

FALL STAKEHOLDER MEETINGS

HARRY CHANDLER

October 14 & 15 2009

Calgary & Edmonton

INTRODUCTION

- **Happy & honoured to be 3rd MSA**
 - **Alberta electricity market a Crown jewel by world standards**
 - **Inherit an impressive team at MSA, built by Martin Merritt and Wayne Silk**
- **Lots to learn – look to stakeholders for help**
- **Appointed by Minister for 5 year term, but need to earn your confidence to succeed**

INTRO...

- **Early days for me – started 2 weeks ago**
- **Sketch some broad principles**
 - What I have learned
 - What I believe
- **Brief curriculum vitae posted, will not speak to but happy to answer questions**

OBSERVATIONS

- **Martin and Harry may differ in some aspects but intersecting point is common belief in efficacy of competitive markets**
- **Electricity markets are complicated**
 - **Putting principles into practice**
 - **Still evolving**
 - **...But a challenge worth accepting**

ORGANIZING PRINCIPLES

- **MSA not a regulator, rather a facilitator / champion of competitive markets**
- **'Cop on Beat' ensuring integrity of marketplace**
- **Success is achieving / promoting Fair, Efficient and Openly Competitive Markets, not number of 'arrests' or magnitude of financial penalties**

PRINCIPLES...

- **Starting point and operating premise:**
 - **Participants wish to comply with rules framework**
(To do otherwise would be silly in view of the oversight structure in the province)
- **ISOs by their nature have a great deal of discretion and can impact efficiency and competitiveness**

TENETS & CORE VALUES

- Integrity
 - Our word is our bond
- Open, neutral, accessible
 - Understanding improves through debate and discussion
- Fact-based
- Timely
- Public agency
 - Exercise fiscal restraint, act responsibly

CONCLUSION

- **Conclude where started: lots to learn, look for your help**
- **Outreach visits to stakeholders over next several weeks**
 - **What's working with the MSA?**
 - **What's not working or could be improved?**
- **Look forward to working with you all in the future**

HARRY CHANDLER MARKET SURVEILLANCE ADMINISTRATOR

Senior Leadership Experience in Energy

- Direct report to President & CEO of Ontario's Independent Electricity and System Operator (IESO) and member senior management team since 2000
- Chair of IESO's Technical Panel, stakeholder body responsible for recommending Ontario Market Rules, November 2006 – September 2009
- Established and managed ring-fenced team within the IESO to enforce compliance with Market Rules and support work of Ontario Energy Board's Market Surveillance Panel
- Delegated independent authority to investigate and enforce compliance with Market Rules (over 300 found rule breaches; approximately \$3.8 million in financial penalties and voluntary contributions; no matters were taken to the Dispute Resolution Panel or appealed to the Ontario Energy Board), May 2002 – September 2009
- Founding member of Energy Intermarket Surveillance Group

Senior Leadership in Law and Economics

- Direct report to four Commissioners of Competition, Competition Bureau and member of Bureau Executive Committee, 1988 – 2000
- Deputy Commissioner, Criminal Matters, 1991 – 1994, 1998 - 2000
 - Managing criminal law investigations under the *Competition Act* (staff: 38)
 - Developed enforcement and compliance strategy for bid-rigging, price fixing and other pricing offences, resulting in convictions and penalties of over \$100 million in 1999-2000 against several corporations and individuals involved in international cartel offences
 - Promoting international mutual assistance with other agencies, notably the United States Department of Justice Antitrust Division.
 - Developing and implementing industry/public communication strategies for high profile and contentious issues, e.g. retail gasoline price volatility
- Head, Amendments Unit, 1994 - 1998
 - Designing and implementing the consultative strategy with business, consumer and legal representatives leading to amendments to the law.
 - Developing consensus among diverse stakeholders so that the resulting legislation (passed March 1999) had strong private sector support
- Deputy Commissioner, Economics & International Affairs, 1988 – 1991
- Executive Interchange, Australian Competition & Consumer Commission, Canberra, 1987 – 1988
- Officer and manager, Competition Bureau, 1971 – 1988

Education

- B. Comm. (Hons.), Carleton University; M.A. (Econ.), McGill University