

Final Engagement Summary

Report Date: January 4, 2024

Cost-Recovery for Integrating System Changes Registration Timelines

Engagement Initiated: July 2021

Engagement Description

- The IESO commenced this engagement to inform on changes associated with recovering costs for integrating system changes. These changes include costs associated with connecting a new facility or modifying an existing facility.
 - The IESO assesses the potential impact that a new or modified facility may have on the system through an System Impact Assessments (SIA) and Technical Feasibility Studies. The IESO currently charges proponents the costs associated to perform these studies.
 - The second activity is ensuring facilities meet requirements of the IESO's systems, processes and procedures to reliably integrate new or modified facilities when they come into service. The costs associated with these activities were recovered from all loads in the province on a volumetric basis through the IESO's usage fees. The IESO proposed a change to begin charging costs to the proponent initiating the change.
- This engagement sought input from stakeholders on how to recover costs from customers for requested services performed by the IESO and the proposed phase-in strategy. The initiative was intended to bring greater alignment between the costs of the service and the customer initiating the request, as opposed to recovering these costs volumetrically from all consumers.

Engagement Objectives:

- To inform stakeholders of changes to cost recovery for integrating system changes.
- To provide the opportunity for input prior to implementation of the change.

Engagement Approach

- This stakeholder engagement was a public engagement process and was conducted in accordance with the IESO's approved [engagement principles](#).
- This engagement included opportunities for participants to provide input through various channels such as webinars and written feedback.
- All materials, public feedback and commentary from stakeholders, and IESO responses to feedback is posted on the dedicated [IESO engagement webpage](#) for this initiative.

Conclusion

- The IESO hosted one engagement session in July 2021, to provide background on the change to cost recovery for integrating system changes and discuss the approach going forward. Stakeholder input was requested on the method to be used to apply these charges for various types of activities (fixed rate vs. hourly), invoicing timing (e.g., at the end of each work phase or periodically), the phase-in strategy, and to obtain feedback on whether any special considerations exist that should be taken into account.
- Following this session, feedback was received on the proposed change.
 - In summary, stakeholders were supportive of the change and provided suggestions for the IESO to consider when deciding on how to apply fees as well as invoice timing. It was suggested that invoices be received at the end of each work phase for validity/traceability and planning purposes, in which the IESO agreed to this suggestion.
- Effective December 8, 2021, the IESO implemented the Reliable Integration Fee for activities the IESO undertakes to reliably integrate facilities into the IESO-controlled grid.
- This concludes the Cost-Recovery for Integrating System Changes engagement. Thank you to all individuals who provided valuable input and insights. Engagement materials will continue to be available on the [dedicated engagement webpage](#).