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December 17, 2023

Mathew Peltier
Ministry of Energy, Energy Supply Policy Division
7th Floor, 77 Grenville
Toronto, ON
M7A 2C1
Canada

Via email: ici.consultation@ontario.ca

**RE: ERO# 019-7853** Ontario Regulation 429/04 Amendments Related to the Treatment of Corporate Power Purchase Agreements

Dear Mr. Peltier;

On behalf of the Canadian Fuels Association (CFA), we thank you for the opportunity to provide feedback on this important issue. CFA members¹ are committed to a future where Canadians achieve significant transportation greenhouse gas (GHG) emissions reductions without compromising the ability to move people and goods. Our <a href="Driving to 2050 Vision">Driving to 2050 Vision</a> highlights how Canada's transportation fuel sector is innovating and investing in the development of clean transportation-energy choices which include reliable, affordable low-carbon liquid fuels.

CFA and our members have reviewed and are supportive of the proposal to enable commercial and industrial customers to offset demand through power purchase agreements (PPAs) with renewable generation facilities.

We recognize that the request for consultation does not identify specific mechanics or scope of the proposed amendments. We encourage the ministry to implement a process for application and operation that is as simple as possible for new entrants to the program. It is essential that large industrial facilities, like Ontario's refineries and chemical plants, be able to qualify for the program in order to enhance their competitiveness versus competing jurisdictions. The proposal adds much desired optionality, and in some cases simplicity versus other alternatives, for large industrial facilities to manage their costs.

<sup>&</sup>lt;sup>1</sup> Canadian Fuels members: Braya Renewable Fuels, Federated Co-operatives Limited, Greenergy, Greenfield Global, Imperial Oil Limited, Irving Oil, North Atlantic, North West Redwater Partnership, Parkland Corporation, Petro-Canada Lubricants Inc., Shell Canada Limited, Suncor Energy Products Partnership, Tidewater Midstream and Infrastructure Ltd. and Valero Energy Inc.

The proposed implementation date of May 1, 2024, gives our members a reasonable amount of time to evaluate participation, while providing timely availability. Overall, this shows that Ontario is looking to create the conditions for its large industrial facilities to operate in a competitive global landscape, and CFA welcomes the initiative.

CFA thanks you again for this opportunity to participate in this important work. We are committed to working with the Ontario government to help reduce greenhouse gas emissions while meeting the province's growing energy needs. Should you have any questions about these, or any other issues related to fuels and their place in Ontario's energy supply mix, please do not hesitate to reach out. We look forward to hearing from you.

Sincerely,

Landon Tresise

Director, Government and Stakeholder Relations Canadian Fuels Association landontresise@canadianfuels.ca

## About CFA

CFA represents the producers, distributors and marketers of transportation energy, including gasoline, ethanol, bio-based diesel, jet fuel, as well as, specialty fuels and lubricants. Our sector represents 111,000 workers, 15 refineries, 8 Clean Fuels production facilities, 75 distribution terminals, and 12,000 retail and commercial sites. Five refineries and five clean fuels facilities are located here in Ontario. Our members supply 95% of the transportation fuel Canadians use every day.

We have a long history of working collaboratively with governments to strengthen environment, health and safety policies while ensuring an uninterrupted supply of fit-for purpose transportation fuels to meet the needs of Canadian consumers and businesses.