Message

From: Tam Wagner [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=70AD853871354761A98848DE59C4C792-TAM WAGNER]
Sent: 2018-02-21 10:39:27 PM
To: Julia McNally [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=6c0ab5b090ca42eabc3adf101aa287dc-Julia McNal]; Jeannette Briggs [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=148095610f7242f48a5a9da24b1a8a87-Jeannette B]; Alexandra Campbell [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=c1277e2d9ffd4c598e3819f291200a35-Alexandra C]
Subject: RE: as per discussion

As Jeannette indicated, I'm good with the note to the LDCs if the OEB is. Brian may still have concerns with the note to him as it still has a tone of a 'coordinated decision'. I`ve made some minor edits below for your consideration.

Thanks,
-Tam-

From: Julia McNally
Sent: February 21, 2018 5:33 PM
To: Jeannette Briggs; Tam Wagner; Alexandra Campbell
Subject: RE: as per discussion

I will send to Brian.

From: Jeannette Briggs
Sent: February 21, 2018 4:30 PM
To: Julia McNally; Tam Wagner; Alexandra Campbell
Subject: RE: as per discussion

If the OEB is happy with the new wording, then let's just move forward with a communication out to the LDCs.

Regards,

Jeannette Briggs Director, Settlements - Corporate Services
Independent Electricity System Operator (IESO)| T: 905-855-6364 | C: 416-997-6364
Station A, Box 4474, Toronto, ON, M5W 4E5
Web: www.ieso.ca | Twitter: IESO_Tweets | LinkedIn: IESO
Conservation: www.saveONenergy.ca | Twitter: saveONenergyOnt | LinkedIn: saveONenergy

Corporate Services collaborates with you to deliver solutions and expertise that enable the IESO to achieve its goals

---

From: Julia McNally
Sent: February 21, 2018 4:07 PM
To: Tam Wagner; Alexandra Campbell; Jeannette Briggs
Subject: RE: as per discussion

In light of Brian's comments, A re-draft for your consideration.

NEW Letter to LDC
This is to advise you that the IESO will not issue the RPP variance control self-assessment survey in 2018.

With the introduction of the Fair Hydro Plan and related changes to the RPP variance accounts, the IESO no longer feels that the control self-assessment survey is appropriate. The OEB will continue to have authority to audit the LDCs accounts, including the RPP. In addition, the IESO will undertake periodic audits of the Fair Hydro Plan settlement processes.

If you have any questions about this change, do not hesitate to contact Julia McNally, Director of Internal Audit, IESO

OLD Letter to LDC
This is to advise you that the IESO will not issue the RPP variance control self-assessment survey in 2018.
Historically, both the IESO and the OEB undertook reviews related to LDC management of RPP variance account. In the interest of greater efficiency, the IESO control self-assessment will be retired to be replaced by the OEB audit program.
If you have any questions about this change, do not hesitate to contact Julia McNally, Director of Internal Audit, IESO

NEW Letter to Brian
This is to confirm our recent discussions regarding reviews of the LDC RPP accounts.
Currently, both the IESO and the OEB undertake reviews of LDC controls over their RPP variance accounts. The IESO issues an annual control self-assessment survey, while the OEB undertakes in-depth LDC audits that include the RPP Variance account. With the introduction of the Fair Hydro Plan and related changes to the RPP variance accounts, the IESO no longer feels that the control self-assessment survey is appropriate. ~~Given the OEB's regulatory oversight of the LDCs, we both agree that the OEB is the appropriate agency to take this responsibility.~~

As a result ~~Given the above~~, the IESO will not be issuing the annual control self-assessment in 2018. We understand that your team is exploring options for audits covering the an RPP variance account. Should you wish to add a control self-assessment to your approach, we are happy to share our materials with you.

The IESO is planning to send a short note to the LDCs to advise them that the IESO control self-assessment will be retired, to be replaced by the OEB audit program. [include text with this letter?]

OLD letter to Brian
This is to confirm our recent discussions regarding reviews of the LDC RPP accounts.
Currently, both the IESO and the OEB undertake reviews of LDC controls over their RPP variance accounts. The IESO issues an annual control self-assessment survey, while the OEB undertakes in-depth LDC audits that include the RPP Variance account. This situation creates unnecessary duplication in the sector and potential confusion for LDCs. In the interest of efficiency and clarity, we agree that only one agency should be undertaking reviews of the RPP controls. Given the OEB's regulatory oversight of the LDCs, we both agree that the OEB is the appropriate agency to take this responsibility.
Given the above, the IESO will not be issuing the annual control self-assessment in 2018. We understand that you include an RPP variance account review in your regular LDC audit program. Should you wish to add a control self-assessment to your approach, we are happy to share our materials with you.
The IESO is planning to send a short note to the LDCs to advise them that the IESO control self-assessment will be retired, to be replaced by the OEB audit program. [include text with this letter?]

From: Julia McNally
Sent: February 21, 2018 10:14 AM
To: Tam Wagner; Alexandra Campbell
Subject: Fwd: as per discussion

FYI

Sent from my iPhone

Begin forwarded message:

From: Brian Hewson <Brian.Hewson@oeb.ca>
Date: February 21, 2018 at 9:47:29 AM EST
To: Julia McNally <Julia.McNally@ieso.ca>
Subject: Re: as per discussion

Hi Julia

Just left you a long voicemail about this. After discussions with my colleagues our Main concern with the LDC note is it might be read as the OEB is going to expand its audit program. That would send the wrong signal to the LDCs as we have discussed my team is looking at alternative approaches - however we are not ready to speak to the LDCs about this. Currently the RPP variance audits are random and part of the overall audit program.

I would prefer if there was a less is more approach. And when we announce any new initiative on this the LDCs will understand.

Also I am concerned that the draft letter to me suggests more of a coordinated decision about this. As I understood our discussions the IESO decision is largely based on the view that it is beyond role/authority of IESO. I am not suggesting you need to explain this to me in a note or to LDCs. It just I would prefer the letter not emphasize the duplication as much given my concerns above about sending the wrong message on audit program.

I will be checking email while I am away so happy to converse that way. I do apologize for holding you up and causing you to get questions from LDCs.

Brian Hewson

Sent from my iPhone

On Feb 14, 2018, at 6:07 PM, Julia McNally <Julia.McNally@ieso.ca> wrote:

Brain – just following up to see if you have had a chance to review this.

Best
Julia

From: Julia McNally
Sent: January 23, 2018 11:49 AM
To: Brian Hewson (Brian.Hewson@ontarioenergyboard.ca)
Subject: as per discussion

Brian – as per our discussion, please find below draft text of a letter to you and to the LDCs re the RPP variance reviews. Your feedback is most welcome!

Best
Julia

Letter to Brian
This is to confirm our recent discussions regarding reviews of the LDC RPP accounts.
Currently, both the IESO and the OEB undertake reviews of LDC controls over their RPP variance accounts. The IESO issues an annual control self-assessment survey, while the OEB undertakes in-depth LDC audits that include the RPP Variance account. This situation creates unnecessary duplication in the sector and potential confusion for LDCs. In the interest of efficiency and clarity, we agree that only one agency should be undertaking reviews of the RPP controls. Given the OEB's regulatory oversight of the LDCs, we both agree that the OEB is the appropriate agency to take this responsibility.
Given the above, the IESO will not be issuing the annual control self-assessment in 2018. We understand that you include an RPP variance account review in your regular LDC audit program. Should you wish to add a control self-assessment to your approach, we are happy to share our materials with you.
The IESO is planning to send a short note to the LDCs to advise them that the IESO control self-assessment will be retired, to be replaced by the OEB audit program. [include text with this letter?]

Letter to LDC
This is to advise you that the IESO will not issue the RPP variance control self-assessment survey in 2018.
Historically, both the IESO and the OEB undertook reviews related to LDC management of RPP variance account. In the interest of greater efficiency, the IESO control self-assessment will be retired to be replaced by the OEB audit program.
If you have any questions about this change, do not hesitate to contact Julia McNally, Director of Internal Audit, IESO

Julia McNally | Director, Internal Audit
Independent Electricity System Operator (IESO) | T: (905) 855-6265 | C: (416) 294-6154
120 Adelaide St. W, Toronto, ON M5H 1T1
Web: www.ieso.ca | Twitter: IESO_Tweets | LinkedIn: IESO
Conservation: www.saveONenergy.ca | Twitter: saveONenergyOnt | LinkedIn: saveONenergy

this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.