

Date: 15 February 2018
To: IESO Market Renewal Stakeholder Engagement
Cc:
From: David Martin
Re: January 2018 Meeting: ERUC Design Elements

Nalcor Energy Marketing (NEM) has the following comments about the ERUC Design Elements meeting held on 31 January 2018.

1. **Timing and Frequency (Slides 27 – 32):** We agree with the IESO that the ERUC Run should occur hourly.
2. **Calculation of Make-Whole Payments (Slides 105 – 112):** We support the idea of the Intertie Offer Guarantee continuing to be a part of the real-time market. As well, we believe that intertie transactions should be able to retain any net revenues from real-time import transactions when the real-time price settles above the offer price. This will improve liquidity and provide intertie traders with the appropriate incentive to offer to the market based on risk and opportunity cost. Our view about intertie transactions and ERUC is explained in more detail in our Single Schedule Market feedback submission from 19 January 2018. We look forward to further discussion and information about this topic.

Thank you for the opportunity to submit feedback.

Regards,
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