

## **Bruce Power Submission on Development of a Clean Energy Credit Registry**

**September 2022**

Thank you for the opportunity to comment on the August 2, 2022 Ministry of Energy proposal ([ERO 019-5816](#)) to introduce a clean energy credit (CEC) registry and associated processes to support the creation, recognition, tracking and retirement of voluntarily purchased CECs within the province.

As a starting point, Bruce Power feels it is critical that an initial framework be established that recognizes the value of incremental, new, and refurbished clean energy. On the pathway to decarbonization, additional electricity generation will be required and maximizing the value of this clean energy will be a benefit to Ontario customers, businesses and supports new investment and capital into the province to help ease this transition.

As we indicated to the system operator in writing earlier this year, Bruce Power is committed to supporting the IESO with this initiative by establishing a Pilot Project, starting in 2023, using incremental output from site investments through our Project 2030 initiative which represents net, new nuclear generation that will directly offset emitting generation. Project 2030 is proceeding and will be funded in part using proceeds from our recent \$500 million Green Bond issue; this has been accepted as an appropriate use of those funds under the Green Bond Framework.

Overall, Project 2030 will increase the peak of the Bruce Power Site to 7,000 MW for the 2030's and incrementally is 700 MW greater than the site output from 2016 when the company entered into the Amended and Restated Bruce Power Refurbishment Implementation Agreement (ARBPRIA).

The avoided emissions from Project 2030 are estimated to remove almost 450,000 metric tonnes of CO<sub>2</sub>e- annually, the equivalent of taking approximately 100,000 cars off the road. Through this approach, Bruce Power will demonstrate credible, incremental output that is net new generation and directly offsetting emissions. We believe this nuclear output is uniquely positioned as a starting point to commence the Ontario CEC Program through credits that can be appropriately recognized within the voluntary market.

Based on our experience through our company's commitment to be Net Zero by 2027 and our work with financial institutions related to our Green Bond program, we understand the importance of CEC's being credible as measurable, concrete offsets for potential buyers. This output, which we believe is ideally suited for the early stages of the CEC program, clearly meets this test.

Key elements of the proposed Pilot Project would include the following:

- Establish a short, medium and long-term plan for endorsement and accreditation of these credits;
- Focus initial sales of credits on incremental output from Project 2030 from date which they came into service;;

- Opportunity to sell to customers voluntary offset credits generated for organizations to use this as part of their Net Zero commitments;
- Following the recovery of costs for these activities determine appropriate sharing between the Bruce Power and the IESO;
- Market these credits as a 'Made in Ontario' opportunity that is both incremental and leverages Ontario's clean electricity system;
- Establish a foundation for other generation beyond Project 2030 output that could be utilized within this model.

In summary, we believe this CEC Pilot Project could be put in place for the target set forward by the Minister for 2023 and in order to achieve this, we would like to determine the level of interest in the coming months for us to be able to determine next steps. This proposal would help enable the stated goal of creating a registry that preserves future flexibility for interconnection with other markets, treatment of import/export of electricity, and treatment of new generating facilities. We also believe it will allow revenues from CECs to directly benefit ratepayers and support future development of new clean energy in the province.

We look forward to providing a clear, viable additionality option for the Province as part of the new CEC registry and are happy to discuss this with you in more detail at your convenience.



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