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January 31, 2017

Ms. Barbara Ellard
Director - Markets
Independent Electricity System Operator (IESO)
655 Bay Street, Suite 410
Toronto, Ontario
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**RE: Comments on IESO's Presentation on Market Renewal Stakeholder Meeting
– December 19, 2016 – Brattle's Preliminary Analysis Presentation**

Dear Ms. Ellard:

Enbridge would like to add our very brief comments on the "Development of a Work plan for renewing Ontario's Electricity Market Design. We do appreciate extending the time line for comments / recommendations to January 30, 2017. We understand that in spite of this formal deadline for comments – IESO is open to receive feedback, ideas comments as next stages are being considered and implemented.

We are generally in support of Market reforms so long as it achieves the stated goals without compromising current commitments and expectations. Your stated objective is to create a more balanced and dynamic marketplace by establishing clear and transparent mechanisms for suppliers and consumers to meet system needs cost effectively. We are surprised that "efficiency" is missing this approach.

We do appreciate the detailed presentations made by members of the Brattle Group sharing what their findings are looking at various markets in the USA – where Regulatory regime and approaches are not necessarily replicable in Ontario. Nevertheless we do acknowledge their approach and attempting to identify the "Benefits" and looking (at least attempting to look) at Cost and then coming up with a bottom line or Net Efficiency Benefits. Presumably if this value is attractive enough then IESO would with input from Stakeholders, OEB, etc. find the funds to engage Brattle Group for the next stage of work.

Clearly there were attempts to seek input from all attendees, capture such inputs to presumably come back with responses. Both in the earlier webinar as well as during

the December presentation Brattle team acknowledged that they do not know what are the areas that would involve incremental as well as substantial costs and their potential magnitude. It is hard to understand how one could establish “Net Benefits” reliably without proper or reasonably reliable input for one of the most important area “Costs”. This one area of query is not addressed at all. Items quantified at a very high level by the presenters were challenged, not sure if the responses were adequate and justifiable with hard numbers.

Now coming to the presentation in December – the Brattle team acknowledged on several occasions that the SPP Market is very similar to IESO (except Policy impact on the markets) and on that basis we requested that if it is possible to get answers from SPP Market designers how exactly were the changes made to Wind farms and what typical changes were required and what where the typical cost to owner / operators, Mr. Pfeifenger did indicate the Brattle group would seek those answers and get back to us. We are regrettably in the same spot as we were in December without answers to specific questions – for which answers seem to exist !!

We believe that the intent of the Stakeholding process should be such that all Market Participants have had an opportunity to “Truly” be able to shape the Stakeholding process as well as contribute to the Agenda and Timelines for proposed actions. We are reflecting on the process during SE 91, our participation as well as the final outcome in the SE 91 process. Based on lessons learnt during that process, we believe that there need to be more attention to the Stakeholder feedback, adequately address concerns, (IESO) demonstrate how the concerns were addressed and the proposed solutions did in fact take into account all “constructive” inputs. In conclusion, we believe that the estimated benefits are very high level guesstimates, there are details of the existing Contracts that need to addressed and we would like to wait to pass “judgement until the next stage of this process, when more details likely may be available.

Again, thank you for this opportunity.

Sincerely,

A handwritten signature in dark ink, appearing to read 'I MacRobbie', with a long horizontal flourish extending to the right.

Ian MacRobbie P.Eng.

General Manager – Green Power and Transmission, Eastern Operations

cc: Mr. Jay Jayaraman P.Eng. – Enbridge