

May 16, 2014

To: IESO

From: Brookfield Energy Marketing LP

RE: Transmission Rights Market Review – Phase 1 Implementation Recommendation (SE-110)

Brookfield Energy Marketing LP (BEM LP) supports the position expressed by Ontario Power Generation (OPG) and Hydro-Québec Energy Marketing (HQEM) in their respective comments filed with the IESO on May 16th, 2014. As raised in these comments, BEM LP is of the view that the Ideal Quantity of TR are too low and that the analysis used by the IESO is incorrect and should be revised.

In addition to the recommendations made by OPG and HQEM, we think that IESO should use a 5 years historical period instead of 2 years. The IESO should analyse the historical data to better assess the forward looking approach to estimate the initial Ideal Quantity of TR. More specifically, the analysis should include an evaluation of the circumstance surrounding the historical curtailments pattern on all transmission paths. The results of that analysis should be incorporated into the forecast of the Quantity of TR.

In conclusion, BEM LP believes that the Ideal Quantity of TR should be equal to forecasted physical capacity of each transmission path over the period. This is the only way that the TR market will not create bias for any category of market participant.

Regards,



Pascal Cormier
Director, Regulatory Affairs - Canada
Brookfield Energy Marketing LP