



# Table of contents

- Auditors’ report ..... 1
- Sale of Green Electricity and Green Electricity Certificates..... 1
- Alberta ..... 2
- British Columbia ..... 2
- Manitoba..... 2
- Newfoundland ..... 2
- New Brunswick ..... 3
- Northwest Territories ..... 3
- Nova Scotia ..... 3
- Nunavut ..... 3
- Ontario..... 3
- Prince Edward Island..... 4
- Quebec..... 4
- Saskatchewan ..... 4
- Yukon ..... 4
- Sale of Green Natural Gas Certificates ..... 5
- Bullfrog Builds, Renewable Accelerator Financial Support ..... 6

## Auditors' report

### To the Management of Bullfrog Power Inc.:

We have audited the following Management's assertions as at December 31, 2013:

#### Sale of Green Electricity and Green Electricity Certificates

1. During the 2013 calendar year, Bullfrog Power (the Company) implemented product changes designed to allow the Company to provide greater support to renewable energy projects across all regions of Canada, reflecting the Company's nationwide expansion. The Company commenced offering Green Electricity and Green Electricity Certificates sourced from wind and low-impact hydro power facilities nationally, with a minimum of 50% sourced from facilities within the customer's region. As such the following assertions with respect to Green Electricity and Green Electricity Certificates support the most recent product requirements.
2. The Company acquired sufficient green electricity and Green Electricity Certificates from EcoLogo<sup>M</sup> certified generation facilities to satisfy its green electricity and Green Electricity Certificate sales to its customers, including Bullfrogpowered events, during the period ended December 31, 2013. Green Electricity Certificates represent the environmental benefits associated with producing EcoLogo<sup>M</sup> certified electricity and injecting into the electricity grid.
3. Green electricity and Green Electricity Certificates acquired by the Company included the rights to the environmental benefits, and the generators, pursuant to their obligations to the Company and under EcoLogo<sup>M</sup> certification, have retained no claim or assertion of rights to such environmental benefits.
4. All Green Electricity Certificates acquired by the Company to meet its 2013 sales have been retired by the Company on behalf of its customers. The EcoLogo<sup>M</sup> CCD-003: Renewable Low-Impact Electricity Product standard provides a vintage requirement for the retirement of Green Electricity Certificates. All Green Electricity Certificates were retired in compliance with the EcoLogo<sup>M</sup> standard.
5. Green Electricity Certificates, covering the period ending December 31, 2013, were confirmed retired by way of a Board of Directors Resolution passed on April 7, 2014.
6. All of the Green Electricity Certificates sold and retired on behalf of its customers were sourced from new EcoLogo<sup>M</sup> certified low-impact renewable facilities.
7. For each Green Electricity Certificate sold and retired on behalf of its customers during the period the Company calculated the estimated emission reduction per MWh to be greater than the Canadian average carbon dioxide consumption intensity of 0.180 tonnes per MWh as published in the Environment Canada, National Inventory Report (1990 – 2011), Part III, p 66.

The following sections identify the green electricity and Green Electricity Certificate mix for standard customers in each of the regions in which Bullfrog Power operated during the period ending December 31, 2013.

### **Alberta**

8. Of the Green Electricity Certificates sold to and retired on behalf of its customers located in Alberta by the Company:

- 100% of the renewable electricity was generated by wind generation facilities.
- 100% of the renewable electricity was injected onto Alberta's provincial power pool.

### **British Columbia**

9. Of the Green Electricity Certificates sold to and retired on behalf of its customers located in British Columbia by the Company:

- 100% of the renewable electricity was generated by wind generation facilities.
- 100% of the renewable electricity was injected onto British Columbia's provincial power pool.

### **Manitoba**

10. Of the Green Electricity Certificates sold to and retired on behalf of its customers located in Manitoba by the Company:

- 100% of the renewable electricity was generated by wind generation facilities.
- 100% of the renewable electricity was injected onto Manitoba's neighbouring provincial power pool.

### **Newfoundland**

11. Of the Green Electricity Certificates sold to and retired on behalf of its customers located in Newfoundland by the Company:

- 71.5% of the renewable electricity was generated by low-impact water generation facilities, and 28.5% of the renewable electricity was generated by wind generation facilities.
- 100% of the renewable electricity was injected onto Newfoundland's neighbouring provincial power pool.

### **New Brunswick**

12. Of the Green Electricity Certificates sold to and retired on behalf of its customers located in New Brunswick by the Company:

- 71.5% of the renewable electricity was generated by low-impact water generation facilities, and 28.5% of the renewable electricity was generated by wind generation facilities.
- 100% of the renewable electricity was injected onto New Brunswick's provincial power pool.

### **Northwest Territories**

13. Of the Green Electricity Certificates sold to and retired on behalf of its customers located in Northwest Territories by the Company:

- 100% of the renewable electricity was generated by wind generation facilities.
- 100% of the renewable electricity was injected onto Northwest Territories' neighbouring provincial power pool.

### **Nova Scotia**

14. Of the Green Electricity Certificates sold to and retired on behalf of its customers located in Nova Scotia by the Company:

- 71.5% of the renewable electricity was generated by low-impact water generation facilities, and 28.5% of the renewable electricity was generated by wind generation facilities.
- 100% of the renewable electricity was injected onto Nova Scotia's provincial power pool.

### **Nunavut**

15. Of the Green Electricity Certificates sold to and retired on behalf of its customers located in Nunavut by the Company:

- 100% of the renewable electricity was generated by wind generation facilities.
- 100% of the renewable electricity was injected onto Nunavut's neighbouring provincial power pool.

### **Ontario**

16. Of the Green Electricity Certificates sold to and retired on behalf of its customers located in Ontario by the Company:

- 81.5% of the renewable electricity was generated by low-impact water generation facilities, and 18.5% of the renewable electricity was generated by wind generation facilities.
- At least 85% of the renewable electricity was injected onto Ontario's provincial power pool.

### **Prince Edward Island**

17. Of the Green Electricity Certificates sold to and retired on behalf of its customers located in Prince Edward Island by the Company:

- 71.5% of the renewable electricity was generated by low-impact water generation facilities, and 28.5% of the renewable electricity was generated by wind generation facilities.
- 100% of the renewable electricity was injected onto Prince Edward Island's provincial power pool.

### **Quebec**

18. Of the Green Electricity Certificates sold to and retired on behalf of its customers located in Quebec by the Company:

- 100% of the renewable electricity was generated by low-impact water generation facilities.
- At least 85% of the renewable electricity was injected onto Quebec's provincial power pool.

### **Saskatchewan**

19. Of the Green Electricity Certificates sold to and retired on behalf of its customers located in Saskatchewan by the Company:

- 100% of the renewable electricity was generated by wind generation facilities.
- 100% of the renewable electricity was injected onto Saskatchewan's neighbouring provincial power pool.

### **Yukon**

20. Of the Green Electricity Certificates sold to and retired on behalf of its customers located in the Yukon by the Company:

- 100% of the renewable electricity was generated by wind generation facilities.
- 100% of the renewable electricity was injected onto the Yukon's neighbouring provincial power pool.

### **Sale of Green Natural Gas Certificates**

21. Bullfrog Power (the Company) acquired sufficient Green Natural Gas Certificates, sourced from generation facilities that meet strict environmental standards as defined by ICF International, to satisfy its Green Natural Gas Certificate sales to its customers including events, during the year ended December 31, 2013. Green Natural Gas Certificates represent the environmental benefits associated with producing green natural gas and injecting into the national natural gas pipeline system.
22. Green Natural Gas Certificates acquired by the Company included the rights to the environmental benefits, and the producers, pursuant to their obligations to the Company have retained no claim or assertion of rights to such environmental benefits.
23. Of the Green Natural Gas Certificates sold to and retired on behalf of its customers during the year ended December 31, 2013, 100% of the green natural gas was produced at facilities located in Quebec and injected onto the national natural gas pipeline system.
24. Green Natural Gas Certificates, covering the year ending December 31, 2013, were confirmed retired by way of a Board of Directors Resolution passed on April 7, 2014.

## **Bullfrog Builds, Renewable Accelerator Financial Support**

25. During the year ended December 31, 2013, the Company committed to provide financial support to community based renewable energy projects and initiatives across Canada by providing grants, project debt financing and/or equity capital in the amount of \$875,000 to the following projects and initiatives:

### **Alberta**

Canadian Rockies Public Schools & Alberta Wind Games: Solar Project  
cSpace Projects: Solar Project  
Starland County: Solar Projects  
Town of Black Diamond, Oilfields Regional Arena: Solar Project

### **British Columbia**

The Society Promoting Environmental Conservation (SPEC): Solar Project  
Tsleil-Waututh Nation: Solar Project  
Xeni Gwet'in First Nations: Solar Project

### **Manitoba**

Sagkeeng First Nations: Wind Project

### **Nova Scotia**

The Morris House Project: Solar Project  
The Deanery Project: Solar Project

### **Ontario**

Beach Community Energy Co-operative: Solar Project  
Federation of Community Power: Renewable Energy Initiative  
Georgina Green Energy Co-operative: Solar Project  
Green Energy Co-operative of Ontario (GECO): Solar Projects  
Local Initiative for Future Energy (LIFE): Solar Projects  
Ottawa Renewable Energy Co-operative (OREC): Solar Projects  
Oxley Wind Farm: Wind Project  
Renewables in Remote Microgrids: Renewable Energy Initiative  
Sudbury Unlimited eNergy (SUN) Co-operative: Solar Project  
Sustainability Brant Community Energy Co-operative: Solar Project  
Toronto Renewable Energy Co-operative (TREC): Renewable Energy Educational Initiative  
SolarShare Co-operative: Solar Projects  
Wintergreen Renewable Energy Co-operative: Solar Project  
ZooShare Biogas Co-operative: Biogas Project

### **Saskatchewan**

Saskatoon Community Wind Energy: Wind Project

### **Yukon**

Kluane First Nations: Wind Project

These assertions are the responsibility of Management. Our responsibility is to express an opinion based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance as a basis for our opinion. An audit includes examining, on a test basis, evidence supporting Management's assertions, and performing such other procedures as we considered necessary in the circumstances. This report is intended solely for use by the Management of Bullfrog Power and its customers.

In our opinion, Management's assertions as at December 31, 2013 as stated above are fairly stated, in all material respects.

*Deloitte LLP*

Chartered Professional Accountants

Licensed Public Accountants

May 5, 2014

Toronto, Ontario