

SAC Feedback from Todd Wilcox – Conveyors Representative

We wanted to provide some further feedback on the IESO's proposed 2014-16 business plan. Specifically the IESO is proposing to change the charge determinant in calculating its fee to include embedded generation within the distribution system. This methodology is positioned as more fairly reflecting the changing nature of the grid.

If this means the IESO will apply its proposed fee against AQEW plus embedded generation then there are 2 ways to recover these costs. LDC's can apply the cost against the entire customer base via the wholesale market service charge or alternatively seek recovery from individual generators.

Is it fair to charge all customers if this costs is based on FIT and MFIT market participants? Should LDC's be seeking recovery from these new market participants? If the latter is true then OEB approval will be required and LDC's will have to change settlement processes which are already difficult enough under the current regime.

Todd Wilcox
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