



Renewable Energy.
Sustainable Development.

November 21, 2017
BY EMAIL

TO: The Independent Electricity System Operator (IESO)
Email: engagement@ieso.ca
mr.contractmanagement@ieso.ca

SUBJECT: Feedback /
Market Renewal Program (“MRP”) and Electricity Supply Contracts /
Webinar for Electricity Supply Contract Holders (Market Participants) (October 31, 2017)

Dear Sir / Madam,

We attended the IESO’s “Webinar for Electricity Supply Contract Holders (Market Participants)” on October 31, 2017. Thank you for the invitation and the presentation.

As per the IESO’s request on slide no. 32, please find below our feedback on the two (2) following questions:

1. “What contract issues do stakeholders see as priorities to be addressed now and what issues are dependent on actual designs/market rules?”
 - 1) “Mechanical contractual changes” (slide no. 23): When discussing the MRP’s impacts on contracts, the IESO refers to “mechanical contractual changes”. Has the IESO identified these potential “mechanical changes”? What are they?
 - 2) “Contract amendments” (slide no. 29): If the market rules prevail over Electricity Supply Contracts, why are contractual amendments required to implement the MRP’s changes to the market rules?
 - 3) RES Contracts: We understand that the proposed MRP will not have any adverse impact on self-scheduling power generators that are parties to a Renewable Energy Supply Contract (“RES Contract”).
 - a) Can you please confirm whether our understanding is correct?
 - b) In the negative, can you please identify how the MRP will impact self-scheduling power generators that are parties to a RES Contract?
 - 4) Material adverse impact of the amendments: if contractual amendments triggered by the MRP have a material adverse impact on market participant’s RES Contract and operations, to the extent that it renders the market participant’s operations non-economical or non-bankable, will the IESO offer and pay economic compensation?

Innergex Renewable Energy Inc.

Head Office
1225 Saint-Charles Street West, 10th floor
Longueuil, Québec J4K 0B9
Canada
Tel. 450 928-2550 | Fax 450 928-2544
info@innergex.com | www.innergex.com

1185 West Georgia Street, Suite 900
Vancouver, British Columbia V6E 4E6
Canada
Tel. 604 633-9990 | Fax 604 633-9991
info@innergex.com | www.innergex.com

- 5) Transitional period: Will the MRP include transitional periods during which market participants' contractual rights will be unaffected by the MRP? When will amendments (if any) become effective?

2. "What is/are the best forum(s) and processes to discuss Market Renewal and contract questions? (open engagement, small committee, sector-specific, bilateral?)"
 - 1) We would appreciate being invited and participating in sector-specific working groups (open style) attended by self-scheduling power generators parties to similar RES Contracts.

 - 2) We would also appreciate having bilateral private discussions with the IESO about potential impacts, if any.

Sincerely yours

François Hébert
Senior Vice President - Operations and Maintenance
Innergex renewable energy inc.