and Revenue Requirement**

Power Workers' Union Interrogatories

1.1-PWU-1

Issue 1.1: Is the IESO's Fiscal Year 2019 net revenue requirement of \$190.8 million appropriate?

Ref: Cover letter to IESO's updated evidence, March 28, 2019

In its 2019 Revenue Requirement Submission, the IESO requested to raise its operating reserve to \$10 million. The IESO is not proposing to increase its revenue requirement for fiscal 2019 to recover its current operating deficit position. Rather, the IESO plans to address this deficit funding gap in future rate filings with the OEB.

- a) Please explain IESO rationale for IESO's decision not to recover its current operating deficit in the current revenue requirement application.

1.3-PWU-2

Issue 1.3: Are the IESO's projected staffing levels and compensation (including salaries, benefits, pensions and other post-employment benefits) appropriate and reasonable?

Ref: Updated evidence, Exhibit B, Tab 3, Schedule 1, Plus Attachments, Page 5 of 6

Table 2: 2018 Actual Staffing Levels Compared to 2018 Budget

Staff	2018 Average Actual	2018 Average Budget	Variance	2018 Dec 31st Actual	2018 Dec 31st Budget	Variance
Operating Headcount						
Regular	599	657	-58	608	665	-57
Temporary	54	31	23	64	36	28
Operating Headcount Total	653	688	-35	672	701	-29
Market Renewal Headcount						
Regular	51	43	8	62	52	10
Temporary	11	0	11	14	0	14
Market Renewal Total*	62	43	19	76	52	24
IESO Total	715	731	-16	748	753	-5

- b) Please explain the reasons for the variances between the 2018 Average Actual and the 2018 Average Budget as well as between the 2018 Dec. 31st Actual and the 2018 Dec. 31st Budget in respect to Regular Operating Staff in Table 2 above.

1.3-PWU-3

Issue 1.3: Are the IESO's projected staffing levels and compensation (including salaries, benefits, pensions and other post-employment benefits) appropriate and reasonable?

Ref: Updated evidence, Exhibit B, Tab 3, Schedule 1, Attachment 4, Page 1 of 1, Appendix 2-K Employee Costs:

The chart in the reference presents number of employees (FTE) and compensation figures for 2017 Actual, 2018 Actual, 2018 Budget and 2019 Budget.

- a) Please explain how FTEs for 2019 Budget (842) show an increase of 111 FTEs from the 2018 Actuals whereas Total Salary and Wages, Total Benefits, and Total Compensation for 2019 Budget all show a decrease from the 2018 Actuals.

1.3-PWU-4

Issue 1.3: Are the IESO's projected staffing levels and compensation (including salaries, benefits, pensions and other post-employment benefits) appropriate and reasonable?

Ref: Letter from the Minister of Energy, Northern Development and Mines to the Ontario Energy Board, dated March 21, 2019:

Delivering Efficient Electricity Conservation

Our government is taking action to reduce spending and streamline electricity conservation programs in Ontario.

To that end, I have directed the Independent Electricity System Operator (IESO) to discontinue the 2015-2020 Conservation First Framework and establish a scaled down Interim Framework for the balance of 2019 and 2020, delivered centrally by IESO with continued funding from electricity rates.

As you are aware, I have also directed the OEB and provided it with the authority to amend or revoke conservation related licence conditions for electricity distributors.

- a) Please indicate if the directive cited in the reference has any implications to IESO's staffing levels, operation costs and revenue requirement in 2019 and subsequent years.

1.3-PWU-5

Ref: Exhibit C-4-1, Attachment 1, Page 14 of 15, Appendix C (Non-Executive Total Remuneration Review)

- a) Please provide the chart in Appendix C in spreadsheet format