

March 19, 2020

The Honourable Derek Mombourquette
Minister, Department of Energy and Mines

Transmitted electronically to ENERGYMINISTER@novascotia.ca

SUBJECT: CONTINUED FUNDING FOR SOLARHOMES PROGRAM

Minister Mombourquette:

I am writing on behalf of the Canadian Solar Industries Association (CanSIA) requesting that the Province consider continued funding to maintain the SolarHomes Program at its current rebate for two more years. Moreover, we would recommend that a portion of any additional funding be allocated towards the development of a commercial solar incentive program.

As you are aware, the uptake of residential solar has grown substantially in Nova Scotia since the launch of the SolarHomes Program in June 2018. As of January 2020, just over 2000 applications have been received, supporting the installation of approximately 8 MW of solar capacity across the province. This has contributed to annual electricity cost savings for homeowners of \$1.5 million.

In conversations with local installers, a number have expressed concerns that if the rebate drops below the current 60 cents per watt, it will effectively “end” the program as the payback period for homeowners to invest in a solar PV system will no longer be viable.

Since the program launch, we now have more than 50 solar installer companies currently registered on Efficiency Nova Scotia’s Solar Trade Network. Prior to the SolarHomes Program, there were fewer than 20 installers across the province. Moreover, a number of large national solar distributors have set up warehouses within HRM including HES PV, Guillevin and Polaron Solartech Corp. Of the total number of SolarHomes applications, roughly half are from outside of HRM indicating strong interest in both urban and rural communities across the province.

Certain regions of the province have extremely high unemployment rates such as Cape Breton at 16.7 percent. Appleseed Energy, a long-serving solar company based in Cape Breton and a CanSIA member, has recently hired a number of new employees to keep up with the increased demand for solar PV installs. Creating a number of good paying jobs in areas of high unemployment can be a significant economic boost to the region.

In April 2019, CanSIA released a *Nova Scotia Residential Solar Market Outlook and Labour Force Study* which projected up to 178 MW of solar by 2030; corresponding to approximately 22,000 residential solar installations and over 1100 jobs. One of the key factors influencing this projection is to ensure that the incentive program is maintained over a four to five-year period.

While the overwhelming popularity of the program is a true success story, we did not envision its rapid take-up. The \$56 million initially allocated for the program was budgeted to accommodate up to 2000 residential solar PV installs. Over 2000 applications have now been submitted while not even completing year two of the program.

To maintain the program's momentum while avoiding a boom-bust cycle for the local industry, we are asking that the Province consider additional funding to maintain the program at its current rebate level for two more years – up until June 2022. We also recommend that a portion of this new funding be allocated towards the development of a commercial solar incentive program.

The launch of the SolarHomes Program has resulted in significantly growing the residential solar market while exposing Nova Scotians to the environmental and economic benefits of solar energy. CanSIA views the creation of a commercial solar incentive program as the next phase in expanding roof-top solar across the province which will not only reduce energy bills for commercial customers, but will also assist the Province in achieving its GHG reduction target as outlined in the Sustainable Development Goals Act.

CanSIA anticipates that maintaining the incentive program for a total of four years at its current rebate will ensure steady growth in solar uptake which will continue to create an increasing number of solar jobs across the province. At the end of the four years it is anticipated that solar costs will continue to decline such that the solar market in Nova Scotia will be able to flourish on its own following the phase-out of the current program.

Regards,



Wesley Johnston, President and CEO
Canadian Solar Industries Association

cc: Stephen MacDonald, CEO, Efficiency One
Peter Craig, Manager, Electricity Policy and Programs, Department of Energy and Mines
Robert Hornung, President, CanWEA
Jean-François Nolet, Vice-President – Policy, Government and Public Affairs, CanWEA