



Canadian Solar Subsidiary Recurrent Energy Signs 60 Megawatt Solar Power Purchase Agreement with SMUD

GUELPH, Ontario, Canada, January 24, 2017 – Canadian Solar Inc. (the “Company”, or “Canadian Solar”) (NASDAQ: CSIQ) wholly owned subsidiary and leading solar project developer Recurrent Energy today announced a 20-year Power Purchase Agreement (PPA) for 60 MWac of solar power with the Sacramento Municipal Utility District (SMUD).

SMUD will receive electricity from the 60 MWac Tranquillity 8 Verde solar photovoltaic (PV) project, located in Fresno County, California. Construction of the project is expected to begin in mid-2017. The project, which will generate enough electricity to power approximately 15,000 homes, will begin delivering power to SMUD in support of its [SolarShares program](#) and other renewable energy goals by early 2018.

“SMUD continues to add more renewable, non-carbon supplies to our power mix,” said Sherri Gervin, SMUD Supervising Principal Energy Trading Commodity Contracts Specialist. “SMUD was the first large California utility to have 20 percent of its power supply come from sources classified by California as renewable, and is on track to meet the state mandate requiring utilities to increase their renewable portfolio to 33 percent by 2020. In the last decade the renewable portion of our power mix has grown from 7 percent to 28 percent,” said Gervin.

Tranquillity 8 Verde is Recurrent Energy’s fifth solar project with SMUD. In 2012, Recurrent Energy completed a [portfolio of four projects](#) that supply power to SMUD under multiple 20-year PPAs.

“We are proud to partner with SMUD to continue delivering reliable, cost-competitive solar power to their customers,” said Dr. Shawn Qu, chairman and chief executive officer of Canadian Solar. “SMUD is a leader in driving adoption of large-scale solar power and should be commended for its sustained commitment.”

Tranquillity 8 Verde is part of the 200 MWac Tranquillity 8 project being developed by Recurrent Energy. The remaining 140 MWac will be purchased by [MCE](#), PG&E and SCE under long-term power purchase agreements.

About SMUD

As the nation's sixth-largest community-owned electric service provider, SMUD has been providing low-cost, reliable electricity for about 70 years to Sacramento County (and small adjoining portions of Placer and Yolo Counties). SMUD is a recognized industry leader and award winner for its innovative energy efficiency programs, renewable power technologies, and for its sustainable solutions for a healthier environment. For more information about SMUD, visit <https://www.smud.org/>.

About Recurrent Energy

Recurrent Energy, a U.S. subsidiary of Canadian Solar Inc., is redefining what it means to be a mainstream clean energy company, with utility-scale solar plants that provide competitive clean electricity. The company has more than 4 GW of solar projects in development in North America. Additional details are available at: www.recurrentenergy.com

About Canadian Solar Inc.

Founded in 2001 in Canada, Canadian Solar is one of the world's largest and foremost solar power companies. As a leading manufacturer of solar photovoltaic modules and provider of solar energy solutions, Canadian Solar also has a geographically diversified pipeline of utility-scale power projects in various stages of development. In the past 15 years, Canadian Solar has successfully delivered over 17 GW of premium quality modules to over 90 countries around the world. Furthermore, Canadian Solar is one of the most bankable companies in the solar industry, having been publicly listed on NASDAQ since 2006. For additional information about the Company, follow Canadian Solar on LinkedIn or visit www.canadiansolar.com.

Safe Harbor/Forward-Looking Statements

Certain statements in this press release regarding the Company's expected future shipment volumes, gross margins, business prospects and future quarterly or annual results, particularly the management quotations and the statements in the "Business Outlook" section, are forward-looking statements that involve a number of risks and uncertainties that could cause actual results to differ materially. These statements are made under the "Safe Harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. In some cases, you can identify forward-looking statements by such terms as "believes," "expects," "anticipates," "intends," "estimates," the negative of these terms, or other comparable terminology. Factors that could cause actual results to differ include general business and economic conditions and the state of the solar industry; governmental support for the deployment of solar power; future available supplies of high-purity silicon; demand for end-use products by consumers and inventory levels of such products in the supply chain; changes in demand from significant customers; changes in demand from major markets such as Japan, the U.S., India and China; changes in customer order patterns; changes in product mix; capacity utilization; level of competition; pricing pressure and declines in average selling prices; delays in new product introduction; delays in utility-scale project approval process; delays in utility-scale project construction; continued success in technological innovations and delivery of products with the features customers demand; shortage in supply of materials or capacity requirements; availability of financing; exchange rate fluctuations; litigation and other risks as described in the Company's SEC filings, including its annual report on Form 20-F filed on April 20, 2016. Although the Company believes that the expectations reflected in the forward looking statements are reasonable, it cannot guarantee future results, level of activity, performance, or achievements. Investors should not place undue reliance on these forward-looking statements. All information provided in this press release is as of today's date, unless otherwise stated, and Canadian Solar undertakes no duty to update such information, except as required under applicable law.

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