

Ontario's Cap and Trade Program How to Participate:

Frequently Asked Questions – Recognition as an Account Agent and Participant Registration Processes

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General

1. What is CITSS?

The Compliance Instrument Tracking System Service (CITSS) is the web-based system that Ontario's cap and trade program will use to track greenhouse gas allowances and credits. CITSS is the same tool used in California and Quebec, the two other jurisdictions already participating in WCI, Inc. carbon allowance cap and trade programs in North America.

CITSS has many functions. It is used to register entities participating in Ontario's cap and trade program, track the ownership of emissions allowances and credits among program Participants, enable and record transfers of emissions allowances and credits, facilitate compliance obligation tracking, and the surrender of compliance instruments to meet compliance obligations and support market oversight.

2. How can I get a CITSS account?

Opening CITSS account(s) is a two-part process.

- Part 1 – Recognition as an Account Agent or RAA (User Registration in CITSS)
- Part 2 – Participant Registration or PR (Account Application in CITSS)
- Part 1 involves an individual submitting an application for Recognition as an Account Agent to obtain a valid CITSS User ID. For more information on the RAA process and how to complete and/or submit this application please refer to the guidance document, **Recognition as an Account Agent (User Registration) in the Compliance Instrument Tracking System Service (CITSS)**.
- Part 2 involves submitting a Participant Registration by a recognized Account Agent to open an account for the entities (companies) participating in the program. Participants can be Mandatory, Voluntary or Market Participants. For more information about the PR process, please refer to the guidance document, **Participant Registration (Account Application) in the Compliance Instrument Tracking System Service (CITSS)**.

3. Why does Ontario use different terms for User Registration and Account Application than what is seen in CITSS?

Ontario uses the terminology included in O. Regulation 144/16 – The Cap and Trade Program. Recognition as an Account Agent (Section 45) refers to the User Registration process in CITSS and Participant Registration (Part IV) refers to the Account Application process. For more information on Ontario terms, please refer to the **Recognition as an Account Agent and Participant Registration Glossary**.

4. Who can I contact for more help?

1. **The Cap and Trade Help Desk** – for questions related to the cap and trade program, excluding emissions reporting and technical help for CITSS (see below).
Phone: 1-888-217-3326 (toll-free)
Email: CThelp@ontario.ca
2. **GHG Emissions Help Desk** – for questions related to reporting greenhouse gas emissions.
Phone: 416-649-4480 or 1-855-815-6400 (toll-free)
Email: ghgreporting@ontario.ca

Recognition as an Account Agent or RAA (User Registration)

5. Are there eligibility criteria to apply for the Recognition as an Account Agent process?

Yes, Section 45 of the O. Regulation 144/16 - The Cap and Trade Program identifies the criteria for this process. In order to apply, the individual must not be:

- Convicted of a criminal offence in the last five years before the individual submitted the application to the Director, unless a pardon, including a record suspension within the meaning of the Criminal Records Act (Canada), has been obtained.
- Found guilty of an offence under the Criminal Records Act (Canada), Commodity Futures Act or the Securities Act.
- Already assigned a CITSS User ID for the purposes of dealing with emission allowances and credits.

6. How do I apply for the Recognition as an Account Agent process in order to obtain a CITSS User ID?

The Recognition as an Account Agent process requires the applicant to electronically submit an application through CITSS and to mail in a hard copy of the application package consisting of forms and supplementary documents to support the verification of his/her identity.

Once the hard copy package is received by the Director (Registrar), the application can be processed for approval. For more information, refer to the guidance document, **Recognition of Account Agent (User Registration) in the Compliance Instrument Tracking System Service (CITSS)**.

7. What is in the Recognition as an Account Agent application package?

The hard copy application package that must be mailed to the Director consists of the following forms and supporting documentation:

- A. Recognition as an Account Agent Checklist (CITSS)
 - Printed and completed (for reference).
- B. Recognition as an Account Agent Registration Form (CITSS)
 - Printed, signed and dated.
- C. Proof of Identity Form (CITSS)
 - Printed, completed, signed and dated.
- D. Identity Verification and Attestations Form (from MOECC website)
 - Printed, completed by both the applicant and the lawyer or notary.
- E. Copies of 2 pieces of Government-issued ID
 - One of the IDs must have a photograph, the individual's name, and date of birth. Both must be certified by the notary or lawyer.
- F. Financial Institution Letter
 - Letter from a financial institution located in Canada confirming that your identity check was performed.
- G. Authorization Letter (if applicable)
 - Letter on company letterhead signed by company official authorizing/designating the applicant as a representative.

8. Where should I send the RAA application package?

Once your application package is completed, mail it to the Director at this address:

Ontario Cap and Trade Program
Ministry of the Environment and Climate Change
Program Management Branch
40 St. Clair Avenue West, 4th Floor
Toronto, Ontario M4V 1M2

Only documents with original signatures will be accepted.

9. What are the various forms that must be filled out in the RAA process?

There are four forms that must be completed for the RAA process. Three of the forms are CITSS-generated and must be printed once the applicant reaches the 'Registration Submitted' page in CITSS during the electronic submission. The fourth form is available through the MOECC cap and trade website.

CITSS-Generated Forms

1. Recognition as an Account Agent Registration Checklist
2. Recognition as an Account Agent Registration Form
3. Proof of Identity Form

MOECC-Generated Form

4. Identity Verification and Attestations Form

10. I'm a consultant or a Person who wishes to represent various companies under their Participant Accounts, is this permitted? If so, do I have to obtain a unique CITSS User ID for each Participant I represent?

One individual or consultant can be a representative for various Participants in CITSS. Regardless of whether or not you work within the company, you will need to acquire a letter prepared by the Chief Officer or a Resolution of the Board of Directors for each Participant you will be representing. This letter authorizes you to act on the company's behalf under the Cap and Trade Regulation. This requirement is specified by Section 2b of the Proof of Identity Form. A sample letter is available in the guidance document, **Recognition as an Account Agent (User Registration) in the Compliance Instrument Tracking System Service (CITSS)**.

You will not have to obtain a unique CITSS User ID for each Participant you represent; in fact, CITSS does not permit duplicate users. Your unique CITSS User ID can be used to represent various Participants at the same time.

11. I forgot to print the CITSS-generated forms and have navigated away from that browser window. How can I print the forms now?

These forms cannot be recovered as created in the CITSS system (i.e. with the information previously entered). Please contact the Cap and Trade Help Desk at 1-888-217-3326 or CThelp@ontario.ca for instructions on how to proceed. Please have your CITSS User Reference Code handy.

12. What happens once the Recognition as an Account Agent package is received by the Director (Registrar)?

Once your hard copy application package is received by the Director and your electronic submission is completed, the information provided will be assessed for completeness and verified to confirm your identity. This process is known as the Know Your Customer Check. Once this is complete, the Director will approve your CITSS User ID in the system and you will be automatically notified by email.

If your application has been denied, you will be contacted by program staff by email, outlining the reason for the denial. You will then be automatically notified by the system.

Please allow 10-15 business days from receipt of your complete application package for full processing of your application.

Once your application is approved, your CITSS User ID becomes active and you may log into the system. As a recognized Account Agent, you will now be able to complete other actions in CITSS such as managing your profile and applying for Participant Registration.

13. Where can I find a notary or a lawyer to validate my identity and my relationship with the corporation I represent?

The [Ministry of Attorney General](#) provides information on how to find a notary. Check the Yellow Pages or consult with your local library on how to locate a notary in your community.

14. Can my company's lawyer or notary validate my identity and other supporting documentation?

Yes.

15. Can a Commissioner for Oaths validate my identity and other supporting documentation?

No. This must be done by a notary or a lawyer.

16. Why is a letter from a financial institution necessary?

All Account Agent applicants must provide a letter by a **financial institution** located in Canada, confirming you have an open bank account and that an identity check was performed. A sample Financial Institution Letter is available in the guidance document, **Recognition as an Account Agent (User Registration) in the Compliance Instrument Tracking System Service (CITSS)** for reference.

Account Agent (User) Detail Changes

17. How can I change the information in my user profile?

After you have been approved as a recognized Account Agent, you may edit your user profile information in CITSS. There are three types of changes:

- Changes that take effect immediately after you enter them online, e.g. entering in an additional telephone number such as your cellphone.
- Changes that require Director approval after they are entered online, e.g. changing your primary telephone number.
- Changes that require Director approval and submission of additional information, e.g. you have changed your legal name.

If your change requires supporting documentation, program staff will contact you.

You will be notified by email once your changes have been approved.

For more details on this subject, see the guidance document, **Account Agent Updates in the Compliance Instrument Tracking System Service (CITSS)**.

18. How can I obtain a new user ID or password?

The CITSS User ID cannot be changed or replaced. It is unique to the user and cannot be duplicated.

Passwords should only be known by the CITSS user. Program staff cannot access your password. If you have forgotten your password, you need to reset it. Refer to the Account Agent Updates in the CITSS guidance document for further information or contact the Ontario Cap and Trade Help Desk at 1-888-217-3326 or by email at CTHelp@ontario.ca.

19. Why do certain Account Agent profile changes require Director approval before taking effect?

Changes to personal information, addresses and contact information must be approved by the Director for security measures. This ensures that an Account Agent's contact information is kept up-to-date at all times.

Participant Registration or PR (Account Application)

20. How do I apply for Participant Registration (Account Application)?

An approved Account Agent with a valid CITSS User ID must submit the Participant Registration (PR) application on behalf of a Mandatory, Voluntary or Market Participant. For more information on the PR process, please refer to the Participant Registration (Account Application) Fact Sheet.

The PR process requires the applicant to electronically submit an application through CITSS and to mail in a hard copy application package with signed copies of forms and supporting documents to the Director (Registrar). The application requires the designation of Primary and Alternate Account Representatives, the addition of facilities when applicable and the disclosure of Business Relationships with other entities.

Once the hard copy package is received by the Director (Registrar), the application can be processed for approval.

21. Which forms do I have to complete as part of the Participant Registration process?

There are three forms that must be completed for the PR process. Two of the forms are CITSS-generated and must be printed once the applicant reaches the Account Application Submitted page in CITSS during the electronic submission. The third form is available through the MOECC cap and trade website.

CITSS-Generated Forms:

- A. CITSS Participant Registration Checklist Form
- B. CITSS Participant Registration Form

MOECC Form:

- C. Business Relationship Disclosure Form

22. What is in the Participant Registration application package?

The hard copy application package that must be mailed in to the Director consists of the following forms and supporting documentation:

- A. Participant Registration Checklist (CITSS)
 - Printed and completed (for reference).
- B. Participant Registration Form (CITSS)
 - Printed, completed signed and dated. The following original signatures must be included: Primary Account Representative (PAR), Alternate Account Representative (AAR). The signature of a Chief Officer for the Participant is required unless providing a Resolution of the Board of Directors.
- C. Resolution of the Board of Directors (optional)
 - Supporting document to be provided if the Chief Officer for the Participant does not sign the Participant Registration Form.
- D. Business Relationship Disclosure Form (from the MOECC website)
 - Completed electronically, printed, signed and dated. Must include the original signatures of the PAR or AAR.

23. What kind of Participant am I?

Ontario's cap and trade program has two main types of participants:

- **Capped Participant:** a Mandatory Participant or a Voluntary Participant.
 - **Mandatory Participant:** A Participant required to enroll in the program; includes facilities and natural gas distributors with emissions of 25,000 tonnes or more of greenhouse gas emissions per year. Additionally, petroleum product suppliers that sell more than 200 litres of petroleum products per year and electricity importers must also participate in the program.
 - **Voluntary Participant:** A Participant choosing to opt in to the program; includes facilities generating more than 10,000 tonnes but fewer than 25,000 tonnes of greenhouse gas emissions. These facilities will be subject to the same rules as Mandatory Participants.
- **Market Participant:** any other individual or company that wishes to enroll in the cap and trade program but is not an owner, operator, or employee of a Capped Participant.
 - Market Participant – Individual: A single person participating in the cap and trade program.
 - Market Participant – Organization: A company or organization participating in the cap and trade program.

Capped Participants are assigned both a General Account and a Compliance Account in the CITSS as they have compliance obligations.

Market Participants are only assigned a General Account in CITSS as they do not have a compliance obligation. They are still able to acquire, hold, and sell or retire compliance instruments in the system.

24. What is the difference between the Entity's legal and operating name?

The Entity's legal name appears on the record filed with the provincial or federal government body that it was incorporated or established. The operating name could be the same, but it is generally the Entity's common (trade) name.

25. Where should I send the hard copy application package after I've electronically submitted the application to open an account in CITSS?

Once your application package is completed, mail it to the Director at:

Ontario Cap and Trade Program
Ministry of the Environment and Climate Change
Program Management Branch
40 St. Clair Avenue West, 4th Floor
Toronto, Ontario M4V 1M2

Please note that only documents with original signatures will be accepted.

26. What happens when the Director (Registrar) receives the application package?

The Director will review your application once it is received.

If information is missing or follow up is required, you will be contacted by program staff.

When your PR application has been approved by the Director, the Participant will be assigned with accounts in CITSS depending on the Entity type.

- Capped Participants (i.e. Mandatory and Voluntary) are assigned a General Account and a Compliance Account.
- Market Participants are only assigned a General Account.

The CITSS system will automatically notify account representatives of the approval.

If your application has been denied, you will be contacted by a program staff member through email outlining the reason for your denial; you will then be sent an automatic notification by the system.

Please allow 10-15 business days from receipt of your package for full processing of your application.

27. What is a designated account representative?

A designated account representative is an individual with a valid CITSS User ID who is authorized to represent a Participant in CITSS.

There are two types of account representatives: Primary Account Representatives (PARs) and Alternate Account Representatives (AARs). To ensure accountability, each Participant requires one PAR and at least one AAR (except for Market Participants who are also individuals). Each Participant may have up to four AARs.

Section 46(1) of O. Regulation 144/16 - The Cap and Trade Program specifies the powers and duties of a designated account representative. PARs and AARs have the authority to purchase, transfer, and sell allowances on behalf of a Participant, as well as update Entity information and add new representatives to the account.

28. What are the requirements for designated account representatives?

All account representatives and Account Viewing Agents must have valid CITSS User IDs.

PARs must be a resident of Ontario.

An individual may not be more than one type of account representative or Account Agent in a Participant's account at the same time (i.e. an individual who is a PAR may not be the AAR for the same Participant).

29. What is an Account Viewing Agent?

An Account Viewing Agent (AVA) is an individual with a valid CITSS User ID who has been granted viewing rights to a Participant's account.

AVAs are added to a Participant's account after the Participant Registration has been approved. A Participant may have up to five AVAs.

Managing an Entity account in CITSS

30. How do I remove a designated account representative or an Account Viewing Agent from my Participant's account?

Only a PAR or an AAR can update representatives and Account Viewing Agents under a Participant's account. This requires data entry in CITSS and may require the submission of hard copy forms for Director approval.

Table 1 - Adding or Changing Account Representatives

Proposed Change	Requirement
Add a New AAR or AVA; or Change PAR; or Swap PAR with current AAR or AVA	Complete CITSS entry and electronically submit changes to the Director. Complete the Request to Change/Add Account Representatives and/or Account Viewing Agents Form; representatives/agents attest to their new role and sign the form. Complete an Authorization Letter (if it has not already been submitted for that individual). Mail the form and letter (if applicable) to the Director (Registrar).
Remove AAR or AVA	As long as you're meeting the minimum requirement for representatives (i.e. at least one AAR), you do not require approval or additional hard copy documentation to remove representatives and agents. Complete CITSS entry and confirm removal. Changes will become effective immediately.

31. How can I access my account information?

Go to the CITSS website at www.wci-citss.org and login with your CITSS User ID and password. You can also access the CITSS website through the MOECC cap and trade website at www.ontario.ca/capandtrade.

The **CITSS User Home Page**, titled "Welcome to WCI CITSS" displays. You can access your accounts from this page to view or update the Entity information, add or remove representatives and add or remove facilities.

32. Can the Director (Registrar) change the status of an account?

The Director (Registrar) can change the account status of an individual Participant or corporate Participant in certain circumstances. The authority of the Director is specified in O. Regulation 144/16 – The Cap and Trade Program.

When a Participant has more than one account (e.g. a General Account and a Compliance Account), the Director (Registrar) must change the status of each individual account.

The PAR and AAR are notified by email of all account status changes.

33. How can a Participant indicate interest in participating in auctions and reserve sales?

The Auction Tab under the Participant's account provides an opportunity for a PAR or AAR of a Participant to indicate the Entity's interest in participating in future auctions and reserve sales. By indicating this interest, the Entity is agreeing to have its name, Entity contact information, account numbers, representative names, representative phone numbers, and representative email addresses transferred to the Auction and Reserve Sale Administrator and Financial Services Administrator for the purpose of facilitating participation in any upcoming auction or reserve sale.

- Indicate the Entity's interest in participating in upcoming auctions and reserve sales by selecting the **Auction Participation Box** and then clicking the **Submit button**. The selection will take effect immediately. Note that only capped Participants (Mandatory and Voluntary) are eligible to participate in reserve sales.

An account representative can also deactivate the Auction Participation option if the Participant no longer wishes to participate. This option can be changed at any time, but it must be activated at the latest 31 days before the next auction or reserve sale to ensure participation.

Business Relationship Disclosures

34. What is a Business Relationship?

The concept of a Business Relationship is defined by Section 2(1) of O. Reg. 144/16 -The Cap and Trade Program. A Business Relationship exists between two companies when one company has a certain level of ownership or control over the other, meeting any of the following criteria:

- One company owns more than 20 per cent of the securities, or holds a call, option or other right or obligation to acquire such securities of the other company.
- One company shares more than 20 per cent of its officers or directors with the other company or may appoint up to 20 per cent of its officers or directors of the other company.
- One company owns more than 20 per cent of the voting rights of the other company.
- For partnerships (other than a limited partnership), one company holds more than 20 per cent of the interests in the partnership.

- If one company is a limited partnership, the other company is a general partner of the partnership.
- The companies are both members of a group made up of a parent Entity or and subsidiaries.
- One company owns more than 20 per cent of the other company by any means.

For more information on specific thresholds, refer to the guidance document, **Business Relationship Disclosures**.

35. How do I disclose Business Relationships?

Information on Business Relationships is submitted during the Participant Registration (Account Application) process through the [Business Relationship Disclosure Form](#). This form must be part of the Participant Registration package sent to the Director for review and approval.

This form is available from the MOECC cap and trade website business section and must be downloaded, completed and saved before printing. It is strongly recommended that you save the form so it can be used for future updates.

To update Business Relationships after the Participant Registration process, please use the same form and check off "Update" under the Application section.

36. What are Related Persons?

Related Persons participating in the cap and trade program are program participants that must share the allowance holding limit and auction/reserve sale purchase limits amongst themselves.

The term 'Related Persons' is defined by Section 2(2) of O. Reg. 144/16 - The Cap and Trade Program. Two companies are 'Related Persons' when:

- They have both designated the same individual as an account representative, and that same individual is an employee of at least one of the companies.
- One company owns more than 50 per cent of the securities of the other company or holds a call, option or other right or obligation to acquire such securities.
- One company shares more than 50 per cent of its officers or directors with the other company or may appoint up to 50 per cent of the officers or directors of the other company.

- One company owns voting securities carrying more than 50 per cent of the voting rights attached to all voting securities in the other
- For partnerships (other than a limited partnership), one company holds more than 50 per cent of the interests in the partnership.
- If one company is a limited partnership, the other is a general partner of the partnership.
- The companies are both members of a group made up of a parent Entity and subsidiaries.
- One company controls more than 50 per cent of the other company by any means.

37. When must disclosures of Business Relationships and Related Persons be completed and updated?

All Participants are required to complete initial disclosure of their Business Relationships with other Participants registered in CITSS and any subsidiaries they operate (if applicable), at the time of initial Participant Registration (Account Application). Updates disclosing changes in submitted information must be completed within 30 days of a change to previously disclosed information.

As part of an application for permission to bid in an auction, a registered Participant is required to submit any updates to the Business Relationship disclosures no later than 40 days before the day of the auction.

Messages from CITSS

38. Why did I receive an email from CITSS?

CITSS sends automated emails in various circumstances, including:

- When the Director receives information submitted electronically concerning a Recognition as an Account Agent application or a Participant Registration.
- Following a change in the status of:
 - A registration application
 - An application to open an account and
 - Activation or de-activation of a User's access to CITSS
- Following the approval or rejection of a User Registration application or an application to open an account.
- At the time of the transfer of Greenhouse Gas (GHG) emission allowances.
- When the Director (Registrar) receives an electronic proposal to add an Account Representative or an Account Viewing Agent.
- When the Director (Registrar) receives an application for changes to the information of the CITSS user profile submitted electronically and that must be approved by the Director (Registrar).
- After changes to the user profile information.
- After a user's login access to CITSS is locked.
- After a temporary password is sent.

39. Do these automated emails require a reply?

Please do not reply to an email sent by CITSS, and never provide your User ID or your password in reply to an email sent by the system.

Emails are sent for information purposes, and may recommend follow up action to the user, such as logging in to view a change. If additional action is expected from the user, the relevant instructions will be included in the email.

40. Why haven't I received any emails after my registration in CITSS?

The user must ensure that the email address entered when he or she registered in CITSS is valid.

If you have not received a confirmation email after submitting the information online, there may have been a communication problem. Please contact the Ontario Cap and Trade Help Desk at 1-888-217-3326 or by email at CTHelp@ontario.ca.