

2012 Corporate Performance Scorecard Quarterly Report



A. Reliability (30%) - *"To sustain excellence in delivering reliable electricity service conditioned by costs and environmental performance."*

A1	
Performance Objective	The IESO-controlled grid provides reliable electricity service.
Weight	10%
Measure A1.1	Ontario's annual unsupplied energy is within acceptable limits.
Target(s)	Ontario's annual system unsupplied energy meets the published Ontario benchmark (15.75 system minutes) and the IESO agrees to a mitigation plan with relevant external parties designed to improve performance for any local area with unsupplied energy above threshold.
Results	Ontario's unsupplied energy was at 5.20 system minutes at the end of March, 2012. A single significant event during the quarter skewed system minutes higher, however at this point, the IESO expects to meet the benchmark of 15.75 minutes by year end.
Tracking Status	On track: ☒ On watch: ☐ At risk: ☐ No data available: ☐

A2	
Performance Objective	The IESO's actions support reliable operation of the IESO-controlled grid.
Weight	10%
Measure A2.1	Compliance by the IESO and market participants with applicable reliability standards, market rules and regulatory requirements.
Target(s)	• The IESO is fully compliant with NERC high violation risk factor (VRF) requirements that are within the IESO's control. • MACD has initiated five audits of market participants and issued the draft findings for four of them by June 30, 2012. • Market Manual on the Ontario Reliability Compliance program is issued by Q1 2012. • By Q3 2012, market participants will receive enhanced communication regarding their compliance requirement. • NPCC audits find the IESO compliant with all High VRF requirements included in the audited NERC standards.
Results	• 100% compliance by the IESO and MPs to NERC high VRF requirements & NPCC standards and criteria. • MACD has initiated audits of four market participants for compliance with specified subsets of NERC reliability standards, as well as initiated audits of the internal compliance programs for all reliability standards at both Hydro One and IESO. To date, MACD has issued four draft audit reports. As a result, the 2012 target has been met. • Market Manual 7.9 on the Ontario Reliability Compliance Program was issued for the March 2012 baseline. Internal Market Manual 7.2 for administering the ORCP was issued for the March 2012 baseline. • Communication regarding compliance requirements was enhanced with the release of the IESO Compliance Registry to the Reliability Standards Sub-Committee (RSSC) members for review. The registry outlines the criteria for the applicability for compliance with NERC reliability standards

	and NPCC criteria and identifies Ontario market participants and associated facilities that are subject to compliance with NERC reliability standards and NPCC criteria. • There were no NPCC audits conducted in Q1.
Tracking Status	On track: ☒ On watch: ☐ At risk: ☐ No data available: ☐

A3	
Performance Objective	The IESO-controlled grid is equipped to provide reliable electricity service going forward.
Weight	10%
Measure A3.1	Plans are in place to ensure timely identification and resolution of potential operability issues.
Target(s)	• Energy adequacy will be addressed for 2013 and 2014. • The Ontario system dataset required for the Energy Modeling project will be complete and the Ontario system model will have been configured, benchmarked for accuracy and available for use in reliability assessments. • Renewables Integration Initiative (RII) – the RII projects are progressing according to the authorized project plan. • In the event that IESO reliability assessments identify power system inadequacies (generation, transmission or load) which could adversely affect future reliability, explicit activities to influence remediation of these issues are developed and communicated to the responsible parties.
Results	• Energy adequacy is being addressed for 2013 and 2014. i. Completed a technical assessment of NW system requirements in light of the scheduled discontinuance of coal. ii. Initiated a new study on the voltage control implications of a large volume of embedded, intermittent generation, to be performed by the Embedded Generation Working Group. iii. Initiated a Bruce special protection scheme (SPS) study. • Energy modelling activities are tracking on schedule. • RII projects are overall progressing according to their authorized plan. - o Real time dispatch - On track - o Operations support - On track - o Visibility enhancement - On track - o Centralized wind forecasting (Phase 1) - the schedule for the forecasting of embedded wind resources was amended and approved. - o Dispatch merit order – Under discussion with stakeholders including discussion on implementation of the expanded Bruce flexibility. • The IESO did not identify any additional power system inadequacies during this period.
Tracking Status	On track: ☒ On watch: ☐ At risk: ☐ No data available: ☐

B. Customers and Stakeholders (25%) - *“To continue to operate and adapt the IESO administered electricity markets to the benefit of all Ontarians.”*

B1	
Performance Objective	Suppliers and consumers are responsive to the price of electricity.
Weight	10%
Measure B1.1	Suppliers and consumers are increasingly exposed to prices and rates raising their awareness and ability to make appropriate decisions regarding their offers and consumption of electricity.
Target(s)	- Interim wind dispatch is implemented. - The IESO and MDM/R do not present barriers to the remaining LDCs registering with the MDM/R and enrolling their meters as soon as they are able to do so. The IESO has done everything possible (commercially reasonable efforts) in supporting these LDCs in meeting the timelines mandated for them by the OEB. The MDM/R operations do not cause any billing delays. - Residential TOU roll out completed. - Recommendations resulting from stakeholder engagement activities related to increased consumer engagement and the publication of IESO information and data are developed and issued in 2012.
Results	- The IESO is not expected to meet the target for implementing interim wind dispatch. - The IESO and the MDM/R Operations Working Group worked together to develop monthly Local Distribution Company (LDC) performance reports. Monthly performance reports to all production LDCs have been issued since January. The report provides each LDC with summary statistics on how well they have been complying with the various requirements and/or recommendations for submitting and/or requesting data to and from the MDM/R. - Eleven workshops as well as drop-in sessions, conference calls and webinars to help LDCs prepare for Release 7.2 were completed. Eighty percent of production LDCs had completed certification testing for R7.2 by the end of March, and the IESO is supporting the remaining LDCs to complete their testing. - The IESO is targeting to deploy Release 7.2, Measurement Canada (MC) 2011 solution, and Phase 1 of MC 2012 solution (equality check and adjustment) in April 2012. - Development of additional MDM/R functionality to further fulfill MC's requirements (known as the "MC 2012 Solution") is well underway. The first element of the solution, that provides the equality adjustment of TOU billing quantities to register reads, has been delivered, tested and is scheduled to be deployed with R7.2 and MC 2011 solution. The development and testing of the other elements of the MC 2012 solution is on schedule. - LDCs are ramping up to full enrolment. 70 LDCs with 4.36 million meters are enrolled in the MDM/R out of a possible 4.78 million Regulated Price Plan (RPP) customers; representing enrolment of 91.4% of RPP eligible customers. By the end of March, over 3.9 million consumers were on time-of-use rates. - The IESO expects to launch a stakeholder focus group on enhancing market information in Q2 and stakeholder consultations on consumer engagement in Q3.
Tracking Status	On track: ☒ On watch: ☐ At risk: ☐ No data available: ☐ (Wind dispatch)

B2	
Performance Objective	Market Participants are satisfied with the IESO's administration of the electricity market.
Weight	5%
Measure B2.1	Customer satisfaction with the IESO's administration of the market.
Target(s)	In the annual survey, customers provide an average rating of 7.5 on their satisfaction with the IESO's administration of the market.
Results	Survey results to be available in Q4.
Tracking Status	On track: ☐ On watch: ☐ At risk: ☐ No data available: ☒

B3	
Performance Objective	The IESO administered market promotes the purposes of the Green Energy and Green Economy Act (GEGEA).
Weight	10%
Measure B3.1	IESO actions support the objectives of the GEGEA and the obligations prescribed within its regulations.
Target(s)	• Connection assessments related to renewable energy generation projects, shall be completed within 150 days. • New facilities are registered and operating in the IESO controlled grid without administrative delays or errors caused by the IESO.
Results	• Connection assessments for nine renewable energy products were completed in less than 150 days. • No new facilities were registered in Q1. The IESO is working to improve the administration of registering new facilities with the initiation of the Registration Automation Project. This project is currently tracking on schedule and is expected to automate all aspects of the registration process for both market participants and the IESO in achieving early improvements and efficiencies necessary for managing the renewable generation coming online.
Tracking Status	On track: ☒ On watch: ☐ At risk: ☐ No data available: ☐

C. Operational Effectiveness (20%) - *“To provide excellent products and services in an efficient and effective manner that meets the needs of customers.”*

C1	
Performance Objective	The IESO's infrastructure is capable of meeting the needs of customers in the future.
Weight	5%
Measure C1.1	IESO successfully undertakes and completes change initiatives.
Target(s)	Achievements of projects ranked through the project portfolio management (PPM) process: • 100% of the approved regulatory projects are initiated and completed as proposed and meet, or are progressing according to project plan to meet, the regulatory requirement; • Refresh projects are initiated and completed according to the refresh life cycle requirements and are progressing according to project plan to meet the lifecycle requirements; and • The discretionary projects have made demonstrated and tangible progress according to their authorized project plan. All completed projects are on time, within budget and achieve the stated business objectives.
Results	All completed projects were on time and within budget. Regulatory and discretionary projects progressed according to their project plans. Some refresh projects have been deferred due to resource constraints.
Tracking Status	On track: ☒ On watch: ☒ (Refresh Projects) At risk: ☐ No data available: ☐

C2	
Performance Objective	The IESO's human resources are capable of meeting the needs of customers in the future.
Weight	5%
Measure C2.1	The training and development of the IESO's human resources.
Target(s)	• A corporate training and development framework is developed and launched by March 2012. • Each Business units, in consultation with HR, have developed business unit specific training and development action plans consistent with the corporate training strategy no later than June 30, 2012. • Business Units have fully implemented the 2012 identified actions.
Results	The training and development framework was launched in March 2012.
Tracking Status	On track: ☒ On watch: ☐ At risk: ☐ No data available: ☐

C3	
Performance Objective	IESO resources are used effectively and efficiently to meet the needs of customers and achieve stakeholder satisfaction.
Weight	10%
Measure C3.1	Delivery on the business plan.
Target(s)	• The IESO operates within the approved total cost envelope of \$131.9 million, excluding any operating costs associated with the results of Market Forum.
Results	The IESO's operating costs were \$30.0 million; \$3.5 million below budget.

D. Reputation and Relationships (25%) - *“To advance the IESO’s reputation and relationships to further engage the electricity sector and accomplish its mission.”*

D1	
Performance Objective	The IESO is perceived as a leader in the electricity sector.
Weight	5%
Measure D1.1	Reputation amongst customers and stakeholders.
Target(s)	- In the annual survey, the IESO is perceived as a leader amongst customers and stakeholders by over 50% of respondents. - Management maintains visibility of the IESO by speaking at 55 engagements or other forums.
Results	- Survey results to be available in Q4. - Management spoke at 25 engagements in Q1.
Tracking Status	On track: ☒ On watch: ☐ At risk: ☐ No data available: ☒ (Survey results)

D2	
Performance Objective	The IESO is able to influence important policy decisions that impact the IESO.
Weight	15%
Measure D2.1	Strategic engagement with government, regulators and stakeholders to advance the IESO’s objectives.
Target(s)	- The future supply mix enables for efficient operations. - Advanced specified recommendations from the Electricity Market Forum.
Results	Future supply mix Active participation in the Feed-in-Tariff (FIT) program Technical Review. IESO representatives contributed to the FIT program review, which was released in Q1. Active participation on coal shutdown and refurbishment policy/directives. The following are future system issues identified in the February 2012 18-Month Outlook: i. Flexibility of Coal - IESO continues to provide updates and advice on the reliable phase out of coal by 2014. The IESO completed an assessment of the preferred transmission expansion (Clarington TS) required to manage voltage and load security in the event of the retirement of Pickering. ii. Local Area Needs - IESO is participating in OPA local area planning initiatives and advising on needs and options including those for the southwest GTA and central Toronto. iii. Voltage profile - Presented to OPA and Hydro One results of the assessment identifying the reactive requirements in the northwest to allow the coal-fired units to shut down while maintaining acceptable voltage control capability. The IESO is participating in the OEB’s East-West tie transmission designation process to designate a transmitter to develop the new tie. Electricity Market Forum (EMF) Undergoing development of a Request for Proposal (RFP) for analysis of options available to move ahead with the EMF to be released by mid-year.
Tracking Status	On track: ☒ On watch: ☐ At risk: ☐ No data available: ☐

D3	
Performance Objective	The IESO maintains its supportive role of government policy in operational, market, and environmental activities.
Weight	5%
Measure D3.1	IESO’s technical capability enables the execution of government policy.

Target(s)	• Services provided to the OPA and relevant transmitters including, support of the integrated power system plan (IPSP) operability are completed on agreed timelines. • All Feasibility assessments are completed according to agreed timelines. • Timely information products developed to meet reporting obligations and expectations.
Results	• Provided preliminary results to the OPA identifying the transmission and reactive requirements to supply increased loads north of Dryden to Pickle Lake and to connect Remote Communities. Assessing the effectiveness of various reactive devices for Hydro One. • Supplementary Report to the East-West Tie Feasibility Study Report - A draft version of the 2nd such report was issued on 7th March 2012. This report dealt with the phased development of the new East-West Tie. • NERC Power System Modelling improvements - IESO staff representing NPCC at ERAG (Eastern Interconnection Reliability Assessment Group) developed during Q1, and expected to deliver at a NERC event in early May, a training workshop emphasizing the need for more accurate power system models for reliability purposes including transmission planning studies and system representations in operator energy management systems. The objective of the effort is to achieve greater confidence that system representations more truly reflect actual system behaviour for situations which occur across the six regions of the Eastern Interconnection • NERC 2012 Summer Assessment and 18-Month Outlook (March 2012 – August 2013) - Issued.
Tracking Status	On track: ☒ On watch: ☐ At risk: ☐ No data available: ☐