

Environmental Choice^M Program CERTIFICATION CRITERIA DOCUMENT



CCD-004

Product: Renewable Electricity Investment Funds

Preamble

Environment Canada's Environmental Choice^M Program is pleased to publish the following national guideline on **renewable electricity investment funds**.

The Environmental Choice Program is designed to support a continuing effort to improve and/or maintain environmental quality by reducing energy and materials consumption and by minimizing the impacts of pollution generated by the production, use and disposal of goods and services available to Canadians.

Investments in financial markets can potentially impact on the viability of companies that strive to conduct their business in an environmentally- responsible or progressive manner. Timely investments may stabilize such companies through their start-up phase and other stressful periods. An area where such investment is perceived to be especially valuable is electricity generation. Many small-scale renewable sources are coming on-line to supplement traditional dependency upon fossil fuel and large-sale hydro generation. An investment fund that restrict its investments to generation stations that utilize only renewable energy sources should be seen as displaying a significant degree of market leadership in the financial sector.

Based on a review of currently available life cycle information, the following product category requirements will produce an environmental benefit through promotion of generating systems that reduce waste, ecosystem disruption and and toxic emissions to the environment.

Notice

Throughout this document, any reference to a standard or guideline means to its latest edition.

The Environmental Choice Program (ECP) reserves the right to accept equivalent test data for the test methods specified in this document.

Interpretation

1. In this set of requirements, please note the following definitions:

"ECP's criteria for Renewable Low-impact Electricity" means the licensing criteria in effect at the time of certification of the renewable electricity generation facility;

“name plate capacity” means the renewable electricity generation facility’s capacity as rated by engineering documents when the facility has been completed;

“renewable electricity generation facilities” means facilities that generate electricity exclusively from a renewable resource (wind-powered, solar-powered, water-powered, geothermal-powered, biomass-powered). It is further understood that electricity generated from biogas sources (e.g., utilization of landfill gas) is also acceptable under this definition; and

“renewable electricity investment fund” means an unincorporated open-ended trust established under appropriate provincial or national laws that invests exclusively in renewable electricity generation facilities.

General Requirements

2. To be authorized to carry the EcoLogo^M, the **Renewable Electricity Investment Fund** must:
 - (a) meet or exceed all applicable governmental and industrial safety and performance standards; and
 - (b) be provided in such a manner that all steps of the process, including the disposal of waste products arising therefrom, will meet the requirements of all applicable governmental acts, by laws and regulations including, for facilities located in Canada, the *Fisheries Act* and the *Canadian Environmental Protection Act (CEPA)*.

Product Specific Requirements

3. To be authorized to carry the EcoLogo^M, the **Renewable Electricity Investment Fund** must:
 - (a) have a portfolio that is only comprised of investments in renewable Electricity generation facilities; and
 - (b) have a portfolio of which, on an annual averaging basis:
 - i) 60% of the renewable energy generation facilities are certified under the ECP’s criteria for “Renewable Low-impact Electricity”, and
 - ii) 50% of the total name plate capacity is certified under the ECP’s criteria for “Renewable Low-impact Electricity”.

Verification

4. To verify a claim that a product meets the criteria listed in this document, the ECP will require access, as is its normal practice, to relevant purchasing records, quality control and production records and the right of access to production facilities on an announced basis.

5. If applicable, compliance with requirement 2(b) shall be attested to by a signed statement of the Chief Executive Officer or the equivalent officer of the licensee. The ECP shall be advised in writing immediately by the licensee of any noncompliance which may occur during the term of the license. On the occurrence of any noncompliance, the license may be suspended or terminated as stipulated in the license agreement.

Conditions for EcoLogo Use

6. The EcoLogo may appear on wholesale or retail packaging, or on the product itself, provided that the product meets the requirements in this document.
7. It is recommended that criteria statement appear with the EcoLogo whenever the EcoLogo is used in association with the **Renewable Electricity Investment Fund**. The intent of this statement is to provide clarification as to why the product was certified and to indicate constraints to which the certification is limited. This is to ensure no ambiguity over, or misrepresentation of, the reason(s) for certification.

ECP suggested criteria statement wording for this product type is “*Renewable Electricity Investment Fund*”. The licensee may propose other wording for the criteria statement, but any such proposed wording must be approved by the Environmental Choice Program.

8. All licensees and authorized users must comply with the ECP's *Guide to Proper Use of the EcoLogo^M* regarding the format and usage of the EcoLogo.
9. Any accompanying advertising must conform with the relevant requirements stipulated in this guideline, the license agreement and the ECP's *Guide to Proper Use of the EcoLogo^M*.

For additional copies of this guideline or for more information about the Environmental Choice Program, please contact: TerraChoice Environmental Services Inc., 1280 Old Innes Road, Suite 801, Ottawa, Ontario, K1B 5M7 Telephone: (613) 247-1900, Facsimile: (613) 247-2228, Email: ecoinfo@terrachoice.ca