

June 18, 2009

The Honourable Dalton McGuinty  
Legislative Building  
Queen's Park  
Toronto ON M7A 1A1

Dear Premier McGuinty,

**RE: Renewable Energy for Electricity and Brownfield Redevelopment**

The recent passage of the Green Energy Act (GEA) has given Ontario a unique opportunity to marry together two significant environmental issues for Ontario; **renewable energy for electricity and brownfield redevelopment**.

A significant barrier for many brownfield redevelopment projects is the high cost of remediation relative to the market value of the property. For brownfield redevelopment these costs include the remediation and the added time required for all of the necessary approvals and permits unique to brownfields. For some of these sites a pragmatic alternative use while longer term remediation approaches are used may result in improvements to the economics and lead to redevelopment.

The GEA stimulus through the Ontario Power Authority's Feed-In Tariff (FIT) pricing for electricity produced with renewable energy provides this opportunity and the Canadian Brownfields Network strongly supports proposals to link the FIT program to specific brownfield redevelopment.

Higher FIT prices for electricity produced on brownfield properties by using renewable energy would provide an opportunity to generate additional revenues for the property owners to help pay for the required remediation prior to redevelopment. The use of renewable energy sources such as solar photo voltaic systems can operate and provide revenue while the property undergoes longer-term and sustainable remediation techniques of bio or phyto-remediation.

Many of these properties currently belong to municipalities, who derive no income from them but are forced to police them and maintain fencing and other maintenance – which they can little afford in today's economic climate. If these properties were leased to solar power development companies, it would add significant benefits to the municipality, in addition to solving an environmental problem for Ontario.

We are aware that at least one private company is actively looking at the possibility of solar installations on brownfields and we feel that with a small amount of financial encouragement, this type of development could be stimulated on brownfields while bringing about remediation of the property. A small financial stimulus comparable to the FIT rooftop electricity pricing for Solar PV (*e.g.*, \$0.65/kWh) would put brownfields on at least a level playing field with greenfield installations where no remediation costs would be required.

In financial terms, the cost to the government is negligible while the benefits are massive:

- a. The programme would encourage innovation in solar generation technology in Ontario.
- b. Marginal and “under water” brownfield sites would be remediated and redeveloped.
- c. The remediation techniques would be in situ – thus obviating the necessity of transporting contaminated soil to an approved landfill (reduction in “dig and dump”).
- d. Municipalities in particular would have a new source of revenue from what was previously a cost.
- e. During the clean-up, the brownfield properties would contribute to Ontario’s FIT program to increase electricity production using renewable energy.
- f. The “Buy Ontario” provisions of the GEA would lead to the creation of manufacturing jobs in the province that could be located in towns/cities hard-hit by other manufacturing closures.
- g. By encouraging brownfield solar generation, agricultural and existing industrial lands would be protected.

A preliminary analysis of costs and revenues indicates that the return to an owner could be in the region of \$10,000 per acre per annum. Over a 20-year period this would bring in some \$200,000/acre that would in large part pay for the remediation of the site.

In closing, we would just give a brief overview of the Canadian Brownfields Network. It was created in 2004 as a response to the National Round Table on the Environment and the Economy’s report “Cleaning up the Past, Building the Future: A National Brownfield Remediation Strategy for Canada” and has become THE voice of brownfields across the country. Membership is national and Executive Members include the BC Ministry of the Environment; Federation of Canadian Municipalities Green Municipal Fund; Canadian Petroleum Products Institute; OCETA; Canadian Real Estate Association while support organizations range from the Montreal Centre of Excellence in Brownfield Remediation through environment industry associations in Newfoundland and Labrador, New Brunswick, Quebec, Ontario, Alberta, to the International City/County Management Association and the University of Toronto Institute for Environmental Studies. Our mandate is to address barriers identified by the NRTEE strategy. Further information can be found at our website: [www.canadianbrownfieldsnetwork.ca](http://www.canadianbrownfieldsnetwork.ca)

We believe that there is a compelling argument for a programme of this nature, for which we have attached some broad outlines, and we look forward to the opportunity of discussing this with you in the very near future.

Yours very truly



Angus Ross, Spokesperson  
Canadian Brownfields Network

c.c.

The Honourable George Smitherman, Minister of Energy and Infrastructure  
The Honourable John Gerretsen, Minister of the Environment  
The Honourable Jim Watson, Minister of Municipal Affairs and Housing  
Susan Howard, Ministry of Environment  
Marcia Wallace, Ministry of the Environment, Renewable Energy Project

### **BROWNFIELD SOLAR/REMEDICATION OPTIONS**

1. Only sites designated through a Phase 2 site investigation as a brownfield would qualify for the programme.
2. Within 6 months of approval being granted for the installation of solar panel electricity generation on a site, bio or phyto-remediation of the site must commence with a projected remediation period not exceeding 20 years.
3. The feed-in tariff for solar-generated electricity from a brownfield site is initially set at 65c per KWH and will remain not less than 81.25% of the approved tariff for residential roof solar generation.