

March 14, 2017

The Honourable Glenn Thibeault
Minister of Energy
900 Bay Street
4th Floor, Hearst Block
Toronto, Ontario M7A 2E1

Dear Minister Thibeault,

Re: Billing requirements under Ontario Regulation 364/16

Further to section 4 of Ontario Regulation 364/16 (the "Regulation"), the IESO hereby advises the Ministry that, for technical or operational reasons, it would be impractical or unreasonably difficult for the IESO to meet certain invoice wording and invoicing process requirements set out in the Regulation.

More specifically, with respect to the requirement under clause 2(1) 1. of the Regulation, the IESO's current invoicing processes only permit charge types to print in numerical order and therefore the OREC line item would not appear in the location required by that clause. Instead, the line item would appear towards the bottom of the invoice and before the Ontario Clean Energy Benefit and the IESO Administration Charge.

In regard to the requirement in clause 2(1) 3. of the Regulation, the IESO's current invoicing processes can only generate charge types in all caps font. As such, this charge type would print as **ONTARIO REBATE FOR ELECTRICITY CONSUMERS (8% PROVINCIAL REBATE) SETTLEMENT AMOUNT**.

Finally, in respect of the requirement under clause 2(1) 4. of the Regulation, the IESO's current invoicing processes could only print the wording required by that clause on all invoices for all market participants and not just on those invoices issued to OREC-eligible accounts.

It would be impractical or unreasonably difficult to change the IESO's current systems to accommodate those Regulation requirements as it would cost about \$40,000 and require close to 400 person-hours and there is currently only one OREC-qualifying IESO customer. As such, the IESO offers, for the Minister's consideration, the following alternative invoicing process and/or invoice wording which the IESO believes would also promote the purposes of those Regulation requirements without the IESO incurring additional costs:

- To print the OREC related charge type in numerical order.

- To label the OREC credit as **"ONTARIO BEBATE FOR ELECTRICITY CONSUMERS (8% PROVINCIAL REBATE) SETTLEMENT AMOUNT"**.
- To set out the following statement in place of the statement required under clause 2(1) 4., and to include this statement on all invoices issued by the IESO and not just those invoices issued to OREC-eligible accounts: "The Ontario government is providing eligible consumers with a rebate on their electricity costs equal to the provincial portion of HST". Or, in the alternative, to not print the required statement on any invoices issued by the IESO.

If the Minister is satisfied that using the different processes and invoice wording as described in the bulleted list above would also promote the purposes of the cited Regulation requirements, we ask that the Minister consider issuing a written notice to the IESO so stating in order that the IESO may follow the invoicing processes and wording specified above instead of the corresponding invoicing processes and wording otherwise required under the Regulation.

Yours truly,

A handwritten signature in black ink, appearing to read "Kim Marshall". The signature is fluid and cursive, with a large initial "K" and a long, sweeping underline.

Kim Marshall
Vice-President, Corporate Services and CFO, IESO