

Feedback Form

Clean Energy Credits – April 21, 2022

Feedback Provided by:

Name: Gabriel John

Title: Senior Advisor, Climate Policy

Organization: TransAlta Corporation

Email: [REDACTED]

Date: May 5th, 2022

Following the April 21, 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 **May 5, 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.

Registry Design Features

Topic	Feedback
Are there any registry features missing from the proposed list, either basic requirements or future functionality?	We support a future potential design feature of the registry that includes hourly credit creation, tracking, and retirement. Since a key government objective is to support businesses in meeting their ESG targets, it is important for assets like storage that displaces peaking units during high-demand hours, to be incented commensurably.

CEC Product Offering Options

Topic	Feedback
Has IESO identified the right set of CEC product offerings? Are there any missing?	TransAlta is impressed with the list of the IESO's explored product offering options. However, we support a hybrid product offering option- combination of different product offering options - that ensures additionality (incremental clean energy development) and the ability to monetize existing uncontracted investments as the best approach.

Topic	Feedback
Are there benefits/challenges to any of the proposed CEC product offerings that have not been covered?	N/A

Topic	Feedback
Which CEC option(s) works best for your company? For Ontario?	The IESO should pursue the retirement of all EAs it owns as a result of its existing contracts. The IESO should not be actively involved in a market that it administers due to potential conflicts. More specifically, the IESO should not sell its existing EAs or enter into arrangements where it is involved in indirectly selling through generators or third parties in profit-sharing arrangements. The IESO should be mindful that undertaking these types of actions now or in the future could negatively impact the value of EAs in the voluntary market proposed by the government and undermine the market's fundamentals for private sector participants.

CEC Customer Preferences Survey

Topic	Feedback
What are the most relevant findings from the CEC customer survey?	We found the responses to questions 21 and 22 very insightful and relevant. More than half of the surveyed participants expressed interest in investing in solar energy through the purchase of clean energy credit and in using energy fed into the grid from storage technologies to achieve their clean energy targets. TransAlta supports a level playing field for both existing and new projects in the proposed voluntary clean energy credit market and recommends a design that prohibits the double-counting of EAs. This means that we support a CEC design that allows both new and existing clean generation projects whose environmental attributes are not contracted with the IESO to sell their EAs into the proposed voluntary market should they choose to do so.

General Comments/Feedback

While the Minister's letter to the IESO supports monetizing existing assets and providing a ratepayer monetary benefit, we are concerned about the potential of greenwashing and double counting emissions credits that provides no additionality benefit. Any product offering that monetizes existing regulated/contracted assets is likely to flood the market with credit supply that would have negative consequences on prices and the integrity of the voluntary credit market.