

February 28, 2020

The Honourable Greg Rickford
Minister of Energy, Northern Development and Mines
99 Wellesley St. W., Room 5630
Toronto, Ont. M7A 1W1

The Honourable Bill Walker
Associate Minister of Energy
77 Grenville St., 10th Floor
Toronto, Ont. M7A 2C1

Dear Ministers Rickford and Walker:

I am pleased to submit the IESO's report in response to the November 6, 2019 Directive requesting the IESO to retain an independent third party to undertake a review of existing generation contracts for viable cost-lowering opportunities.

In response to the Directive, the IESO retained the services of Charles River Associates (CRA) to undertake the targeted review. CRA documented their assessment in a separate report that is attached. As part of the review, the IESO consulted larger contracted generators for potential cost-lowering ideas to validate the merits of existing ideas and identify new ones. This feedback was provided to CRA for their assessment and is incorporated in the analysis of the identified opportunities.

The IESO has assessed and summarized the potential cost-lowering opportunities in its report, as well as implementation considerations that should be evaluated in contemplation of pursuing the identified cost-lowering opportunities. The IESO intends on publishing the report after appropriate review and consideration from the Ministry.

Please do not hesitate to contact me should you wish to discuss any aspect of the report.

Sincerely,



Peter Gregg
President and Chief Executive Officer

cc: Stephen Rhodes, Deputy Minister
Carlo Oliviero, Chief of Staff, Minister's Office
Aaron Silver, Chief of Staff, Associate Minister's Office