

Ministry of Energy

Office of the Minister

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MC-994-2022-808

November 17, 2022

Ms Lesley Gallinger
President and Chief Executive Officer
Independent Electricity System Operator (IESO)
1600—120 Adelaide Street West
Toronto ON M5H 1P1

Dear Ms Gallinger:

I am writing with respect to the work our government has been doing to launch a Clean Energy Credit registry to support new investment in the province.

As environmental and sustainability goals increasingly influence corporate decisions on where to invest and grow, we are listening and taking action by leveraging the province's world-class clean electricity grid through developing a voluntary clean energy credit (CEC) registry to boost Ontario's international competitiveness and attract jobs.

The creation of a clean energy credit registry would give businesses the opportunity to meet their corporate environmental and sustainability goals when choosing to operate in Ontario and would also generate revenue which could be returned to Ontario ratepayers to support new clean energy generation and help lower electricity costs.

A CEC registry would also add to the growing list of factors that make Ontario a top destination for manufacturing investment, such as the province's well-trained workforce, tax credits, and a world-class research and development ecosystem all while enhancing our energy advantage.

As you know, our government completed a public consultation on the initiative in September and the IESO and my ministry continue to work together on the realization of this priority initiative. On November 14, our government introduced Bill 36, the *Progress on the Plan to Build Act*, which if passed would establish a framework for a IESO led Clean Energy Credit Registry. As the legislature considers the Bill, I anticipate that the IESO will have to work expeditiously to achieve its mandate in anticipation of the launch of the CEC registry as early as possible in 2023.

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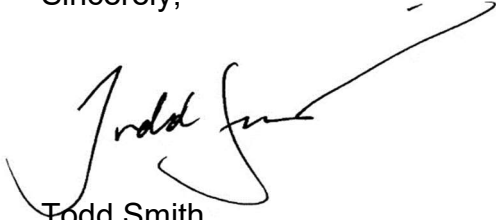
We recognize this is a challenging timeline. I would encourage the IESO to undertake any commercial activities required to support the launch, including:

- making arrangements with existing registries to prepare to designate a specific registry and developing rules for the administration of the registry; and
- making necessary arrangements that are, in the IESO's opinion, required to make some of the IESO-held EAs available for sale following designation of the registry.

My thanks to you and your team for taking all necessary steps to put the IESO in the most advantageous position possible to support the initiative, and for your ongoing attention to this Government priority.

I look forward to continuing to work with you towards the launch of the registry.

Sincerely,

A handwritten signature in black ink, appearing to read "Todd Smith", with a long, sweeping horizontal stroke extending to the right.

Todd Smith
Minister

c: David Donovan, Chief of Staff to the Honourable Todd Smith
Carla Nell, Vice President, Corporate Relations, Stakeholder Engagement and Innovation
Jason Fitzsimmons, Deputy Minister of Energy