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June 30, 2016

Ontario Energy Board  
2300 Yonge Street  
27th Floor  
Toronto, ON M4P 1E4

Attention: Kirsten Walli, Board Secretary

Dear Ms. Walli:

**Re: IESO Application for Approval of 2016 Revenue Requirement, Expenditures and Fees  
EB-2016-0004  
OSEA Written Interrogatories**

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Please find enclosed Ontario Sustainable Energy Association's interrogatories on the application filed by Independent Electricity System Operator.

Yours truly,

Robert Woon

Encl.

Document #: 1008630

## ONTARIO ENERGY BOARD

**IN THE MATTER OF** the *Electricity Act, 1998*,  
S.O. 1998, c. 15 (Schedule A);

**AND IN THE MATTER OF** an Application by  
Independent Electricity System Operator pursuant to  
section 25(1) of the *Electricity Act, 1998*, S.O. 1998, c. 15  
(Schedule A), for an order or orders approving the  
2016 revenue requirement, expenditures and fees.

**EB-2015-0275**

### **Interrogatories of the Ontario Sustainable Energy Association (OSEA)**

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#### **1.0 Revenue Requirement, Operating Costs and Capital Spending**

##### **1.2 OSEA 1**

Reference: Exhibit B, Tab 1, Schedule 1, Attachment 3, Pages 22, 23, 39

IESO is proposing to increase its 2016 budget for its Renewables Procurement group to \$3,477,961 (31% increase from 2015) and its Clean Energy Procurement group to \$1,910,054 (56% increase from 2015).

- a) Please explain the rationale for the increase in the budgets to the Renewable Procurement and Clean Energy Procurement group.
- b) Please explain how these funds will be allocated within these groups.

##### **1.4 OSEA 2**

Reference: Exhibit B, Tab 2, Schedule 1, Page 2

*The IESO has forecast registration fees revenue of \$1 million for 2016. The IESO expects this revenue to be collected from LRP and FIT programs based on the IESO's expectations of the applications and submissions it will receive in 2016.*

- a) Please explain how IESO forecasted the registration fees revenue for 2016, including but not limited to the number of Large Renewable Procurement and Feed-in-Tariff applications IESO expects to receive in 2016. Please provide calculations, if available.
- b) If available, please provide the actual registration fees collected to-date for 2016.

- c) Does IESO expect Ontario's Climate Change Action Plan and/or cap and trade program to affect the number of applications for Feed-in-Tariff and Large Renewable Procurement?
- d) Please explain how the registration fees will be used by IESO.

### **3.0 Registration and Application Fees**

#### **3.0 OSEA 3**

Reference: Exhibit B, Tab 2, Schedule 1, Page 1

*The IESO proposes to continue charging the registration and application fees as previously approved by the Board and as described below... The IESO charges registration fees to assist in covering a portion of the costs associated with processing and reviewing submissions.*

- a) Please indicate how many IESO staff are dedicated to reviewing applications for the Feed-in-Tariff program and Large Renewable Procurement for 2016.
- b) Please indicate what is the forecasted number of applications IESO expects to receive for Feed-in-Tariff and Large Renewable Procurement for 2016.
- c) Please indicate whether IESO expects the forecasted \$1 million in registration fees to cover all staff costs to review the applications? If not, please indicate any expected shortfall or surplus.
- d) For each year from 2010-2015, please provide a table summarizing (i) the number of applications received for Feed-In-Tariff and Large Renewable Procurement, (ii) the amount of registration fees received, (iii) the number of contracts entered into by IESO and (iv) how registration fees were spent by IESO (or OPA).

### **5.0 Merger Costs and Savings**

#### **5.0 OSEA 4**

Reference: Exhibit B, Tab 3, Schedule 1, Page 4

*As the Board approved the establishment of the RFDA effective January 1, 2014, this account had a zero balance on that date. As described in Exhibit B-2-1, in the calendar year 2014, \$2.7 million was generated through Board approved fees, and these were tracked in the RFDA. The IESO proposes to use the 2014 year-end balance of the RFDA to partially fund the OPA's 2014 merger costs.*

*The 2015 year-end balance of the RFDA will be provided in the update the IESO will file on March 31, 2016 and will be dealt with as described below.*

- a) We could not locate the 2015 year-end balance of the RFDA provided in the March 31, 2016 update. Please provide the reference and/or the 2015 year-end balance of the RFDA.
- b) Please provide IESO's justification for using funds provided specifically for the review of renewable energy generation projects to fund the 2014 mergers costs.