

**EB-2022-0318**  
**IESO 2023-2025 Fees**

**Interrogatories of Environmental Defence**

The following questions relate to issues 1.1 to 1.6 and so have numbers as being under the umbrella issue 1.0.

**Interrogatory # 1.0-ED-1**

Reference: Exhibit B-1-3, Minister's Letter Approving the IESO's 2023-2025 Business Plan, Page 2

Preamble:

In addition to these government-wide priorities, I expect the IESO to continue to advance the below priorities throughout the 3-year business planning period:

1. Progress with market renewal, enabling resources, electricity planning, the development of competitive procurements for electricity resources (i.e., meeting resource adequacy), and the development of a competitive transmission procurement process.
2. Progress on ensuring that electricity sector planning, procurement, and grid operations are ready for electrification and the energy transition and informed by leading approaches in other jurisdictions.

Question(s):

- (a) Please provide a table showing the FTEs assigned to procurements from 2020 (historical actual) to 2030 (forecast) – or up to 2025 if figures beyond that date cannot be provided. Please also include a row showing the total salaries and a row expressing those salaries as a percent of the total annual electricity commodity costs (current or forecast).
- (b) Please comment on the adequacy of those staffing numbers in light of the procurements that will be required between 2023 to 2030 in light of electrification.

**Interrogatory # 1.0-ED-2**

Reference: Exhibit B-1-3, Minister's Letter Approving the IESO's 2023-2025 Business Plan, Page 2

Preamble:

In addition to these government-wide priorities, I expect the IESO to continue to advance the below priorities throughout the 3-year business planning period:

1. Progress with market renewal, enabling resources, electricity planning, the development of competitive procurements for electricity resources (i.e., meeting resource adequacy), and the development of a competitive transmission procurement process.

2. Progress on ensuring that electricity sector planning, procurement, and grid operations are ready for electrification and the energy transition and informed by leading approaches in other jurisdictions.

Question(s):

- (a) Please provide a table showing the FTEs assigned to electricity planning from 2020 (historical actual) to 2030 (forecast) – or up to 2025 if figures beyond that date cannot be provided. Please also include a row showing the total salaries and a row expressing those salaries as a percent of the total annual electricity commodity costs (current or forecast).
- (b) Please comment on the adequacy of those staffing numbers in light of the planning that will be required between 2023 to 2030 in light of electrification.
- (c) What is the approximate annual value of the costs that the IESO oversees, such as the total value of transactions in IESO-administered markets and the capital projects driven by IESO planning processes, including a breakdown of the various elements? A value for a sample year or an average is sufficient. We are seeking the information to get a picture of importance of the IESO's work as it relates to overall electricity costs borne by customers.

### **Interrogatory # 1.0-ED-3**

Reference: Exhibit B-1-3, Minister's Letter Approving the IESO's 2023-2025 Business Plan, Page 2

Preamble:

Questions:

- (a) How many FTEs are assigned to CDM programs?
- (b) If the IESO were directed by the Ontario Government to assume the design and administration of all gas and electric energy efficiency programming starting in 2025: (i) how much advance notice would be required to allow for the necessary ramping up of FTEs and (ii) would it require new fees approval from the OEB?

### **Interrogatory # 1.0-ED-4**

Reference: Exhibit B-2-1 2022 Annual Report and Audited Financial Statements, Page 6

Questions:

- (a) Please provide the latest available figures showing the TRC ratio achieved in the IESO's CDM programs.

### **Interrogatory # 1.0-ED-5**

Reference: Exhibit B-2-1 2022 Annual Report and Audited Financial Statements, Page 9

Preamble:

In response to Ontario's emerging electricity system needs, the IESO initiated a Long-Term Request for Proposals process to secure 4,000 MW to meet mid-decade needs. Approximately 2,500 MW of this supply is anticipated to comprise energy storage to provide flexibility to the power system, including other non-emitting forms of supply such as biofuels to help meet peak demands, as well as up to 1,500 MW of natural gas capacity in service between 2025 and 2027 to ensure reliability and affordability.

Questions:

- (a) Please provide a list of the outcomes of these procurements thus far.
- (b) What is the IESO's contingency plan in the event that it is unable to procure sufficient MWs of gas generation or it signs contracts but facilities are ultimately not built (e.g. due to municipal opposition or lack of approval from a federal environmental assessment)? If this occurs, will the IESO require additional budget for procurement activities?

### **Interrogatory # 1.0-ED-6**

Reference: Exhibit D, Tab 1, Schedule 1, Plus Attachment(s), Page 7

Preamble:

The budget for 2023-2025 includes resources for additional staff, legal and technical consultants, as well as for undertaking the design and execution of procurement mechanisms.

Questions:

- (a) What year is the IESO likely to undertake an energy procurement?
- (b) Would the budget proposed in this proceeding provide sufficient resources to undertake an energy procurement?
- (c) Please provide a table showing the percentage of hours that gas generation was (or is forecast to be) contributing to Ontario's energy supply (i.e. the hours in which gas was on the margin) from 2010 (actual historic) to 2030 (forecast).
- (d) Please provide a table from 2020 to 2030 with the IESO's forecast of the percent of gas fired generation that is likely to be subject to carbon pricing. Please state underlying assumptions.

### **Interrogatory # 1.0-ED-7**

Reference: Exhibit D, Tab 1, Schedule 1, Plus Attachment(s), Page 7

Preamble:

The Enabling Resources program is an integrated set of projects to enable more resources to provide electricity system services within the current market architecture. This work will establish market participation models for hybrids, storage and Distributed Energy Resources to meet future reliability needs and enable strong competition in Resource Adequacy procurements.

Questions:

- (a) Please provide a table with columns listing: (i) the name of each project in the enabling resources program, (ii) a description, (iii) the expected completion date, and (iv) the additional cost that would be required above the budgeted amounts to accelerate the completion date by at least 6 months.

#### **Interrogatory # 1.0-ED-8**

Reference: Exhibit D, Tab 1, Schedule 3,

Questions:

- (a) Please comment on whether IESO salaries are higher or lower than private sector salaries for staff with equivalent skills and qualifications. Please provide a differentiated answer on the assumption that the answer is different for different fields within the IESO.
- (b) Does the IESO find that exceptional staff sometimes leave the IESO for higher wages in the private sector?
- (c) Would increased salaries assist the IESO in hiring and retaining exceptional staff?

#### **Interrogatory # 5.1-ED-9**

Reference: Exhibit G, Tab 1, Schedule 1

Questions:

- (a) Please provide an update on the IESO's transmission losses consultation and an expected completion date.
- (b) Please provide the latest draft of the IESO's transmission losses guideline document.
- (c) Please provide a table with rows showing (i) the historical and forecast transmission losses from 2015 to 2025, (ii) losses as a percent of total demand, (iii) losses as a percent of peak system demand, (iv) the value of the losses based on the full average wholesale price of electricity (HOEP & GA), and (v) the value based on the IESO's latest draft of its transmission losses guideline document.
- (d) Please provide a table showing, from 2015 to 2025, (a) the losses at the peak (MWh and % of load), and (b) the HOEP on those hours.