



Ontario

MINISTRY OF ENERGY AND INFRASTRUCTURE

Building a Green Economy for Ontario: The Green Energy Act

Ministry of Energy and Infrastructure

TEAM ITALIA

November 25, 2009

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Ontario's Green Energy Act

- The Green Energy Act will help the government ensure Ontario's green economic future by:
 - building a stronger, greener economy with new investment, supporting well-paying green jobs and more economic growth for Ontario – a projected 50,000 jobs in the first three years
 - better protecting our environment, combating climate change and creating a healthier future for generations to come.
- The GEA is a bold series of coordinated actions with two equally important thrusts:
 - making it easier to bring renewable energy projects to life, and
 - fostering a culture of conservation by assisting homeowners, government, schools and industry to transition to lower and more efficient energy use.



Green Energy Act Initiatives

1) Ontario as a Renewable Energy Leader:

- ✓ Best in class renewable energy “feed-in tariff”
- ✓ “As-of-right” hook-up to the grid
- ✓ Streamline approvals processes
- ✓ Service guarantees for investors

What it means

Increased investment
Regional development
Confidence in system
Ontario as leading jurisdiction

Partners

Project proponents
Communities
Farmers
Municipalities
LDCs
Ontarians

2) Incentives to increase energy efficiency and create a culture of conservation:

- ✓ Expanding the delivery of conservation programs
- ✓ Updating Building Code and setting a standard for household appliances
- ✓ Government/broader public sector participation in conservation
- ✓ Focusing on large electricity consumers
- ✓ Mandatory home energy audits

Empowers Ontarians
Transparency
Accountability
Increased collaboration

LDCs
Building Trades
Colleges, Universities
Businesses
Hospitals Schools
Industries
Ontarians

3) Expanding and supporting a green economy:

- ✓ Capacity building and community ownership opportunities for First Nations and Métis
- ✓ Requiring provincial content for renewable energy projects
- ✓ Incentives for small scale renewables

Creates green collar Jobs
Community economic empowerment

Manufacturers
Exporters
Building Trades
First Nation/Métis
Municipalities
Ontarians



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1. Expanding Renewable Energy

Certainty for Renewable Project Developers

- **Feed-in-Tariff (FIT)** – A standard price according to technology to promote the development of community-based and large commercial renewable energy projects. This mechanism provides proponents with a market-viable price for their projects.
- **‘As of right’ grid access** – Establish right to connect for renewable energy projects on the transmission and distribution systems based on economic test.
- **Service Guarantees** –
 - Service guarantees from Hydro One, Local Distribution Companies and the IESO for completion of wires assessments, in order to facilitate timely connection of new renewable generation to the grid.
 - Coordinated processes by the Ministries of Environment and Natural Resources for reviewing applications and issuing decisions, including adherence to service standards.



1. Expanding Renewable Energy (cont'd)

- **Streamline approvals for renewable energy projects** – The legislation will make important improvements in order to rationalize requirements and focus on matters related to the natural environment, including:
 - Change environmental approvals requirements and remove Planning Act requirements for renewable energy projects and associated connections.
 - Province-wide standards for the siting of renewable energy projects.
- **Renewable Energy Facilitator** – To offer one-window assistance and support to project developers in order to assist them in navigating the project approvals process.
- **Streamline approvals for large transmission projects** – Remove duplication and provide clarity for large transmission projects necessary for accessing new renewable energy sources.



1. Expanding Renewable Energy (cont'd)

- **Remove local barriers to designated renewable energy installations (i.e. small-scale)** – Establish regulation-making authority to ensure municipal bylaws and other local barriers do not create barriers to small scale renewable energy installations, such as rooftop solar and ground source heat pumps. (Approach would be similar to lifting restrictions on outdoor clotheslines.)
- **Smart grid implementation** – Support the establishment and implementation of a smart grid for Ontario, which will bring on additional new renewable energy projects (e.g., set the stage for the electric car, solar panels on roofs, distributed generation).
- **Incentives for small scale renewables** – Assist homeowners in financing the capital cost of residential renewables through a zero or low interest financing program. Eligible systems will be solar thermal, solar PV, micro-wind and grounds source heat pumps.



2. Creating a Conservation Culture

- **Updating Ontario’s Building Code** – Amend the Building Code Act to establish energy conservation as a key “purpose” of the code, establish a fixed review period of every five years to identify further opportunities to increase energy conservation, and establish an advisory council to provide the Minister of Municipal Affairs and Housing with advice on enhancing energy conservation through the Code.
- **Green Ontario government and broader public sector buildings/facilities** – Establish authority for (a) regular public reporting on energy use and GHG emissions for all major government facilities; (b) construction of energy and resource efficient government and public sector facilities through application of minimum standards (e.g., LEED Silver).
- **Establish mandatory electricity conservation targets** for local distribution companies. Financial incentives and other initiatives will be introduced to ensure participation. Targets and achievement will be made public in order to create competition.



2. Creating a Conservation Culture (cont'd)

- **Protect low-income Ontarians** – Targeted conservation programs to help Ontarians with low incomes to better manage their energy costs.
- **Energy conservation and demand response for industrial consumers** – Establish initiatives to encourage energy conservation and demand management planning for large electricity consumers.
- **Require mandatory home energy audits** – The Green Energy Act will make home energy audits at the time of sale mandatory unless the purchaser waives his or her right to the audit.
- **Conservation plans and targets for the Broader Public Sector** – Municipalities, universities, colleges, schools and hospitals to develop conservation plans including information on energy use, conservation measures and quantifiable results of their implementation. Adopt a phased-in approach to provide smaller organizations with time to develop and implement plans.
- **Enhanced energy efficiency standards** for household appliances (e.g. refrigerators, freezers, dishwashers, clothes washers), including efficient use of water. Establish compliance dates and ENERGY STAR as preferred standard.



3. Expanding and Supporting Green Economy

Supporting Domestic Producers

- **Domestic Content** – Set domestic content requirements for procurement of renewables.

Opportunities for Aboriginal Communities

- **Aboriginal Engagement and Participation** – Aboriginal partnerships and capacity building are important to the development of new renewable energy projects. The Minister has established measures to facilitate the participation of aboriginal peoples in the development and implementation of renewable energy facilities, through the Aboriginal Energy Partnerships Program, and through eligibility, under certain conditions, for price incentives within FIT.

Local Investments

- **Community Energy Partnership Program** – Support community investment by providing grants to community groups across Ontario for ‘soft costs’ associated with developing a renewable energy project (engineering and legal).
- **Support Community Power** - Enable community ownership of renewable energy projects by citizen led energy cooperatives and clarify that Local Distribution Companies and municipalities are able to invest in community (under 10MW) renewable energy projects.
- **Resources for Municipalities** – Establish a provincial program to ensure municipalities can recover certain costs associated with renewable energy projects.



Establishment of Renewable Energy Facilitation Office

- The Green Energy Act called for the creation of the **Renewable Energy Facilitation Office (REFO)** within the Ministry of Energy and Infrastructure. The objectives of the Office are as follows:
 - To facilitate the development of renewable energy projects
 - To work with proponents of renewable energy projects and other ministries to foster the development of renewable energy projects across Ontario and to assist proponents with satisfying the requirements of associated approval processes and procedures, including providing proponents with information in respect to interactions with local communities
 - To work with proponents of renewable energy projects to alert them to potential requirements imposed by the Government of Canada
- The Office shall be supervised by a person within the Ministry and designated as the **Renewable Energy Facilitator**



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Role of Renewable Energy Facilitation Office

- What can the Renewable Energy Facilitation Office (REFO) do for you?
 - REFO is a one-window access point to assist renewable energy project proponents (developers, communities and municipalities) obtain information about bringing their projects to life.
 - Website: (www.ontario.ca/renewableenergyprojects)
 - E-mail: REFO@ontario.ca
 - Phone: 1-877-440-REFO (7336) or 416-212-6582
 - In person: where warranted, REFO can arrange in person meetings with renewable energy project proponents
 - The REFO can connect proponents with the appropriate resources at our partner ministries, agencies and governments.



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REFO Partners

- The REFO works with the ministries and agencies involved with renewable energy project development in Ontario:
- Renewable energy approval processes:
 - Ministry of Environment
 - Ministry of Natural Resources
 - Other Ontario government Ministries
- FIT and connecting to the power grid:
 - Ontario Power Authority
 - Independent Electricity System Operator (IESO)
 - Hydro One and other LDC's



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Renewable Energy Information Centre

- Renewable Energy Information Centre – new website designed to help all Ontarians better understand and embrace renewable energy
- Information on renewable energy (wind, solar, waterpower, biomass/biogas, geothermal)
- Information for various groups – residential, commercial/industrial, community, Aboriginal, energy project developers
- Link to Programs and Incentives
- Website - www.ontario.ca/renewableenergy



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Contact Information

Renewable Energy Facilitation Office

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