Feed-in Tariff Program microFIT

Program Overview



The Program Overview for the micro Feed-in Tariff (microFIT) Program (the "Program") is provided only to assist you by giving you a general overview of the Program. Please note that the Program Overview does not contain the full details of the Program and is not binding on the OPA.

Further, the OPA may change, modify, amend or update the Program at any time and without notice. While the OPA will endeavour to keep the Program Overview current, the OPA cannot guarantee its accuracy or completeness.

Please refer to the microFIT Contract and the microFIT Rules for the most up-to-date and binding terms and conditions.

References:

microFIT Rules v. 2.0 microFIT Contract v. 2.0

July 2012

©Ontario Power Authority, 2012



Introduction

The microFIT Program was launched in 2009 as part of the Ontario government's efforts to increase renewable energy in the province. The program provides Eligible Participants with the opportunity to develop a "micro" renewable electricity generation project (10 kilowatts or less in size) on their property.

Under this program, you will be paid a fixed price over a 20-year term (40 years for waterpower projects) for the electricity you produce and deliver to the province's electricity grid.

The purpose of this overview is to introduce interested participants to the microFIT Program and to provide a high-level description of the <u>microFIT Rules</u> that govern the program. You will learn about the process for developing a renewable energy project, eligibility criteria for applicants, Domestic Content requirements, and the price your project will receive. Please refer to the <u>microFIT Registration Instructions</u> and the <u>microFIT Application Instructions</u> available on the <u>microFIT Program website</u> for further information on how to register and apply to the program.

DOCUMENT USAGE

This document has been prepared to provide a general overview of the microFIT Program and application process. Applicants must refer to the microFIT Rules, Eligible Participant Schedule and Contract for the detailed rules and requirements for participating in the microFIT Program. In the event of any inconsistency between this document and the microFIT Rules, Eligible Participant Schedule and/or Contract, the microFIT Rules, Eligible Participant Schedule and Contract will govern.

Please be reminded that the OPA shall not be liable or responsible for any costs or expenses incurred by the Applicant under any circumstances including the event of termination. It is the exclusive responsibility of the Applicant, and third parties who act on behalf of the Applicant, to be fully aware of the OPA's microFIT Program Rules, policies, eligibility and timelines. The OPA does not mitigate issues between Applicants and third parties as the use of these services is at the discretion of the Applicant.

ELIGIBILITY REQUIREMENTS

You are strongly encouraged to review the <u>microFIT Rules</u>, <u>Eligible Participant Schedule</u> and <u>microFIT Contract</u> to determine whether you meet the eligibility requirements. You must ensure that your project complies with the microFIT Rules before you start developing your project.



To be eligible for the microFIT Program, a project must:

- 1. Use one of the following Renewable Fuel types:
 - Biogas
 - Biomass
 - Landfill gas
 - Solar Photovoltaic
 - Rooftop solar facility
 - Non-rooftop solar facility
 - Waterpower
 - Wind.
- 2. Be located in Ontario.
- 3. Not have an existing OPA contract.
- 4. Not have a Nameplate Capacity that is greater than 10 kW. A maximum Nameplate Capacity of 10 kW of the same Renewable Fuel type can be developed on any one property. Note that this limitation applies to a "Deemed Single Property" (defined in the microFIT Rules), which generally means that projects developed by the same person using the same fuel totalling more than 10 kW may not be located on properties that are right next to each other.
 - In the case of solar PV, Nameplate Capacity means the lesser of: (i) the manufacturer's total installed rated capacity of the solar panels, and (ii) the manufacturer's specified maximum power output of the inverter(s), neither of which may be greater than 10 kW.
- 5. Be connected, directly or indirectly, to the IESO-controlled grid through your local distribution company's (LDC) distribution system. For more information on acceptable connection configurations, please refer to the microFIT Rules.
- 6. Have a separate meter, as specified by your LDC, suitable for data collection and payment calculation. All microFIT Projects require a separate generation meter so that the amount of electricity produced by the Project can be accurately measured.
- 7. Have an eligible participant as the Applicant. The OPA has developed an Eligible Participant Schedule to identify who is able to submit an Application to the microFIT Program. The schedule also identifies the requirements for an Eligible Participant. The Eligible Participant Schedule may be updated at the discretion of the OPA at any time.
- 8. Have the same person or entity as both the Applicant and the person or entity that maintains the microFIT Project's Generator Account. This must also be the person or entity who signs the Connection Agreement for the microFIT Project.



- 9. Individuals and farmers may only have one microFIT Project and may not have multiple Applications active at one time. If an individual or farmer has a microFIT Project under an earlier version of the microFIT Rules, the individual or farmer is not eligible for another microFIT Project.
- 10. A proposed microFIT Project that is either: (i) a wind Renewable Generating Facility that has a Nameplate Capacity of 3 kW or less, or (ii) a Non-Rooftop Solar Facility:
 - i. may not be located on a property on which residential use is a Lawfully Permitted Use; and
 - ii. may not be located on a property that abuts another property on which residential use is a Lawfully Permitted Use:
 - however, for property where the Lawfully Permitted Use is agricultural, a wind Renewable Generating Facility that has a Nameplate Capacity of 3 kW of less, or a Non-Rooftop Solar Facility, is permitted on such property or on property that abuts such property if residential use is permitted as ancillary to the agricultural use.

If a Non-Rooftop Solar Facility is proposed to be located on a property on which commercial use or industrial use is a Lawfully Permitted Use, the proposed Non-Rooftop Solar Facility may not be the main, primary or only purpose for which the property is used.

For further clarification on Lawfully Permitted Use, please see Section 8, Definitions.

- 11. A proposed microFIT Project that is a Rooftop Solar Facility:
 - Must be built on **existing permanent buildings** that have walls, a roof and a permanent foundation.
 - To qualify as a rooftop facility, the OPA must be satisfied that the building on which the solar PV project is located is an appropriate type of building. For more details, please refer to the definition of Rooftop Solar Facility in the microFIT rules.
- 12. <u>Domestic Content Requirements</u>: a proposed microFIT Project using solar PV technology must meet Domestic Content requirements. Domestic Content requirements ensure that a portion of your Solar PV project is manufactured or produced in Ontario.

These requirements **only** apply to Solar PV Facility projects and are not applicable to the other renewable fuel types under the microFIT Program. Solar PV Facility projects must meet the minimum required Domestic Content level of **60 percent**.

There are currently three types of solar technologies eligible for the microFIT Program: crystalline silicone, thin-film PV and concentrated PV. For descriptions of these technologies, please visit the microFIT <u>website</u>.



PRICE SCHEDULE AND AUDITING

Once you have entered into a microFIT Contract, you will receive a fixed price for the electricity your project produces over the term of the Contract.

Please refer to the OPA's <u>FIT Price Schedule</u>. The OPA will review the FIT Price Schedule on an annual basis.

During the term of the microFIT Contract, the OPA reserves the right to audit and inspect the project, to request copies of all Generation Payment statements, meter reads and invoices from the Supplier's LDC, or to inspect the facility by a site visit.

The OPA may audit a number of items including, but not limited to: inverter ratings, solar array ratings (including nominal maximum power ratings and flash test ratings) and compliance with minimum required Domestic Content Levels.

The OPA may also assess Generation Payments/meter reads against standard benchmarks to ensure that systems are not over-generating.

PROCESS

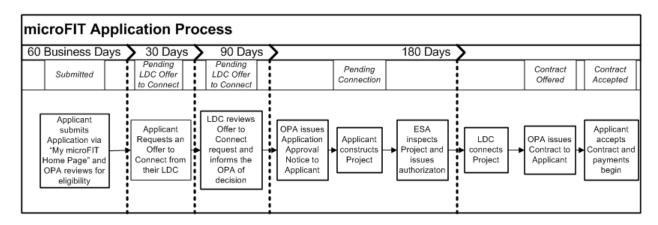
When applying to participate in the microFIT Program, Applicants should be aware of several key steps before planning for the development of a project, and before submitting an Application. Most importantly, Applicants are solely responsible for monitoring the status of their Application carefully through their My microFIT Home Page and for ensuring they meet all deadlines. The microFIT Rules provide detailed information about the requirements at each step in the process.

Following is a summary of these steps:

- 1. An Eligible Participant must first <u>register</u> for the microFIT Program online in order to prepare and submit an Application. Registered participants will create their own unique user name and password. Please be sure to keep a copy of this information as it will be needed throughout the Application (and Contract) period to access an Applicant's information.
- 2. Once registered, an Applicant will submit an Application online through the Applicant's My microFIT Home Page and will be issued a Reference Number when an Application is submitted. The Application status at this step is "Submitted".
- 3. The OPA will perform a review of the Application to confirm that it is complete and that all required information has been provided.
- 4. If an Application passes the completeness review, the OPA will confirm whether sufficient capacity remains within the Annual Procurement Target. If there is sufficient capacity, the Application's status will be set to "Pending LDC Offer to Connect".



- 5. At this stage, the Applicant must submit a Connection Request to the applicable LDC within 30 days of the Application status being set to "Pending LDC Offer to Connect" by the OPA. If the LDC does not notify the OPA within 30 days that the Applicant has requested a Connection Request, the Application will be terminated. No extensions will be granted.
- 6. Within 90 days of the LDC receiving the Connection Request from the Applicant, the Applicant must obtain an Offer to Connect for the connection of its microFIT Project.
- 7. If the LDC has issued an Offer to Connect within the required 90-day period and all other microFIT Program eligibility requirements have been met, the OPA will issue an Application Approval Notice. Once the Application Approval Notice has been issued, the status will be set to "Pending Connection." An Application will be terminated if the LDC denies a request for an Offer to Connect or if the Offer to Connect is not obtained in the required 90-day period.
- 8. If an Application receives an Application Approval Notice, the Applicant must install its microFIT Project and obtain an Electricity Safety Authority Connection Authorization within 180 days.
- 9. When the Applicant's microFIT Project is connected to the LDC's distribution system, the LDC will provide the OPA with the connection details, including project-specific information and the date the Project was physically connected to the distribution system.
- 10. The OPA will offer the Applicant a microFIT Contract once the LDC has completed the connection of the microFIT Project to its distribution system. Once a microFIT Contract is offered, the Application's status on the My microFIT Home Page will be set to "Contract Offered". The Applicant must accept the Contract offer on the Application's My microFIT Home Page.



PROGRAM REVIEW

The OPA intends to review and amend the microFIT Program at regular intervals. The OPA may also amend the program at any time in response to government direction, changes in laws and regulations, significant changes in market conditions or other circumstances. Program amendments will not affect existing microFIT Contracts.



CONTACT US

General questions about the microFIT Program	1-888-387-3403 or microFIT@powerauthority.on.ca
Questions specific to your microFIT Application	microFIT@powerauthority.on.ca
Questions specific to your microFIT Contract	microFIT.contract@powerauthority.on.ca
For problems with the website or technical support	webmaster@powerauthority.on.ca
OPA mailing address	Ontario Power Authority c/o microFIT Program Suite 1600 120 Adelaide Street West Toronto, ON M5H 1T1 Toll-free: 1-888-387-3403 www.powerauthority.on.ca info@powerauthority.on.ca

