

Feedback Form

Enforcement Modernization – May 22, 2026

Feedback Provided by:

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Date: June 15, 2026

To promote transparency, feedback submitted will be posted on the Enforcement Modernization 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 May 22, 2026 Enforcement Modernization 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 [Enforcement Modernization](#) 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 June 15, 2026.

General Comments/Feedback

Item

Feedback

Do you have any additional feedback not addressed above related to the proposed design to modernize enforcement to support the efficiency, effectiveness, and clarity of the enforcement regime?

Brookfield Renewable appreciates the opportunity to provide feedback.

We generally support the comments from the Association of Power Producers of Ontario (APPrO) for this consultation, submitted on June 15, 2026.

In addition to the matters raised in the APPrO submission, we wish to reiterate two requests made during the May 22, 2026 webinar.

First, the IESO should explain how each of its proposals align with the best practices of other regulators in view of the principle of "fairness."

During the webinar, the IESO justified its proposals by identifying each proposal's benefits, such as "clarity," "efficiency," and "effectiveness." Yet, none of the stated benefits included "fairness" as a justification. We believe that "fairness" is an integral part of market design to encourage market participation and to achieve competitive and effective outcomes. Further, we note that the principle of "fairness" appears in the *Ontario Energy Board Act* alongside principles such as "efficiency," "transparency," and "competitiveness" in relation to market. In addition, the "MACD Enforcement Framework Modernization: Initial Proposals for Stakeholder Consultation" document states that:

"MACD's modernization objectives are to ensure that the system is effective for Ontarians, fair to Market Participants, and efficient for all (page 3 of the document, highlight added)."

Finally, during the webinar, the presenters confirmed that "fairness" was a principle considered during the drafting of the proposals.

Given the above, we believe that the "fairness" is a principle that is important for market participants,

enshrined in energy legislation, and a self-stated objective of the IESO's MACD Modernization process.

As such, we ask that the IESO demonstrate how each of its proposals would or would not enhance the "fairness" of the market, particularly from the perspective of market participants.

Second, we ask that MACD provide all the jurisdictional comparison, benchmarking data and research used to inform its design proposals.

The IESO's Design Proposal confirmed that its proposal will be "benchmarking against comparable regulatory regimes in North America (page 3 of the document)." An external expert in administrative law was also retained by the IESO to "bring MACD into alignment with the best practices of other regulators (slide 11 of the webinar presentation)." In sum, the IESO's proposals were formulated after a jurisdictional review and with the help of external expertise. We appreciate the IESO's attempt to adopt best-practices from other regulators. However, we note that most if not all of the proposals grant MACD more enforcement authority and freedom. In contrast, the IESO proposes no best-practices that apply constraints on the IESO or on MACD itself, or proposals that would clarify and clearly delineate MACD and the market assessment unit's embedded role in the IESO. As the IESO is itself subject to market rules and can be (and has been) found in breach of market rules (e.g., see IESO Sanction dated July 6, 2022), any increase in MACD's enforcement authority and freedom would only compound the possibility of conflicts of interest or increase the perception of possible conflicts of interest. Many market participants, including Brookfield Renewable, operate in other energy markets where the compliance and enforcement regimes are structurally and physically removed from the ISO to safeguard against similar conflicts of interest. We question why the IESO's jurisdictional review and expert advice did not identify this best-practice that is commonly found from other regulators. And if this best-practice was in fact identified, we ask that the IESO

General Comments/Feedback

Item

Feedback

justify why it did not include this best-practice—or any other best-practices that place constraints on the IESO and MACD, or best-practices that mitigate potential conflicts of interest—in its proposals.

Put simply, the IESO should provide all best-practices identified in its jurisdictional review and by its external expert, and explain why they chose to select certain best-practices but ignored others.