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Guy Springgay – Section Head – Customer Outreach IESO

Re: Feedback on IESO's 2011 Business Strategies

Guy,

In general we are in agreement with the IESO's priorities for 2011 subject to the following comments:

1. Although not specifically discussed the LDC sector assumed that the IESO would continue with the development of the MDMR, resolving operational issues and ensuring full functionality as more LDC's enroll TOU meters over the coming year. LDC's also assume that the IESO will finalize the SME MOU in 2010 and transition the SME over to the LDC's according to the terms of the MOU and provincial government direction. LDC's would encourage that the IESO to not lose focus on this priority.
2. Item #7 of the Sector Priority Themes indicates "advocating on behalf of customers with Ministry and other agencies to address issues and complexities outside of IESO control". Although this is an important theme, the IESO needs to exercise discretion and balance as this could easily become a task that requires considerable effort and resources and the input might not be well received by either the Ministry or its agencies.
3. Developing the Market Road Map is a critical task and must consider both supply and demand side issues and opportunities. The challenge will be obtaining buy-in and commitment from the Ministry on moving towards a new direction. At what point in the process of developing this Road Map should they be involved?
4. Developing the Road Map, Energy Modeling and managing Surplus Baseload Generation all require the IESO to understand and quantify to what degree customers can and will participate in the market. The IESO needs to reach beyond the conventional 5MW large user threshold. The IESO needs to do this in conjunction with LDC's to minimize confusion and to ensure efficiency and effectiveness. New technology exists to make this task more realistic since meters can serve in ways not previously contemplated as they are in fact a two way communication device that can operate in real time.
5. The Global Adjustment Allocation issue impacts all customer classes. At our LDC we hear consistently from all groups on what is it, why do I have to pay it and how do I budget and plan around it. The IESO must push for an allocation model that is fair and involves all customer classes not just large users.

The IESO has some very important work to do to ensure a reliable supply of electricity in a market that is increasingly complex with many divergent needs. The IESO should be free to justify its resourcing and cost requirements without constraints or limitations imposed by the provincial government.

Todd Wilcox
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