

Ministry of Energy

Office of the Minister

4th Floor, Hearst Block
900 Bay Street
Toronto ON M7A 2E1
Tel.: 416-327-6758
Fax: 416-327-6754

Ministère de l'Énergie

Bureau du ministre

4^e étage, édifice Hearst
900, rue Bay
Toronto ON M7A 2E1
Tél. : 416 327-6758
Téléc. : 416 327-6754



MC-2017-2149

Mr. Peter Gregg

President and Chief Executive Officer
Independent Electricity System Operator (IESO)
1600–120 Adelaide Street West
Toronto ON M5H 1T1

Commented [CC(1)]: Letter is intended to go to all members of the board of directors.

Dear Mr. Gregg:

I would like to take this opportunity to express my sincere appreciation for all that you, the board members and the staff of the IESO have accomplished this year. The dedication and leadership demonstrated by the IESO has resulted in a year of significant achievement and you should be commended for it.

It has been a year of transition for the IESO, which successfully hired and on-boarded a new CEO. Peter has already begun to provide his own unique direction to the organization. We look forward to working with you through the length of your term.

The Ontario Planning Outlook technical report published by the IESO helped guide the province's consultations for the Long term Energy Plan (LTEP) released this year. We have appreciated your collaborative approach through out the LTEP process and I look forward to receiving the IESO's Implementation Plan in early 2018.

Conservation First framework progress is tracking ahead of planned in terms of energy savings and well within budget expectations. This indicates a good likelihood of Ontario achieving the goal of 7 TWh in energy savings by 2020 as outlined in the 2013 LTEP. Through your leadership, significant contributions have been made to increase the roles of conservation and energy efficiency across the province

The selection of two new energy storage facilities selected through a competitive process will provide a range of services to the electricity stem to support reliability, ease congestion and help move clean energy to support peak demand periods. These facilities will allow Ontario to gain valuable experience with storage technologies and confirm the value of energy storage.

The IESO, together with stakeholders has made progress towards redesigning Ontario's electricity market to provide greater transparency, promote competition and deliver more efficient outcomes through Market Renewal program activities. Initiatives such as

Market Renewal will ensure the province has appropriate sources of electricity at the lowest possible price. As the IESO prepares its business plan, I encourage you to think carefully about the human and capital resources required to effectively implement Market Renewal and bring forward a proposal that is realistic and oriented toward success.

. Once again, thank you for your dedication and hard work, and I look forward to continuing to work together to serve Ontario and its ratepayers.

Sincerely,

Glenn Thibeault
Minister