

Corporate Power Purchase Agreements Framework Guideline

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All capitalized terms herein, unless otherwise stated, have the meanings ascribed to the non-capitalized versions of the same terms in Ontario Regulation 429/04 or as defined in the Prescribed Forms.

Document Change History

Version	Reason For Change	Date
1	Corporate Power Purchase Agreements Framework Guideline	2025/10/08

1. Overview

In June 2025, [Ontario Regulation 429/04](#) (the “Regulation”) was amended to introduce a new regulatory framework for Corporate Power Purchase Agreements (C-PPAs), giving large electricity users a new way to support clean energy projects in the province. The framework enables Class A market participants under the Industrial Conservation Initiative (ICI) program to potentially lower their peak demand factor (PDF) during the top five peak hours of a base period for Global Adjustment (GA) settlement purposes through agreements with eligible renewable generation facilities. This approach creates new revenue opportunities for generators and gives consumers more ways to be part of Ontario’s clean energy transition through contracts with renewable projects in other locations.

This guideline document is intended to provide information to potential participants in the C-PPA framework on the eligibility criteria, submission process, key dates and milestones and other important information.

This guideline document will be reviewed and updated from time to time, as required, to reflect stakeholder and community feedback as well as any other process changes.

2. Eligibility Criteria

To participate in the C-PPA framework, counterparties must meet specific eligibility requirements, some of which must be maintained throughout the applicable base period.

2.1 What qualifies as an Eligible Purchase Agreement?

An **Eligible Purchase Agreement** is a contract between an Eligible Purchase Customer and an Eligible Generator, both of which must be market participants. The agreement binds the market participants throughout the base period and specifies the load facility and the Eligible Generation Facility. The Eligible Generator must physically supply the purchased Eligible Electricity into the IESO-controlled grid or the distribution system of a licensed distributor, and the agreement must acknowledge that such Eligible Electricity does not include Compensated Electricity. Additionally, market participants must submit the required attestations and supporting documents, including the Eligible Purchase Agreement itself, in the IESO-approved format within the required timeframe.

2.2 Who is an Eligible Purchase Customer?

An **Eligible Purchase Customer** is a market participant who is a Class A market participant during the adjustment period and has a binding Eligible Purchase Agreement with an Eligible Generator for one or more of their load facilities. The Eligible Purchase Agreement must remain in effect for the

entire applicable base period. Additionally, the customer must submit the required attestations and supporting documents to the IESO in the prescribed form and within the approved timeframe.

2.3 Who is an Eligible Generator?

An **Eligible Generator** is a market participant that must maintain a binding Eligible Purchase Agreement with an Eligible Purchase Customer for the entire applicable base period. Additionally, the generator must operate at least one Eligible Generation Facility and submit the required attestations and supporting documents to the IESO in the prescribed form and within the approved timeframe.

2.4 What is an Eligible Generation Facility?

An **Eligible Generation Facility** generates electricity exclusively from wind, water, biomass, biogas, biofuel, solar energy, or geothermal energy, and it must generate more electricity than it consumes. It must be identified in the Eligible Purchase Agreement as a source of Eligible Electricity and supply some volume of Eligible Electricity to the IESO-controlled grid or distribution system during each hour of the base period, except in cases beyond its control, as outlined in the Regulation.

Additionally, to qualify, a facility must either: (a) be in commercial operation before the Binding Date of the Eligible Purchase Agreement; or (b) obtain a Municipal Support Resolution, in the IESO-specified format, from each local municipality where the facility is or will be located confirming both support for the facility (subject to compliance with all applicable laws and regulations) and that it is not located in a Prime Agricultural Area.

2.5 What qualifies as Eligible Electricity?

Eligible Electricity must be purchased under an Eligible Purchase Agreement and cannot be classified as Compensated Electricity, as set out in the Regulation. It must be physically supplied directly from the Eligible Generation Facility to the IESO-controlled grid or the distribution system of a licensed distributor without first being temporarily stored in an energy storage device or facility. Additionally, the electricity supply must be settled through the IESO-administered markets.

2.6 What is Compensated Electricity?

Compensated Electricity is electricity that has (or will) already been paid for, credited, or committed under a contract or program. This includes electricity used or credited through an IESO capacity auction, demand response auction, or pilot program. It also applies if the electricity is covered by a contract with the IESO or the Financial Corporation (e.g., the Ontario Electricity Financial Corporation (OEFC)), included in a cogeneration capacity agreement, or sold under any other agreement besides the Eligible Purchase Agreement. Additionally, if the Eligible Generator or Eligible Purchase Customer receives any payment or credit for the Eligible Electricity beyond what is provided under the Eligible Purchase Agreement, it is considered Compensated Electricity.

The fundamental principle to keep in mind is that the Regulation does not contemplate or permit a 'double recovery'. That is, a given unit of generated electricity can be either Eligible Electricity or Compensated Electricity – it cannot be both.

3. Submission and Review Process

Eligible Purchase Customers and Eligible Generators are required to submit the attestations and supporting documents to the IESO using the Prescribed Forms specified by the IESO within the specified time frame.

The submission process comprises two stages:

- a. **Pre-base Period Submission:** Both the Eligible Purchase Customer and Eligible Generator must submit the attestations, applicable workbooks and supporting documentation to the IESO within the specified time frame.
- b. **Post-base Period Submission:** The Eligible Purchase Customer and Eligible Generator must submit the post-base period attestations to the IESO for each of their C-PPAs. Electricity supplied during that base period will not be considered eligible if this submission is not received.

3.1 Pre-base Period Submission Process

1. The Eligible Purchase Customer and the Eligible Generator must complete and submit the Pre-base Period Submission to the IESO during the submission window from February 1 to March 30 of the applicable base year. This includes the [Prescribed Form: Attestation for Eligible Purchase Agreement – Pre-base Period](#), applicable accompanying workbooks, associated forms and any required supporting materials (the “Prescribed Form Materials”). As specifically set out in the materials, each party must attest to the completeness and truth of those aspects of the Prescribed Form Materials for which that party is responsible. Submissions must be sent via email to the IESO at corporateppa@ieso.ca within the specified timeframe.
2. The IESO will review the submission and, assuming the submission is complete in all material respects, issue a notification letter to the counterparties confirming that the submission is complete and assigning their IESO C-PPA Identifier.

Please note: The **Pre-base Period Submission** is only required to be submitted once before the beginning of the first applicable base period until the Eligible Purchase Agreement is amended or expires. If the Eligible Purchase Agreement is amended or expires and the counterparties wish to continue participating in the C-PPA framework, they will need to resubmit the Pre-base Period Submission.

3.2 Post-base Period Submission Process (After Every Applicable Base Period)

1. Within 15 calendar days following the end of each applicable base period (i.e. 15 days after April 30th), the Eligible Purchase Customer and Eligible Generator must complete and submit the Post-base Period Submission. This includes the [Prescribed Form: Attestation for Eligible Purchase Agreement – Post-base Period](#) and any applicable supporting materials that may be requested. Submissions should be sent via email to the IESO at corporateppa@ieso.ca within

the specified timeframe, in each case with a subject-line beginning with the assigned IESO C-PPA Identifier.

2. The IESO will review the submission and, where it is satisfied that the requirements of the Regulation have been met (subject potentially to follow-up with the Eligible Generator or Eligible Purchase Customer), calculate the peak demand factor (PDF) for the applicable Eligible Purchase Customers and issue the written notice of the PDF to the Eligible Purchase Customer in accordance with the Regulation.

3.3 Submission Instructions

Pre-base Period Submission

The Prescribed Form and all associated Prescribed Form Materials must be submitted electronically via email to the IESO at corporateppa@ieso.ca, in either PDF or Excel format.

Please ensure the following when submitting:

- Each file name must include the name of the Eligible Purchase Customer, the Eligible Generator, and a short description of the file. (e.g. "ABC Energy & ABC Load - Prescribed Form, Attestation for Eligible Purchase Agreement – Pre-base Period").
- The email subject line must include the name of the Eligible Purchase Customer, Eligible Generator and the submission type. If multiple emails are required, please indicate the sequence in the subject line using the format: (1 of 3, 2 of 3, etc.).
 - For example, "ABC Energy & ABC Load – Pre-base Period Submission (1 of 3)"
- The Prescribed Form and all Prescribed Form Materials, with the exception of the required workbooks, must be submitted as a complete email package of 20MB or less (or multiple email packages of 20MB or less) following the instructions above.
- The required workbooks may alternatively be filed as a separate submission from either or both parties, in either case following the instructions above and the instructions provided in the Prescribed Form and workbooks.

Post-base Period Submission

The Prescribed Form must be submitted electronically via email to the IESO at corporateppa@ieso.ca, in PDF format.

Please ensure the following when submitting:

- The email subject line, and the file name of the Prescribed Form, must begin with the unique C-PPA Identifier previously provided by the IESO and contain a short description of the file (e.g. "C-PPA Identifier - Prescribed Form - Attestation for Eligible Purchase Agreement – Post-base Period").
- The Prescribed Form must be submitted as a complete email package of 20MB or less (or multiple email packages of 20MB or less) following the instructions above.

4. Additional Requirements

4.1 Notification of Changes to the Eligible Purchase Agreement

Counterparties must notify the IESO in writing of any changes to their Eligible Purchase Agreement within five days of the change. This includes any amendments, assignments, restatements, transfers, or terminations. Notifications should be sent to corporateppa@ieso.ca.

4.2 Notification of Changes to Submitted Information

Counterparties must notify the IESO in writing within **10 business days** of becoming aware that any documents or information previously submitted to the IESO under subsection (3) are materially incorrect or incomplete, they must:

- Notify the IESO within **10 business days** of becoming aware of the discrepancy; and
- Provide corrected and complete documents or information

Notifications should be sent to corporateppa@ieso.ca.

4.3 Compliance Monitoring

Throughout the base period, the IESO will monitor participants' compliance with the obligations stipulated in the Regulation and may contact participants for clarification or to request additional information, as needed.

5. Key Dates/Milestones

Milestone	Date
Deadline for Pre-base Period Submission	March 30 th of the applicable base year
Base Period	12-month period lasting between May 1 to April 30 of the following calendar year.
Deadline for Post-base Period Submission	Within 15 days after the end of the applicable base period