

July 07, 2016

**Marketing d'énergie HQ Inc. /  
HQ Energy Marketing Inc.**  
75 René-Lévesque Ouest, 17e étage  
Montréal, Québec  
H2Z 1A4

Attention: Stakeholder engagement group  
Independent Electricity System Operator

**Subject: Comments of HQ Energy Marketing Inc. on the Enabling System Flexibility engagement**

Dear Sir:

HQ Energy Marketing Inc. ("HQEM") commends the IESO for initiating work on enhancing flexibility in the Independent Electricity System Operator ("IESO") market. The document presented to stakeholders on June 24th provides information that will undoubtedly prove useful to market participants in order to submit various options within the market needs.

Ontario and Québec can mutually benefit from an increased role of the interties, as proven with the 500 MW Capacity Sharing Agreement<sup>1</sup> between IESO and HQEM. Furthermore, Intertie flexibility can provide benefits such as balancing service offers and help resolve issues arising from intermittent generation going forward.

These key assets can help meet energy and reliability needs, such as ramping, operating reserve and regulation. We already have the expertise by offering these ancillary services locally. An intertie such as the PQAT, which can satisfy the purpose of the engagement, should be taken into consideration.

Best regards,



Frédéric Bélanger  
Manager, Regulatory Affairs, HQEM

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<sup>1</sup> <http://www.ieso.ca/Documents/corp/Summary-Capacity-Sharing-Agreement-Ontario-Quebec.pdf>