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BY EMAIL AND WEB POSTING

June 4, 2015

To: All Licensed Electricity Distributors

Re: **New Charge Types for Recording in Account 4708**

The OEB has updated the list of Independent Electricity System Operator (IESO) wholesale market service (WMS) charge codes that apply to Uniform System of Account (USoA) 4708, WMS – Charges. Effective April 30, 2015, the IESO introduced new charge types for the Capacity Based Demand Response (CBDR) Program. The cost of the CBDR Program will be recovered from Ontario loads as an uplift. The two new charge types are:

- 1350: CBDR Charge for Class A Loads
- 1351: CBDR Charge for Class B Loads

Distributors are required to keep track separately of Class A and Class B costs to ensure that balances accumulated in Account 1580 RSVA_{WMS} can be allocated appropriately to customer classes.

The OEB has established the following USoA Sub-accounts where the distributors are to record the CBDR charges, revenues, and variances:

- Account 4708 – WMS Charges Sub-account CBDR Class A
- Account 4708 – WMS Charges Sub-account CBDR Class B
- Account 4062 – Billed WMS Sub-account CBDR Class A
- Account 4062 – Billed WMS Sub-account CBDR Class B
- Account 1580 – Variance WMS – Sub-account CBDR Class A
- Account 1580 – Variance WMS – Sub-account CBDR Class B

For your reference, Appendix A provides an updated list of the IESO wholesale market charge codes for recording charges in Account 4708.

The OEB's next review of the wholesale market service rate will include consideration of the introduction of these new charges.

The OEB will continue to monitor the nature and magnitude of these charges to determine if a different treatment may be warranted with the evolution of the IESO's demand response program.

Any questions relating to this letter should be directed to Raj Sabharwal at Rajvinder.sabharwal@ontarioenergyboard.ca or at 416-440-7694. The Board's toll-free number is 1-888-632-6273.

Yours truly,

Original signed by

Kirsten Walli
Board Secretary

Attachment: Appendix A - List of IESO Charge Types

Appendix A

LIST OF IESO CHARGE TYPES To be recorded in Electricity USoA Account 4708, Charges WMS Revised June 4, 2015

| IESO Charge Type Number | IESO Charge Type Name of Non-Competitive Wholesale Market Electricity (WMS) Service Charges |
|--|---|
| 150 | Net Energy Market Settlement Uplift <ul style="list-style-type: none"> • Line Losses • Intertie Offer Guarantee (IOG) and Day-ahead IOG |
| 155 | Congestion Management Settlement Uplift |
| 201 203 205 250 252 254 450 451 452 454 550 | Ancillary Services 10 Minute Spinning Reserve Market Shortfall Rebate 10 Minute Non-spinning Reserve Market Shortfall Rebate 30 Minute Operating Reserve Market Shortfall Rebate 10 Minute Spinning Market Reserve Hourly Uplift 10 Minute Non-Spinning Market Reserve Hourly Uplift 30 Minute Operating Reserve Market Hourly Uplift Black Start Capability Settlement Debit Hourly Reactive Support and Voltage Control Settlement Debit Monthly Reactive Support and Voltage Control Settlement Debit Regulation Service Settlement Debit Must Run Contract Settlement Debit |
| 102 118 163 164 165 166 167 168 169 170 183 186 | Other Charges Transmissions Rights Clearing Account Credit Emergency Energy Rebate Additional Compensation for Administrative Price Debit Outage Cancellation/Deferral Debit Unrecoverable Testing Costs Debit Tieline Reliability Maintenance Debit Emergency Energy Debit Transmission Rights Market Shortfall Debit Station Service Reimbursement Debit Local Market Power Rebate Generation Cost Guarantee Recovery Debit Intertie Failure Charge Rebate |

| IESO Charge Type Number | IESO Charge Type Name of Non-Competitive Wholesale Market Electricity (WMS) Service Charges |
|--|---|
| 460 700 750 751 850 851 1131 1188 1350 1351 1463 1550 1560 1650 | IESO Controlled Grid Special Operations Debit Dispute Resolution Settlement Credit Dispute Resolution Settlement Debit Dispute Resolution Board Service Debit Market Participant Default Settlement Debit Market Participant Default Interest Debit IOG Settlement Day Ahead Fuel Cost Compensation Debit Capacity Based Demand Response (CBDR) Program Recovery Amount for Class A Loads CBDR Program Recovery Amount for Class B Loads Renewable Generation Connection – Monthly Compensation Settlement Debit Enhanced Day Ahead Commitment – Production Cost Guarantee Enhanced Day Ahead Commitment - Generation Withdrawal Charge Forecasting Service Balancing Amount |
| 753 754 9990 | Administration Fees Rural Remote Settlement OPA Administration Charge IESO Administration Charge |