

Feed-in Tariff Program Has Made Ontario a National Leader

Media Statement - December 3, 2015

Ottawa – The Canadian Solar Industries Association (CanSIA) responded today to the Auditor General's 2015 Annual Report, which makes a number of recommendations on Electricity Power System Planning in Ontario as well discusses the development of renewable energy in the province. The Ontario government's Feed-in Tariff (FIT) Program was introduced in 2009, in conjunction with the Green Energy and Green Economy Act, with the fundamental objective of facilitating the increased development of renewable generating facilities of varying sizes and technologies. In addition to these goals the province aimed to jump start a domestic renewables industry from product suppliers through to project developers. On both of these objectives the province has undoubtedly succeeded.

As of Q2 2015 Ontario has seen the contracting of more than 2,400 MW of solar generation with approximately another 360 MW currently moving through the procurement process. These projects range from small residential rooftop installations on the homes of individuals to large utility scale projects designed to provide power to many thousands of homes and businesses. Together these projects have resulted in almost \$5 billion of private sector investment, with \$ 1.6 billion of that coming into Ontario for solar projects in 2014 alone.

Solar energy is rapidly becoming cost-competitive with other forms of electricity generation. Manufacturing costs have fallen by 50 percent over the last five years; and capital costs are forecast to fall by another 40 percent over the next five years, according to a Deutsche Bank study. With equipment costs expected to continue to fall, "grid parity" – or price-competitiveness with other fuel sources – is, for the first time, an achievable goal for solar energy.

In addition to declining costs, solar has unique operational advantages. It generates electricity during the day, when power demands are highest, helping to keep supply reliable. It can also be located close to customers, avoiding costly additions to the electricity transmission and distribution system.

Solar facilities also come with a number of economic benefits – good-paying jobs during construction; permanent jobs for operators; and significant payments to site-hosts and property taxes paid to municipalities.

Solar power also enjoys high levels of public and community acceptance, making it easier to build in our communities. Ontarians especially appreciate its role in keeping the air clean and helping to prevent climate change.



Ouote:

"Ontario was one of the first North American jurisdictions to implement a comprehensive renewables procurement strategy and the first to phase out electricity generated from coal," says John Gorman, President of the Canadian Solar Industries Association. "Within the solar sector alone this has resulted in over 2,400 MW of contracted electricity generation, \$5 billion of private sector investment and the creation of more than 30,000 person years of employment. Because of the government's foresight, this province now finds itself in a leadership position with a globally competitive renewables industry ready to contribute to further decarbonization of Ontario's economy while serving emerging markets within Canada and abroad."

- John Gorman, President & CEO, Canadian Solar Industries Association (CanSIA)

Key Facts:

- Every 150 MW of installed solar energy capacity represents approximately \$310 million in investment, 1,875 direct full-time equivalent construction jobs and 45 permanent direct jobs in operations. It also provides approximately \$54 million in lease payments to site-hosts and \$30 million in property tax payments to municipalities over a 20 year period.
- The total installed generation capacity for solar electricity in Canada today is approaching 3,000 MW. The province of Ontario is home to approximately 99% of this installed capacity. Outside of Ontario, Alberta represents approximately 50% of the remainder and is the only other province with more than 5 MW on its grid.
- Solar energy is incredibly flexible. Projects are scalable and easily integrated into the built environment, allowing residents, businesses, farmers, communities and Aboriginal people to generate their own electricity and manage their own carbon footprint.
- According to public opinion polling conducted in 2015, solar energy has remained the preferred generation source for Ontarians for meeting future electricity needs. Nearly 8 in 10 Ontarians agree that the government should invest in "more solar powered electricity generation and technologies that enable solar".

About CanSIA:

The Canadian Solar Industries Association is a national trade association that represents the solar energy industry throughout Canada. Since 1992, CanSIA has worked to develop a strong, efficient, ethical and professional Canadian solar energy industry with capacity to provide innovative solar energy solutions and to play a major role in the global transition to a sustainable, clean-energy future.

In December 2014, CanSIA released our Roadmap 2020. Implementing the objectives contained in this document will solidify solar as a mainstream energy source, and an integral part of Canada's diversified electricity mix. It will also ensure the solar electricity industry will be sustainable, with no direct subsidies, and operating in a supportive and stable policy and regulatory environment that recognizes the

true value of solar.