

SUSANNA ZAGAR
CHIEF EXECUTIVE OFFICER | DIRECTRICE GÉNÉRALE

BY EMAIL

August 26, 2024

Ms. Lesley Gallinger
President and Chief Executive Officer
Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Dear Ms. Gallinger:

RE: Market Surveillance Panel State of the Market Report 2023

The Market Surveillance Panel has delivered to me its *State of the Market Report 2023*, a copy of which is attached for your reference. This Report provides the Panel's general observations on the state of the IESO-administered markets, including their efficiency and competitiveness. In addition to presenting market data for 2023, the Report includes observations that set the stage for future analysis and identifies work being undertaken by the Panel in advance of the implementation of significant changes to the markets planned for mid-2025.

The Report contains one recommendation to the Independent Electricity System Operator (IESO) regarding a review of the costs and benefits of continuing the Intertie Offer Guarantee in the real-time market after the deployment of the Market Renewal Program.

I would appreciate if you would advise me in writing within 30 days of the steps that the IESO plans to take in response to the recommendation in the Panel's Report.

Please do not hesitate to contact me should you have any questions or wish to discuss the above.

Yours truly,



For: Susanna Zagar
Chief Executive Officer
Ontario Energy Board

cc Brian Rivard – Member, Market Surveillance Panel
Ken Quesnelle – Member, Market Surveillance Panel

Att. Market Surveillance Panel State of the Market Report 2023

