

BY EMAIL

June 10, 2022

Nancy Marconi Registrar Ontario Energy Board 2300 Yonge Street, 27th Floor Toronto, ON M4P 1E4 Registrar@oeb.ca

Dear Ms. Marconi:

Re: Independent Electricity System Operator / Smart Metering Entity

2023 to 2027 Smart Metering Charge Application Ontario Energy Board File Number: EB-2022-0137

In accordance with Procedural Order #1, please find attached the Ontario Energy Board (OEB) staff interrogatories in the above proceeding. The applicant and intervenors have been copied on this filing.

The Smart Metering Entity's responses to interrogatories are due by June 30, 2022. Any questions relating to this letter should be directed to Michael Bell at michael.bell@oeb.ca. The OEB's toll-free number is 1-888-632-6273.

Yours truly,

Michael Bell Senior Advisor, Policy & Conservation

Encl.

cc: All parties in EB-2022-0137

Independent Electricity System Operator, in its capacity as the Smart Metering Entity

Application for Approval of a Smart Metering Charge for the Years 2023 to 2027 and related matters

EB-2022-0137

OEB STAFF INTERROGATORIES

June 10, 2022

Please note, the Smart Metering Entity is responsible for ensuring that all documents that it files with the OEB, including responses to OEB staff interrogatories and any other supporting documentation, do not include personal information (as that phrase is defined in the *Freedom of Information and Protection of Privacy Act*), unless filed in accordance with rule 9A of the OEB's *Rules of Practice and Procedure*.

Issue 6: Are the forecast staffing levels appropriate and reasonable?

6-Staff-1

Exhibit B / Tab 1 / Schedule 1 / p. 3

Preamble:

The application states, "[T]he SME currently has 20 full time equivalents ("FTEs") and is proposing to add up to 3 FTEs during the 2023 to 2027 period. The incremental FTEs will help support ongoing core operations which are currently understaffed as the SME has been reducing its reliance on certain work historically performed by consultants and external vendors, as well as expected additional Third Party Access ("TPA") activities, and other change initiatives as later described. By moving more responsibilities inhouse the SME will reduce expenses for outsourced work and build its in-house knowledge and expertise."

Questions:

- a) Please briefly explain the ongoing core operations that are understaffed.
- b) Please briefly explain the roles and responsibilities of the three proposed FTEs.
- c) Please estimate the reduction in net costs the SME will realize from reducing its reliance on consultants and external vendors and hiring internal staff.

<u>Issue 7: Is the proposal to establish the Operating Reserve Balancing Account appropriate?</u>

7-Staff-2

Exhibit B / Tab 3 / Schedule 1 / pp. 1-5

Preamble:

Currently, the SME is using the Balancing Variance Account (BVA) and corresponding sub-accounts which includes the Third-Party Access Variance Account (TPAVA). The SME proposes to move from tracking in and reporting on the BVA and its associated sub-accounts to reporting through the proposed Operating Reserve Balance Account (ORBA).

The SME proposes to continue the Third-Party Access Variance Account (TPAVA) as part of the ORBA.

Question:

a) Please confirm that reporting on the ORBA will break down the associated sub-accounts, including the TPAVA (i.e., the SME is not proposing to eliminate the sub-accounts and create a catch-all variance account through the ORBA).

<u>Issue 8: Is the proposal to retain \$2.5 million in the Operating Reserve Balancing Account as an operating reserve for the SME appropriate?</u>

8-Staff-3

Exhibit B / Tab 3 / Schedule 1 / pp. 1-5

Question:

a) Please confirm that if the SME intended on increasing the proposed \$2.5 million operating reserve during the 2023-2027 period, the SME would seek approval of the OEB.