



# WIND DIVIDENDS

AN ANALYSIS OF THE ECONOMIC IMPACTS  
FROM ONTARIO'S WIND PROCUREMENTS

EXECUTIVE SUMMARY

# EXECUTIVE SUMMARY

Ontario is a national leader in installed capacity of wind power, with over 4,000 MW already installed as of September 2015 and contracts or commitments for an additional 2,480 MW, as per Achieving Balance, the 2013 Long Term Energy Plan (LTEP). In addition to providing electrical energy at predictable rates, without the volatility of fuel costs, wind energy development provides significant economic benefits through its projects lifecycle.

The economic benefits associated with wind energy development are a function of annual installations, project costs, local spending and project size. A number of studies have estimated the local economic benefits associated with individual projects, but none providing a comprehensive evaluation of all of Ontario's wind procurements. Recognizing the factors impacting local economic benefits evolve over time, the Canadian Wind Energy Association has endeavoured to evaluate the total historic and future economic impacts from Ontario's wind energy investments, throughout the development, manufacturing, construction and operations phases.

Using historic and forecast installations, capital costs, and domestic content obligations as indicators, Compass leveraged the National Renewable Energy Laboratory's Jobs and Economic Development Impacts model to estimate project and provincial impacts. Based on this analysis, Ontario's past and future investments in wind energy will result in the following economic impacts between 2006 and 2030:

Ontario's wind procurements have helped to create a sophisticated home grown supply chain, including component manufacturing and professional services used throughout the development and manufacturing phases of projects and employing thousands of Ontarians. Furthermore, the wind energy developments in the province will contribute dividends to municipalities, land owners and employees over the twenty five years of the projects through taxes, community vibrancy payments, lease payments and personal wages. This report clearly demonstrates how these operational benefits, which directly support local economies, endure over the useful life of these projects.

However, this report also demonstrates that beyond 2015, the outlook for increased benefits from wind development in Ontario is materially diminished relative to the past five years, and beyond 2020 there is no planned investment based on the 2013 LTEP targets. The longevity of manufacturers' facilities which form part of global supply chains are contingent on the strength and outlook of local markets. As a direct consequence, the limited role of wind within the 2013 LTEP will very likely result in the loss of wind related manufacturing, development and operations related jobs.

In contrast, the modelling employed to produce this report shows that increasing the role of wind by 1,000 MW over 2013 LTEP targets would result in an incremental 7,000 FTE by 2030. In order to realize these benefits, Ontario would need to make near-term and long-term commitments to a supply mix that enables wind power to continue to grow in installed capacity.



**73,000**  
Direct and  
Indirect FTE



**\$5.1 Billion**  
Direct and  
Indirect Earnings



**\$7 Billion**  
Direct and  
Indirect GDP



**\$14 Billion**  
in  
Investment

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Jobs refers to Full Time Equivalent (FTE) which represents full time employment for one year. (1 FTE = 2,080 hours)