

June 22, 2009

IESO Stakeholder Engagement
Independent Electricity System Operator

Subject: Management of Minimum Load Conditions

Dear Stakeholders,

We would like to take this opportunity to submit to the "Embedded and Renewable Generation (SE-57)" working group our comments regarding Management of Minimum Load Conditions.

The IESO states in its latest brief of June 16, 2009 to the working group :

"As baseload/non-dispatchable generation will form a large percentage of the total generation mix in Ontario, we expect that during hours of low demand and transmission constraints, the IESO will have to look to maneuvering this, otherwise non-dispatchable, generation in order to manage minimum load conditions."

As discussed in the last meeting of June 16, 2009, generation owners expressed concern that the use of baseload generation such as Nuclear and Hydro to manage minimum load conditions would be limited by reliability, regulatory, environmental, and technical issues.

Aquilon Power would like to point out that the MidWest ISO (MISO) has been conducting a Minimum Generation Task Force (MGTF) to discuss similar issues. MISO has drafted changes to their operating procedures in order to manage minimum load conditions. Changes to their procedures include :

- o Cutting of non-firm energy
- o Limiting of additional firm imports
- o "relax export barriers such as ramp and schedule timing to allow for the maximum export capability and coordinate such capability with neighboring control areas"

Aquilon Power urges the IESO to consider similar changes to their procedures that would include the use of imports and exports as a means to more flexibly and efficiently manage minimum load conditions. Specifically, we request that the IESO consider dispatching generation in a manner that increases export capability and has the net benefit of increasing demand. We believe this would be to the mutual benefit of Ontario and its neighboring jurisdictions

Sincerely,



George Radan
Senior VP, Trading
Aquilon Power Corp.