IESO Corporate Performance Management(CPM): 2019 Measures and Targets

Strategic Objectives	**Culture & Workforce Transformation** Align culture, skills & capabilities to deliver on strategy	**Competitive Marketplace** Achieve more competitive electricity marketplace	**Reliability** Sustain track record of excellence in electricity system reliability	**Stakeholder Value Perception** Enhance stakeholder perception of IESO value / build support for our strategic direction	**Prioritized Spending** Align allocation of spend to most important strategic priorities
Core Strategies	***Drive*** **Business Transformation | *Advance* Sector Leadership | *Ensure* System Reliability | *Enable* Competition**				
Tactics	Transform our business to meet the needs of an evolving industry and business environment: o Culture o Workforce o Tools and processes	Create and enhance competitive mechanisms and increase / enable market participation o MRP o Transmission procurement o Enable innovation / reduce barriers to competition o Energy efficiency	Advance our core business focus to ensure long term system reliability of Ontario's electricity grid: o Systems and technology o Data and analytics (e.g. For forecasting) o Address non-traditional threats (cyber, climate	Enhance our leadership position and relevance in the Ontario electricity marketplace: o Brand development o Stakeholder insights and engagement o Thought leadership (e.g. climate, cyber, energy efficiency, environmental sustainability) o Evolution of government relationship / governance	Transform our business to meet the needs of an evolving industry and business environment: o Culture o Workforce o Tools and processes
Corporate Measures	**1.** IESO Culture **2.** Employee Engagement	**3.** Innovation **4.** Market Renewal **5.** Resource Acquisition **6.** Conservation **7.** Data Availability	**8.** Electricity System Reliability **9.** Integrated Resource Planning **10.** Electricity System Resiliency	**11.** Stakeholder Engagement **12.** Electricity System Planning	**13.** Priorities Management **14.** Financial Management
Annual Corporate Targets **(2019)**	**1.1** The IESO's values are reviewed by internal stakeholders, developed and finalized by end of Q4, 2019 **2.1** The IESO demonstrates a stretch target of 5% improvement in the performance management and career growth engagement score	**3.1** By the end of 2019, high level options for enabling the competition of Distributed Energy Resources (DERs) into the IESO-administered markets are defined and publicly communicated. **4.1** Market Renewal Program (MRP) cost performance index (CPI) and schedule performance index (SPI) year-end accumulated averages are each above 0.9 **5.1** Develop the MRP business case by end of 2019 that considers the following high level designs: o Single schedule market o Day ahead market o Enhanced real-time unit commitment o Incremental capacity auction **6.1** By the end of 2019: o 40% (0.56 TWh) of the 2019-2020 Interim Framework	**8.1** Zero violations of NERC high risk factor reliability requirements within the IESO's control **9.1** Integrated Regional Resource Plans for the Windsor-Essex, Toronto, GTA North, Burlington-Nanticoke and Greater Ottawa regions are completed or on track to be completed within the timelines prescribed by the OEB's regional planning process **10.1** Cybersecurity leadership and improved system resiliency for the areas below remains consistent or exceeds the baseline set in 2018 including: • Sector situational awareness coverage exceeds 30% of the Ontario power system • In the event of a cyber security attack, the IESO security operations centre effectively	**11.1** 80% of stakeholders indicate that their experience with IESO's engagement meets or exceeds their expectations **12.1** Complete bulk electricity system report by end of Q3 to inform investment and long term energy plans in Ontario	**13.1** 10% of the IESO's capital budget is spent on projects that Drive Business Transformation **14.1** 2019 priorities are achieved within +/- 5% of the IESO's approved budget and year-over-year funding increases are in line with the Consumer Price Index (CPI) – approximately 2%

IESO Corporate Performance Management(CPM): 2019 Measures and Targets

Strategic Objectives	**Culture & Workforce Transformation** Align culture, skills & capabilities to deliver on strategy	**Competitive Marketplace** Achieve more competitive electricity marketplace	**Reliability** Sustain track record of excellence in electricity system reliability	**Stakeholder Value Perception** Enhance stakeholder perception of IESO value / build support for our strategic direction	**Prioritized Spending** Align allocation of spend to most important strategic priorities
		energy savings target of 1.4 TWh has been committed. ○ 40% (76 MW) of the 2019-2020 Interim Framework demand savings target of 189 MW has been committed ○ The 2019-2020 Interim Framework has a positive cost-benefit ratio and is contracted within a levelized cost of 3 cents/kWh **7.1** Develop an integrated enterprise level data strategy by end of 2019	manages and responds to the event to minimize the impact and continue normal business operations		