

Ministry of Energy

Ministère de l'Énergie

Office of the Minister

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Office of the President & CEO
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Independent Electricity
System Operator

Mr. Bruce Campbell
President and CEO
The Independent Electricity System Operator
1600-120 Adelaide Street West
Toronto ON M5H 1T1

Dear Mr. Campbell:

Bruce

Thank you for resubmitting the Independent Electricity System Operator's (IESO) 2017-2019 Business Plan (the Plan) on February 1, 2017, for my review.

The ministry has reviewed the revised Business Plan and Budget, which included augmented consideration for the emerging priorities related to the Market Renewal project.

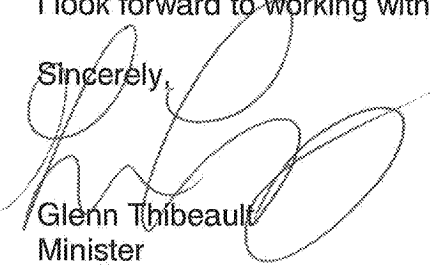
In my recent letter of February 13, 2017, I requested the IESO to be prepared in supporting the establishment of a new entity, the Ontario Climate Change Solutions Deployment Corporation of the Ministry of the Environment and Climate Change (MOECC). I expect the IESO will seek to prioritize its core business plan activities while ensuring this joint initiative with the MOECC is well supported to realize the shared objective of ensuring low-carbon energy choices.

I am satisfied that the IESO's proposed plan for the 2017 budget and related activities reflect the appropriate scope and resourcing to advance the Market Renewal, as well as meeting the responsibilities of its core mandate. I expect future market renewal resourcing beyond 2017 will be further reassessed in future business plans and revenue requirements applications with the Ontario Energy Board as required.

This letter constitutes my approval of the IESO's 2017 budget of the Plan in accordance with my authority under subsection 24(2) of the *Electricity Act, 1998*.

I look forward to working with the IESO in the opportunities that lie ahead.

Sincerely,


Glenn Thibeault
Minister

c: Tim O'Neill, Chair, IESO
Serge Imbrogno, Deputy Minister of Energy
Michael Reid, Assistant Deputy Minister, Strategic, Network and Agency Policy
Division, Ministry of Energy