

July 2, 2010

Dear AGRIS Solar Co-op Member,

This afternoon, the Ontario Power Authority announced a *proposal to create a “New Price Category” for microFIT Ground-Mounted Solar PV projects*. This proposed reduction would *directly affect our Co-op* given the exclusive use of ground-mounted systems. The OPA is proposing to place the ground-mounted systems into their own category, distinguishing them from rooftop installations, at a *rate of \$0.588/kWh* versus the current *rate of \$0.802/kWh, a 26.7% reduction*. The OPA proposes that *there will not be any grandfathering of the original rate*, if applicants have not received a contract.

The following statement was included in today’s OPA press release:

“Under the proposed new price category, ground-mounted microFIT applicants who already have an executed contract or received a conditional contract offer from the OPA will receive the original price of 80.2 ¢/kWh, consistent with the microFIT rules. All other ground-mounted microFIT projects, including those for which an application has been submitted but have not yet received a contract or conditional contract offer, will receive the price following consultations on the proposed 58.8 ¢/kWh.”

According to the press release, the OPA is reducing the rate given the “overwhelming popularity for the ground mounted solar units”, and “will better reflect the lower costs to install a ground mounted solar PV project versus a rooftop project”. The OPA will consult with applicants during the next 30-days, and will continue to receive applications during this period, with the intention of issuing new contracts thereafter.

To view the full press release, please visit the OPA website at www.powerauthority.on.ca.

This heavy-handed proposal is, of course, unacceptable, and should be of concern to every applicant of the program. Fortunately, as noted, this proposal is subject to open consultation with the applicants to the program. To that end, in addition to its direct participation in the consultation process, the Co-op will immediately be initiating a formal campaign in response to the OPA’s proposal and will be in touch with you this coming week to let you know how you can help.

Our strength is in our numbers. Please stay tuned for further details.

Sincerely,

Board of Directors
AGRIS Solar Co-operative Inc.