

Final Engagement Summary Report

Date: May 29, 2023

Clean Energy Credits

Engagement Initiated: February 2022

Engagement Description

The [Ministry of Energy asked the IESO](#) to assess options for the establishment and ongoing operation and management of a registry to support the creation and/or recognition, trading and valuation, and the retirement of renewable and clean energy credits (CECs) within the province. A voluntary CEC market can use clean energy to drive economic development in the province by helping corporations meet their clean energy goals. Investment in CECs could also support efforts to decarbonize the Ontario electricity system.

Engagement with stakeholders took place between February and June 2022 to meet the report back timeline of July 2022. In Q1 2022, engagement webinars were held to gather information on stakeholder clean energy goals, how these goals might be met and how clean energy credits could support those goals. The IESO conducted a survey of large customers to help in this data gathering and reported back on all feedback received. In Q2 2022, the IESO held dedicated technical sessions with interested stakeholders to better support the design of CECs in the Ontario market and hosted another engagement webinar to discuss findings and recommendations prior to submission of recommendations to government.

The detailed design options to support management of renewable and clean energy credits were based on the following principles as set out in a [letter from the Minister in January 2022](#):

Domestic: The registry should include renewable and clean energy credits for electricity generated and consumed in Ontario. The initial design of the registry should be scoped to enable the trading of credits within Ontario.

Voluntary: The purchase of credits from the registry would be voluntary.

Customer choice: Evaluate market demand and create a variety of products to satisfy that demand.

Monetize investments made: Credit offerings should include existing non-emitting generation with best efforts made to enable proceeds from CEC sales to flow to ratepayers.

Future Proof: Build the registry to offer flexibility and the potential for future expansion to other products or markets, and to consider how the registry might incentivize future investment in new clean or renewable generation, when that power is needed.

Engagement Objective

The objectives of this engagement were to:

- Provide an overview of CEC markets, key concepts, and the government ask to the IESO to examine the development of a voluntary CEC market in Ontario
- Discuss stakeholders' clean energy goals for CEC design options
- Discuss CEC registry functionality and CEC product offering options

Engagement Approach

This stakeholder engagement was a public engagement process and was conducted in accordance with the IESO's approved [engagement principles](#). The approach for this engagement initiative included opportunities to provide input through various channels such as webinars, surveys and written feedback. All materials, public feedback and commentary from stakeholders, and IESO responses to feedback were posted on the dedicated IESO engagement webpage for this initiative.

Conclusion

The IESO hosted a series of engagement sessions since February 2022 and received feedback from stakeholder on various topics related product offerings, registry designs, and other considerations related to the implementation of the Ontario Clean Energy Credits registry program. In particular, feedback influenced the IESO's decisions to:

- allow CEC sales to be arranged through brokers;
- adopt an existing registry considering interconnectedness, applying standard vintaging and tracking requirement for credits;
- making reporting information public;
- continue to relay stakeholders feedback to the Ministry of Energy for future consideration.

The IESO continues to relay stakeholder feedback to the Ministry of Energy for future consideration.

In its [letter](#) to the IESO, the Ministry of Energy asked the IESO to continue to implement the clean energy credit registry following its launch, and signalled the province's expectation around program

rules, market demand and data-tracking for clean energy credits in Ontario. As a result, the Ontario Clean Energy Credits registry was launched on March 29, 2023 and the IESO is preparing to make IESO-held environmental attributes available for transfer in 2023.

This concludes the Clean Energy Credits stakeholder engagement. Thank you to all individuals who provided valuable input into this program. Engagement materials will continue to be available on the IESO website under completed engagements. Additional information can be found on the [Ontario Clean Energy Credits Registry website](#).