

Feedback Form

Clean Energy Credits – February 24, 2022

Feedback Provided by:

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Following the February 24, 2022 engagement webinar, the Independent Electricity System Operator (IESO) is seeking feedback from stakeholders on the items discussed during the webinar. The webinar presentation and recording can be accessed from the [engagement web page](#).

Please submit feedback to engagement@ieso.ca by March 17, 2022. If you wish to provide confidential feedback, please submit as a separate document, marked "Confidential". Otherwise, to promote transparency, feedback that is not marked "Confidential" will be posted on the engagement webpage.

Opportunities & Challenges

Topic	Feedback
<p>What are the key opportunities and challenges the IESO should be aware of in developing a voluntary clean energy market?</p>	<p>BluEarth supports the Ontario government objectives stated on slide 4 of the presentation, namely, leveraging clean energy to attract jobs and investment, helping businesses meet environmental goals and supporting efforts to decarbonize and reduce greenhouse gases. Globally, customer focus on carbon reduction and ESG goals have resulted in large investments in renewable energy in the past years. This growing trend can be seen here in Canada, chiefly in Alberta, with the contracting of almost 2GW of new renewables in the past three years (see BRC deal tracker https://www.businessrenewables.ca/deal-tracker). BluEarth specifically has signed deals with both regulated and voluntary entities for renewable power and associated environmental attributes, which has led to construction of 5 solar facilities in the past year, and the launch of construction on our largest wind farm to date, resulting in aggregate to almost \$500 million investment and over 500 construction jobs. Corporate demand creates an opportunity for Ontario, in line with the stated government objectives to drive investment and help businesses meet ESG and decarbonization objectives. However, IESO should be aware that in Ontario, barriers currently exist to support a growing corporate PPA market – including the presence of global adjustment, lack of clarity on how bilateral contracts could be struck competitively and how utilities could implement green pricing programs.</p>

Design considerations

Topic	Feedback
Which design considerations outlined in this presentation are most important to you and why?	<p>BluEarth has some concerns about how the approach will encourage investment in new renewable generation, and the current lack of discussion about differing values of credits (for example new vs. existing, nuclear vs. wind/solar). While we support the stated objectives of a clean energy credit program, we do not currently see a path for new generators to value EAs at this time. In the related LT RFP engagement, we have suggested that given the infancy of this CEC program, IESO should procure a bundled product including capacity, energy and EAs. Regarding design, while we understand the focus a voluntary market at this time, it seems prudent to consider a future where a compliance market may need to exist, given the Federal governments launch of the Clean Electricity Standard consultation.</p>

Topic	Feedback
What other design considerations should IESO be aware of?	<p>In addition to concerns about additionality (adding new renewables), IESO should be aware of the risk of double counting EAs in a voluntary market lacking a Renewable Portfolio Standard. For example, if companies are retiring CECs to make their claims, then Ontario cannot use the same CECs to contribute to its % clean grid number.</p>

Engagement Process

Topic	Feedback
Which stakeholder groups and/or design topics are most important to include in the planned focus group discussions?	<p>BluEarth is aligned with IESO's view stated on slide 11, that it will be important to understand which options consumers in Ontario prefer and are likely to use in order to meet their clean energy objectives, so having a buyer voice will be key. Developers of renewable projects who have contracted with customers in other jurisdictions will also be an important group to have present.</p>

Topic	Feedback
Are there any additional engagement opportunities the IESO should consider?	As per our comments above, an additional session to discuss barriers to corporate investment in the Ontario market would be valuable.

Topic	Feedback
Would you be willing to participate in a technical session? If so, on which topic(s)?	Yes.

General Comments/Feedback

Thank you for the opportunity to provide feedback.