

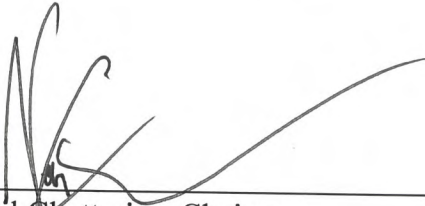
MEMORANDUM OF UNDERSTANDING
BETWEEN
THE FEDERAL ENERGY REGULATORY COMMISSION
AND THE MARKET ASSESSMENT AND COMPLIANCE DIVISION OF
ONTARIO'S INDEPENDENT ELECTRICITY SYSTEM OPERATOR

1. The Federal Energy Regulatory Commission ("FERC") has exclusive jurisdiction within the United States over, among other things, the transmission of electric energy in interstate commerce and the sale of electric energy at wholesale in interstate commerce by public utilities, as described in section 201 of the Federal Power Act (FPA), 16 U.S.C. § 824; and the transportation of natural gas in interstate commerce and certain sales in interstate commerce of natural gas for resale as set forth in section 1 of the Natural Gas Act (NGA), 15 U.S.C. § 717, and section 601(a) of the Natural Gas Policy Act (NGPA), 15 U.S.C. § 3431(a); certain other transportation and sales of natural gas authorized pursuant to section 311 of the NGPA, 15 U.S.C. § 3371. FERC's Office of Enforcement ("FERC Enforcement") seeks to encourage compliance with the Commission's statutes, rules, and orders. In that regard, FERC Enforcement gathers information about market behavior, market participants, and market rules; conducts audits and investigations to evaluate compliance with Commission requirements; and, recommends enforcement action, including the assessment of civil penalties and disgorgement of unjust profits, when appropriate.
2. The Independent Electricity System Operator ("IESO") is an independent electricity agency established by the government of Ontario under the Electricity Act, 1998, having statutory responsibility for developing and administering the wholesale electricity markets and directing the operation and maintaining the reliability of the integrated power system within the province of Ontario. The IESO's statutory responsibilities also include making and enforcing the Ontario market rules that govern the IESO-controlled grid and the wholesale electricity market. Responsibility for enforcement is carried out by the IESO's Market Assessment and Compliance Division ("MACD") that operates at arm's length from other IESO business units and independently exercises the discretion accorded the IESO in the market rules to investigate and sanction both market and reliability based breaches, including those which may be committed by the IESO itself. The Director of MACD has the authority to issue non-compliance rulings and impose sanctions, including financial penalties.
3. In recognition of the regulatory responsibilities and common interests of both FERC and MACD, and the benefits to both FERC and MACD that result from sharing information about the markets they oversee and their regulatory experiences and practices, FERC and MACD hereby declare their intent to cooperate and share information pursuant to this Memorandum of Understanding (MOU).
4. Cooperation under this MOU may include, but is not limited to, the following:

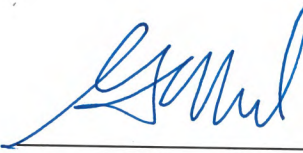
- a. Sharing by MACD, at FERC Enforcement's request, of information and data related to:
 - i. MACD's monitoring and investigative processes and methods;
 - ii. MACD's market monitoring and oversight activities, including, but not limited to, staff insights and analyses; and
 - iii. Specific market participants and their observed activities in Ontario's electricity market.
 - b. Sharing by FERC Enforcement, at MACD's request, of information and data related to:
 - i. FERC Enforcement's monitoring and investigative processes and methods;
 - ii. FERC Enforcement's market monitoring and oversight activities, including, but not limited to, staff insights and analyses; and
 - iii. Specific market participants and their observed activities in the FERC - jurisdictional U.S. electricity markets.
 - c. Discussion of energy issues of mutual interest related to the United States and Ontario energy markets.
 - d. Joint visits that could include FERC Enforcement, MACD, and other regulatory entities.
 - e. Meetings, webinars, workshops, teleconferences, training activities, and/or email exchanges.
5. FERC and MACD acknowledge that any information furnished in accordance with this MOU should be kept confidential and non-public, and should not be disclosed or made available to any other person or entity except pursuant to the applicable laws and regulations of the United States, Canada, and/or Ontario, or by consent of the parties to this agreement. Either of FERC or MACD may request a binding confidentiality agreement be signed prior to sharing of certain sensitive confidential information.
 6. If any data or other information furnished in accordance with this MOU is subsequently requested by a third party to be disclosed or otherwise produced, the party receiving the request should consult with the party that furnished the information prior to responding to the third-party request. No disclosure should be made to a third-party without the other

party's written consent.

7. This MOU is not intended to relate to information, conduct or activities in respect of the enforcement of North American Electricity Reliability Corporation (NERC) reliability standards by MACD or FERC. More specifically, this MOU relates to information, conduct and activities in respect of market rule enforcement and market oversight.
8. This MOU is not intended to be a binding contract enforceable in a court of law or in an administrative forum, and it is not intended to impose any legal commitments on FERC or MACD. It is intended only to establish a process for further cooperation between the governmental entities signing this document.
9. Nothing contained in this MOU requires either FERC or MACD to take any action that would be inconsistent with any existing or future laws, regulations, policy directives, rules, manuals or agreements applicable to it or to which it is a party.
10. FERC and MACD, unless otherwise decided upon, would bear their own respective shares of financial costs of participating in the activities under this MOU. All activities are subject to approval of funding by each party involved.
11. The cooperation contemplated in this MOU will become operative when signed by each of the participants hereto. This MOU may be modified at any time by the mutual written consent of the parties. FERC or MACD may discontinue cooperation under the MOU at any time, but should endeavor to provide thirty (30) days written notice to the other. During this period, the participants should make good-faith efforts to resolve any disagreement, if any, that has led to the intent to discontinue cooperation.



Neil Chatterjee, Chairman
Federal Energy Regulatory Commission



Glenn McDonald, Vice President
Market Assessment and Compliance Division of
Ontario's Independent Electricity System Operator

12/10/19

Date

Dec. 10, 2019

Date