

July 18, 2025

Ryan Balmer
Financial Instruments Branch
40 St. Clair Avenue West, Floor 8
Toronto, ON, M4V 1M2
Canada

Re: Feedback on Proposed Amendment ([ERO 025-0394](#)) to Ontario's Emissions Performance Standards (EPS) Program
Ontario Association of Physical Plant Administrators

Dear Mr. Balmer,

Blackstone Energy Services submits this letter on behalf of its client, the Ontario Association of Physical Plant Administrators (OAPPA). OAPPA is a not-for-profit organization whose membership includes the physical plant administrators for provincially assisted universities in Ontario. Several OAPPA members are owners and operators of cogeneration facilities and other resources that produce greenhouse gas emissions. These institutions deliver essential public services, making it critical that the EPS framework offers clarity, fairness, and long-term certainty. As a result, OAPPA member universities have a direct interest in policies affecting carbon programs and pricing in Ontario. OAPPA has been engaged in the discussions on policies affecting carbon for many years and welcome the opportunity to provide feedback on the proposed amendments to Ontario's Emissions Performance Standards (EPS) program.

This submission outlines key questions and concerns about proposed amendments that may significantly impact how these institutions participate in and comply with the EPS program. We would like to raise the following questions and comments for your consideration:

1. Clarification on Participant Status Below the 10,000 Tonne Threshold

Institutions have expressed uncertainty about how the EPS program treats facilities that fall below the 10,000 tonne CO₂e threshold:

- Does a single year below this threshold trigger removal from the program?
- Is there a rolling period (e.g., two or three years) used to determine sustained reductions before triggering an exit?
- Is there an opportunity for voluntary participation for those who fall below but wish to remain in the program?

2. Access to Contributed Funds Upon Exit Via the Emissions Proceeds Program

Other institutions have asked for clarity on what happens to the funds to which a facility has contributed if they exit from the program:

- Are Participants who opt out voluntarily still able to access funds they have contributed into the Emissions Proceeds Program? Are unspent funds forfeited if a facility exits?
- Is there a period during which they may still access these funds after they exit the program?
- Are funds allocated on an annual basis or over a rolling period? Is there a process for refunding or reallocating these funds?

3. Clarifying and Improving Access to Emissions Performance Program (EPP) Funds

Several institutions have expressed concern that, while they contribute to the EPP through compliance payments, the eligibility criteria and emissions thresholds for accessing funds are difficult to meet—making it challenging to advance any project proposals.

- Could the Ministry provide clearer guidance on eligibility and criteria for accessing EPP funding?
- Are there opportunities to revise thresholds or introduce more accessible funding streams?
- Would the Ministry consider establishing a dedicated EPP funding stream to support institutions that contribute to the program but are unable to meet the emissions threshold required for project funding?

4. Removal of CHP Credits

The removal of Combined Heat and Power (CHP) credits is of significant concern to institutions with CHP systems that were previously recognized for their efficiency:

- Could the Ministry provide rationale for the removal of CHP credits, especially given their role in high-efficiency energy generation?
- Will there be any transitional relief or alternative incentives to mitigate the financial burden this imposes, particularly on institutions with legacy infrastructure?
- Is the Ministry open to a dialogue to discuss the impact on participants? We believe there is room for a middle ground given continued reliance on natural gas fired generation to support provincial electricity demand.

Conclusion

As representatives of large institutions in the public sector, we urge the Ministry to ensure that EPS amendments:

- Provide clarity and predictability for multi-year compliance and capital planning;
- Ensure fairness in how contributions and access to compliance tools or financial mechanisms are handled over time;
- Clarify and improve access to the Emissions Proceeds Program (EPP) funds;
- Include detailed guidance on program exit, fund access, and triggers for status changes.

We appreciate the opportunity to contribute to this consultation and would welcome further engagement through discussions or workshops on these topics.

Respectfully submitted by Blackstone Energy Services (with representation from the OAPPA Energy Chair),

Peter Stratakos

Peter Stratakos, VP, Client Advisory



Mary Quintana, OAPPA Energy Chair

CC: OAPPA Energy Committee