

Shuo Zhang

From: Shuo Zhang
Sent: December 8, 2017 12:52 PM
To: Miriam.Heinz@ieso.ca
Cc: Jane Scott
Subject: FW: 2017 RRRP Variance Account Balance and Q3 2017 Demand Forecast information

Hi Miriam,

The OEB is preparing the update of Wholesale Market Service (WMS) charge for 2018. After reviewing the IESO monthly charge from January to October 2017, it shows that the weighted average WMS charge was at \$0.0034 per kWh (excluding RRRP), which is a little bit lower than the OEB regulated rate (\$0.0036 per kWh). Given this calculation and the persistent credit balance in Account 1580, it suggests that the WMS rate should be reduced for 2018.

However, we are aware that the WMS charge might increase in 2018 due to the Market Renewal Project (MRP). We found that, in IESO's 2017-2019 Business Plan, the budget for Market Renewal stands at \$14 million for 2018, which is a \$2 million (17%) increase from the 2017 level. Has the IESO done any analysis on the impact of the MRP on the WMS charge? We are considering not lowering the 2018 charge if there will be upward pressure due to the MRP. It would be ideal if we can get the breakdown of forecast CBR charge and all other WMS charges for 2018.

We are targeting to issue this Decision at the latest on December 20th, so appreciate if you could get back to us asap.

Feel free to let us know if you need any clarifications.

Thanks,

Shuo Zhang

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From: Jane Scott
Sent: Wednesday, November 29, 2017 10:33 AM
To: Shuo Zhang <Shuo.Zhang@oeb.ca>
Subject: FW: 2017 RRRP Variance Account Balance and Q3 2017 Demand Forecast information

From: Miriam Heinz [<mailto:Miriam.Heinz@ieso.ca>]
Sent: Friday, November 3, 2017 4:01 PM
To: Jane Scott <Jane.Scott@oeb.ca>; Harold Thiessen <Harold.Thiessen@oeb.ca>; Nancy Marconi

<Nancy.Marconi@oeb.ca>; Azalyn Manzano <Azalyn.Manzano@oeb.ca>

Cc: Tam Wagner <tam.wagner@ieso.ca>; Adrian Pye <Adrian.Pye@ieso.ca>

Subject: 2017 RRRP Variance Account Balance and Q3 2017 Demand Forecast information

Good afternoon Jane and all.

To assist the Ontario Energy Board ("OEB") in determining the 2017 Benefit and Charge required by Ontario Regulation 442/01 *Rural or Remote Electricity Rate Protection* ("RRRP"), the IESO is providing the OEB with the 2017 RRRP variance account balance as shown in the table below, projected to the end of 2017:

Line No.	As of Dec 31, 2017	Description
1	4,502,441.93	Received from Hydro One
2	-15,161,190.51	Net over/under Collected from the Market
3	35,019.46	Interest Income
4	0.00	Net Implementation Costs
5	-25,352.25	Interest Expense
6	-10,649,081.37	RRRP Variance Account as of Sep 30, 2017
7	-735,883.85	October 2017 Estimate
8	-610,029.99	November 2017 Estimate
9	-336,598.37	December 2017 Estimate
10	-12,331,593.58	Estimated RRRP Variance Account as of Dec 31, 2017

Additionally, Ontario Regulations 442/01, 314/15 *Ontario Electricity Support Program* and 330/09 *Cost Recovery Re Section 79.1 of the Ontario Energy Board Act, 1998*, require that at least 60 days before the end of each calendar year, the IESO provide the OEB with a forecast and supporting documentation of the number of kWh of electricity that will be withdrawn from the IESO-controlled grid during the next calendar year.

The IESO's Q3 2017 Forecast Information is attached.

The 18 Month Outlook (released September 21, 2017), is the supporting documentation for the forecast, and may be accessed from the IESO website at: [18-Month Outlook: An Assessment of the Reliability and Operability of the Ontario Electricity System from October 2017 to March 2019](#). The 18 Month Outlook will be updated and published to the IESO website around mid-December 2017.

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