

**Independent Electricity System Operator**

Station A, Box 4474  
Toronto, ON  
M5W 4E5

**Attention: Market Rules Group**

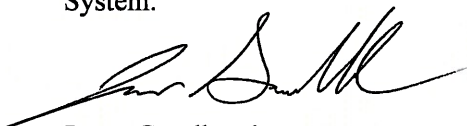
**Subject: "MR-00407-R00 & R01: General Conduct Rule"**

GDF SUEZ, as a market participant and owner/operator of several facilities in Ontario, wishes to support the position of APPrO regarding the stakeholder engagement process SE-112 - the proposed market rule change related to the implementation of a General Conduct Rule (GCR). Specifically we take issue with the lack of a Legitimate Business Purpose Defence and the exclusion of IESO Rule Making from the scope of the rule.

The very broad list of offences in the rule makes it necessary to ensure that appropriate business activity is not caught within its scope. Otherwise, a market participant who engages in behaviour for business reasons unconnected to electricity market incentives could find themselves fighting an allegation of non-compliance. In addition, having a Legitimate Business Purpose Defence allows market participants (in FERC's language) to "have the opportunity to show that their actions were not designed to distort prices or otherwise manipulate the market."

The IESO has given no reason why all market participants should be bound by the GCR but it should not be. As well, it is our understanding that conduct rules in other North American jurisdictions are binding on ISOs in their rule making capacity.

Thank you for allowing and considering our continuing input into the design of Ontario's Electricity System.



Jason Goodhand  
Local Portfolio Manager, Canada  
GDF SUEZ Canada Inc.

**GDF SUEZ Canada Inc.**

105 Commerce Valley Drive West #410  
Markham, Ontario, Canada L3T 7W3  
Toll Free Tel 1 877 246 7697  
Tel 416 502 0993  
Fax 416 502 1415