



CITY OF HAMILTON

PUBLIC WORKS DEPARTMENT
Transportation, Energy and Facilities Division

TO: Chair and Members Public Works Committee	WARD(S) AFFECTED: CITY WIDE
COMMITTEE DATE: September 17, 2012	
SUBJECT/REPORT NO: Council Resolution for Feed In Tariff Projects in the City of Hamilton (PW12069) - (City Wide) (Outstanding Business List Item)	
SUBMITTED BY: Gerry Davis, CMA General Manager Public Works Department	PREPARED BY: Tom Chessman Manager, Office of Energy Initiatives Extension 2494
SIGNATURE:	

RECOMMENDATION

- (a) That the City of Hamilton supports the Ontario Power Authority's (OPA) new Feed in Tariff Program Version 2.0 for the construction and operation of solar photovoltaic installations within the City of Hamilton;
 - (i) That the purpose of this support is to enable the participants in the FIT Program to receive priority points under the FIT Program and may not be used for the purpose of any other form of municipal approval in relation to the Application or Projects or any other purpose;
- (b) That the Outstanding Business List Item respecting QPA Solar Inc's request for Council support for Solar PV Systems be identified as completed and removed from the Public Works Committees Outstanding Business List.

EXECUTIVE SUMMARY

The Ontario Power Authority has developed the Feed-In Tariff Program for the Province to encourage and promote greater use of renewable energy sources including On-Shore Wind, waterpower, Renewable Biomass, Biogas, landfill gas and solar (PV) for electricity generating projects in Ontario. The OPA's fundamental objective of the FIT Program, in conjunction with the *Green Energy and Green Economy Act, 2009* (Ontario)

**SUBJECT: Council Resolution for Feed In Tariff Projects in the City of Hamilton
(PW12069) - (City Wide) - Page 2 of 5**

and Ontario's Long Term Energy Plan, 2010 is to facilitate the increased development of Renewable Generating Facilities of varying sizes, technologies and configurations via a standardized, open and fair process.

During the last 19 months the FIT program was put under review by the Provincial Government and Version 2.0 of the FIT Program Rules was re-released on August 10, 2012. New FIT program applications will be prioritized with points awarded based on project type (community participation, Aboriginal participation, or public university, publicly funded school, public college, hospital or publicly owned long-term care home participation or where they are a host), municipal support, Aboriginal support, project readiness and electricity system benefit.

In order to receive Priority Points under the "Municipal Council Support" category (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 a Municipal Council Support Resolution.

With the FIT 2.0 program, the OPA has introduced a prioritized scoring scheme for projects. Project applications can receive 2 additional priority points for projects proposed in a municipality where the Council has an approved resolution as outlined in Appendix A of this report. The OPA has provided municipalities with a generic resolution that Councils can use to support the installation of projects within their municipality. Council approval of this blanket resolution would ensure all solar (rooftop and ground mount) projects between 10kW and 500kW receive these priority points, which would improve proponent's chances of approval under the OPA's FIT 2.0 program.

Other FIT 2.0 Program changes include:

- Ground-mounted solar projects may not be located on residential property or on property abutting residential property. However, for property where the lawfully permitted use is agricultural, projects are permitted on the property or on an abutting property only if residential use is permitted on both properties as ancillary to the agricultural use;
- A ground-mounted solar project is permitted on commercial or industrial property as long as the project is not the main, primary or only use of the property;
- In addition to the restrictions of locating ground-mounted solar projects on Canada Land Inventory (CLI) Class 1 and 2 soils, these projects will also not be allowed on CLI Class 3 and CLI Organic soil.

Other communities have similar resolutions in place already. Projects continue to require all other necessary approvals and permits to have these systems installed at each site.

The OPA is not accepting FIT applications at this time but anticipates that the application window for small FIT projects (those 500 kW or smaller) will open on October 1, 2012, and close on November 30, 2012.

Alternatives for Consideration - 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 and the OPA is responsible for implementing this program. The FIT program is North America's first guaranteed pricing structure for renewable electricity production. Eligible projects include biogas, biomass, landfill gas, solar photovoltaic (PV), waterpower and wind based production. The FIT program has two streams – FIT program (over 10kW) and microFIT Program (under 10kW).

The FIT program has a large number of applicants in the past release of their original program. As of August 7, 2012 there are over 10,000 applicants to the FIT program, with over 9,700 being solar PV projects. In total 335 contracts have reached commercial operation, of which 314 are solar PV projects. Such projects have had many regulatory and technical hurdles to overcome just to submit an application. Early in 2011 the waiting list of projects was put on hold as a FIT program review was initiated. Projects awaiting approval now have the new program rules to abide by which include a means of the OPA prioritizing the projects in the queue. This priority process provides 2 points towards projects that have a Council resolution in place. Other categories for priority points include Project Type and non-Project type categories. Project Type includes Community Participation (3 points), Aboriginal Participation (3 points), Education or Health Participation (2 points). Non-project type points are allocated as Municipal Council Support (2 points), Aboriginal Support (2 points), Project readiness (1 point), Pre-existing Application Time Stamp before July 4, 2011(1 point), Pre-existing Application time Stamp after July 5, 2011 (0.5 point), Education or health Host (2 points), System benefit (1 point).

As many other communities are putting this resolution in place, it is equally important for Hamilton to provide the same priority points to local renewable energy projects.

The resolution as written will support all local solar rooftop and ground mount projects between 10kW and 500kW, but does not release the projects from meeting all other approvals and regulatory requirements.

Staff had been waiting for the FIT 2.0 program to be released since February 2012 as part of the originally established OPA deadline. Staff chose to wait until the final version of the FIT 2.0 program was released before establishing this resolution in case last minute changes to the program were made. During the period leading up to August 10, 2012 (when the FIT 2.0 program was launched) suppliers and contractors had been lobbying for a resolution to be put in place immediately. One such firm initiated the Outstanding Business List Item by submitting a letter to the Mayor and Council (see Appendix B) requesting the resolution be put in place. Approving this resolution

supports staff's recommendation on the issue and addresses the Outstanding Business List item.

POLICY IMPLICATIONS

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

RELEVANT CONSULTATION

Legal staff reviewed and approved the resolution for content.

ANALYSIS / RATIONALE FOR RECOMMENDATION

The supporting rationale for renewable energy projects being developed in Hamilton is a desired activity for the community and the City due to the various benefits coming from these types of projects. Local job creation, less reliance on fossil fuel generation, GHG reduction are all benefits coming from projects of this nature.

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 program. This could mean other projects in other jurisdictions may get approved ahead of Hamilton based projects. This would put undue pressure and delays on local projects or at worst have local projects not proceed at all.

CORPORATE STRATEGIC PLAN

Focus Areas: 1. Skilled, Innovative and Respectful Organization, 2. Financial Sustainability, 3. Intergovernmental Relationships, 4. Growing Our Economy, 5. Social Development, 6. Environmental Stewardship, 7. Healthy Community

Skilled, Innovative & Respectful Organization

- ◆ A culture of excellence

Financial Sustainability

- ◆ Effective and sustainable Growth Management
- ◆ Delivery of municipal services and management capital assets/liabilities in a sustainable, innovative and cost effective manner

Intergovernmental Relationships

- ◆ Influence federal and provincial policy development to benefit Hamilton

Growing Our Economy

- ◆ Competitive business environment

Environmental Stewardship

- ◆ Reduced impact of City activities on the environment

**SUBJECT: Council Resolution for Feed In Tariff Projects in the City of Hamilton
(PW12069) - (City Wide) - Page 5 of 5**

- ◆ Reduce the impact of Hamilton's industrial, commercial Private and Public operations on the environment
- ◆ Aspiring to the highest environmental standards

APPENDICES / SCHEDULES

Appendix A - Prescribed Form: Solar Blanket Municipal Council Support Resolution - Hamilton

Appendix B - Letter from QPA Solar Inc. to the Mayor and Members of Council

PRESCRIBED FORM/TEMPLATE: MUNICIPAL COUNCIL BLANKET SUPPORT RESOLUTION

Section 6.1(d)(i) - FIT Rules, Version 2.0

OPARP/f-FIT-014r1

Capitalized terms not defined herein have the meanings ascribed thereto in the FIT Rules, Version 2.0.

Resolution NO: _____

Date: _____

WHEREAS the Province's FIT Program encourages the construction and operation of

_____ e.g. rooftop solar, ground mount solar, bioenergy, on-shore wind _____ generation projects (the "Projects");

AND WHEREAS one or more Projects may be constructed and operated in _____ insert the name of the Local Municipality _____ ;

AND WHEREAS, pursuant to the rules governing the FIT Program (the "FIT Rules"), Applications whose Projects receive the formal support of Local Municipalities will be awarded Priority Points, which may result in these Applicants being offered a FIT Contract prior to other persons applying for FIT Contracts;

NOW THEREFORE BE IT RESOLVED THAT:

Council of the _____ insert the name of the Local Municipality _____ supports without reservation the construction and operation of the Projects anywhere in _____ insert the name of the Local Municipality _____ .

This resolution's sole purpose is to enable the participants in the FIT Program to receive priority points under the FIT Program and may not be used for the purpose of any other form of municipal approval in relation to the Application or Projects or any other purpose.

This resolution shall expire twelve (12) months after its adoption by Council.

(Note: signature lines for councilors or other representatives, as appropriate)

FIT reference number: _____
(Note: Must be inserted by Applicant to complete Application)



15 Renata
Dundas, Ontario, L9H-6X1

Ph: (905)-627-4735 Fax 905-627-2029 EM enquiries@qpasolar.com

Date: June 12, 2012

To: Mayor Bob Bratina and City Council
City Hall, City Of Hamilton
2nd floor - 71 Main St. West
Hamilton, Ontario
L8P 4Y5

Regarding: Municipal Council Support Resolution for Solar PV Systems

Dear Mayor Bratina and Councillors;

As you may be aware in May 2009, the Province of Ontario established the "Green Energy and Green Economy Act" and a Feed in Tariff (FIT) program was implemented by the Ontario Power Authority (OPA).

The FIT program offers stable pricing under long term OPA contracts and provides incentives for individuals, co-ops and corporations to install Photovoltaic (PV) panels. To date the FIT program has created thousands of new jobs and has drawn billions of dollars of investment into Ontario.

The new FIT 2.0 program (the next version) will be launched shortly. As part of FIT 2.0, the Province of Ontario and OPA will award contracts based upon a point system. Favorable points will be given for an application if it is endorsed by the Municipality within which the projects are located. Attached is the standard form issued by the OPA for Councils Endorsement.

QPA Solar Inc. is an Ontario based engineering and project development company with offices in Hamilton and London, Ontario. QPA Solar has installed numerous rooftops solar systems for commercial, industrial, co-op housing organizations, schools, corporations and individuals across Ontario.

We have installed several systems in the Hamilton area including; Self Storage 6 (SS6), Waterdown High School and Victoria Park Community Homes. In fact the SS6 project is one of Canada's largest and longest FIT solar projects in commercial operation. Councillors Powers and Pasuta were kind enough to attend our open house and have toured this facility.

We are seeking the endorsement of the Hamilton Municipal Council for installing solar PV systems within the limits of the City of Hamilton.

As a back drop, we have included some pictures of typical PV systems and have included a listing of the planned projects, at this point in time, within the City of Hamilton. These projects will require a building permit in the future and therefore the City will still retain normal control over the process.

Unlike wind turbines, rooftop solar neither ties up valuable real estate nor interrupts the natural beauty of the landscape. Typically no roof penetrations are required and on flat roofs these systems are generally invisible from street-level, resulting in preservation of building aesthetics.

Encouraging the development of rooftop solar will further the environmental plan of Hamilton and stimulate local commerce without introducing problematic eyesores. In addition, it should also be noted that many of these projects will be formed with Community Co-op Partnership Participation and that a minimum of 35 property owners within the City of Hamilton will be involved.

On the other hand if Hamilton Council does not endorse PV projects, the OPA will look less favorably at any project application and the odds of being awarded an OPA contract are greatly diminished for any projects within the City of Hamilton. Consequently, other Municipalities who have passed the resolution will receive the economic and environmental benefits.

Because of timing constraints and a limited window of opportunity, we respectfully request that this endorsement be passed at the very next Council meeting. As a blanket endorsement, it will cover all solar PV projects for a period of 12 months after adoption by Council.

Thank you very much for your time, consideration and we look forward to this endorsement.

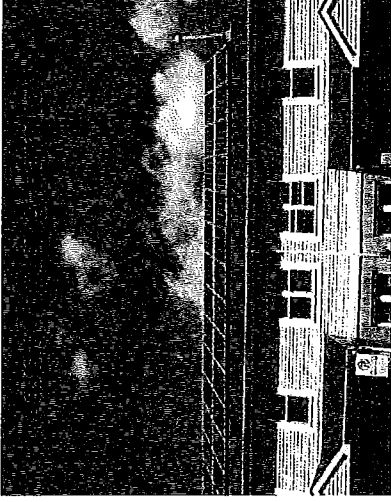
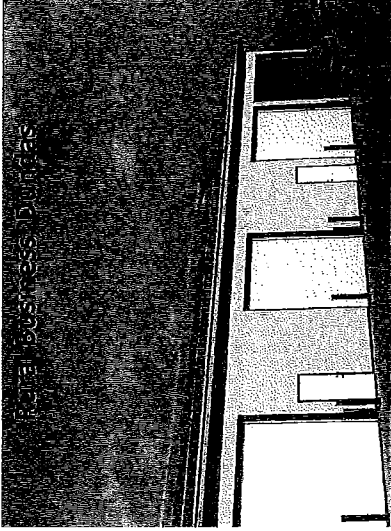
Regards



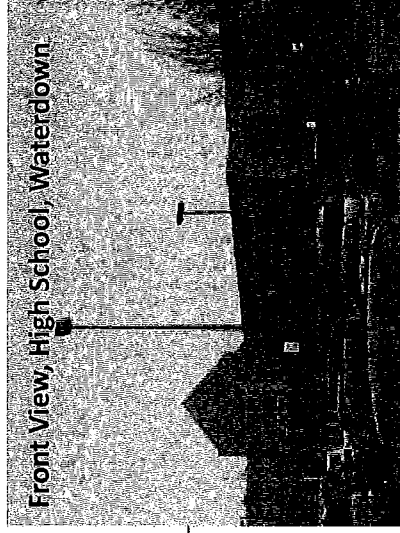
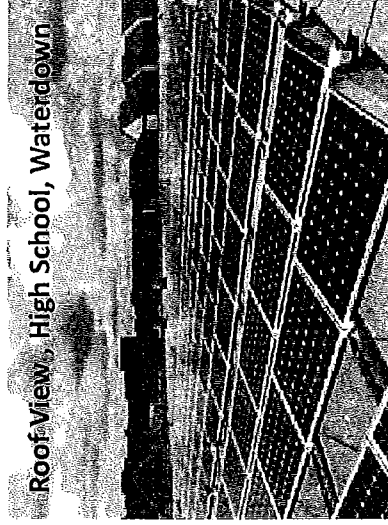
Marjan Stosic P. Eng. M Sc
President
QPA Solar Inc.

Sample Solar PV rooftops installed in Ontario by QPA Solar Inc.

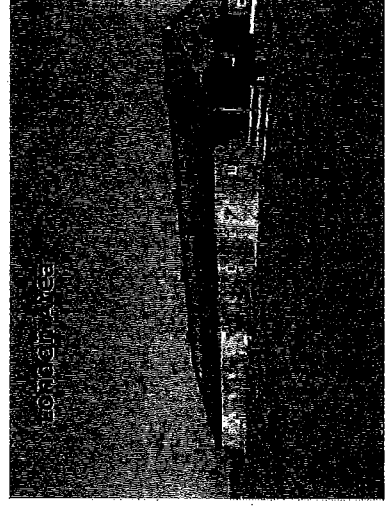
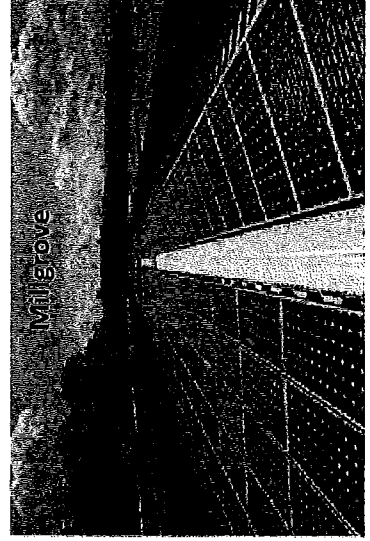
**Small Business
& Housing**



**Schools &
Municipalities**



**Industrial &
Commercial**



- (d) Whether or not an Aboriginal Support Resolution has been adopted in respect of any Subject Lands or potential Subject Lands shall have no bearing on whether any constitutionally protected Aboriginal or treaty rights may pertain to such lands.

FIGURE 6.1: PRIORITY POINTS TABLE

PROJECT TYPE	PRIORITY POINTS
Community Participation Project	3
Aboriginal Participation Project	3
Education or Health Participation Project	2
NON-PROJECT TYPE	PRIORITY POINTS
Municipal Council Support Resolution	2
Aboriginal Support Resolution	2
Project Readiness	2
Education or Health Host	2
System Benefit	1

6.2 Ranking

The OPA will rank Applications that are complete and eligible based on the following factors:

- (i) Points: Applications with more Priority Points shall receive a higher ranking; and
- (ii) Time Stamp: For Applications with the same number of Priority Points, an earlier Time Stamp will be ranked ahead of a later Time Stamp, provided that Applications with the same number of Priority Points and the same Time Stamp, will be ranked randomly.

SECTION 7 – CONNECTION AVAILABILITY AND PROCUREMENT LIMITS

7.1 Assessment

Following ranking of Applications pursuant to Section 6, such Applications will be assessed, in order of rank, as to:

- (a) whether there is availability of the applicable Transmission System and/or Distribution System for the Project, based on the TAT and the DAT; and
- (b) whether the Project would cause an applicable Procurement Limit to be exceeded taking into consideration any capacity reserved for particular types of Projects as set out on the Website from time to time.

QPA Solar Inc
Current Hamilton Projects



Address	Municipality	Ward	City Councillor	Phone	Email
77 Mercer Street	Hamilton	13	Russ Powers	905-546-2714	Russ.Powers@hamilton.ca
640 Upper James	Hamilton	8	Terry Whitehead	905-546-2712	Terry.Whitehead@hamilton.ca
400 Brock Road	Hamilton	14	Robert Pasuta	905-546-2705	Robert.Pasuta@hamilton.ca
821 Brock Road	Hamilton	14	Robert Pasuta	905-546-2705	Robert.Pasuta@hamilton.ca
1155 Hwy 5	Hamilton	14	Robert Pasuta	905-546-2705	Robert.Pasuta@hamilton.ca
383-385 Concession Road 6 E	Hamilton	15	Judi Partridge	905-546-2713	Judi.Partridge@hamilton.ca
Various Bay Area - confidential	Hamilton	2,3,4	Jason Farr, Bernie Morelli, Sam Merulla	905-546-2711, 905-546-2702, 905-546-4512	Jason.Farr@hamilton.ca , Bernie.Morelli@hamilton.ca , Sam.Merulla@hamilton.ca
			Robert Pasuta	905-546-2705	Robert.Pasuta@hamilton.ca
			Robert Pasuta	905-546-2705	Robert.Pasuta@hamilton.ca
455 Fallsview	Hamilton	15	Judi Partridge	905-546-2713	Judi.Partridge@hamilton.ca
591 Safari Road R.R.#1	Hamilton	14	Robert Pasuta	905-546-2705	Robert.Pasuta@hamilton.ca
175 Hess St North	Hamilton	2	Jason Farr	905-546-2711	Jason.Farr@hamilton.ca
Various North End - confidential	Hamilton	2,3,4	Jason Farr, Bernie Morelli, Sam Merulla	905-546-2711, 905-546-2702, 905-546-4512	Jason.Farr@hamilton.ca , Bernie.Morelli@hamilton.ca , Sam.Merulla@hamilton.ca
			Robert Pasuta	905-546-2705	Robert.Pasuta@hamilton.ca
			Robert Pasuta	905-546-2705	Robert.Pasuta@hamilton.ca

PRESCRIBED FORM: MUNICIPAL COUNCIL BLANKET SUPPORT RESOLUTION
(Section 6.1(c)(i) - FIT Rules, Version 2.0)

Capitalized terms not defined herein have the meanings ascribed thereto in the FIT Rules, version 2.0.

RESOLUTION NO.: _____ DATE: _____

WHEREAS the Province's FIT Program encourages the construction and operation of rooftop solar and ground mount solar generation projects (the "Projects").

AND WHEREAS one or more Projects may be constructed and operated in City of Burlington.

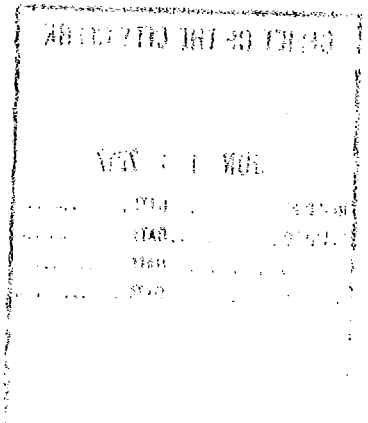
AND WHEREAS, pursuant to the rules governing the FIT Program (the "FIT Rules"), Applications whose Projects receive the formal support of Municipalities will be awarded priority points, which may result in these Applicants being offered a FIT Contract prior to other persons applying for FIT Contracts;

NOW THEREFORE BE IT RESOLVED THAT:

Council of the City of Hamilton supports without reservation the construction and operation of the Projects anywhere in the City of Hamilton.

This resolution's sole purpose is to enable the participants in the FIT Program to receive priority points under the FIT Program and may not be used for the purpose of any other form of municipal approval in relation to the Application or Projects or any other purpose.

This resolution shall expire twelve (12) months after its adoption by Council.



FIT reference number: _____
(Note: Must be inserted by Applicant to complete Application)