

SETTLEMENT PROPOSAL

Independent Electricity System Operator

2019 Revenue Requirement Submission for Review

August 2, 2019

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PREAMBLE

This Settlement Proposal is filed with the Ontario Energy Board (OEB) in connection with the Submission by the Independent Electricity System Operator (IESO) for the review of its proposed expenditure and revenue requirements for the fiscal year 2019 and the fees that it proposes to charge during the fiscal year 2019. An OEB Decision and Order (EB-2018-0143) was issued on December 18, 2018 approving fees on an interim basis, effective January 1, 2019.

In accordance with Procedural Order No. 5, a Settlement Conference was held on July 17 and 18, 2019. Ms. Karen Wianecki facilitated the Settlement Conference. This Settlement Proposal arises from the Settlement Conference.

The IESO and the following intervenors, as well as OEB technical staff (OEB Staff), participated in the Settlement Conference:

1. Association of Major Power Consumers in Ontario (AMPCO)
2. Association of Power Producers of Ontario (APPrO)
3. Building Owners and Managers Association (BOMA)
4. Canadian Manufacturers & Exporters (CME)
5. Electricity Distributors Association (EDA)
6. Energy Probe Research Foundation (Energy Probe)
7. Ontario Sustainable Energy Association (OSEA)
8. Power Workers' Union (PWU)
9. School Energy Coalition (SEC)
10. Society of United Professionals (SUP)
11. Vulnerable Energy Consumers Coalition (VECC)
12. HQ Energy Marketing Inc. (HQEM)

The Settlement Proposal deals with all of the relief sought in this proceeding. The IESO and all intervenors listed above have agreed to the settlement described on the following pages. Any reference to "Parties" in this Settlement Proposal is intended to refer to the IESO and the intervenors listed above.

As set out in more detail below, a settlement has been reached on issues except for the following issues:

- 1.1 *Is the IESO's Fiscal Year 2018 net revenue requirement of \$190.8 million appropriate?*
- 1.3 *Are the IESO's projected staffing levels and compensation (including salaries, benefits, pensions and other post-employment benefits) appropriate and reasonable?*
- 1.4 *Is the IESO's Capital Expenditure budget for Fiscal Year 2019 appropriate?*
- 2.1 *Is the resulting Usage Fees of \$1.227/MWh for domestic customers and \$1.0125/MWh for export customers appropriate? (partial unsettled issue)*
- 4.1 *Is the IESO's proposal to retain an Operating Reserve of \$10 million in the Forecast Variance Deferral Account appropriate?*

- 4.2 *Is the IESO's proposal to clear the 2018 Year-End balance in the Forecast Variance Deferral Account that is in excess of the \$10 million operating reserve appropriate?*
- 5.2 *Is the Total Compensation Study for represented and non-represented staff appropriate?*
- 6.1 *Is the reporting on financial and operational performance of the Market Renewal Program for 2017, 2018, 2019, and proposed future reporting, appropriate*
- 6.2 *Are the IESO's forecast 2019 operational costs for the Market Renewal Program appropriate in the context of the scope and timing of the overall project?*
- 6.3 *Are the IESO's forecast 2019 capital costs for the Market Renewal Program appropriate in the context of the scope and timing of the overall project?*

All intervenors listed above participated in the Settlement Conference and subsequent discussions. Although OEB Staff is not a party to the Settlement Proposal, once the Settlement Proposal is filed, OEB Staff is required under the OEB's Practice Direction on Settlement Conferences to file a submission commenting on two aspects of the settlement: whether the settlement represents an acceptable outcome from a public interest perspective, and whether the accompanying explanation and rationale is adequate to support the settlement. Also, as noted in the Practice Direction on Settlement Conferences, OEB Staff participants to the Settlement Conference are bound by the same confidentiality and privilege rules that apply to the Parties to the proceeding.

This document is called a "Settlement Proposal" because it is a proposal by the Parties to the OEB to settle the issues in this proceeding. It is termed a proposal as between the Parties and the OEB. However, as between the Parties, and subject only to the OEB's approval of this Settlement Proposal, this document is intended to be a legal agreement, creating mutual obligations, and binding and enforceable in accordance with its terms. As set forth below, this Settlement Proposal is subject to a condition subsequent, that if it is not accepted by the OEB in its entirety, then unless amended by the Parties, it is null and void and of no further effect. In entering into this agreement, the Parties understand and agree that, pursuant to the *Ontario Energy Board Act, 1998*, the OEB has exclusive jurisdiction with respect to the interpretation or enforcement of the terms hereof.

Best efforts have been made to identify all of the evidence that relates to each settled issue. The supporting evidence for each settled issue is identified individually by reference to its exhibit number in an abbreviated format; for example, Exhibit B, Tab 3, Schedule 1 is referred to as Exhibit B-3-1. The identification and listing of the evidence that relates to each settled issue is provided to assist the OEB.

The Settlement Proposal describes the agreements reached on the issues. The Settlement Proposal provides a direct link between each settled issue and the supporting evidence in the

record to date. In this regard, the Parties are of the view that the evidence provided is sufficient to support the Settlement Proposal in relation to the settled issues and, moreover, that the quality and detail of the supporting evidence, together with the corresponding rationale, will allow the OEB to make findings agreeing with the proposed resolution of the settled issues. In the event that the OEB does not accept the proposed settlement of any issue, then subject to the Parties' agreement on non-severability set out in the final paragraph below, further evidence may be required on the issue for the OEB to consider it fully.

None of the Parties can withdraw from the Settlement Proposal except in accordance with Rule 30 of the OEB's Rules of Practice and Procedure. Further, unless stated otherwise, a settlement of any particular issue in this proceeding is without prejudice to the positions Parties might take with respect to the same issue in future proceedings.

The Parties acknowledge that this Settlement Conference (including subsequent related discussions) is confidential in accordance with the OEB's Practice Direction on Settlement Conferences. The Parties understand that confidentiality in that context does not have the same meaning as confidentiality in the OEB's Practice Direction on Confidential Filings, and the rules of that latter document do not apply. Instead, in this Settlement Conference, and in this Settlement Proposal, the Parties have interpreted "confidential" to mean that the documents and other information provided during the course of the Settlement Conference, the discussion of each issue, the offers and counter-offers, and the negotiations leading to the settlement – or not – of each issue during the Settlement Conference are strictly privileged and without prejudice. None of the foregoing is admissible as evidence in this proceeding, or otherwise, with one exception, the need to resolve a subsequent dispute over the interpretation of any provision of this Settlement Proposal. Further, the Parties shall not disclose those documents or other information to persons who were not attendees at the Settlement Conference. However, the Parties agree that "attendees" is deemed to include, in this context, persons who were not physically in attendance at the Settlement Conference but were a) any persons or entities that the Parties engage to assist them with the Settlement Conference, and b) any persons or entities from whom they seek instructions with respect to the negotiations; in each case provided that any such persons or entities have agreed to be bound by the same confidentiality provisions.

It is fundamental to the agreement of the Parties that none of the provisions of this Settlement Proposal are severable. If the OEB does not, prior to the commencement of the hearing of the evidence in this proceeding, accept the provisions of the Settlement Proposal in their entirety, there is no Settlement Proposal (unless the Parties agree that any portion of the Settlement Proposal that the OEB does accept may continue as a valid Settlement Proposal).

OVERVIEW

The Parties have reached a package settlement of issues in this proceeding (Package Settlement), the Package Settlement does not include certain issues (Unsettled Issue(s)), specifically, Issues 1.1, 1.3, 1.4, 2.1 (partial), 4.1, 4.2, 5.2, 6.1, 6.2, 6.3 in the OEB-approved Issues List that is attached as Schedule A to the OEB's March 28, 2019 Decision on Issues List.

Notwithstanding any other clause of this Package Settlement: a) HQEM only takes a position on Issue 2.1 and 2.2 and takes no position with respect to, and does not oppose, any of the remaining issues; b) OSEA only takes a position on Issue 5.1 and takes no position with respect to, and does not oppose, any of the remaining issues; and c) PWU takes no position with respect to any of the issues.

Given the IESO's agreement to these settlement terms, the Package Settlement includes acceptance of the IESO's proposals in respect of all issues other than the Unsettled Issues. The Unsettled Issues remain to be determined by the OEB.

THE ISSUES

1.0 Revenue Requirement, Operating Costs and Capital Spending

1.1 Is the IESO's Fiscal Year 2018 net revenue requirement of \$190.8 million appropriate?

The Parties have not agreed upon Issue 1.1. This is an Unsettled Issue.

Evidence:

A-1-1-Submission

A-1-2-Exhibit List

A-2-1-IESO's Letter to the Minister Requesting Approval of the 2019-2021 Business Plan – September 4, 2018

A-2-2-2019-2021 Business Plan – September 4, 2018

A-2-3-Minister's Letter Approving the IESO's 2019-2021 Business Plan – December 11, 2018

A-3-1-2018 Audited Financial Statements

B-1-1-2019 Revenue Requirement and Usage Fee Methodology

B-2-1-2019 Registration and Application Fees, Forecast Variance Deferral Account and Capital Expenses

B-3-1-2018 Estimated Year-End Financials, Surplus and Staffing

Attachment 1 - Appendix 2-AA (capital projects)

Attachment 2 - Appendix 2-JB (OM&A cost drivers)

Attachment 3 - Appendix 2-JC (OM&A programs)

Attachment 4 - Appendix 2-K (employee costs)

C-1-1-IESO Regulatory Scorecard

Attachment 1 - IESO's 2019 Regulatory Scorecard

C-2-1-Market Renewal Program Cost Report

Attachment 1 - Baseline MRP Schedules and Budget

C-3-1-Cost Allocation Study

C-4-1-Total Compensation Study

Attachment 1 - Non-Executive Total Remuneration Review

C-5-1-Transmission Losses

C-6-1-Annual Status Report on 2017 Auditor General's Report Recommendations

Interrogatories:

Exhibit I-Tab 1.0-Schedule 3.01 to 3.07 VECC

Exhibit I-Tab 1.0-Schedule 12.01 and 12.02 EDA

Exhibit I-Tab 1.1-Schedule 1.01 and 1.07 OEB

Exhibit I-Tab 1.1-Schedule 4.02 to 4.06 Energy Probe

Exhibit I-Tab 1.1-Schedule 7.01 PWU

Exhibit I-Tab 1.1-Schedule 10.01 to 10.08 SEC

SEC 10.1

Attachment 1 – Agenda Item Summary 2019-2021 Business Plan

Attachment 2 – IESO 2019-2021 Business Plan Draft to Audit Committee

Attachment 3 – 2019-2021 Business Plan Presentation to Audit Committee

Attachment 4 – Resolution Board Approval of 2019-2021 Business Plan

SEC 10.6

Attachment 1 – Ministerial Directive CFF wind-down – March 2019

Attachment 2 – Ministerial Directive Interim Framework – March 2019

SEC 10.7

Attachment 1 - Report on Governance and Decision Making – November 23, 2018

Exhibit I-Tab 1.1-Schedule 11.01 to 11.03 APPrO

Exhibit I-Tab 1.1-Schedule 12.03 EDA

Exhibit I-Tab 1.1-Schedule 13.01 to 13.13 AMPCO

AMPCO 13.07

Attachment 1 - SAC Presentation – February 14, 2019

Attachment 2 - BoD Presentation – December 5, 2018

Attachment 3 - BoD Presentation – June 13, 2018

Attachment 4 - Grid Innovation Fund Portfolio - February 15, 2019

1.2 Is the IESO's Registration & Application Fees revenue forecast of \$0.00 million for Fiscal Year 2019 appropriate?

As part of the Package Settlement, the Parties accept that the IESO's revenue forecast of \$0.00 million for registration fees in fiscal year 2019 is appropriate.

Evidence:

A-2-1-IESO's Letter to the Minister Requesting Approval of 2019-2021 Business Plan – September 4, 2018

A-2-2-2019-2021 Business Plan – September 4, 2018

A-2-3-Minister's Letter Approving the IESO's 2019-2021 Business Plan – December 11, 2018

Interrogatories:

Exhibit I-Tab 1.2-Schedule 1.08 OEB

Exhibit I-Tab 1.2-Schedule 9.01 SUP

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

The Parties have not agreed upon Issue 1.3. This is an Unsettled Issue.

Evidence:

A-2-2-2019-2021 Business Plan – September 4, 2018

A-2-3-Minister's Letter Approving the IESO's 2019-2021 Business Plan – December 11, 2018

B-1-1-2019 Revenue Requirement and Usage Fee Methodology

B-2-1-2019 Registration and Application Fees, Forecast Variance Deferral Account and Capital Expenses

B-3-1-2018 Estimated Year-End Financials, Surplus and Staffing

Attachment 1 - Appendix 2-AA (capital projects)

Attachment 2 - Appendix 2-JB (OM&A cost drivers)

Attachment 3 - Appendix 2-JC (OM&A programs)

Attachment 4 - Appendix 2-K (employee costs)

Interrogatories:

Exhibit I-Tab 1.3-Schedule 1.09 to 1.16 OEB

OEB STAFF 1.09

Attachment 1 - IESO Organizational Charts

Exhibit I-Tab 1.3-Schedule 4.07 and 4.08 Energy Probe

Exhibit I-Tab 1.3-Schedule 7.02 to 7.05 PWU

PWU 7.05

Attachment 1 - Appendix C (Non-Executive Total Remuneration Review) (*provided in excel only*)

Exhibit I-Tab 1.3-Schedule 10.09 SEC

Exhibit I-Tab 1.3-Schedule 13.14 to 13.17 AMPCO

AMPCO 13.16

Attachment 1 - Appendix 2-K Employee Costs (*provided in excel only*)

1.4 Is the IESO's Capital Expenditure budget for Fiscal Year 2019 appropriate?

The Parties have not agreed upon Issue 1.4. This is an Unsettled Issue.

Evidence:

A-2-2-2019-2021 Business Plan – September 4, 2018

A-2-3-Minister's Letter Approving the IESO's 2019-2021 Business Plan – December 11, 2018

A-3-1-2018 Annual Report and Audited Financial Statements

B-1-1-2019 Revenue Requirement and Usage Fee Methodology

B-2-1-2019 Registration and Application Fees, Forecast Variance Deferral Account and Capital Expenses

B-3-1-2018 Estimated Year-End Financials, Surplus and Staffing

Attachment 1 - Appendix 2-AA (capital projects)

Attachment 2 - Appendix 2-JB (OM&A cost drivers)

Attachment 3 - Appendix 2-JC (OM&A programs)

Attachment 4 - Appendix 2-K (employee costs)

Interrogatories:

Exhibit I-Tab 1.4-Schedule 1.17 OEB

Exhibit I-Tab 1.4-Schedule 4.09 and 4.10 Energy Probe

Exhibit I-Tab 1.4-Schedule 10.10 and 10.11 SEC

Exhibit I-Tab 1.4-Schedule 13.18 AMPCO

2.0 Usage Fees

2.1 Is the methodology used to derive the proposed IESO Usage Fees and the resulting Usage Fees of \$1.227/MWh for domestic customers and \$1.0125/MWh for export customers appropriate?

As part of the Package Settlement, the Parties accept that the methodology used to derive the proposed IESO Usage Fees is appropriate. The methodology is consistent with the approved methodology used to derive IESO Usage Fees in the IESO's 2018 Revenue Requirement Submission (EB-2018-0143).

The Parties have not agreed upon the resulting Usage Fees of \$1.227/MWh for domestic customers and \$1.0125/MWh for export customers. Issue 2.1 is partially an Unsettled Issue.

Evidence:

A-2-2-2019-2021 Business Plan – September 4, 2018

A-2-3-Minister's Letter Approving the IESO's 2019-2021 Business Plan – December 11, 2018

B-1-1-2019 Revenue Requirement and Usage Fee Methodology

Interrogatories:

Exhibit I-Tab 2.1-Schedule 4.11 Energy Probe

2.2 Is the proposed January 1, 2019 effective date for the Usage Fees appropriate?

As part of the Package Settlement, the Parties accept that the IESO's January 1, 2019 effective date is appropriate.

Evidence:

A-2-2-2019-2021 Business Plan – September 4, 2018

A-2-3-Minister's Letter Approving the IESO's 2019-2021 Business Plan – December 11, 2018

B-1-1-2019 Revenue Requirement and Usage Fee Methodology

Interrogatories:

Exhibit I-Tab 2.2-Schedule 6.01 HQEM

3.0 Registration and Application Fees

3.1 Are the Registration Fees of up to \$10,000 per proposal for electricity supply and capacity procurements, including ancillary services, appropriate?

As part of the Package Settlement, the Parties accept that the registration fees of up to \$10,000 per proposal for electricity supply and capacity procurements, including ancillary services is appropriate. The amount for the IESO's registration fee per proposal is unchanged from the approved registration fees in the IESO's 2018 Revenue Requirement Submission (EB-2018-0143).

Evidence:

A-2-2-2019-2021 Business Plan – September 4, 2018

A-2-3-Minister's Letter Approving the IESO's 2019-2021 Business Plan – December 11, 2018

B-1-1-2019 Revenue Requirement and Usage Fee Methodology

B-2-1-2019 Registration and Application Fees, Forecast Variance Deferral Account and Capital Expenses

Interrogatories: NA

3.2 Is the \$1,000 Application Fee for market participation appropriate?

As part of the Package Settlement, the Parties accept that the \$1,000 application fee for market participation is appropriate. The \$1,000 application fee is unchanged from the approved application fees in the IESO's 2018 Revenue Requirement Submission (EB-2018-0143).

Evidence:

A-2-2-2019-2021 Business Plan – September 4, 2018

A-2-3-Minister's Letter Approving the IESO's 2019-2021 Business Plan – December 11, 2018

B-1-1-2019 Revenue Requirement and Usage Fee Methodology

B-2-1-2019 Registration and Application Fees, Forecast Variance Deferral Account and Capital Expenses

Interrogatories: NA

4.0 The Deferral and Variance Account

4.1 Is the IESO's proposal to retain an Operating Reserve of \$10 million in the Forecast Variance Deferral Account appropriate?

The Parties have not agreed upon Issue 4.1. This is an Unsettled Issue.

Evidence:

A-2-2-2019-2021 Business Plan – September 4, 2018

A-2-3-Minister's Letter Approving the IESO's 2019-2021 Business Plan – December 11, 2018

B-1-1-2019 Revenue Requirement and Usage Fee Methodology

B-2-1-2019 Registration and Application Fees, Forecast Variance Deferral Account and Capital Expenses

Interrogatories:

Exhibit I-Tab 4.0-Schedule 3.08 and 3.09 VECC

Exhibit I-Tab 4.1-Schedule 1.18 OEB

Exhibit I-Tab 4.1-Schedule 13.19 AMPCO

4.2 Is the IESO's proposal to clear the 2018 Year-End balance in the Forecast Variance Deferral Account that is in excess of the \$10 million operating reserve appropriate?

The Parties have not agreed upon Issue 4.2. This is an Unsettled Issue.

Evidence:

A-2-2-2019-2021 Business Plan – September 4, 2018

A-2-3-Minister's Letter Approving the IESO's 2019-2021 Business Plan – December 11, 2018

B-1-1-2019 Revenue Requirement and Usage Fee Methodology

B-2-1-2019 Registration and Application Fees, Forecast Variance Deferral Account and Capital Expenses

Interrogatories: NA

5.0 Commitments from Previous OEB Decisions

5.1 Is the IESO's 2019 Regulatory Scorecard appropriate?

As part of the Package Settlement, based on the filed evidence, Parties accept that the targets developed by the IESO for each performance measure included in the 2019 Regulatory Scorecard are appropriate.

Evidence:

A-2-2-2019-2021 Business Plan – September 4, 2018

A-2-3-Minister's Letter Approving the IESO's 2019-2021 Business Plan – December 11, 2018

C-1-1-IESO Regulatory Scorecard

Attachment 1 - IESO's 2019 Regulatory Scorecard

Interrogatories:

Exhibit I-Tab 5.0-Schedule 3.10 and 3.11 VECC

VECC 3.10

Attachment 1 - Updated C-1-1 Attachment 1 - 2019 IESO Regulatory Scorecard

Exhibit I-Tab 5.0-Schedule 4.14 and 4.15 Energy Probe

Exhibit I-Tab 5.1-Schedule 1.19 and 1.20 OEB

Exhibit I-Tab 5.1-Schedule 4.16 and 4.17 Energy Probe

Exhibit I-Tab 5.1-Schedule 5.01 to 5.10 OSEA

OSEA 5.03

Attachment 1 - First Nations Energy Symposium – March 2019

OSEA 5.05

Attachment 1 - Report on Indigenous Conservation Programming – March 2018

Attachment 2 - Ministerial Directive - First Nations Conservation – March 2019

OSEA 5.06

Attachment 1 - Removing Obstacles for Storage Resources in Ontario – December 19, 2018

Exhibit I-Tab 5.1-Schedule 10.13 SEC

5.2 Is the Total Compensation Study for represented and non-represented staff appropriate?

The Parties have not agreed upon Issue 5.2. This is an Unsettled Issue.

Evidence:

C-4-1-Total Compensation Study

Attachment 1 - Non-Executive Total Remuneration Review

Interrogatories:

Exhibit I-Tab 5.2-Schedule 1.21 OEB

Exhibit I-Tab 5.2-Schedule 4.18 Energy Probe

Exhibit I-Tab 5.2-Schedule 9.02 to 9.07 SUP

Exhibit I-Tab 5.2-Schedule 10.14 and 10.15 SEC

5.3 Has the IESO adequately described the division of responsibilities between the IESO and Hydro One Networks Inc. with respect to Transmission Losses?

As part of the Package Settlement, the Parties accept that the IESO has adequately described the division of responsibilities between the IESO and Hydro One Networks Inc. with respect to Transmission Losses.

Evidence:

C-5-1-Transmission Losses

Interrogatories:

Exhibit I-Tab 5.3-Schedule 1.22 OEB

Exhibit I-Tab 5.3-Schedule 9.08 SUP

6.0 Market Renewal Program

6.1 Is the reporting on financial and operational performance of the Market Renewal Program for 2017, 2018, 2019, and proposed future reporting, appropriate?

The Parties have not agreed upon Issue 6.1. This is an Unsettled Issue.

Evidence:

A-2-2-2019-2021 Business Plan – September 4, 2018

A-2-3-Minister's Letter Approving the IESO's 2019-2021 Business Plan – December 11, 2018

A-3-1-2018 Annual Report and Audited Financial Statements

B-2-1-2019 Registration and Application Fees, Forecast Variance Deferral Account and Capital Expenses

B-3-1-2018 Estimated Year-End Financials, Surplus and Staffing

Attachment 1 - Appendix 2-AA (capital projects)

Attachment 2 - Appendix 2-JB (OM&A cost drivers)

Attachment 3 - Appendix 2-JC (OM&A programs)

Attachment 4 - Appendix 2-K (employee costs)

C-1-1-IESO Regulatory Scorecard

Attachment 1 - IESO's 2019 Regulatory Scorecard

C-2-1-Market Renewal Program Cost Report

Attachment 1 - Baseline MRP Schedules and Budget

Interrogatories:

Exhibit I-Tab 6.1-Schedule 1.23 and 1.24 OEB

Exhibit I-Tab 6.1-Schedule 4.19 Energy Probe

Exhibit I-Tab 6.1-Schedule 10.16 to 10.22 SEC

SEC 10.16

Attachment 1 – MRP - BoD Dashboard and MRESC Materials

SEC 10.21

Attachment 1 - A Benefits Case Assessment of the Market Renewal Project, The Brattle Group – April 20, 2017

SEC 10.22

Attachment 1 – MRP - Professional and Consulting Costs

Exhibit I-Tab 6.1-Schedule 11.04 and 11.05 APPrO

Exhibit I-Tab 6.1-Schedule 12.05 EDA

Exhibit I-Tab 6.1-Schedule 13.20 AMPCO

6.2 Are the IESO's forecast 2019 operational costs for the Market Renewal Program appropriate in the context of the scope and timing of the overall project?

The Parties have not agreed upon Issue 6.2. This is an Unsettled Issue.

Evidence:

A-2-2-2019-2021 Business Plan – September 4, 2018

A-2-3-Minister's Letter Approving the IESO's 2019-2021 Business Plan – December 11, 2018

A-3-1-2018 Annual Report and Audited Financial Statements

B-2-1-2019 Registration and Application Fees, Forecast Variance Deferral Account and Capital Expenses

B-3-1-2018 Estimated Year-End Financials, Surplus and Staffing

Attachment 1 - Appendix 2-AA (capital projects)

Attachment 2 - Appendix 2-JB (OM&A cost drivers)

Attachment 3 - Appendix 2-JC (OM&A programs)

Attachment 4 - Appendix 2-K (employee costs)

C-1-1-IESO Regulatory Scorecard

Attachment 1 - IESO's 2019 Regulatory Scorecard

C-2-1-Market Renewal Program Cost Report

Attachment 1 - Baseline MRP Schedules and Budget

Interrogatories:

Exhibit I-Tab 6.2-Schedule 1.25 to 1.27 OEB

Exhibit I-Tab 6.2-Schedule 11.06 to 11.14 APPrO

APPrO 6

Attachment 1 – MRP – Risk Assessment Observations and Recommendations, Audit Committee Meeting of February 26, 2019, KPMH - January 25, 2019

Attachment 2 – MRP – Risk Summary (KPMG Key Risks) – MRESC – April 30, 2019

APPrO 11

Attachment 1 – MRP - Future Market Evolution Request for Proposal - April 18, 2018

Exhibit I-Tab 6.2-Schedule 12.07 EDA

Exhibit I-Tab 6.2-Schedule 13.21 to 13.34 AMPCO

AMPCO 28

Attachment 1 – MDAG Draft Terms of Reference – April 16, 2019

6.3 Are the IESO's forecast 2019 capital costs for the Market Renewal Program appropriate in the context of the scope and timing of the overall project?

The Parties have not agreed upon Issue 6.3. This is an Unsettled Issue.

Evidence:

A-2-2-2019-2021 Business Plan – September 4, 2018

A-2-3-Minister's Letter Approving the IESO's 2019-2021 Business Plan – December 11, 2018

A-3-1-2018 Annual Report and Audited Financial Statements

B-2-1-2019 Registration and Application Fees, Forecast Variance Deferral Account and Capital Expenses

B-3-1-2018 Estimated Year-End Financials, Surplus and Staffing

Attachment 1 - Appendix 2-AA (capital projects)

Attachment 2 - Appendix 2-JB (OM&A cost drivers)

Attachment 3 - Appendix 2-JC (OM&A programs)

Attachment 4 - Appendix 2-K (employee costs)

C-1-1-IESO Regulatory Scorecard

Attachment 1 - IESO's 2019 Regulatory Scorecard

C-2-1-Market Renewal Program Cost Report

Attachment 1 - Baseline MRP Schedules and Budget

Interrogatories:

Exhibit I-Tab 6.3-Schedule 4.20 Energy Probe