

### **Stakeholdering of the 2009 – 2011 Business Plan**

Stakeholder engagement is an integral part of the IESO decision-making process. The IESO's stakeholder engagement processes provide an opportunity for stakeholders – individuals or organizations with an interest in or concern about the IESO's business – to provide input and feedback about a proposed decision or market rule change. The IESO's current approach to stakeholder engagement was established in 2005 following a review of its then stakeholder processes and principles. These enhanced stakeholder processes and principles were approved by the OEB on September 20, 2005.

The Stakeholder Advisory Committee (SAC) is a key element of the IESO's stakeholdering processes. It is a committee composed of senior members of interested constituencies who are appointed to represent their specific constituency's position on various issues. The SAC members have substantial knowledge about the Ontario electricity markets and, in addition to representing their respective constituencies, they contribute positively to the IESO's business and its decision making processes. Stakeholders are encouraged to contact their representative on the SAC to provide any comments to bring to the committee meetings. The SAC provides advice and recommendations directly to the IESO Board and to senior management on market development, planning decisions such as the Business Plan, and other matters of concern to stakeholders. A copy of the terms of reference, along with a list of current members, is attached to this document as Appendix A.

The IESO is committed to an open, two-way dialogue with stakeholders to help understand and resolve issues in a way that benefits both stakeholders and the IESO. An important building block of this approach is the development of a Stakeholder Engagement Plan that specifies the consultation steps and the roles and responsibilities

of the IESO and affected stakeholders. The engagement process is designed to ensure that those persons who may be affected by a decision or change will be given the opportunity to provide input before the decision is made and to ensure that the process is transparent, efficient and consistent.

Consistent with this approach the IESO initiated Stakeholder Engagement Plan SE-62 with respect to the development and approval of the 2009-2011 Business Plan (Business Plan). This is the fourth consecutive year that the IESO Business Plan has been stakeholdered in this manner. A copy of SE-62 is attached as Appendix B to this document.

Pursuant to this stakeholder engagement plan, the IESO sought input from stakeholders on the strategic initiatives to be included in the Business Plan. Specific objectives of this engagement included: communication to stakeholders of the priorities and initiatives of the IESO and the opportunities and challenges to the business over the planning period; providing stakeholders with an opportunity to provide input on the initiatives underpinning the IESO's Business Plan; and, to gain stakeholders' support for the Business Plan. A multifaceted approach was used to solicit input with the primary focus of the stakeholder engagement being channelled through the SAC.

All input received was considered prior to recommendations being made to the IESO Board and prior to the IESO Board ultimately approving the Business Plan. Details of the timeline for stakeholder engagement are set out in the attached engagement plan (SE-62). Highlights included: the opportunity to comment on the engagement plan itself; presentations at SAC meetings; a joint SAC-IESO Board meeting early in the business planning process; opportunities for written comment to the IESO and written responses; a further presentation to the SAC on the Business Plan; and, the attendance

of representatives of SAC at the IESO Board meeting of September 5, 2008 at which the IESO Board considered and approved the Business Plan for submission to the Minister of Energy and Infrastructure and the Ontario Energy Board.

At the SAC meeting of August 20, 2008 the IESO's Director of Corporate Planning, Mr. Peter Sergejewich, made a presentation on the Business Plan which was favourably received. The discussion and comments made are summarized in the SAC minutes of the meeting; a copy of the minutes is attached to this document as Appendix C. The minutes also confirm the attendance of eight of the IESO Board members who had an opportunity to hear and observe, first hand, the SAC's consideration of the Business Plan.

Subsequent to this SAC meeting, representatives of the SAC, including its Chair, attended at the IESO Board meeting of September 5, 2008 at which the IESO Board considered and approved the Business Plan. The SAC also provided a written summary of its comments to the IESO Board on the various issues it considered at the SAC meeting of August 20<sup>th</sup>. A copy of the summary is attached to this document as Appendix D. No opposition to the Business Plan was expressed by SAC representatives.

On October 22, 2008, the Minister of Energy and Infrastructure, a key stakeholder, approved the IESO's 2009-2011 Business Plan.