

1 **VECC INTERROGATORY 1**

2 1.0 Revenue Requirement, Operating Costs and Capital Spending

3 **INTERROGATORY**

4 1.1 Reference A-2-2, pg. 6 & 12; A-3-1, pg.9

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

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

12 **RESPONSE**

13 a) Confirmed.



## VECC INTERROGATORY 2

### 1.0 Revenue Requirement, Operating Costs and Capital Spending

#### INTERROGATORY

#### 1.2 Reference B-3-1 Attachment 4

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

#### RESPONSE

##### Appendix 2-K Employee Costs

	2017 Actual	2018 Latest Estimate	2018 Budget	2019 Budget	2019 Actual March 31
Number of Employees (FTEs)					
Executive	7	7	6	7	7
Management	107	118	118	132	119
Non-Management Regular	534	529	575	633	534
Non-Management Temporary	53	63	32	71	84
Total	701	716	731	842	744
<b>All figures below are in \$ millions</b>					
Total Salary and Wages					
Executive and Board	3.2	3.4	2.9	3.4	0.7
Management	14.9	17.7	18.6	17.4	4.0
Non-Management Regular	62.0	59.6	63.0	63.8	15.7
Non-Management Temporary	6.2	8.1	4.0	5.2	2.1
Total	86.3	88.9	88.5	89.8	22.5
Total Benefits					
Executive	0.9	0.9	0.7	0.9	0.2
Management	5.9	6.1	6.1	5.8	1.5
Non-Management Regular	24.5	22.5	21.9	21.8	6.0
Non-Management Temporary	1.0	1.0	0.5	0.7	0.4
Total	32.3	30.6	29.2	29.1	8.1
Total Compensation (Salary, Wages & Benefits)					
Executive and Board	4.1	4.3	3.6	4.2	0.9
Management	20.8	23.8	24.7	23.2	5.5
Non-Management Regular	86.5	82.2	84.9	85.7	21.7
Non-Management Temporary	7.2	9.1	4.5	5.8	2.5
Total	118.6	119.5	117.7	118.9	30.6

**Note: The values for Executive and Board & Non-Management Regular within the Total Salary and Wages in 2018 Budget have been corrected from the original application filing. The correction has not changed the total.**



**VECC INTERROGATORY 3**

**1.0 Revenue Requirement, Operating Costs and Capital Spending**

**INTERROGATORY**

**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?

**RESPONSE**

- a) When filing its revenue requirement submission, the IESO endeavours to provide the most up to date information available that accurately represents the IESO's forecast revenues and expenditures. The date of filing was a combination of the IESO's efforts to provide detailed accounts of its business operations with the most up to date information available at that time while filing in a reasonable time after receiving the Minister's approval of the Business Plan.

The IESO is examining ways to file its revenue requirement earlier, please see the response to OEB Staff Interrogatory 7, at Exhibit I, Tab 1.1, Schedule 1.07.



**VECC INTERROGATORY 4**

1.0 Revenue Requirement, Operating Costs and Capital Spending

**INTERROGATORY**

1.4 Reference B-2-1 /pg.2

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

**RESPONSE**

a) 2016 actuals and envelope and 2018 actuals included in Exhibit B-2-1:

<b>Capital (\$ millions)</b>	<b>2016 Actuals</b>	<b>2016 Envelope</b>	<b>2017 Envelope</b>	<b>2017 Actuals</b>	<b>2018 Envelope</b>	<b>2018 Actuals</b>	<b>2019 Envelope</b>
Core Operations	23.8	28.4	25.0	15.4	22.6	14.4	17.3
Market Renewal Program	--	--	--	0.2	4.0	1.4	38.0
<b>Total</b>	<b>23.8</b>	<b>28.4</b>	<b>25.0</b>	<b>15.6</b>	<b>26.6</b>	<b>15.8</b>	<b>55.3</b>





1 **VECC INTERROGATORY 5**

2 1.0 Revenue Requirement, Operating Costs and Capital Spending

3 **INTERROGATORY**

4 1.5 Reference: B-3-1 Appendix 2-AA

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

6 **RESPONSE**

7 a) Please see the response to AMPCO Interrogatory 18, at Exhibit I, Tab 1.4, Schedule 13.18.



1 **VECC INTERROGATORY 6**

2 1.0 Revenue Requirement, Operating Costs and Capital Spending

3 **INTERROGATORY**

4 1.6 Reference: B-3-1 Attachment 3, Appendix 2-JC

5 a) Please update Appendix 2-JC to show (a) 2017 actuals.

6 **RESPONSE**

7 a) Please find below update Appendix 2-JC showing 2017 actuals.

**Appendix 2-JC**  
**Operating Tables Table**

(in \$ millions)		2017 Actual	2018 Actual	2018 Budget	2019 Budget
<b>CEO</b>		<b>8.4</b>	<b>7.9</b>	<b>7.7</b>	<b>7.7</b>
	CEO Office	6.9	6.5	6.0	6.3
	Internal Audit	1.5	1.4	1.6	1.5
<b>Planning, Acquisition and Operations</b>		<b>39.9</b>	<b>40.7</b>	<b>46.2</b>	<b>44.2</b>
	VP Office	1.7	1.3	1.8	0.7
	Power System Assessments	13.8	13.6	14.9	15.1
	Resource Planning	3.4	4.4	4.3	4.8
	Transmission Planning	2.9	3.6	4.2	4.9
	Market Operations	14.4	15.1	16.1	15.7
	Markets & Procurement	3.7	2.8	5.0	3.0
<b>Policy, Engagement and Innovation</b>		<b>24.3</b>	<b>21.0</b>	<b>22.1</b>	<b>24.5</b>
	VP Office	0.7	0.8	0.5	0.8
	Energy Efficiency	8.2	4.6	4.1	4.4
	Alliances and Marketing	3.2	2.9	2.9	3.4
	Corporate & Indigenous Relations	7.0	7.4	8.0	8.4
	Policy Innovation	2.7	2.9	3.9	4.7
	Regulatory Affairs	2.4	2.3	2.8	2.8
<b>Information and Technology Services</b>		<b>36.1</b>	<b>40.2</b>	<b>39.7</b>	<b>41.8</b>
	VP Office	1.0	1.1	1.1	0.6
	Organizational Governance Support	3.7	1.7	1.3	1.9
	Information Security	-	3.5	3.9	5.5
	Business Solutions	14.5	16.0	15.3	16.7
	Technology Services	16.8	17.9	18.1	17.2
<b>Legal Resources and Corporate Governance</b>		<b>16.3</b>	<b>16.3</b>	<b>15.3</b>	<b>14.1</b>
	VP Office	1.2	1.1	1.1	1.3
	General Counsel	6.5	6.5	5.3	5.0
	Board	0.7	0.7	0.7	0.7
	Contract Management	8.0	7.9	8.2	7.0
<b>Corporate Services</b>		<b>24.0</b>	<b>24.9</b>	<b>23.8</b>	<b>24.4</b>
	VP Office	0.5	1.0	0.4	0.5
	Finance & Treasury	-	3.4	3.5	3.7
	Procurement	-	1.5	1.6	1.5
	Financial Planning and Analysis	1.4	1.6	1.5	1.5
	Settlements	5.1	5.3	5.4	5.4
	Enterprise Change	3.0	3.6	2.7	2.8
	Facilities	8.6	8.5	8.7	9.0
<b>Human Resources</b>		<b>5.1</b>	<b>5.1</b>	<b>5.1</b>	<b>5.0</b>
<b>Market Assessment and Compliance Division</b>		<b>3.2</b>	<b>1.6</b>	<b>1.9</b>	<b>2.0</b>
<b>Market Renewal</b>		<b>7.9</b>	<b>14.9</b>	<b>12.7</b>	<b>11.7</b>
<b>Corporate Adjustments</b>		<b>18.2</b>	<b>20.4</b>	<b>16.3</b>	<b>15.3</b>
	General	3.9	7.2	2.0	2.8
	Amortization	18.2	19.6	17.7	18.4
	Interest	( 4.0)	( 6.4)	( 3.4)	( 5.9)
<b>Total</b>		<b>183.3</b>	<b>193.0</b>	<b>190.8</b>	<b>190.8</b>

**VECC INTERROGATORY 7**

1.0 Revenue Requirement, Operating Costs and Capital Spending

**INTERROGATORY**

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 "broader 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.

**RESPONSE**

- a) To clarify, Mercer has confirmed that the grouping of organization's in its report and the nature of ownership of NAV Canada - it is included under a grouping including Private Sector organizations, inclusive of Private Sector Energy Organizations. Additionally, NAV Canada identifies itself as a "...privately run, not-for-profit corporation that owns and operates Canada's civil air navigation system".
- b) To clarify, Mercer has confirmed that the Ontario Public Service, which includes the Ministry of Energy, is included as a comparator organization within the Broader Public and Public Energy Comparators.

- 1 c) Mercer has confirmed that organizations that participate in their compensation surveys,  
2 including those within the public sector, participate on the condition that their  
3 organizational pay levels will not be provided to others without being combined with a  
4 sufficient number of other organizations to ensure market results cannot be attributed to  
5 any one organization.
- 6 d) Mercer has confirmed that PWU represented positions were compared to Broader Public  
7 and Public Energy Comparators. This includes organizations with OPSEU represented  
8 positions, such as the Ontario Public Service.
- 9 e) Mercer has confirmed that a broad understanding of the number of organizations whom it  
10 has contracted with in each of these sectors in the past 5 years is not relevant to the  
11 assessment of the study. Mercer is a wholly owned subsidiary of Marsh & McLennan  
12 Companies, a publicly traded organization. Details of the size and scope of Mercer's  
13 operations are available to interested parties through public disclosure.

1 **EDA INTERROGATORY 1**

2 Issue 1.0

3 **INTERROGATORY**

4 EDA interrogatory 1

5 Reference: A/1/1/p3 item j

6 Question

7 Please provide a complete list of the interim orders, orders and directions sought through the  
8 IESO's 2019-2021 Business Plan.

9 **RESPONSE**

10 As per section 25 of the *Electricity Act, 1998* the IESO has sought Minister approval of its 2019-  
11 2021 Business Plan and OEB approval of its 2019 Revenue Requirement through the subject  
12 application.

13 On December 18, 2018, the IESO received approval to charge interim domestic and export usage  
14 fees beginning January 1, 2019. The IESO proposed to continue to charge both interim usage  
15 fees to the same pools of market participants the OEB approved in its 2018 Revenue  
16 Requirement proceeding until the end of the month in which OEB approval is received for the  
17 2019 usage fees.





**EDA INTERROGATORY 2**

Issue 1.0

**INTERROGATORY**

EDA interrogatory 2

Reference: n/a

Preamble: Bill 87, as proposed, will alter the IESO's role in the provision of Conservation and Demand Management (CDM). Please assume that Bill 87 passes and takes effect July 1, 2019.

Questions

a) Please update the evidence.

b) Please identify and discuss the data that the IESO will collect, compile and analyze for CDM program management purposes.

**RESPONSE**

a) Should Bill 87 pass and take effect on July 1, 2019 there will be no implications for IESO's staffing levels and/or operation costs related to the IESO's revenue requirement related to CDM.

b) As is industry best practice, the IESO will collect participant, facility, and project level data to support CDM program management. Data will be collected through the participant application form, interviews/surveys with participants and their agents, on-site verifications, audits and inspections, market research, and via any other means necessary to understand the performance of the program.

