



Ontario Power Authority™

## Ontario's Feed-in Tariff Program – BACKGROUNDER

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### Ontario's Feed-in Tariff Program:

- Ontario's Feed-In Tariff (FIT) program for renewable energy generation is a cornerstone of the province's Green Energy Act. The provincial government launched the program in September 2009, and the Ontario Power Authority (OPA) started accepting applications on October 1, 2009. It is North America's first comprehensive Feed-in tariff program for renewable energy.
- During the launch period of the Feed-in Tariff program, the Ontario Power Authority received about 930 FIT applications, which represents about 8, 000 megawatts (MW) of renewable energy potential.
- On April 8, 2010, the province of Ontario announced 184 contracts for large FIT projects – projects exceeding 500 kilowatts (kW). These projects have a combined generating capacity of 2,421 MW, enough electricity each year to power more than 600,000 homes.
- Earlier, on March 10, 2010, the province announced 510 contracts for mid-scale FIT projects (10 kW to 500 kW) with a generating capacity of 112 MW
- The first round of FIT contracts represent the single largest green energy initiative of its kind in Canada.
- Domestic content requirements for FIT projects are intended to help support the creation of new green energy jobs. In total, these 694 FIT projects will result in the creation of 20,000 direct and indirect new green economy jobs, and about \$9 billion in private sector investment, as well as investment in manufacturing.
- Since 2003, about 1,300 MW of renewable generation has come online in Ontario. This generation will produce enough to power more than 300,000 homes – or a city the size of Windsor. Ontario is Canada's leader in wind power and solar photovoltaic capacity. The province is home to both Canada's largest wind and solar farms. Ontario is already among the top 10 solar jurisdictions in Canada and the United States, ranked even higher than sunny places like Florida and Texas.
- The Feed-in Tariff program includes a stream called microFIT which is designed to encourage homeowners, businesses and others to generate renewable energy with projects of 10 kilowatts (kW) or less.

### Feed-in Tariff Program (Projects over 10 kW):

- The first of the 510 mid-size FIT projects (10 to 500 kW), were approved March 10, 2010 and have a potential generating capacity of 112 MW.
- On April 8, 2010, the Ontario Power Authority announced the approval of 184 large-scale (over 500 kW) Feed-in Tariff contract offers. The following is a breakdown of the projects by region:

Regional Breakdown								
Area	Provincial	East	Central	Niagara	West of London	Bruce	Northwest	Northeast
Contract Offered	184	60	22	28	7	1	12	54
Sum of MWs	Provincial	East	Central	Niagara	West of London	Bruce	Northwest	Northeast
Contract Offered	2421	898	170	629	231	1	99	394

- Project breakdown by fuel source:

Technology Breakdown										
Fuel Source	Provincial	Bio-Gas	Bio-Gas on Farm	Biomass	Landfill Gas	Solar Ground	Solar Rooftop	Water	Wind (On-shore)	Wind (Off-shore)
Contract Offered	184	7	0	2	4	76	1	46	47	1
Sum of MWs	Provincial	Bio-Gas	Bio-Gas on Farm	Biomass	Landfill Gas	Solar Ground	Solar Rooftop	Water	Wind (On-shore)	Wind (Off-shore)
Contract Offered	2421	16	0	19	15	651	1	192	1229	300

- Aboriginal project breakdown:

Aboriginal								
Area	Provincial	East	Central	Niagara	West of London	Bruce	Northwest	Northeast
Contract Offered	16	1	1	0	0	0	4	10
Sum of MWs	Provincial	East	Central	Niagara	West of London	Bruce	Northwest	Northeast
Contract Offered	120	5	20	0	0	0	35	60

- Community project breakdown:

Community								
Area	Provincial	East	Central	Niagara	West of London	Bruce	Northwest	Northeast
Contract Offered	20	11	0	7	0	1	0	1
Sum of MWs	Provincial	East	Central	Niagara	West of London	Bruce	Northwest	Northeast
Contract Offered	264	99	0	163	0	1	0	1

#### microFIT Program:

- The first 700 microFIT conditional offers were issued on December 16, 2009.
- As of April 5, 2010, more than 180 projects were connected to the grid and will be receiving payments for the electricity generated.
- The OPA has received microFIT applications from across the province, from Windsor to Thunder Bay. There are some areas that have had a significant number of applications submitted, including Chatham-Kent, Toronto and Ottawa.
- As of April 6, 2010, the Ontario Power Authority has received nearly 8,500 microFIT applications. The Ontario Power Authority is continuing to review and verify these applications.
- Breakdown of microFIT applications received as of April 6, 2010:

Energy Source	Number of Applications	Capacity (kW)
Solar Photovoltaic (PV)	8,424	76036.20
Wind	44	338.9
Renewable biomass	12	100
Landfill Gas	5	49.41
Water	5	26.85
Biogas	1	9.6
Total	8,491	76,560.96

- As of April 6, 2010, the OPA sent nearly 3,000 conditional offers to microFIT applicants subject to applicants obtaining approval to connect to the electricity grid from their local distribution company (LDC).

- Once the connection offer is obtained from the local distribution company and a contract is signed, the length of time it will take for microFIT applicants to start generating electricity will vary depending on the readiness of individual projects.
- MicroFIT is an ongoing program with applications being accepted on a continual basis. Once the current applications have been processed, the Ontario Power Authority anticipates a 30-day turnaround for microFIT applications.
- Detailed information about the microFIT application process and program rules is available on the OPA website.

#### **Next Steps:**

- Economically viable projects that do not receive contracts in this round will be considered when more transmission connection capacity is available or approved. The OPA will determine economic viability through an Economic Connection Test (ECT). OPA will carry out this test for all of Ontario every six months on a rotating basis throughout the province. The first ECT will take place in August/September 2010.
- 1,500 MW of additional transmission capacity for renewable projects will be delivered through the Bruce to Milton transmission project that Hydro One currently has underway. Bruce-Milton capacity will be assigned at the beginning of the ECT so some of the Bruce area projects that do not receive a contract in April will receive one in the fall of 2010 as part of the ECT.
- Hydro One has begun development work for a number of transmission upgrades already, which is moving Ontario down the path toward expanding the system to accommodate even more renewables over time.