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**VIA RESS FILING and EMAIL**

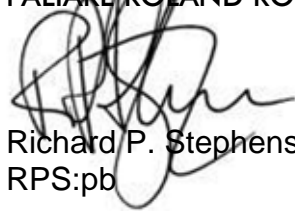
Ms. Christine E. Long  
Registrar  
Ontario Energy Board  
2300 Yonge Street, 27th Floor,  
P.O. Box 2319  
Toronto, ON M4P 1E4

Dear Ms. Long,

**Re: Independent Electricity System Operator – 2020/2021 Revenue  
Requirement, Expenditure & Fees Application (EB-2020-0230)**

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.

Yours very truly,  
**PALIARE ROLAND ROSENBERG ROTHSTEIN LLP**



Richard P. Stephenson  
RPS:pb

Attach.

Doc 3907721 v1

**Independent Electricity System Operator  
2020-21 Expenditure and Revenue Requirement  
Power Workers' Union Interrogatories**

**1-PWU-1**

**Issue 1.1: Is the IESO's Fiscal Year 2020 revenue requirement of \$188.6 million appropriate?**

**Issue 1.2: Is the IESO's Fiscal Year 2021 revenue requirement of \$191.8 million appropriate?**

**Ref:** Exhibit A, Tab 1, Schedule 4, Page 3 of 6, lines 1-10

The IESO has historically been able to maintain its expenses within inflation rates despite staffing cost pressures from collective agreements and higher pension liabilities. In 2020, the IESO managed to reduce spending by \$5.9 million compared to 2019 while continuing to deliver on important system enhancements within the core operational project portfolio and Market Renewal Program (MRP).

a) Please provide a breakdown of the \$5.9 million spending reduction by drivers

**Ref:** Exhibit A, Tab 1, Schedule 4, Page 3 of 6, lines 10-12

To offset the savings, there was incremental spending related to the collective agreements, revisions to actuarial pension liability assumptions and additional spending to ensure the safety of staff working on site.

b) Please list and describe the additional spending on safety of staff working on site in the reference

**Ref:** Exhibit A, Tab 1, Schedule 4, Page 3 of 6, lines 10-12

In addition, management will be limiting other operating cost impacts by shifting more work in-house, absorbing incremental work with existing staff, and reprioritizing and adjusting the timelines of discretionary projects that can be deferred with minimal risk.

- c) Please list and describe works the IESO currently outsources but plans to shift in-house in the future

Ref: Exhibit A, Tab 2, Schedule 1, Page 6 of 8, lines 11-12 (IESO STAKEHOLDER ENGAGEMENT)

The ICA work stream was cancelled in 2019 and engagement transitioned to the Resource Adequacy (RA) engagement.

- d) Please provide a table showing the historical and projected spending on IESO Stakeholder Engagement related to the MRP since the launch of the program.
- e) What is the total spending on the ICA stream of the MRP that had been incurred before it was cancelled?

## 1-PWU-2

**Issue 1.3: Are the IESO's 2020 staffing levels and compensation (including salaries, benefits, pensions and other post-employment benefits) appropriate?**

**Issue 1.4: Are the IESO's 2021 projected staffing levels and compensation (including salaries, benefits, pensions and other post-employment benefits) appropriate?**

Ref: Exhibit D, Tab 1, Schedule 1, Plus Attachment(s), PP: 2-4, compiled from Tables 2,3,4

	2019 Actual	2020 Actual	2021 Budget
Increased costs of employee benefits	\$3.6M	\$3.0M	\$0.6M

- a) Please explain how the steady decrease in increased costs of employee benefits achieved

Ref: Exhibit D, Tab 1, Schedule 3, Plus Attachment(s), Page 1 of 6

An additional 22 FTEs on average are required in 2021, mainly to support market rule amendments and documentation work support (19 FTEs on average) and to support work related to enabling resources (3 FTEs on average).

- b) How many of those 22 additional FTEs have been filled so far?

Ref: Exhibit D-1-3, Attachment 1, page 1 of 1, Appendix 2-K (Employee costs)

- c) Please recast the FTE and compensation numbers by representation - Management, PWU, Society, etc.

Ref: EB-2020-0230, Exhibit B-1-2, Page 9 of 19 (Business Plan)

### Staffing

In 2020, 709 full time positions support the IESO's core initiatives. Staffing levels in 2021 and 2022 (713 and 716 employees respectively) are required to support new initiatives to enable resources, and the reallocation of previously externally funded staff back to core operations. In 2020, 70 employees will be required to enable Market Renewal – Energy market design and implementation; this number will increase slightly in 2021 and 2022 to support market rule amendments and documentation work.

The 2019 decision to cease the incremental capacity auction (ICA) work under the Market Renewal Program resulted in no further related hires, with existing staff being redeployed to capacity market design, the MRP energy work stream and the IESO's core operations.

### Average FTEs

Full Time Equivalents (FTEs)	2019 Actual	2020 Budget	2021 Budget	2022 Budget
Core Operations	689	709	713	716
Market Renewal – Energy	49	70	81	81
Market Renewal – Capacity (ICA)	31	-	-	-
<b>Total FTEs</b>	<b>769</b>	<b>779</b>	<b>794</b>	<b>797</b>

- d) Please recast the average FTEs in the chart by representation-Management, PWU, Society, etc.

### 3-PWU-3

**Issue 3.1: Is the fee of up to \$50,000 per submission for electricity supply and capacity procurements, including ancillary services, appropriate?**

Ref: Exhibit C, Tab 3, Schedule 1, Plus Attachment(s), Page 1 of 2

2    **Registration Fee**

3    In addition to the IESO's 2021 usage fees, the IESO requests approval for the following fee:

- 4        • A fee of up to \$50,000 per proposal for electricity supply and capacity procurements,  
5        including ancillary services

6    The IESO requests approval of an increase to the \$10,000 registration fee approved in the  
7    IESO's 2019 Revenue Requirement Submission (EB-2019-0002). The IESO has identified that  
8    the current registration fee will be inadequate to recover costs for IESO work entailed for future  
9    procurements.

- a) Please describe in detail how future procurements will be different from the past to justify the increase in registration fee from \$10,000 to up to \$50,000
- b) The proposed registration fee is "up to \$50,000." Is the registration fee a flat charge regardless of the type of procurement? If not, what are the determinants of the charge?