

FONOM

The Federation of Northern Ontario Municipalities

September 26, 2016

Hon. Glenn Thibeault
Ministry of Energy
4th Floor, Hearst Block
900 Bay Street
Toronto, Ontario M7A 2E1
SENT VIA EMAIL:
Glenn.Thibeault@ontario.ca

Dear Minister ^{Glenn!} Thibeault,

The Federation of Northern Ontario Municipalities (FONOM) is concerned with a decision made by the Independent Electricity System Operator (IESO) that sees Northeastern municipalities' ineligible for the Feed-In Tariff (FIT) 5 projects.

As you are aware, the FIT program was developed to encourage and promote greater use of renewable energy sources. It is important that all communities across the province be part of creating a cleaner, more sustainable environment through renewable energy generation.

While we recognize the rationale behind excluding Northeastern Ontario from the Large Renewable Procurement II (LRP II) proposals, which have since been suspended, due to the great amount of power generation and the province's objective of generating more electricity closer to where the demand is. However, the FIT 5 projects generate significantly less power and would arguably be consumed locally and thus not affecting the larger grid.

Previously, municipalities in Northeastern Ontario were eligible for FIT projects which provided an opportunity for additional revenue generating sources and reduce the financial burden on municipal budgets. As you well know, municipalities across the North continue to be faced with escalating costs of providing services and declining or stagnant tax base in which to draw revenue from. By not allowing these municipalities to engage in the program, it sends a message that local economic development and growth is not a priority in Northern communities as it is elsewhere in the province.

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Therefore, we believe moving forward, any community wishing to apply for the FIT 5 competitive process should be eligible and subsequently considered on an individual project to project basis. Minister, we value your leadership in voicing the Northern perspective within the government and hope that you will provide direction to the IESO with respect to the concerns listed above. Once again, thank you for your consideration.

Sincerely,



Alan Spacek
President