



BY EMAIL and RESS

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Ontario Energy Board
2300 Yonge Street
27th Floor
Toronto, Ontario
M4P 1E4

August 19, 2021
Our File: EB20200230

Attn: Christine Long, Registrar

Dear Ms. Long:

Re: EB-2020-0230 – IESO 2020/2021 Revenue Requirement and Fees – SEC Interrogatories

We are counsel to the School Energy Coalition ("SEC"). Attached, please find a copy of SEC's interrogatories in the above-captioned matter.

Yours very truly,
Shepherd Rubenstein P.C.

Mark Rubenstein

cc: Ted Doherty, SEC (by email)
Applicant and intervenors (by email)

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 2020 and the fees it proposes to change during the fiscal year 2020;

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 2021 and the fees it proposes to change during the fiscal year 2021.

**INTERROGATORIES ON BEHALF
OF THE
SCHOOL ENERGY COALITION**

1.1-SEC-1

[C-1-1, p.1] Please provide a copy of all budget guidance documents that were issued regarding the budgets that underlie this application.

1.1-SEC-2

Please provide a copy of all documents that were provided to the Board of Directors in approving the underlying budgets contained in the Business Plan and this Application.

1.1-SEC-3

Please provide details of all productivity and efficiency measures the IESO undertook in 2019 and 2020 and plans to undertake in 2021. Please quantify the savings.

1.1-SEC-4

Please provide a summary of all internal audit reports issued since 2019, their recommendations, and the status of the implementation of those recommendations.

1.1-SEC-5

[A-2-1] With respect to stakeholder engagement:

- a. For each of its current stakeholder engagement initiatives, please provide a list of entities who represent non-large volume customers (i.e. non-Class A eligible consumers).
- b. Please explain how the IESO ensures that it receives the views of non-large volume customers (i.e. non-Class A eligible consumers), within its customer engagement activities.

1.1-SEC-6

[EB-2019-0002, Exhibit I, Tab 1.1, Schedule 10.07 SEC 7b, Attachment 1] Please provide a list of each of the recommendations contained in the IESO Report on Governance and Decision Making and the status on their implementation.

1.1-SEC-7

The IESO has undertaken a new stakeholder engagement initiative regarding recovering certain costs associated with connecting a new facility, or modifying an existing facility, to the proponent seeking the change from the individual facility owner and not through the usage fee:

- a. What is the timeline for the implementation of these new charges?
- b. Does the IESO expect that this will result in a new or modified registration fee?
- c. If this change had been in place in 2021, what would be the reduction in the total costs recovered by all load customers through the usage fee?

1.1-SEC-8

[A-2-2, Attach 1, p.4] Please explain what forecast cost is being used for the purposes of the Cost Effectiveness – Forecast Accuracy measure and how it was determined.

1.1-SEC-9

[D-1-1-] Please revise Appendix 2-AA, 2-JC, and 2-K by adding a column showing the 2020 budgeted amounts consistent with what is included in the 2020-2022 Business Plan.

1.3-SEC-10

[A-2-2, Attach] Are the IESO Five Year Performance Measures & Targets used in the context of any management incentive pay? If so, please explain how. If not, please explain why not.

1.3-SEC-11

[D-1-2, p.5] Please provide the total costs and total number of FTEs for the Market Assessment and Compliance Division each year between 2018 and 2021, regardless of their source of funding.

1.3-SEC-12

[Exhibit D-1-2, Attachment 1] On August 19, 2021, the IESO announced new executive leadership appointments to be made effective August 30, 2021. Please explain how these new appointments change the organizational structure from that set out in the evidence. If it has been changed, please provide a revised the organizational chart.

1.1-SEC-13

With respect to the IESO's [Innovation and Sector Evolution White Paper Series](#):

- a. Please provide the 2020 and 2021 budget for this initiative.
- b. Please provide a status update on the reports initiated scheduled to be initiated in 2020 and 2021.

1.5-SEC-14

[E-2-1; E-3-1] For each capital project, the IESO has provided a breakdown of costs into capital and OM&A. How does the IESO determine for each *capital* project, which costs are capitalized and which are OM&A? Please provide a copy of the IESO's capitalization policy.

1.5-SEC-15

[E-2-1, Attach 1] With respect to the Replacement of Settlement System Capital Project:

- a. Please provide a copy of the internal business case for the project. Please explain any variances between the costs/schedule included in the internal business case and that presented in the evidence.
- b. [p.2] Please provide a breakdown of the capital expenditures.
- c. Does IESO measure progress on the project by way of SPI/CPI measures? If so, please provide the most recent measures.
- d. [p.6] Please explain the procurement and contracting method for the project.
- e. [p.7] Please provide a copy of the most recent “monthly progress reporting” and any “exception reporting for material deviation in costs, schedule and objectives”.

1.5-SEC-16

[E-2-1, Attach 2] With respect to the Supervisory Control and Data Acquisition/Energy Management System Upgrade Capital Project:

- a. Please provide a copy of the internal business case for the project. Please explain any variances between the costs/schedule included in the internal business case and that presented in the evidence.
- b. [p.2] Please provide a breakdown of the capital expenditures.
- c. Does IESO measure progress on the project by way of SPI/CPI measures? If so, please provide the most recent measures.
- d. [p.4] Please explain the contracting method for the project.
- e. [p.4] Since the IESO undertook the project by way of sole source procurement, please explain how it ensured that the price from the vendor was fair.
- f. [p.6] Unlike the Replacement of Settlement System Capital Project, the evidence does not indicate that there are “monthly progress reporting” or “exception reporting for material deviation in costs, schedule and objectives”. Please explain why not and if there is such reporting, please provide a copy of the most recent monthly progress reporting, and any exception reporting.

1.5-SEC-17

[E-2-1, Attach 3] With respect to the Centralized Alarm Management System Replacement Project:

- a. Please provide a copy of the internal business case for the project. Please explain any variances between the costs/schedule include in the internal business case and that presented in the evidence.
- b. [p.2] Please provide a breakdown of the capital expenditures.
- c. Does IESO measure progress on the project by way of an SPI/CPI measures? If so, please provide the most recent measures.
- d. Please explain the contracting method for the project.
- e. [p.5] Unlike the Replacement of Settlement System Capital Project, the evidence does not indicate that there are “monthly progress reporting” or “exception reporting for material deviation in costs, schedule and objectives”. Please explain why not and if there is such reporting, please provide a copy of the most recent monthly progress reporting, and any exception reporting.

1.5-SEC-18

[E-2-1, Attach 4] With respect to the Capacity Auction Capital project:

- a. Please provide a copy of the internal business case for the project. Please explain any variances between the costs/schedule included in the internal business case and that presented in the evidence.
- b. [p.5] Please provide a breakdown of the capital expenditures.

- c. Does IESO measure progress on the project by way of SPI/CPI measures? If so, please provide the most recent measures.
- d. Please explain the contracting method for the project.
- e. [p.8] Unlike the Replacement of Settlement System Capital Project, the evidence does not indicate that there are “monthly progress reporting” or “exception reporting for material deviation in costs, schedule and objectives”. Please explain why not and if there is such reporting, please provide a copy of the most recent monthly progress reporting, and any exception reporting.

3.1-SEC-19

[A-1-3, p.2; C-3-1, p.1] The IESO is requesting approval for a “[a] fee of up to \$50,000 per proposal for electricity supply and capacity procurement, including ancillary services.”[emphasis added]. Please explain how the IESO will determine the specific fee charged to review each proposal.

4.2-SEC-20

[EB-2019-0002, Exhibit I, Tab 6.1, Schedule 10.22 SEC 22, Attachment 1] With respect to the Market Renewal Program, in the same format as provided in EB-2019-0002, please provide a similar table showing a breakdown of all MRP related Professional & Consulting Costs for each of 2020 and 2021, describing the: a) the name of the professional/consultant, b) cost of services, c) description of specific service provided, and d) method of procurement.

4.4-SEC-21

[G-2-1] With respect to MRP:

- a. [p.3] Please explain the difference between the original and revised budget and schedule.
- b. [p.4] Please explain why the IESO believes that the extension in the go-live will have no effect on the estimated system benefits.
- c. Please provide the most recent SPI and CPI measures.

4.4-SEC-22

[G-2-1] With respect to MRP Reporting:

- a. [p.5] Please provide the most recent reporting of MRP that is made to the IESO: a) executive leadership, b) Board of Directors.
- b. Please provide a copy of the most recent: a) Monthly Cost Report, b) Monthly Schedule Report, and c) Monthly Risk Report.
- c. For any change described in part (b), please provide their impact on the cost and/or benefit as set out in the business case. If the IESO is unable to quantify the impact, please provide the directional impact.

4.4-SEC-23

[A-2-2, Attach 1, p.2] Please provide a copy of the IESO Integrated Project Plan and Project Charter for the MRP.

4.5-SEC-24

[G-2-1, Attachment 1] With respect to the Market Renewal Program Business Case:

- a. Please detail all material changes to the design/scope of the Market Renewal Program since the release of the business case on October 22, 2019.

- b. [p.73-74] Section 7.1 provides the IESO's MRP risk mitigation plans at the end of Q3, 2019. Please provide an update on the risks and mitigation plans. Please also provide information on any subsequent identified risks.

Respectfully submitted on behalf of the School Energy Coalition this August 19, 2021.

Mark Rubenstein
Counsel for the School Energy
Coalition