

Ministry of the Environment

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NOV 28 2013

ENV1283MC-2013-2919

Ms. Sharon Vokes
Clerk/Director of Council Services
Grey County
595 9th Avenue East
Owen Sound ON N4K 3E3

Dear Ms. Vokes:

I have received a copy of your October 2, 2013 letter about Grey County Council's recent resolution regarding decommissioning of renewable energy projects.

Our government is committed to ensuring that the development of renewable energy projects is done in a way that is protective of human health and the environment. Going forward, we will work with partners and communities across the province to develop renewable sources of energy in a way that continues to protect local communities and ensures stronger community involvement in clean energy infrastructure development.

In developing the Renewable Energy Approvals Regulation (O. Reg. 359/09), the ministry explored requiring Financial Assurance for wind and solar projects. It was determined that Financial Assurance was unnecessary for these types of renewable energy projects, since the equipment is salvageable. The monetary value of the equipment would be sufficient for decommissioning and restoring the project land.

However, the ministry retains the authority under section 132 of the *Environmental Protection Act* to require Financial Assurance on a project-specific basis, on any project issued a Renewable Energy Approval (REA). Typically, the ministry requires Financial Assurance against potential future environmental impacts and liability and against potential future waste disposal costs (including some anaerobic digestion facilities and thermal treatment facilities).

The Municipal Consultation Form is a tool for municipalities to relay their concerns to the ministry. If decommissioning or returning the land use to agricultural use is a concern noted by the municipality, the ministry can consider including project-specific conditions regarding decommissioning of a solar or wind project in a project's REA.

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In addition, with respect to decommissioning, in accordance with O. Reg. 359/09, proponents are required to prepare a Decommissioning Plan Report (DPR). The DPR describes the process for decommissioning the renewable energy generation facility, project and any negative environmental effects that would result from proposed decommissioning and restoration activities. The DPR is also required to demonstrate that the proponent has made a plan to restore the project location to a clean and safe condition. This includes the retiring, abandoning, dismantling, or removing from active service, working order, or operation of all elements of the renewable energy facility. The DPR will discuss the decommissioning during construction, decommissioning after ceasing operation, ceasing operations due to technical reasons and/or end of useful life of the renewable energy generation facility.

While well-planned and well-managed renewable energy generation facilities are not expected to pose environmental risks at the time of decommissioning, the ministry will use its powers of compliance enforcement and the requirement for Financial Assurance, as appropriate, to ensure risks are managed.

Thank you for bringing your comments and concerns to the attention of the MOE.

Yours sincerely,



Jim Bradley
Minister

c: The Honourable Kathleen Wynne, Premier

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