



Gloom lifted on solar prices: OPA listens and responds to applicants with its decision on the microFIT rate

On August 13th, the Ontario Power Authority (OPA) released its much anticipated decision on the proposed price cut to Ontario's renewable energy feed-in tariff ("microFIT") for ground-mounted solar installations that are less than 10 kilowatts (kW) in capacity.

The new rate will be 64.2 cents per kilowatt-hour (¢/kWh) and will be applied to those who submitted applications as of July 2, 2010. Originally, the OPA had proposed to cut the tariff rate from 80.2 ¢/kWh to 58.8 ¢/kWh – a steep 27 per cent reduction.

The Environmental Commissioner of Ontario, Gord Miller, applauds the OPA's decision not to make the price cut retroactive. It will not affect the price received by microFIT applicants who submitted an application before a proposed price change was announced. Miller said, "this shows due consideration for the applicants who designed projects and arranged financing based on a price and rules that were agreed to following consultation in 2009."

"The OPA clearly listened to the advice it received during consultations from the applicants and industry who are the first movers that will help build a green economy, and that is encouraging – the OPA's consultation process worked", said Miller.

In future, to ensure predictability and stability for investors watching Ontario's renewable energy industry, the process must be transparent and open. The decision to establish a program advisory panel is a positive step.

Link to the Environmental Commissioner's blog:

<http://www.eco.on.ca/blog/2010/08/13/response-to-opa-announcement/>

Link to the Environmental Commissioner's previous post re. Microfit:

<http://www.eco.on.ca/blog/2010/07/21/ontario%E2%80%99s-solar-sector-is-being-harmed-by-uncertainty-around-microfit/>

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*The **Environmental Commissioner of Ontario** is the province's independent environmental watchdog. Appointed by the Legislative Assembly, the ECO is tasked with monitoring and reporting on compliance with the Environmental Bill of Rights, and the government's success in reducing greenhouse gas emissions and in achieving greater energy conservation in Ontario.*