



## **Bullfrog Power Green Energy Audit Report – 2016**

# Table of Contents

Sale of Green Electricity and Green Electricity Certificates	1
Sale of Green Natural Gas Certificates	5
Sale of Green Fuel Certificates	6
Bullfrog Community Renewable Energy Project Financial Support	7



## Auditor's Report

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

We have audited the following twenty-eight assertions made by management of Bullfrog Power Inc. ("the Company") as at December 31, 2016:

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

1. 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 Bullfrog-powered events, during the twelve month period ended December 31, 2016. Green Electricity Certificates represent the environmental benefits associated with producing EcoLogo<sup>M</sup> certified electricity and injecting into the electricity grid.
2. 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.
3. Green Electricity Certificates acquired by the Company to meet its 2016 sales have been retired by the Company on behalf of its customers. The EcoLogo<sup>M</sup> ULE CCD-003: Renewable Low-Impact Electricity Product standard provides a vintage requirement for the retirement of Green Electricity Certificates. The Green Electricity Certificates were retired in compliance with the EcoLogo<sup>M</sup> standard.
4. The Green Electricity Certificates sold and retired on behalf of its customers met the Quality Criteria (specifically #1-5,7) as specified in the Greenhouse Gas Protocol Scope 2 Guidance document issued by the World Resource Institute (January 2015).
5. 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.
6. For each Green Electricity Certificate sold and retired on behalf of its customers during the twelve month period ended December 31, 2016 the Company calculated the estimated emission reduction per MWh to be equal to or greater than the Canadian average carbon dioxide consumption intensity of 0.160 tonnes per MWh as published in the Environment Canada, National Inventory Report (1990–2014), Part III, p 88.

The following sections identify the green electricity and Green Electricity Certificate mix for customers in each of the Regions in which Bullfrog Power operated during the twelve month period ended December 31, 2016.

### **Alberta**

7. Of the Green Electricity Certificates sold to and retired on behalf of its customers located in Alberta by the Company:
- 77% of the renewable electricity was generated by low-impact water generation facilities, and 23% 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**

8. Of the Green Electricity Certificates sold to and retired on behalf of its customers located in British Columbia by the Company:
- 85% of the renewable electricity was generated by low-impact water generation facilities, and 15% 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**

9. Of the Green Electricity Certificates sold to and retired on behalf of its customers located in Manitoba by the Company:
- 85% of the renewable electricity was generated by low-impact water generation facilities, and 15% 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**

10. Of the Green Electricity Certificates sold to and retired on behalf of its customers located in Newfoundland by the Company:
- 53% of the renewable electricity was generated by wind generation facilities, and 47% of the renewable electricity was generated by low-impact water generation facilities.
  - 100% of the renewable electricity was injected onto Newfoundland's neighbouring provincial power pool.

### **New Brunswick**

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

- 53% of the renewable electricity was generated by wind generation facilities, and 47% of the renewable electricity was generated by low-impact water generation facilities.
- 100% of the renewable electricity was injected onto New Brunswick's provincial power pool.

### **Northwest Territories**

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

- 85% of the renewable electricity was generated by low-impact water generation facilities, and 15% 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**

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

- 54% of the renewable electricity was generated by wind generation facilities, and 46% of the renewable electricity was generated by low-impact water generation facilities.
- 100% of the renewable electricity was injected onto Nova Scotia's provincial power pool.

### **Nunavut**

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

- 85% of the renewable electricity was generated by low-impact water generation facilities, and 15% 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**

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

- 59% of the renewable electricity was generated by low-impact water generation facilities, and 41% of the renewable electricity was generated by wind generation facilities.
- At least 76% of the renewable electricity was injected onto Ontario's provincial power pool and 24% was injected into other provincial electricity grids across Canada.

## **Prince Edward Island**

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

- 53% of the renewable electricity was generated by wind generation facilities, and 47% of the renewable electricity was generated by low-impact water generation facilities.
- 100% of the renewable electricity was injected onto Prince Edward Island's provincial power pool.

## **Quebec**

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

- 69% of the renewable electricity was generated by low-impact water generation facilities, and 31% of the renewable electricity was generated by wind generation facilities.
- 100% of the renewable electricity was injected onto Quebec's provincial power pool.

## **Saskatchewan**

18. 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 provincial power pool.

## **Yukon**

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

- 85% of the renewable electricity was generated by low-impact water generation facilities, and 15% 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**

20. 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 Bullfrog-powered events, during the twelve month period ended December 31, 2016. Green Natural Gas Certificates represent the environmental benefits associated with producing green natural gas and injecting into the national natural gas pipeline system.
21. 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.
22. Of the Green Natural Gas Certificates sold to and retired on behalf of its customers during the twelve month period ended December 31, 2016, 100% of the green natural gas was produced at facilities located in Quebec and injected onto the national natural gas pipeline system.

## Sale of Green Fuel Certificates

23. The Company acquired sufficient Green Fuel Certificates from renewable fuel producers and blenders (the "Participants") registered under Environment Canada's Renewable Fuels Regulations to satisfy its Green Fuel Certificate sales to its customers, during the twelve month period ended December 31, 2016. Green Fuel Certificates represent certain environmental benefits, including greenhouse gas emissions reductions, associated with producing renewable fuels and blending directly into Canada's gasoline or distillate pool.
24. Green Fuel Certificates acquired by the Company included the rights to the environmental benefits, and the Participants, pursuant to their obligations to the Company and their registration with Environment Canada, have retained no claim or assertion of rights to such environmental benefits.
25. The renewable fuel associated with the Green Fuel Certificates was sourced from facilities whose products meet the definition of renewable fuels by Canada's Renewable Fuels Regulations (SOR 2010-189) under the Canadian Environmental Protection Act 1999, or who produce according to EPA-approved pathways listed under Section 80.1426 of the U.S. Renewable Fuel Standard.
26. Of the Green Fuel Certificates sold to and retired on behalf of its customers during the twelve month period ended December 31, 2016:
  - 100% of the renewable fuel was injected into Canada's gasoline or distillate pool
  - 69% was produced from cooking oil and waste fats, and 31% was produced from used fish oil
27. In aggregate, for the Green Fuel Certificates sold and retired on behalf of its customers during the twelve month period ended December 31, 2016, the Company calculated the estimated greenhouse gas emission reduction per litre to be 89% or greater as compared to Canada's gasoline or distillate pool as calculated by the latest version of the GHGenius model as of January 1, 2015 (version 4.03).



## **Bullfrog Community Renewable Energy Project Financial Support**

28. During the twelve month period ended December 31, 2016, 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 \$369,552 to the following projects and initiatives:

### **Alberta**

Old Strathcona Farmers' Market Society: Solar Project

### **British Columbia**

Camp Fircom Society: Micro Hydro Project  
Great Climate Race Solar Fundraiser: Solar Project  
Kanaka Bar Indian Band: Solar Project  
Lake Babine Nation: Solar Project

### **Manitoba**

20/20 Catalysts Program: Indigenous Educational Initiative

### **Newfoundland**

Iron and Earth East, Atlantic Chapter: Solar Project

### **New Brunswick**

EOS Eco-Energy/Éco-Énergie: Solar Project

### **Northwest Territories**

Inuvik Children's First Society: Solar Project  
Lutsel K'e Dene First Nations: Solar Project

### **Nunavut**

Qikiqtaaluk Inuit Business Development Corporation: Solar Project  
Sanikiluaq Inuit Development Corporation: Solar Project

### **Ontario**

Beach Community Energy Co-operative: Solar Project  
Green Timiskaming Development Co-operative: Solar Project  
Just Food Farm: Solar Project  
Local Initiative for Future Energy (LIFE) Co-operative: Moorefield Wind Project  
Queens University Solar Design Team: Solar Project  
Sustainability Brant Community Energy Co-operative: Solar Project

### **Saskatchewan**

PAVED Arts: Solar Project

We have audited the following three assertions made by management of Bullfrog Power Inc. ("the Company") as at March 30, 2017:

1. Green Electricity Certificates acquired by the Company to meet its 2016 sales have been retired by the Company on behalf of its customers, were confirmed retired by way of a Board of Directors Resolution passed on March 30, 2017.
2. Green Natural Gas Certificates acquired by the Company to meet its 2016 sales have been retired by the Company on behalf of its customers, were confirmed retired by way of a Board of Directors Resolution passed on March 30, 2017.
3. The Green Fuel Certificates acquired by the Company to meet its 2016 sales have been retired by the Company on behalf of its customers, and were confirmed retired by way of a Board of Directors Resolution passed on March 30, 2017.

The Company's management is responsible for its assertions and for ensuring product compliance with EcoLogo<sup>M</sup> Standards, GHG protocol Quality Criteria and Canada's Renewable Fuels Regulations (SOR 2010-189) under the Canadian Environmental Protection Act 1999 and Section 80.1426 of the U.S. Renewable Fuel Standard. Our responsibility is to express an opinion on management's assertion based on our audit.

Our audit was performed in accordance with standards for assurance engagements established by CPA Canada, which are set out in the *CPA Canada Handbook – Assurance (section 5025)*. Those standards require that we plan and perform our audit to obtain reasonable assurance as a basis for our opinion that management’s assertion is not materially misstated. Our audit included:

1. Obtaining an understanding of the Company’s policies, procedures and controls established to meet Regulations
2. Testing and evaluating evidence to support management’s assertions, and
3. Performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion.

In our opinion, management’s assertions as at December 31, 2016 and March 30, 2017 as set forth in the preceding paragraphs are fairly stated in all material respects.

This report is intended solely for use by the Management of Bullfrog Power and its customers and should not be used for any other purpose.



Chartered Professional Accountants  
Toronto, Ontario

April 26, 2017

# Deloitte.

**[www.deloitte.ca](http://www.deloitte.ca)**

Deloitte, one of Canada's leading professional services firms, provides audit, tax, consulting, and financial advisory services. Deloitte LLP, an Ontario limited liability partnership, is the Canadian member firm of Deloitte Touche Tohmatsu Limited.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see [www.deloitte.com/about](http://www.deloitte.com/about) for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.

© Deloitte LLP and affiliated entities.