

**Remarks for
The Honourable Bob Chiarelli, Minister of Energy
CanSIA Solar Ontario Conference
Thursday, May 30, 2013**

Time: 1:00 pm

Location: Scotiabank Convention Centre, Niagara Falls.

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Thank you, **Tom [Timmins]**, Gowling Lafleur Henderson LLP], for your kind introduction.

And good afternoon, everyone.

I want to start by thanking CanSIA for delivering another excellent conference.

CanSIA provides a powerful voice that supports and promotes renewable energy across Canada.

Your good work continues to create jobs and spark economic growth.

Here in Ontario, our solar industry continues to grow.

Solar manufacturers, directly or indirectly, employ over 3,000 people in our province.

In recent years, we've brought more than 750 megawatts of solar PV online.

That's more than any other jurisdiction in Canada and enough energy to power over 90,000 homes per year.

And makes us one of the top ten jurisdictions in terms of solar generation in North America.

Ontario is home to the 51 largest rooftop and 33 largest ground-mount solar projects in Canada.

It's clear that Ontario is realizing the benefits of a growing clean energy economy.

We are replacing dirty coal with clean energy.

That's the largest climate change initiative in North America.

Our clean energy strategy has helped to attract billions of dollars in private investment during the global recession.

Our Green Energy Act has created 31,000 jobs.

More than 30 companies are currently operating solar and wind manufacturing facilities in Ontario.

And our province is home to more than 2,600 clean tech and clean energy firms.

I recently met with Ontario's next generation of clean energy workers at the clean energy technician program at Durham College in Oshawa.

The students I met are smart, ambitious, and hardworking.

But they're looking for more than just highly skilled jobs.

They want to build energy that cleans up our air.

They want to help families save money by conserving energy.

And they want to be part of an Ontario industry that leads the world in technology and growth.

So let me clearly say that Ontario supports those students.

We've come a long way in a short period of time.

And we've been listening.

To keep Ontario on track as a clean energy leader, we must create a sustainable, predictable procurement process for renewable energy.

And you've heard our Premier, Kathleen Wynne, recognize that Ontario must increase local engagement over the siting of renewable energy projects, and put a strong focus on energy conservation.

That's the only way that Ontario can fully integrate renewable energy into our clean energy future.

So today, I'm pleased to announce that we're delivering on our promise to give municipalities more say over renewable energy projects.

Ontario is introducing a number of important changes to the Feed-in-Tariff program to respect communities, engage municipalities and protect our clean energy future.

Here's what's changing.

Municipalities will be afforded the same treatment as communities – such as co-operatives – in the FIT program.

Municipalities will now be eligible for priority points in the application process.

And municipalities will have access to funding for soft costs associated with the development and design of community renewable energy projects.

Projects partnered or led by municipalities as well as universities, schools and hospitals will be eligible for set-asides under an annual procurement target.

We're also making an important change to ensure that the financial benefit of renewable energy projects is realized by municipalities, by increasing the property tax assessment on wind turbine towers.

Work is currently underway to determine the amount of the property tax increase. I expect to make that announcement this year.

We also want to help municipalities better understand their local energy opportunities by providing support for the development of Municipal Energy Plans.

Municipal Energy Plans are comprehensive strategies to align infrastructure, energy and land use planning.

By doing that, municipalities can maximize energy efficiency, boost economic development and understand all of their green energy options.

Over the coming months, our government will reach out to small and medium sized municipalities with funding opportunities to assist in the development of Municipal Energy Plans.

And in a significant move, Ontario is changing the process for procuring large renewable energy projects.

The large project stream in the FIT program will be replaced by a competitive procurement process.

Competitive procurements for each individual project will ensure that renewable energy developers work directly with municipalities, before contracts are awarded.

And this new approach will ensure that large renewable energy generation is targeted regionally, based on system needs.

A better process will better integrate renewable energy into our communities and economy, encouraging growth in the renewable energy sector and respecting communities.

This procurement process will be developed by the Ministry of Energy and the Ontario Power Authority, in coordination with Ontario's ongoing review of our Long-Term Energy Plan.

As you know, the review of the Long-Term Energy Plan is already underway. It will be based on strong consultations with the public, municipalities and the energy sector.

Aboriginal communities and leaders will also be engaged so that the LTEP reflects the interests of all Ontarians.

Over the summer, we'll need your input as we craft this procurement process and set Ontario's goals for our long-term supply mix.

All of these changes mean that renewable energy projects will be built in the right place at the right time.

We'll engage municipalities in the real benefits of renewable energy development.

And at the same time, the renewable energy sector will have the ability, as developers and entrepreneurs, to have important conversations about the locations and benefits of energy projects directly with municipalities.

Municipalities will have a stronger voice, more tools and more options when it comes to renewable energy development.

And our track record is clear.

Ontario is strongly committed to renewable energy.

I've had the benefit of meeting with many of you and your colleagues in the energy sector.

I know that you're seeking renewable energy policy that is predictable, sustainable, and clear.

I could not agree with you more.

This fall, the OPA will open a new procurement window of 70 MW for small FIT and 30 MW for microFIT.

And in addition, Ontario is setting procurement targets from 2014 to 2018 for the microFIT and Small FIT programs.

The OPA will be directed to set annual procurement targets of 50 megawatts for microFIT and 150 megawatts for Small FIT per year for the next four years.

This represents an average of over 800 Small FIT projects per year.

And an average of over 5,500 microFIT projects per year.

Combined with this fall's procurement, that's 900 megawatts of new capacity under the microFIT and Small FIT programs.

It also represents an estimated 6,400 jobs between now and 2018.

And enough new, clean electricity each year for more than 125,000 homes.

This initiative represents the long-term planning we need to keep our air clean, create good jobs and grow our clean energy economy.

I'd like to take some time to address the OPA's current Small FIT procurement window.

I've had the opportunity to speak with many of you in the renewable energy sector about the process around this procurement.

And I will say very clearly that we can and will do better.

If you do business with Ontario, you should have a clear expectation of a high standard of communication from our government and agencies – so that we can work effectively together.

As you know, the current procurement is ongoing.

Not all proponents have been informed as to the status of their applications.

As soon as possible, the OPA will undertake to communicate with applicants to discuss the process and improve its approach to the next window.

I've asked the OPA to reach out to applicants to discuss common issues during the application process.

Clear, predictable procurements are critical to the long-term sustainability of this industry, and we'll do the work to get there.

I am also pleased to tell you that the OPA will proceed this summer with a pilot program for Small FIT rooftop solar projects on unconstructed buildings.

As you know, the current FIT rules require projects to be on existing buildings.

Under this pilot, we'll encourage buildings to be designed to be easily adapted to rooftop solar installations.

Between a new procurement process for large renewable energy projects, municipal energy plans, small and microFIT procurement targets and a rooftop solar pilot – Ontario is making some significant changes.

And it's all taking place in the context of Ontario's review of our Long-Term Energy Plan.

That work includes reviewing Ontario's renewable energy targets and our electricity supply and demand forecast.

We will be engaging the public, municipalities and the energy sector this summer through a strong and transparent consultation process.

We will hold consultation sessions in every region of the Province and we'll engage with Aboriginal communities and leaders.

We'll also have web-based opportunities to comment to make sure this consultation is accessible to the broader public.

I understand that the sector needs to know what's in store in terms of energy policy in the province.

Through the Long-Term Energy Plan review process, we'll set clear targets for renewable energy beyond 2018.

And as we do that long-term planning for the sustainability of this sector, I'd like to briefly address some of the comments I've received from the sector regarding the recent WTO trade panel ruling.

Ontario intends to comply with the WTO's ruling.

And that means we will revisit our domestic content requirements for the FIT Program.

I have confidence in the resilience of the clean energy manufacturing sector in Ontario.

Ontario is not backing down from continuing to build a robust renewable energy sector that creates tens of thousands of good jobs.

And it is clear – even from today's announcements of new procurement targets – that we will work with Ontario's energy firms to ensure that they can continue to serve Ontario's demand for wind and solar power.

And that our government will continue to help position this sector to compete in the growing export markets in the decades ahead.

We're doing this important work to continue growing Ontario's clean energy economy.

And we're now able to do more than was possible with the electricity grid of ten years ago.

Ontario has become a world-leading jurisdiction in emerging energy technology sectors like the smart grid.

This is creating jobs and enabling new economic opportunities for Ontario in global markets.

By investing in clean energy and the infrastructure to support it, as well as conservation, we're ensuring we have the electricity we need to power our homes, schools, hospitals and businesses while creating and supporting jobs.

We're also seeing significant environmental and health benefits as a result.

Less wasted energy, reduced consumption of fossil fuels, lowered greenhouse gas emissions – and more job growth.

But we didn't do this alone.

The combined efforts of communities, businesses and individuals across this province have made Ontario a leader in this growing sector.

We're incredibly proud of the solar energy companies right here in Ontario, and the leadership role that CanSIA continues to play in the development of the solar industry all across Canada.

And that's why we're here this afternoon: to recognize the vital role renewable energy plays in Ontario's future.

So if no one has thanked you lately, let me be the first to applaud your work.

Thank you.

For cleaning up our air.

For creating good jobs in our communities.

And for ensuring that our homes, schools, families and businesses will be able to rely on a clean, modern electricity grid for generations to come.