

Feedback Form

Market Rule Improvements and Change to Governance of Approval of Market Parameters – September 16, 2025

Feedback Provided by:

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Date: September 23, 2025

To promote transparency, feedback submitted will be posted on the Post Go-Live True-Ups for the Renewed Market engagement page unless otherwise requested by the sender.

- ☐ **Yes – there is confidential information, do not post**
☒ **No – comfortable to publish to the IESO web page**

Following the Market Rule Improvements and Change to Governance of Approval of Market Parameters September 16, 2025 engagement webinar, the Independent Electricity System Operator (IESO) is seeking feedback from stakeholders on the items discussed. The presentation and recording can be accessed from the [engagement web page](#).

Note: The IESO will accept additional materials where it may be required to support your rationale provided below. When sending additional materials please indicate if they are confidential.

Please submit feedback to engagement@ieso.ca by September 23, 2025.

MR-00489-R00: Change to Governance for Approval of Market Parameters

What feedback do you have on the proposed amendments related to the governance for approval of market parameters?

General Comments/Feedback

TransAlta does not support the IESO proposed change to governance of approval of the market parameters of the dispatch algorithm. Those parameters include the maximum market clearing price, maximum operating reserve price, penalty functions for violation of dispatch algorithm constraints, and price floors for energy offers from variable generators and flexible nuclear all of which represent significantly impactful boundaries and restrictions that fundamentally inform how the dispatch algorithm works. Governance over these proposed changes to these important parameters should remain with the IESO Board rather than with the IESO itself as proposed.

The IESO Board, which is made up of independent members, should perform this role in governance. If the IESO grants itself the authority to approve these changes, governance and oversight is entirely eliminated or substantially weakened. While we understand that the composition of the IESO Board has changed over time and the Board is no longer directly involved in technical or operational decision-making, this does not mean that the IESO Board should play no role in governance.

The portrayal that these parameters are too technical for the IESO Board to decide is already wrongminded in that it is the importance of what these parameters represent and the critical impacts they have on dispatch algorithm that substantiates the need for appropriate oversight and governance. These parameters are not frivolous or unimportant details but key parameters that dictate the boundaries to what the calculation determines. The decision should not be made based on whether the IESO Board is capable of proposing these technical parameters itself. There are examples of many other Commissions and Boards in other jurisdictions that don't have that type of technical or operational involvement or expertise but still play a vital and important role in approving these types of changes through a regulatory process which they adjudicate.

The IESO's suggestion that their stakeholder input process should suffice should be rejected. A stakeholder input process is not a replacement for a good governance process. Stakeholder input, particularly input that opposes or objects to the IESO's positions and recommendations, can be readily ignored or rendered to be meaningless if oversight and governance is removed as proposed by the IESO. By granting itself the authority to approve its own recommendations, the IESO could easily approve whatever it chooses regardless of the stakeholder input it receives.

The IESO already engages in stakeholder engagement process that is mostly informational rather than consultative compared to other jurisdictions. In some of those other jurisdictions there would also be a formal adjudicated regulatory approval process that stakeholders can intervene and participate in if their stakeholder input and concerns were not addressed. The requirement that the IESO Board specifies and establishes these parameters provides a level of oversight and governance that is needed to appropriately check any potential abuse of power and authority by the IESO that could arise under the IESO's proposal.

Additionally, the IESO has yet to share any evidence that the existing governance results in excessive effort or cost, untimely or poor decision-making, or would create any benefit to market and/or ratepayers. The argument appears to hinge entirely on IESO convenience which is inappropriately prioritized over good governance under the IESO proposal.

For the reasons provided above, the IESO should abandon its proposal and the IESO Board should reject any proposal that undermines the existing governance of approval of market parameters.