



Ontario | Commission  
Energy | de l'énergie  
Board | de l'Ontario

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# DECISION AND ORDER

## EB-2024-0313

### INDEPENDENT ELECTRICITY SYSTEM OPERATOR

#### 2025 Usage Fees

**BEFORE: Pankaj Sardana**  
Presiding Commissioner

**Lynne Anderson**  
Chief Commissioner

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**December 5, 2024**

# 1 OVERVIEW AND PROCESS

The Independent Electricity System Operator (IESO) filed a letter with the Ontario Energy Board (OEB) on October 15, 2024 in respect of its 2025 usage fees. The OEB previously issued two related decisions on the IESO's 2025 usage fees.

In August 2023, the IESO received approval for its 2023, 2024 and 2025 expenditures, revenue requirements and usage fees (the 2023 Decision).<sup>1</sup> On January 12, 2024, the IESO filed an application with the OEB requesting to change the approved 2024 and 2025 usage fees due to unforeseen additional work in support of the Ministry of Energy's Powering Ontario's Growth: Ontario's Plan for a Clean Energy Future plan (the 2024 Proceeding).<sup>2</sup> In a Decision and Order issued on August 1, 2024, among other things, the OEB approved the IESO's proposed change to its 2025 usage fees on an interim basis pending the filing of additional information by the IESO.

In a letter filed with the OEB on October 15, 2024, the IESO advised that it would not seek further OEB approval related to its 2025 usage fees, and it would revert back to the 2025 usage fees previously approved by the OEB in the 2023 Decision (\$1.4492/MWh for domestic customers and \$1.4398/MWh for export customers) as of January 1, 2025. The IESO asked for "confirmation that no further Board approval is required at this time" to implement its proposal.

On October 24, 2024, the OEB issued a letter to all parties in the 2024 Proceeding, saying that "As the 2025 fees approved in EB-2022-0318 were revised by order of the OEB in the EB-2024-0004 proceeding, and that second order remains in effect, a further order would be required to implement the approach proposed in the IESO's letter for usage fees starting January 1, 2025." The letter also provided an opportunity for intervenors to file comments with respect to the IESO's proposed approach by November 7, 2024 and for the IESO to respond to any intervenor comments by November 14, 2024. No intervenor comments were received.

The OEB accepts the IESO's proposal to charge the 2025 usage fees that were previously agreed to in the Settlement Proposal approved by the OEB in the 2023 Decision.

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<sup>1</sup> EB-2022-0318, Decision and Order, August 29, 2023

<sup>2</sup> EB-2024-0004, The IESO's application for 2024 and 2025 Incremental Revenue Requirement, Expenditures, and Usage Fees

## 2 DECISION

In its October 15, 2024 letter, the IESO stated that it will not seek further OEB approval for its 2025 usage fees and will instead charge the 2025 usage fees previously approved by the OEB in the 2023 Decision (\$1.4492/MWh for domestic customers and \$1.4398/MWh for export customers) as of January 1, 2025. Instead, it will seek approval to recover any budget deficits in a future revenue requirement application to the OEB associated with its 2026-2028 Business Plan.

Given that there were no objections, the OEB accepts the IESO's proposal to charge the 2025 usage fees that were previously agreed to in the Settlement Proposal approved by the OEB in the 2023 Decision. For greater certainty, the filing of additional information by the IESO in support of the incremental 2025 revenue requirement, as described in the Decision and Order in the 2024 Proceeding,<sup>3</sup> is no longer required. All other terms of the Settlement Proposal remain in effect.

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<sup>3</sup> EB-2024-0004, Decision and Order, pages 18-19

### **3 ORDER**

#### **THE ONTARIO ENERGY BOARD ORDERS THAT:**

1. The IESO's proposed usage fees for 2025 of \$1.4492/MWh for domestic customers including embedded generation and \$1.4398/MWh for export customers are approved on a final basis, effective January 1, 2025.

**DATED** at Toronto December 5, 2024

**ONTARIO ENERGY BOARD**

Nancy Marconi  
Registrar