

SCOTT POLLOCK  
T 613.787.3541  
spollock@blg.com

Borden Ladner Gervais LLP  
World Exchange Plaza  
100 Queen St, Suite 1300  
Ottawa, ON, Canada K1P 1J9  
T 613.237.5160  
F 613.230.8842  
blg.com



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May 13, 2022

Nancy Marconi  
Acting Registrar  
Ontario Energy Board  
2300 Yonge Street, 27<sup>th</sup> floor  
Toronto, ON M4P 1E4

Dear Ms. Marconi

**Re: Independent System Electricity Operator (“Hydro One”)  
2022 Expenditure and Revenue Requirement Submission  
Board File #: EB-2022-0002**

Please find attached Canadian Manufacturers and Exporter’s interrogatories in the above-noted proceeding. Pursuant to Procedural Order #1 dated April 22, 2022, CME has worked with the Coalition of Concerned Manufacturers and Businesses of Canada (“CCMBC”) to ensure no duplication of interrogatories.

Despite representing manufacturers in Ontario, CME and CCMBC sometimes hold different views regarding the issues facing their constituents. Accordingly, CME and CCMBC may not always be able to align their participation in proceedings where they are both intervenors.

Yours very truly

A handwritten signature in blue ink, appearing to read 'Scott Pollock', is written over a light blue horizontal line.

Scott Pollock  
SP/tb

c. Mathew Wilson & Allison Bernholtz (CME)  
IESO and Intervenors EB-2022-0002129297865:v1

**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 2022 and the fees it proposes to charge during the fiscal year 2022.

**INTERROGATORIES OF  
CANADIAN MANUFACTURERS & EXPORTERS (“CME”)  
TO THE INDEPENDENT ELECTRICITY SYSTEM OPERATOR (“IESO”)**

**Interrogatory CME-1**

**Ref: Exhibit A, Tab 2, Schedule 1, pp. 1-2 of 8; Exhibit A, Tab 2, Schedule 2, Attachment 1, p. 3 of 6.**

At pp. 1-2, The IESO stated that it had introduced an IESO stakeholder engagement process that was enhanced in the fall of 2021. However, the IESO’s internal measures show a static goal of 80% stakeholder satisfaction from 2021 to 2022.

- (a) Does the IESO expect to gain any incremental stakeholder satisfaction from the enhancements implemented in the fall of 2021?
- (b) If the answer to (a) is yes, why is this not reflected in the IESO’s 2022 target?
- (c) If the answer to (a) is no, why implement the changes if it would not increase stakeholder satisfaction with the engagement process?

**Interrogatory CME-2**

**Ref: Exhibit A, Tab 2, Schedule 2, Attachment 1, p. 2 of 6**

At p. 2, the IESO states that its achieved 50% Strategic Initiatives are completed on time, when it has a 2021 target of 80% and a 5-year target of 90%.

- (a) To the extent that it is not already part of the evidence, please explain why the IESO’s achieve in this regard was significantly below its 2021 target for all of its Strategic Initiatives.
- (b) In order to achieve the IESO’s 5-year strategic target, significantly more Strategic Initiatives will have to be completed on time. What steps, if any, is the IESO proposing for this application period in order to ensure more initiatives are completed on time? Please describe fully.

### Interrogatory CME-3

**Ref: Exhibit D, Tab 1, Schedule 3, pp. 1 of 7**

At p. 2, Table 1, the IESO indicates that it had 20 fewer FTEs than budget, but a total compensation of \$1.6 million higher than budget. The IESO explains that the variance is due to severance, benefits and ongoing COVID-19 pandemic impacts.

- (a) Please quantify the total impact of each of severance, benefits and ongoing COVID-19 impacts (as CME understands it, the \$1.6 million is the difference between the actual and the budget, whereas with 20 fewer FTEs would have made the baseline actual for 2021 lower than the budget, prior to the impact of the listed factors.)
- (b) Define what the IESO's definition of "absenteeism" is.
- (c) Does the IESO anticipate that impacts such as "absenteeism" will persist into 2022?
- (d) If the answer to (c) above is yes, does its 2022 budget reflect both the hiring of approximately 50 additional employees (as compared to 2021 actual) and the impact of absenteeism?

### Interrogatory CME-4

**Ref: Exhibit E, Tab 1, Schedule 2, pp. 3 and 4 of 4**

At p. 2, Table 1, the IESO states that it scores, ranks and prioritizes the projects according to a number of criteria, including mitigation of risk and business value. The IESO explains that it "scores ranks and prioritizes" the projects accordingly. CME would like to better understand the scoring of these projects.

- (a) Are all criteria scored in the same fashion (for example, each one is a score out of 100?);
- (b) Are all of the criteria equally weighted? If not, please provide the relative weighting of each criteria;
- (c) Are ranks and prioritization of projects determined simply as the result of the highest scoring projects, or are there additional considerations that go into ranking at this stage (CME understands from the IESO's evidence that resource capacity and resource needs are established after the ranking and prioritization portion).
- (d) With respect to measurement of actual cost and schedule, are they measured against the original approved project values, or against whatever superseding values that may be approved during the course of the project?
- (e) What impact does the deferral of significant capital spending, such as the \$18.3 million underspend in 2021 due to, *inter alia*, delays in larger projects, have on the project prioritization process going forward?

**Interrogatory CME-5**

**Ref: Exhibit D, Tab 1, Schedule 3, p. 3 of 7**

At p. 3, the IESO provides a table showing the ongoing and planned efforts to make progress towards the 50<sup>th</sup> percentile for total remuneration.

- (a) Please provide the IESO's view of whether or not rapid inflation in Ontario will make the IESO's work to progress towards the 50<sup>th</sup> percentile for remuneration easier or more difficult. Please explain fully.