

## Sessional Paper No.P-119

P-119 Petition relating to Cancelling LRP I contracts such as Nation Rise Wind project in North Stormont (Sessional Paper No. 119) (Tabled by MPP McDonell, May 08, 2017)

### Response

As a result of the implementation of the *Green Energy Act*, Ontario has the fastest growing clean tech sector in Canada. In just ten years, the province has become a North American leader in the development, use, and manufacturing of clean energy.

The rapid growth of Ontario's clean tech and renewable energy sectors has attracted billions of dollars in investment to Ontario and led to the creation of thousands of new jobs.

We are confident that as Ontario looks towards the future, green energy will remain an important part of both our electricity supply mix and our economy, supporting jobs and growth across the province.

As a result of annual price reviews, revised procurement totals, and the introduction of competitive procurement for large renewable projects, the FIT, microFIT and LRP I initiatives are expected to cost at least \$3 billion less than forecast in the 2013 LTEP.

Each year the Independent Electricity System Operator (IESO) reviews the prices offered to new projects under the FIT and microFIT programs and adjusts the prices to reflect the cost of developing projects while allowing for a reasonable rate of return for project developers. Annual price reviews result in cost savings for ratepayers.

FIT and microFIT prices for new solar projects have been reduced between 50 and 75% since 2009.

### LRP I

When communities expressed concerns to us about the procurement process for renewable energy projects, we listened.

We asked the IESO to design a new procurement process that was balanced and considered the views of local communities, while ensuring the

The result was the competitive LRP process, which replaced the former Large Feed-In Tariff (FIT) program, for future renewable energy projects generally larger than 500 kW.

The first LRP process also introduced strong competition between developers of large renewable projects, to help drive down price and secure nearly 455 MW of new energy generation capacity.

The results for LRP I show that the weighted average price for solar projects (15.7 ¢/kWh) is more than 40 percent below the maximum price, and the weighted average price for wind projects (8.6 ¢/kWh) is more than 20 percent below the maximum price.

McDonell

JIM McDONELL, MPP

As a result of these lower prices and revised procurement schedules, LRP I costs were approximately \$1.5 billion lower than the 2013 LTEP forecast.

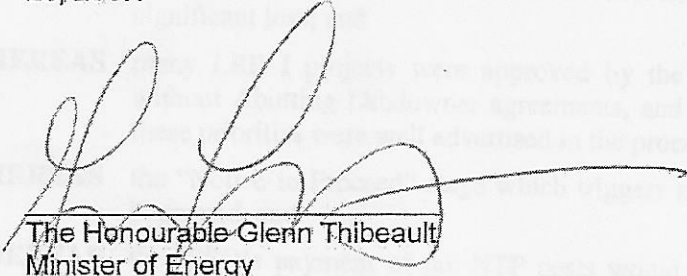
LRP II Suspension

As confirmed by the Independent Electricity System Operator (IESO) in the Ontario Planning Outlook (OPO), Ontario has a strong supply of reliable power for the foreseeable future and there is no need to procure a large amount of additional power at this time.

Given this strong energy position, on September 27, 2016, Ontario suspended the second round of the Large Renewable Procurement (LRP II) process and the Energy-from-Waste Standard Offer Program, halting the procurement of over 1,000 megawatts (MW) of solar, wind, hydroelectric, bioenergy and energy from waste projects.

This decision will both maintain system reliability and is expected to save up to \$3.8 billion in electricity system costs relative to the 2013 Long-Term Energy Plan (LTEP) forecast. The decision to suspend the LRP II process will not impact the status of LRP I projects. All LRP I contracts that were executed will be honoured.

In addition, the IESO is winding down the Feed-in-Tariff (FIT) and Micro-FIT programs this year. The successful applicants for the final FIT 5 procurement will be announced in Q3 2017. The IESO will cease accepting applications under the microFIT program on December 28, 2017.

  
The Honourable Glenr Thibeault  
Minister of Energy

WE, THE UNDERSIGNED,  
PETITION THE LEGISLATIVE ASSEMBLY OF ONTARIO

To indicate my support for LRP I contracts, such as the [unclear] Wind project in [unclear]

PRINT NAME	ADDRESS	SIGNATURE
[unclear]	[unclear]	[unclear]

DATE: [unclear]

DO NOT FAX, COPY OR SCAN.  
Mail completed originals to [unclear], 2nd Floor, 500 [unclear] St., Toronto, Ontario [unclear]