

Ontario to build 2,500 megawatts of wind and solar power...

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South Korean industrial giant Samsung Group will invest \$7-billion in Ontario to build 2,500 megawatts of wind and solar power.

The Ontario government is awarding the contract to Samsung and its South Korean partners as part of its ambition to create the province's first cluster of green energy jobs.

"Ontario is taking a giant step forward in the green economy," Premier Dalton McGuinty said at a news conference on Thursday.

"Ontario is officially the place to be for green energy manufacturing in North America."

Samsung and the Korea Electric Power Corp. are receiving a generous sweetener of \$437-million. But the so-called economic development adder is conditional on the group creating manufacturing jobs in Ontario.

Under the deal, the Samsung group will operate wind and solar power plants in Ontario over the next 20 years.

In addition to the sweetener, the group will receive the going rate for the electricity it produces – 13.5 cents a kilowatt hour for wind and 44.3 cents for solar.

The Samsung group is promising to create 16,000 jobs in a province whose manufacturing heartland has been hit hard by the global economic recession. But only about 4,000 of those jobs will be permanent.

The deal, which has been in the works for a year, came under criticism even before it was officially unveiled.

Energy developers say the government is circumventing the province's program for attracting green energy investment. Under Ontario's feed-in-tariff program introduced last September, green energy developers can earn up to 80.2 cents for each kilowatt-hour of electricity.

The Samsung deal could make it difficult for other companies to enter the market, because the province has limited capacity to transmit electricity to residents' homes.

"they're threatening to kill the feed-in-tariff program before it's even learned to walk," Dave Butters, president of the Association of Power Producers of Ontario," said in an interview