

2007-2009 Business Plan - Strategic Priorities

IESO Stakeholder Advisory Committee
March 22, 2006



- 2007-09 Business Planning Timeline
- Strategic Priorities for 2007 and Beyond
- Solicit Stakeholder Input on Programs and Initiatives for 2007 to 2009

Key Dates:

- Complete Business Plan Aug/06
- IESO Board Review/Approval Sept/06
- File Bus. Plan with Minister by Oct 2/06
- Submit Bus. Plan to OEB by Nov 1/06

A vibrant Ontario economy supported by a reliable and competitive electricity market.

To act in the interests of the people of Ontario in ensuring the reliability, competitive price and sustainability of electricity service.

- Delineate the IESO's goals and objectives going forward
- Address the realities, challenges and risks faced by the IESO and the sector as a whole
- Provide a focus for determining our programs and initiatives

Priority 1: Delivering Reliable Electricity Supply On Demand

- Is a core element of the IESO's legislated mandate
- Recognizes that reliability of electricity supply in Ontario is paramount - the consequences of widespread interruptions and degradation in electricity service can be enormous
- Has been and must continue to be a recognized strength of the IESO

- A market driven, competitive electricity sector is the best option to provide for the electricity needs of all Ontarians
- Existing market needs to mature and become more sophisticated to achieve the benefits of a competitive environment
- Complementary and aligned actions with the OPA and support of stakeholders are needed

Priority 3: Providing Value In All Our Services and Products

- The IESO is the sole provider of many services and products associated with Ontario's integrated power system
- Ongoing satisfaction with and support for IESO activities and initiatives is dependent on the IESO's financial stewardship and ability to provide continuing value to customers and stakeholders

Priority 4: Responding to the Needs and Concerns of Our Stakeholders

- IESO decisions and actions can impact on stakeholders beyond our direct customers
- The stakeholder community includes a variety of divergent views and needs
- Better decisions are achieved when stakeholders views are solicited and considered in a meaningful way.

Priority 5: Earning Trust as a Just Administrator and Capable Advisor

- Confidence in the IESO-administered markets is reinforced by the IESO's trustworthy administration and monitoring of these markets
- Are expected to act with impartiality for the best interest of participants and stakeholders as the IESO has no financial interests in generation or transmission assets

Some Programs & Initiatives For 2007 and Beyond

Program/Initiative Name	Description
Day-Ahead Market	An IESO-administered Day-Ahead Market to facilitate integration between forward contracting and real-time operations.
Reliability/Resource Adequacy Mechanism	Structure to enable private parties to secure major project financing and protect consumers from massive wealth transfers.
Outbound Report Management System Upgrade	Deliver an upgrade of the functionality of outbound reports to the public and to market participants
Application Changes/VCR's	A funding envelope, to support minor changes to IESO applications.
Infrastructure Enhancements/Replacement	Orderly upgrade and/or replacement of software and hardware supporting IESO operations

- April 21, 2006** Closing date for Stakeholder feedback on IESO priorities/initiatives
- April 25, 2006** Posting to web of stakeholder feedback on IESO priorities/initiatives
- May 24, 2006** Presentation to Stakeholder Advisory Committee of proposed IESO priorities and initiatives for the planning period with feedback on input received

Your Advice and Input Is Requested

Please submit to stakeholder.engagement@ieso.ca
by April 21st