

FIT 5: Draft Program Documents

1. Introduction

The Canadian Solar Industries Association (CanSIA) is a national trade association that represents the solar energy industry throughout Canada. CanSIA's vision for Canada's solar energy industry is for solar electricity to be a mainstream energy source and an integral part of Canada's diversified electricity mix by 2020. CanSIA also intends for the solar electricity industry to be sustainable, with no direct subsidies, and operating in a supportive and stable policy and regulatory environment within a similar time frame.

This submission was developed by CanSIA's FIT 5 Forum. The FIT 5 Forum is a group of CanSIA members with an interest in the Feed-in Tariff Program who have volunteered their time and resources toward the development of this submission. CanSIA has limited comments on the draft FIT 5 Program documents and is more so seeking the addition of clarity with regards to some of the changes that have been made or proposed.

2. Draft FIT 5 Rules

2.1 In-Series Metering

It is currently unclear how in-series metering will be accommodated within the draft FIT 5 program documents, including the online Application Form (i.e. whether an Applicant will be required to specify in the Application whether they will be connecting via an in-series or via a parallel metering configuration). It is also currently unclear to what extent specific Local Distribution Companies (LDCs) are prepared to operationalize the ability for FIT 5 Applicants to utilize in-series metering configurations for their projects. The implementation of in-series metering configurations has progressed quite far with some LDCs, and has not yet been considered to the same extent with others. CanSIA's discussions with LDCs have identified that this not simply along the large vs small split. Even some larger utilities have not turned their full attention to how they will action a request to connect in-series at this time.

As such, if the Applicant is required to indicate in their Application if they will utilize an in-series metering configuration, there is a risk that the LDC may be unable to accommodate that request after a Contract has been issued for the project (i.e. when the Supplier is requesting a Connection Impact Assessment (CIA)). It is possible that full visibility on a Supplier's ability to utilize in-series metering will not be known until roughly the time that the Supplier is assembling all necessary components (like the CIA) to request Notice to Proceed (NTP).

CanSIA recommends allowing an Applicant to specify their intended metering configuration within the Application Form (in order to properly populate the Contract Cover Page and assign the correct Exhibits), however, allowing a Supplier (if offered a FIT Contract) to modify this aspect of their Contract if required when requesting NTP. Alternatively, the Supplier should be permitted to only specify their

FIT 5: Draft Program Documents

metering configuration at NTP when they and their connecting LDC will have full visibility on what metering configurations can be accommodated within their service territory.

2.2 Land Use Planners

The IESO has made a number of changes with regards to when and how a Land Use Planner can be utilized to complete the Prescribed Form – Zoning Certificate for Non-Rooftop Solar Facility. One such change is to specify that a Land Use Planner may not provide the written certification (Prescribed Form) where the Land Use Planner is employed by the Applicant, an Affiliate of the Applicant, or an entity that holds an Economic Interest in the Applicant.

CanSIA recommends clarifying, either in the FIT 5 Rules or via an FAQ, that an Applicant is permitted to hire a third-party Land Use Planner in order to review the Site and complete the Prescribed Form – Zoning Certificate for Non-Rooftop Solar Facility. This must be specified if Applicants are not permitted to hire their own Land Use Planners (or utilize existing staff) to complete the Prescribed Form.

2.3 Price Reduction Tiers

The IESO has signaled within the draft FIT 5 Rules that the Price Reduction Tiers will be set through analysis conducted for the FIT/mFIT Price Review. CanSIA recommends maintaining the maximum previous maximum Price Reduction Tier of 12% and including further differentiation within the remaining tiers (i.e. creating additional tiers between 4 – 12% and thus additional differentiation between Applications).

The current Price Reduction Tiers have only three levels which does not differentiate drastically between Applications causing increased reliance on time stamp to determine the order of connection testing. Further, creating additional Price Reduction Tiers will enable Applicants to select the tier that is most appropriate for their particular cost structure rather than, for example, selecting a lower tier because they cannot economically make a higher tier work (thus not capturing all savings that could be captured).

The IESO has also identified that the average price reduction for Rooftop Solar was 5.4% and the average price reduction for Non-Rooftop Solar was 2.4%. From the presentation delivered at CanSIA's Solar Ontario it is also clear that out of complete and eligible Applications: approximately 300 Applications selected Tier 1, approximately 30 Applications selected Tier 2, and approximately 270 Applications selected Tier 3. Tier 1 and Tier 3 received the most activity while Tier 2 was relatively underutilized. This supports CanSIA's recommendation that additional Price Reduction Tiers should be included between 4% and 12% to better enable those Applicants that select Tier 1 to increase their Tier when they are not able to make the full jump to Tier 2 at 8%.

FIT 5: Draft Program Documents

2.4 Land Use Restriction Exemption Resolution

The IESO has provided additional clarity on when a Land Use Restriction Exemption Resolution can be used to exempt a Non-Rooftop Solar project from certain land use restrictions and what the associated evidence requirements are.

For clarity, CanSIA recommends that the IESO specifically address the changes to Section 3.8(h) within an FAQ to clarify (in plain language) that only in situations when a Non-Rooftop Solar Facility is proposed to be located on a Property comprised of CLI Class 1, CLI Class 2, or CLI Class 3 Lands on which Industrial Uses are Lawfully Permitted Uses is the Applicant required to submit additional evidence (in the form of the Zoning Certificate for Non-Rooftop Solar Facility) in addition to their Land Use Exemption Resolution. In all other cases the Applicant is only required to submit the Land Use Exemption Resolution. Clarifying this will help to avoid terminating Applications for not submitting all required evidence even in cases where a Land Use Restriction Exemption Resolution is applicable.

3. Draft FIT 5 Standard Definitions

3.1 Rooftop Solar Facility

The IESO has included additional clarity within the definition of Rooftop Solar Facility to specify that where the load-bearing elements of a solar (PV) Renewable Generating Facility are independent of or not supporting the permanent Existing Building or Unconstructed Building, this structure would be considered a Non-Rooftop Solar Facility.

For clarity, CanSIA recommends that the IESO specifically address the changes to the definition of Rooftop Solar Facilities within an FAQ to clarify (in plain language and including pictures) the types of projects that are now being considered ineligible to be defined as a Rooftop Solar Facility. CanSIA's concern is with regards to Existing Buildings or Unconstructed Buildings which have overhangs, car parking/drop-off areas, or simply sheltered sections of ground/road that are covered by a portion of the Existing Building or Unconstructed Building. These portions of building roofs should remain eligible to host a Rooftop Solar Facility. Two examples of eligible buildings have been included below.



FIT 5: Draft Program Documents

4. Draft FIT 5 Contract

4.1 In-Series Metering

The IESO has left Exhibit B (Metering and Settlement) for Behind the Meter Facilities blank in the draft FIT program documents with the intention of releasing it with the final FIT 5 documents. This exhibit will have particular relevance for Applicants in terms of associated metering/connection costs as well as discussions with LDCs with regards to the permissibility of in-series metering configurations within their service territory.

CanSIA recommends the IESO release a draft version of Exhibit B for Behind the Meter Facilities (and any other associated contract documents related to in-series metering) as soon as possible in advance of the finalization of the FIT 5 program documents. This will allow Applicants and LDCs to understand the requirements of this type of metering configuration and allow discussions to begin with LDCs on permitting in series metering.

Thank you for the opportunity to comment on draft FIT 5 program documents. CanSIA staff are available to answer any questions with regards to this submission at your convenience.

Sincerely,



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