

Ministry of Energy

Office of the Minister

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MC-2017-1609

SEP 25 2017

Mr. Peter Gregg
President and CEO
Independent Electricity System Operator (IESO)
1600–120 Adelaide Street West
Toronto ON M5H 1T1

Dear Mr. Gregg:

Thank you for your letter of September 1, 2017, setting out the IESO's proposed business plan for 2018–20.

The Ministry of Energy has reviewed the plan and we appreciate the impact that the release of the 2017 Long-Term Energy Plan (LTEP) will have on the IESO's priorities as well as its 2018–20 operating expenses, resourcing and capital requirements. Accordingly, I am referring the proposed plan back to you for further consideration and refinement taking into account the 2017 LTEP once it is released. Please ensure that as you refine the plan you continue to reflect all business plan requirements as outlined in our Memorandum of Understanding.

Pending submission of the refined 2018–20 business plan, we expect that the IESO would ensure the appropriate level of resources is dedicated to the Market Renewal Project, as well as to meet the responsibilities of its core mandate.

In addition, I would like to take this opportunity to reaffirm for you the need for separate accounting of costs related to the implementation of policies and programs that relate to agreements entered into with the Ministry of the Environment and Climate Change (MOECC) or the Green Ontario Fund, including those for staffing resource costs to support the design and delivery of Green Ontario Fund programs. In your refined 2018–20 business plan submission, I ask that you include an update of costs spent to date, projected costs to calendar year end, and an update of any ongoing obligations/risks associated with the IESO's support to the MOECC and the Green Ontario Fund.

I look forward to working with the IESO on the opportunities that lie ahead. Please submit your refined 2018–20 business plan as soon as possible following the release of the 2017 LTEP.

Sincerely,

A handwritten signature in black ink, appearing to read 'Glenn Thibeault', with a long horizontal flourish extending to the right.

Glenn Thibeault
Minister

c: Tim O'Neill, Chair, IESO