



CITY OF HAMILTON
Public Works Department
Corporate Assets and Strategic Planning

TO:	Chair and Members Public Works Committee
COMMITTEE DATE:	June 15, 2015
SUBJECT/REPORT NO:	Blanket Support Resolution for Rooftop Solar Projects for the Feed in Tariff Program (PW12069a) (City Wide)
WARD(S) AFFECTED:	City Wide
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SUBMITTED BY:	Gary Moore, P.Eng. Acting General Manager Public Works Department
SIGNATURE:	

RECOMMENDATION

- (a) That the City of Hamilton support the Independent Electricity System Operator (IESO) Feed in Tariff (FIT) Program Version 4.0 for the construction and operation of rooftop solar photovoltaic (PV) installations within the City of Hamilton by approving the Municipal Council Support Resolution, as shown in Appendix A to Report PW12069a;
- (b) That all other renewable energy projects (FIT 4.0 or Large Renewable Energy projects) will be reviewed individually by the Planning and Economic Development Department and the Office of Energy Initiatives, and subsequently brought to Council for individual project approval and individual Support Resolutions.

EXECUTIVE SUMMARY

The Ontario Power Authority (OPA) originally developed the Feed-In Tariff Program to encourage and promote greater use of renewable energy sources including On-Shore Wind, Waterpower, Renewable Biomass, Biogas, Landfill Gas and Solar PV (rooftop and non-rooftop) energy for electricity generating projects in Ontario. Such programs are now administered under the IESO following the merger of the two entities in January 2015. The IESO's fundamental objective of the FIT Program, in conjunction with the *Green Energy and Green Economy Act, 2009* (Ontario) and Ontario's Long Term Energy Plan, 2013 is to facilitate the increased development of renewable generating

SUBJECT: Blanket Support Resolution for Rooftop Solar Projects for the Feed in Tariff Program (PW12069a) - (City Wide) - Page 2 of 4

facilities of varying sizes, technologies and configurations via a standardized, open and fair process.

The FIT program is currently undergoing a public review and FIT version 4.0 program rules are expected to be finalized by July 13, 2015. New FIT program applications will be prioritized using a point scheme, similar to past program rules. One area that points are awarded is called Municipal Council Support Resolution.

In order to receive priority points under the Municipal Council Support Resolution (as set out in proposed resolution in Appendix A), a Project must have received the support of the local municipality where the project is located, in the form of an approved Municipal Council Support Resolution form.

Project applications can receive two additional priority points for projects proposed in a municipality where the Council has an approved resolution. The IESO has provided municipalities with a specific form that Councils must use to support the installation of projects within their municipality. Council has had previous resolutions in place, and the last for FIT Version 3.0 expired in October 2014. Approving a new resolution would allow eligible projects to receive these priority points, and improve proponent's chances of approval under the FIT 4.0 program for these Hamilton based projects.

The 2015 FIT 4.0 application period is anticipated to begin on July 13, 2015, and end on July 30, 2015.

A previous resolution was put in place for rooftop solar PV projects (PW12069). A new resolution is required since they are only valid for twelve months.

Support for other projects such as larger ground mount solar projects or other renewable projects brought forward by the public can be granted a resolution, but only on a project by project basis, as previously directed by Council. These projects may include large tracts of land and may have an impact the long term land use plans, which is why a project by project review is recommended.

Alternatives for Consideration - See Page 4

FINANCIAL - STAFFING - LEGAL IMPLICATIONS

Financial: None

Staffing: None

Legal: None

HISTORICAL BACKGROUND

The FIT program was enabled by the Green Energy and Green Economy Act in 2009. Previous versions of the program were implemented by the OPA. The IESO is now responsible for implementing this program since the OPA merged with the IESO, effective January 2015. The FIT program is a guaranteed pricing structure for renewable electricity production. Eligible projects include biogas, biomass, landfill gas, solar PV (rooftop and non-rooftop), waterpower and wind based production. The FIT

**SUBJECT: Blanket Support Resolution for Rooftop Solar Projects for the Feed in
Tariff Program (PW12069a) - (City Wide) - Page 3 of 4**

program has two streams - FIT program for projects over 10 kilowatts and the microFIT Program for projects 10 kilowatts and lower. Larger projects are managed by the IESO using the Large Renewable Procurement (LRP) program which also speaks to individual Municipal Support Resolution requirements.

The FIT program has had an overwhelming number of applicants in the past releases of their program, and introduced priority points in version 2.0 as a means to prioritize the projects for approval. A further review of the program has recently occurred leading to some changes in the priority point structure among other program enhancements.

Priority points are awarded under the category of "Price Reduction Priority Points" which is divided into three tiers; and "Additional Priority Points" in areas for Municipal Council Support Resolution, Aboriginal Support Resolution, Municipal Site Host or Public Sector Entity Site Host, and Aboriginal Community Host. The priority process provides two points towards projects that have the Council support resolution in place.

Council previously approved support resolutions for FIT versions 2.0 and 3.0. As many other communities continue to put resolutions in place, it is equally important for Hamilton to also provide the opportunity for priority points to enable local renewable energy projects under the FIT 4.0 Program.

The resolution is to support all local solar rooftop PV projects. The resolution does not release the projects from meeting other regulatory approvals and site requirements. Resolutions are only used for the purposes of awarding priority points under the FIT Program. Projects will need to obtain any and all required approvals prior to construction including visual screening or setback requirements as applicable.

The final FIT 4.0 program has an expected application window of July 13, 2015, to July 30, 2015. Approving a resolution now will allow program applicants the opportunity to be awarded priority points when the application period is opened.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

The Corporate Energy Policy supports these types of projects which continue to confirm Hamilton as an industry leader and renewable energy champion.

RELEVANT CONSULTATION

City Manager's Office - Legal Services and Clerk's
Planning and Economic Development Department

ANALYSIS AND RATIONAL FOR RECOMMENDATION

The rationale for supporting renewable energy project development in Hamilton includes various benefits such as local job creation, less reliance on fossil fuel generation, and reductions in greenhouse gas emissions.

ALTERNATIVES FOR CONSIDERATION

For Council to not establish this resolution would mean projects in the City of Hamilton would not get the priority points available as part of the FIT 4.0 Program. This could mean that other projects in other jurisdictions may get approval ahead of Hamilton based projects. This could put undue financial burden and delays for residents that desire local projects or at worst see local projects not proceed at all.

ALIGNMENT TO THE 2012 - 2015 STRATEGIC PLAN

Strategic Priority #1

A Prosperous & Healthy Community

WE enhance our image, economy and well-being by demonstrating that Hamilton is a great place to live, work, play and learn.

Strategic Objective

- 1.5 Support the development and implementation of neighbourhood and City wide strategies that will improve the health and well-being of residents.
- 1.6 Enhance Overall Sustainability (financial, economic, social and environmental).

Strategic Priority #2

Valued & Sustainable Services

WE deliver high quality services that meet citizen needs and expectations, in a cost effective and responsible manner.

Strategic Objective

- 2.2 Improve the City's approach to engaging and informing citizens and stakeholders.
- 2.3 Enhance customer service satisfaction.

Strategic Priority #3

Leadership & Governance

WE work together to ensure we are a government that is respectful towards each other and that the community has confidence and trust in.

Strategic Objective

- 3.1 Engage in a range of inter-governmental relations (IGR) work that will advance partnerships and projects that benefit the City of Hamilton.

APPENDICES AND SCHEDULES ATTACHED

Appendix A Prescribed Form: Municipal Council Blanket Support Resolution