



VIA RESS AND COURIER

November 28, 2008

Ms. Kirsten Walli  
Board Secretary  
P.O. Box 2319  
Ontario Energy Board  
2300 Yonge Street, 27th Floor  
Toronto, Ontario M4P 1E4

Dear Ms. Walli:

Re: Request for Intervenor Status and Cost Award Eligibility;  
Submission of AMPCO Comments on Draft Issues List  
Independent Electricity System Operator Fiscal 2009 Fees Submission for Review,  
Board File No. EB-2008-0340

I am writing pursuant to the Board's Notice of Application and Hearing dated November 19, 2008 for the above proceeding, to respectfully request that the Board grant AMPCO intervenor status in this application. I am also requesting that the Board confirm AMPCO's eligibility for an award of costs in this matter.

AMPCO is a not-for-profit consumer interest advocacy organization. AMPCO's members represent a cross-section of Ontario's major industries: forestry, chemical, mining and minerals, steel, petroleum products, cement, automotive and manufacturing and business consumers in general. AMPCO members are major investors, major employers and a major part of communities in which we operate, across Ontario.

AMPCO, and its member companies, are well known to the Board. AMPCO participates in many proceedings, working groups, consultations and initiatives of the Ontario Energy Board (OEB). AMPCO works as far as possible with other industry and consumer interest organizations, both outside and within OEB proceedings. Specifically, AMPCO has represented the interests of consumers in electricity distribution rate cases and OPG payment amount increases as well as OEB policy initiatives such as the review of distribution rate design, the development of 2<sup>nd</sup> generation and 3<sup>rd</sup> generation incentive regulation, service quality regulation and transmission connection cost responsibility. AMPCO has also intervened in previous IESO rate applications.

AMPCO is interested in issues related to the price, adequacy, reliability and quality of electricity service. We also are interested in the costs and operational effectiveness of the IESO in relation to how it fulfills its statutory objects and purposes of the Electricity Act.

**Association of Major Power Consumers in Ontario**

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In the Applicant's cover letter dated October 27, 2008, the Applicant is requesting that the Board consider holding a technical conference in lieu of interrogatories followed shortly afterwards by a settlement conference. AMPCO shares VECC's concerns that a technical conference may not allow for a thorough analysis of the issues and our preference would for the Board to allow for a written interrogatory process followed by a settlement conference.

## **I. Notice**

I respectfully ask that copies of all documents and correspondence pertaining to this proceeding be served on AMPCO's consultant as follows:

Ms. Shelley Grice  
AMPCO Case Management  
372 Bay Street, Suite 1702  
Toronto, Ontario M5H 2W9  
Tel: 416-260-0280, ext. 104  
Fax: 416-260-0442  
Email: sgrice@ampco.org

## **II. AMPCO Submission on the Draft Issues List**

AMPCO notes the Draft Issues List as submitted considers only the Enhanced Day-Ahead Commitment (EDAC) mechanism under capital spending. AMPCO proposes that an additional issue (3.7) be added to the issues list under 3.0 Capital Spending, to address the ongoing need for appropriate levels and prioritization of capital expenditures to fulfill the IESO's objects and purposes of the Act. (see attachment)

Thank you for your attention to this matter. Please do not hesitate to contact me if you have any questions or require any further information.

Sincerely yours,



Adam White  
President

Copies to: Ms. Paula Lukan, Independent Electricity System Operator  
Mr. John Rattray, Independent Electricity System Operator

Attach. AMPCO Submission on the Draft Issues List

**AMPCO Submission on the Draft Issues List**

**INDEPENDENT ELECTRICITY SYSTEM OPERATOR (“IESO”)  
FISCAL 2009 FEES SUBMISSION FOR REVIEW  
DRAFT ISSUES LIST  
EB-2008-0340**

**1.0 Operating Cost**

1.1 Are the IESO’s projected OM&A Costs reasonable?

1.2 Are the IESO’s projected staff costs and strategy for setting compensation levels appropriate and reasonable?

**2.0 Asset-Backed Commercial Paper (ABCP) Investments**

2.1 What are the financial consequences of the IESO’s investments in ABCP on the IESO operating costs and its 2009 revenue requirements and have they been appropriately incorporated in the fees submission?

2.2 Is the IESO’s policy for treatment of ABCP investments going forward appropriate and reasonable?

**3.0 Capital Spending**

3.1 Has the IESO demonstrated the need for a day-ahead commitment mechanism?

3.2 Has the IESO considered appropriate alternatives for the proposed Enhanced Day-Ahead Commitment (“EDAC”) mechanism?

3.3 Has the proposed mechanism for EDAC received appropriate stakeholder support and agreement?

3.4 Does the IESO Board approval of the EDAC mechanism constitute full and final approval for implementation of the mechanism?

3.5 Is the IESO’s proposed schedule for implementation of the proposed EDAC mechanism practical and reasonable?

3.6 Are the projected expenditures including \$15.9 million in 2009 and \$10.6 million in 2010 on EDAC appropriate and reasonable?

**3.7 Are the IESO’s proposed capital expenditures appropriate?**

#### **4.0 Smart Metering Initiative**

4.1 Is the IESO's process for separating of costs associated with its role as the Smart Metering Entity from costs associated with its role in operating the provincial electricity system and managing the wholesale electricity market appropriate?

4.2 Has the IESO in its role as the Smart Metering Entity, received Ontario Energy Board approval of a fee mechanism to recover Smart Metering Entity costs incurred, and has the Smart Metering Entity filed a separate fees submission to recover these costs?

#### **5.0 Reliability**

5.1 Are the IESO's proposed 2009 measures to address reliability appropriate and cost- effective?