

Ontario Energy Board

IN THE MATTER OF subsection 25.(1) of the *Electricity Act*, 1998;

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 2019 and the fees it proposes to charge during the fiscal year 2019.

Interrogatories

Energy Probe Research Foundation

September 11, 2019

EB-2019-0002 IESO 2019 Fees

Updated Evidence Interrogatories to IESO Energy Probe Research Foundation

EP IR #21

Ref.: Exhibit C Tab 2 Schedule 2 Page 3 Tables 1 and 2

Preamble: Operating expenses to support the Capacity work stream were budgeted at \$4.8 million and the current 2019 forecast is in line with budget. The operating expenses incurred to date by the Capacity work stream went into the development of the published ICA HLD, and the associated stakeholder engagement activities. The costs for the remainder of 2019 will include engaging with stakeholders involved in the ICA HLD on which features of the HLD are needed to support addressing resource adequacy needs and broader discussions on competitive procurement mechanisms.

- a) The referenced Tables indicate lower Costs in 2019 related to cancellation of the CWS.
- b) Please delineate in detail these costs, including O&M and Capital.
- c) What are the CWS costs forecast for 2020?

EP IR #22

Ref.: Exhibit C Tab 2 Schedule 2 Page 4

Preamble: Capacity work stream costs for the remainder of 2019 were predominantly budgeted as capital costs for the planned detailed design stage. As a result, the revised approach for the Capacity work stream creates a reduction of \$12 million of capital costs. Revised 2019 capital costs for the MRP are now \$26 million, compared to the original budgeted \$38 million.

- a) Please translate this reduction into
 - i) 2019 Revenue Requirement
 - ii) 2019 Fees
- b) Please discuss the options for the change in the 2019 RR to be rebated to ratepayers including the reserve fund.

EP IR #23

Ref.: Exhibit C Tab 2 Schedule 2 Page 5 and Business Plan

Preamble: MRP Business Case

Given the revised approach to the Capacity work stream, the MRP Business Case will focus exclusively on assessing the net benefits of the new energy market as defined in the Energy HLDs. Analysis of the future benefits of MRP, as well as the total annual and projected MRP budget will be further refined through the MRP Business Case and the IESO's 2020-2022 Business Plan.

- a) Why is IESO deferring providing the documentation of the Changes to the MRP Capacity work stream to the 2020 Business Plan?

- b) Please provide a copy of the revised Business Plan provided to the IESO Board of Directors

EP IR #24

**Ref.: Exhibit I, SEC 21, Attachment 1 Brattle : A Benefit Case Assessment of the Market
Renewal Project –April 2017**

Preamble: The majority of benefits of the MRP are attributable to the Capacity Auction ~\$2,5 Billion,

Given the cancellation of the Capacity Project will IESO prepare a new Benefits Realization Plan for the MRP? Please discuss, including rationale and timing.