

Ontario's Cap and Trade Program How to Participate:

Recognition as an Account Agent and Participant Registration Glossary

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1. Introduction

This document provides definitions for the terminology included in O. Regulation 144/16 – The Cap and Trade Program and the equivalent terms used in other jurisdictions and in the Compliance Instrument Tracking System Service (CITSS) specific to the Recognition of Account Agent process and the Participant Registration process.

2. Glossary of Terms

This is the list of the terms used under Ontario’s cap and trade program.

Terms used under Ontario’s Cap and Trade Program	Equivalent terms in other Jurisdictions and/or CITSS	Definition or Explanation
Account Agent or Agent	User	An individual who has undergone the Recognition as an Account Agent process in Ontario and has a valid CITSS User ID. There are also types of Account Agents, such as Primary Account Representative (PAR), Alternate Account Representative (AAR) and Account Viewing Agent (AVA).
Account Viewing Agent (AVA)	Account Viewing Agent (AVA)	An individual with the rights to view a Participant’s account.
Alternate Account Representative (AAR)	Alternate Account Representative (AAR)	A designated representative authorized to act on behalf of a participant.
Auction	Auction	Ontario’s auction of emissions allowances run four times during the year.
Authorization Letter	N/A	Supporting document required as part of the Recognition as an Account Agent process. It states that an individual is designated to act on behalf of a participant; signed by the Chief Officer.
Business Number	N/A	Number assigned by the Canada Revenue Agency; mandatory entity identification to be provided during Participant Registration.

Terms used under Ontario's Cap and Trade Program	Equivalent terms in other Jurisdictions and/or CITSS	Definition or Explanation
Business Relationship	Corporate Association	When one Participant has a degree of ownership or control over another participant, e.g. one participant owns or controls more than 20 per cent of another participant.
Business Relationship Disclosure Form	Corporate Association and Structure Form	Form completed during the Participant Registration process and to provide Business Relationship updates.
Chief Officer	N/A	The individual who holds the most senior executive position in an organization or entity, regardless of the actual title of the position.
CITSS Entity ID	CITSS Entity ID	Six-character digit assigned by CITSS to identify a single Participant.
CITSS User Reference Code	User Reference Code	12-character digit assigned by CITSS to identify a single Account Agent (user).
CITSS User ID	CITSS User ID	The unique ID selected by an individual with access to CITSS; used to login to CITSS along with the corresponding password.
CITSS Forms	CITSS forms	<p>Forms generated by CITSS during the recognition of account agent process and the participant registration process:</p> <ul style="list-style-type: none"> • Recognition as an Account Agent Registration Checklist • Recognition as an Account Agent Registration Form • Proof of Identity Form • Participant Registration Checklist • Participant Registration Form

Terms used under Ontario's Cap and Trade Program	Equivalent terms in other Jurisdictions and/or CITSS	Definition or Explanation
Compliance Instrument Tracking System Service (CITSS)	CITSS	The web-based system used to register participants and track allowances and credits from issuance to retirement.
Capped Participant	Entity/Emitter (Mandatory or Opt-in)	Participants of Ontario's cap and trade program that have compliance obligations, including Mandatory Participants and Voluntary Participants.
Compliance Account	Compliance Account	An account held by Capped Participants and used to surrender credits and allowances to cover their actual emissions during a compliance period.
Compliance Obligation	Compliance Obligation	The amount of credits and/or allowances to be surrendered by a Capped Participant during a compliance period.
Corporate Association Group (CAG)	Corporate Association Group	A group of related persons created in CITSS to share allowance holding limits and auction/reserve sale purchase limits.
Credits (Ontario Credits)	Credits	Equivalent to one tonne of carbon dioxide equivalent (CO ₂ e). There are two types of credits: offset credits and early reduction credits.
Designated Representatives	Account Representatives	Individuals who are designated to act on behalf of a registered participant for the purposes of the Regulation and the Act. Two types: Primary Account Representative and Alternate Account Representative.

Terms used under Ontario's Cap and Trade Program	Equivalent terms in other Jurisdictions and/or CITSS	Definition or Explanation
Director	Registrar	An individual designated with the authority under Ontario Legislation and Regulation to exercise certain duties and powers such as approving applications for individuals to be recognized as Account Agents and registering Participants in CITSS.
Emissions Allowance(s) and Credit(s)	Compliance Instruments	Equivalent to one tonne of CO ₂ e.
Facility	Facility	<p>All buildings, equipment, structures and stationary items, such as surfaces and storage piles that are owned and operated by the same person.</p> <p>A facility must also be located either:</p> <ul style="list-style-type: none"> • on a single site • on two or more adjacent sites that function as a single combined site, or • in the case of a pipeline transportation system, a transmission system or a distribution system, on two or more sites that are not adjacent.
Financial Services Administrator (FSA)	Financial Services Administrator (FSA)	The financial institution contracted by WCI, Inc. to provide financial services for auction participants.
Holding Account	General Account	Account assigned to all Participants of Ontario's cap and trade program used to hold emissions allowances and credits.
Jurisdiction	Jurisdiction	The jurisdiction that you must comply with, i.e. Ontario.

Terms used under Ontario's Cap and Trade Program	Equivalent terms in other Jurisdictions and/or CITSS	Definition or Explanation
Legal Name	Legal Name	The name of an organization as it appears on its incorporation or establishment documents.
Mandatory Participant	Covered entity/source	An organization required to participate in the cap and trade program because it emits over 25,000 tonnes of greenhouse gas emissions. Additionally, fuel suppliers that sell more than 200 litres of fuel per year and electricity importers must also participate in the program.
Market Participant	General Market Participant (GMP)	A Participant of the cap and trade program without a compliance obligation; can be an individual or an organization.
Ministry	N/A	Ministry of the Environment and Climate Change (MOECC).
MOECC Forms	N/A	Forms located outside of CITSS, accessed through the Ministry's cap and trade website. E.g. Business Relationship Disclosure and Identity Verification and Attestations Forms.
Notary	N/A	An appointed individual who has all the powers of a commissioner for taking affidavits, and can also verify that signatures, marks and copies of documents are true or genuine.
Ontario Reporting Regulation	Mandatory Reporting Regulation (MRR)	Ontario Regulation 452/09 (Greenhouse Gas Emissions Reporting) and O. Reg. 143/16 (Quantification, Reporting and Verification of Greenhouse Gas Emissions).

Terms used under Ontario's Cap and Trade Program	Equivalent terms in other Jurisdictions and/or CITSS	Definition or Explanation
Operating Name	Operating Name	The common name of the Participant or facility registering in CITSS (it may be the same as the Legal Name).
Participant	Entity	An establishment, entity or individual participating in Ontario's cap and trade program.
Participant Registration	Account Application	Process for Ontario's Participants to open accounts in CITSS.
Participant Registration Checklist	Account Application Checklist	CITSS-generated form to be completed during the Participant Registration process.
Participant Registration Form	Account Application Form	CITSS-generated form to be completed during the Participant Registration process.
Person(s)	Entity	In relation to O. Reg. 144/16 – The Cap and Trade Program, it refers to an organization or company.
Primary Account Representative (PAR)	Primary Account Representative (PAR)	A designated representative authorized to act on behalf of a Participant. The PAR must have Ontario residency.
Related Persons	Direct Corporate Association	Companies are Related Persons if they share a designated account representative and that person is an employee of one of the companies, and/or one of the companies controls the other by 50 per cent or more.
Resolution of the Board of Directors	N/A	A legal binding document used on behalf of a corporation. It is required when designating account representatives on a Participant's account in lieu of the Chief Officer's signature.
Sale	Reserve Sale	Ontario's sale of reserved Category A, B or C emissions allowances; sales can be held a maximum of four times per year.

Terms used under Ontario's Cap and Trade Program	Equivalent terms in other Jurisdictions and/or CITSS	Definition or Explanation
Voluntary Participants	Opt-in Entity	Facilities generating more than 10,000 tonnes but less than 25,000 tonnes of emissions that choose to opt in to the program. These companies will be subject to the same rules as mandatory participants.