

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.

SUPPLEMENTARY INTERROGATORIES

ON BEHALF OF THE

SCHOOL ENERGY COALITION

SEC-23

[C-2-2, p.1] With respect to the decision to cease moving forward with the Incremental Capacity Auction (“ICA”):

- a. On what date was the decision made internally within the IESO to cease moving forward with the ICA?
- b. Was the decision approved by the IESO’s Board of Directors?
- c. On what date did the IESO first become aware of the “limited capacity needs for Ontario in the future”?
- d. The IESO states that one of the reasons for its decision is the lack of stakeholder support of the incremental capacity auction. Please provide details of the lack of support and when that became known to the IESO.

SEC-24

[C-2-2] Please explain why there is no change in the 2019 MRP general work stream costs as a result of the decision to cease moving forward with the ICA.

SEC-25

[C-2-2, A-1-1, p.3] Please explain why with the cessation of the ICA, IESO still believes it requires the ability to retain a \$10M balance in the FDVA, an increase over the existing \$6M approved amount.

SEC-26

[C-2-2, p.1-5] With respect to the ICA stream budget:

- a. With respect to tables 1 and 2, was any contingency built into the budgets/forecasts? If so, please provide a breakdown and include actuals as appropriate.
- b. The Applicant states, “[t]he 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.” Please provide a breakdown of the costs related this work and explain how the amount was forecast.

- c. Please provide the number of forecast FTEs involved in the ICA stream at the time of the filing of the application, the current number of FTEs, and the number expected at year-end.

SEC-27

[C-2-2, p.5] With respect to the MRP energy stream:

- a. [I-6.1-10.21 SEC 21, p.18] Please provide an update on the procurement of the new Dispatch Scheduling and Optimization (DSO) system.
- b. Please confirm that the IESO will not make any legally binding financial commitments for a new DSO system until the approval of the business case by the IESO Board of Directors. If this is not confirmed, please explain why approval of the business case should not be a prerequisite to commitment to making any legal commitments to procuring a DSO system.

SEC-28

[C-2-2, p.5] With respect to the MRP business case, please provide a breakdown of the 2019 energy stream capital and operating budget that is expected to be spent before the approval of the business case by the IESO Board of Directors and the amount that is expected to be spent after.

SEC-29

[<http://www.ieso.ca/-/media/Files/IESO/Document-Library/engage/mrpum/mrpum-20190826-presentation-business-case.pdf?la=en>] With respect to the draft MRP business case dated August 26, 2019, that the IESO has made public:

- a. Please place a copy of the referenced document and any more up to date versions of the draft business case, on the record in this proceeding.
- b. [slide 33] The slide includes a chart showing the level of cost uncertainty at different stages in different phases in the projects timeline. What is the basis of the calculation of the level of uncertainty in each phase?
- c. [slide 49, 50] Please provide a further breakdown of the information contained in slide 49 (capital and OM&A costs for each of 2017 to 2023), into the cost categories provided in slide 50.
- d. [slide 52 and 53] Please provide a significantly more detailed breakdown of the costs contained for IT and professional and consulting costs.
- e. [slide 54] What is the basis for the amount of contingency assigned to each cost category?
- f. What are the expected additional costs to be incurred from 2024 to 2033 (the same period the system benefits are calculated)?
- g. Please explain why there is no calculation of the uncertainty levels for the quantifiable benefits.

Respectfully submitted on behalf of the School Energy Coalition this September 11th, 2019.

Original signed by

Mark Rubenstein
Counsel for the School Energy