

~~July 14, 2017~~February [], 2018

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 196/17

By way of letter dated August 3, 2017, the Minister approved an alternative from the requirements of Ontario Regulation 196/17 (the "Regulation") for the IESO. A copy of the IESO's letter dated July 14, 2017, requesting approval of this alternative, and the Minister's approval letter in response, are attached for your reference.

Subsequent to the exchange of letters referred to above, section 1 of the Regulation was further amended to change the wording required on invoices. As a result, Ffurther to section 3 of Ontario Regulation 196/17 (the "Regulation"), the IESO hereby advises the Ministry that, for the same technical and operational reasons set out in the IESO's July 14, 2017 letter, it would be impractical or unreasonably difficult for the IESO to meet certain invoice wording and invoicing process requirements set out in the Regulation. The IESO hereby requests to use a different approach that will still promote the purposes of the requirement.

More specifically, with respect to the requirement under clause 1 of the Regulation, the IESO's current invoicing processes only permit charge types to be printed in numerical order and therefore the Ontario Fair Hydro Plan line item would not appear in the location required by that clause. Further, there are only two specified consumers that are IESO customers. The IESO's current invoicing tools and processes only print the wording required by section 1 on all invoices for all IESO market participants (consumers, generators, importers, exporters and program participants) and not just on those invoices issued to the two specified consumer accounts.

It would be impractical or unreasonably difficult to change the IESO's current systems to accommodate the Regulation requirements as it would cost about \$40,000 and require close to 400 person-hours to serve the two specified consumers. As such, pursuant to section 3 of the Regulation, the IESO offers, for the Minister's consideration, the following alternative invoicing processes wording which the IESO believes would also promote the purposes of the Regulation requirements without the IESO incurring additional unnecessary costs:

- ~~Invoices would be issued with no additional wording. An email would be sent to specified consumers who are IESO customers at the same time as the invoice is issued containing the language: "You have received your monthly IESO invoice inclusive of Ontario's Fair Hydro Plan. Ontario's Fair Hydro Plan substantially lowers electricity bills for typical residential consumers saved you "insert specified amount" on your bill. This saving includes the eight per cent 8% Provincial Rebate introduced in January 2017, and builds on previous initiatives to deliver broad-based relief on all electricity bills." Email to specified customers would continue through the 12-month period ending according to section 2.~~

~~The IESO would continue to apply the alternative invoicing process (i.e. email rather than on bill message) approved in the Minister's August 3, 2017 letter.~~

~~If the Minister is satisfied that using this different proposed process wording also promotes 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,

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