

Message

From: Nancy Marconi [Nancy.Marconi@oeb.ca]
Sent: 2017-06-26 4:49:12 PM
To: Jeannette Briggs [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=148095610f7242f48a5a9da24b1a8a87-Jeannette B]
CC: Ceiran Bishop [Ceiran.Bishop@oeb.ca]; Martine Band [Martine.Band@oeb.ca]
Subject: Guidance on FHP Implementation - excerpts for your review

Hi Jeannette,

We are wondering whether you'd mind reviewing the paragraph below on the DRP and FNDC to confirm that what we are planning to say is accurate. We have been assuming that the IESO will be using the same cycle as for ORECA (and OCEB before that), consistent with your normal settlement cycle. Is this what you are going to be telling LDCs in a few weeks? Also – can you confirm whether you'll be settling anyone in relation to the DRP and the FNDC in the first few days of the month of July?

DRP and FNDC Distributors that are market participants will provide the required information to the IESO by the 4th business day of a month, and the amount of the reimbursement will be reflected on the invoice issued to the DRP or FNDC Distributor by the IESO on the 10th business day of the month. The upstream portion of the settlement regime will therefore be completed by the 10th business day of each month. As such, DRP and FNDC Distributors that are market participants would as of that day be in a position to provide the reimbursement referred to in section 9(2)(c) of the DRP Regulation or section 10(2)(c) of the FNDC Regulation to their wholly-embedded DRP or FNDC Distributors.

Also – as discussed, here is the language we've drafted related to the settlement factor. Let us know if you have any concerns.

As of JuXX[NM1] 15th, the OEB will no longer be releasing variance settlement factors to be used by licensed distributors to calculate a one-time credit or charge for customers who choose to stop purchasing electricity through the Regulated Price Plan. All variances over the smoothing period, whether from electricity prices established on the wholesale electricity market, consumption, or weather will be included in the IESO deferral account as established under the OFHPA. Beginning with consumption on or after July 1, 2017, customers will no longer be charged or refunded the difference between amounts paid and actual costs should they exit the Regulated Price Plan.

Thanks!

Nancy Marconi

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