2004 Corporate Performance

Performance to the end of March

IMO Independent Electricity Market Operator

Summary of Corporate Performance to the end of March

Objective	Performance Measure	Performance Expectation	Current Status
Effective Use of Constrained Funds	Total spending (OM&A + Interest + Amortization) compared to the budget amount approved by the IMO Board	Total spending (OM&A + Interest + Amortization) is within the amount approved by the IMO Board	**On Track:** Total spending to the end of March is $36.9 million, $3 million less than the $39.9 million budgeted.
	Capital spending associated with current operational mandate is performed within budget amount approved by the IMO Board, timelines are met, and required results are achieved	Approved Capital expenditures for the Market Operation Program are within budget and required results are delivered according to approved schedule	**On Track:** Current operations capital expenditures are $1.0 million for the first quarter. Projected spending to year end is currently estimated to be $18.2 milion, $2.8 million less than the $21.0 million budgeted. Infrastructure projects are being actively pursued to ensure mission-critical facilities evolve to meet needs and deliver expected results.
Marketplace Evolution Effectively Managed	Appropriate evolution of the market is achieved and managed effectively	Recommendations to Board are made in a timely manner Approved Capital expenditures for market evolution are within budget and required results are delivered according to approved schedule	**On Track:** Schedules and estimates for Market Evolution Program projects were accepted by the Board during the first quarter. As a result, capital expenditures for 2004 have been identified. It is projected that $4.1 million will be spent of the $26.4 million initially budgeted for 2004.
Customer/ Stakeholder Satisfaction	IMO's preparation and operation of the marketplace meets participants' and stakeholder needs	IMO is assessed to be an organization which continually satisfies its customers. This assessment will focus on three specific services: • providing effective stakeholdering • providing effective market information and communications • providing support for customer inquiries, issues and training needs. This assessment is to be based on surveys, customer comments and other anecdotal evidence	**On Track:** • the 2003 consultation effectiveness review recommended improvements to the process. These have been implemented and initial feedback has been positive. Extensive stakeholdering was completed in the first quarter including 25 committee and working group meetings. The IMO also completed four roundtable discussions in London, Toronto, Mississauga and Ottawa on the future of Ontario's electricity sector. Feedback from participants has been very positive and the IMO is continuing the discussions across the province. • market information and communications met all obligations and provided value-added reports and messages. New expanded IMO web site on schedule for April 1 launch • Help Centre performance and account management received positive reviews from customers. IMO training courses continually assessed as superior. Assessment will be further guided by customer survey results coming in Q4, 2004 as well as ongoing stakeholder-focused improvement discussions with MAC and committees, and through regular internal improvement reviews.
Operational Effectiveness	Control of tie line flows under normal & disturbance conditions meets or exceeds industry median	DCS, CPS1 & CPS2 meet/exceed median values of Eastern Interconnection Control Areas >10,000 MW	**On Track:** DCS, CPS1 & CPS2 are tracking at or above median levels
	Electrical reliability is maintained within the province	IMO actions to avert/address significant reliability events are assessed as appropriate	**On Track:** Results to date support an assessment that appropriate measures have been taken by the IMO in addressing significant reliability events. The 2004 NPCC peer group review/appraisal will be completed in the 4th quarter, incorporating actions and assessments of the entire year.
	Market systems and processes operate effectively	Assessed on a suite of market operations performance measures	**On Watch:** Performance relative to 23 operational measures is generally good, however ongoing attention will be required. 2 measures are currently assessed as being at significant risk that performance expectation at year end will not be met: Day Ahead Hourly Demand Forecast Bias, and Administrative Pricing Frequency.

Market Operations Performance Measures

Category/Name	Measure	Criteria	Performance Standard	Status Year to Date
Provide Sufficient Information For Effective and Successful Bids and Offers				
Implement Intertie Schedules	Accuracy	Average for the year	≥98%	99.9%
Publish SAA's and SSR's	Timeliness	Published as per Market Rule timelines	≥97%	99.2%
Day Ahead Hourly Demand Forecast	Accuracy	Average absolute error for the year	≤3%	1.7%
		Average bias* for the year	≤5%	12.3%
Outage Request Processing	Accuracy	Processed vs. Valid	≥97%	99.6%
Transmission Rights Auction Processing	Timeliness	Processed as per Market Rule timelines	<3 failures to complete a full auction per year	0 failures
Publish Price Every 5 Minutes	Completeness	Average for the year	≥99%	99.8%
Continuous Operation Of the Market	Frequency of Market Suspension	Number of market suspensions per year	<3 suspensions	0 suspensions
	Duration of Market Suspensions	Total duration of market suspensions per year	<20 hours	0 hours

*Over an entire period, the percentage of time that the day ahead hourly demand forecasts were above and below actual Ontario hourly demand are calculated. Then 50% is subtracted from the larger of the two percentages to yield the bias. If the larger percentage was based on forecasts being above actual demand, the bias sign is positive. If the larger percentage was based on forecasts being below actual demand, the bias sign is negative. (Example 1: A quarter in which forecasts that were above actual demand occurred in 52% of hours, resulting in a bias of +2%. Example 2: A quarter in which forecasts that were below actual demand occurred in 54% of hours resulting in a bias of -4%)

Market Operations Performance Measures (continued)

Category/Name	Measure	Criteria	Performance Standard	Status Year to Date
Market Services				
Settlement-ready Meter Data	Timeliness	Available next trading day	≥99.3%	99.7%
Meter Trouble Reports Issued to Meter Service Providers	Timeliness	Available next business day	≥88%	95.4%
Meter Trouble Reports Closed	Timeliness	Closed on the 1st business day after the receipt of a satisfactory resolution from the Meter Service Provider	≥88%	99.8%
Preliminary and Final Settlement Statements	Timeliness	Issued as per schedule	≥99%	100%
	Accuracy	No IMO errors	≥99%	99.9%
Help Centre Performance	Average time to close an open ticket	Average for the year	≤12 days	9.7 days
Invoice Market Participants				
Issue Invoices	Timeliness	As required per *IMO Settlement Statement Payments Calendar*	≥99%	100%
	Accuracy	Average for the year	≥99%	100%

Market Operations Performance Measures (continued)

Category/Name	Measure	Criteria	Performance Standard	Status Year to Date
Administrative Pricing				
Administrative Pricing (AP)	Frequency	Number of occurrences of AP per year	≤50	25
	Duration	Number of intervals AP applied per year	≤250	111
Market Facing Systems Availability				
Outbound Market Reports Publication	Availability	Average for the year as per respective schedule	≥99.0%	98.9%
Market Participant Interface	Availability	Average for the year	≥99.0%	99.6%
Dispatch & Scheduling Instructions	Availability	Average for the year	≥99.5%	99.4%
Corporate Web Site	Availability	Average for the year	≥99.0%	98.8%

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