

TO: Members of the Committee of the Whole

FROM: Ken Doherty, Director of Community Services

MEETING DATE: October 21, 2013

SUBJECT: Report CSD13-021

Rooftop Solar Photovoltaic Projects for Small FIT 3.0

PURPOSE

A report to recommend the City enter into an Option to Licence and Revenue Sharing Agreement for the Kinsmen Civic Centre rooftop solar photovoltaic project and to request Municipal Council Support Resolution letters for future rooftop solar projects in the City of Peterborough.

RECOMMENDATIONS

That Council approve the recommendations outlined in Report CSD13-021 dated October 21, 2013 of the Director of Community Services, as follows:

- a) That a by-law be passed to authorize the Mayor and the Clerk to execute Municipal Council Support Resolution letters for Feed-in-Tariff 3.0 submissions, on behalf of Council, for rooftop solar photovoltaic projects in the City of Peterborough; and
- b) That a by-law be passed to authorize the Mayor and Clerk to execute an Option to License and Revenue Sharing Agreement between the City of Peterborough and Peterborough Solar Projects Corporation for a rooftop solar project on the Kinsmen Civic Centre in order to comply with Feed-in-Tariff 3.0 program.

BUDGET AND FINANCIAL IMPLICATIONS

There are no budgetary or financial implications associated with the recommendations of this report.

BACKGROUND

At its meeting held October 3, 2011, Council approved Report CSD11-020 and its associated by-law 11-128 that provided authorization for the Mayor and Clerk to execute of an Option to License Agreement with Peterborough Utilities Inc. (PUI) for the rooftop solar project on the Kinsmen Civic Centre. The Option to License Agreement was subsequently amended to change the licensee from PUI to its affiliate, Peterborough Utilities Solar Inc., as general partner of Peterborough Solar LP as set out in by-law 12-148.

In addition, at its meeting held July 30, 2012, Council approved Report CSD12-018 and its associated by-law 12-106 that provided a Municipal Council Support Resolution letter for PUI in support of their Ontario Power Authority (OPA) applications for rooftop solar projects on the Kinsmen Civic Centre and the Peterborough Utilities Group Building at 1867 Ashburnham Drive. By-law 12-147 subsequently amended by-law 12-106 to change the name from Peterborough Utilities Inc. to its affiliate, Peterborough Solar LP by its general partner Peterborough Utilities Solar Inc.

In December 2012, PUI submitted two FIT 2.1 applications to the OPA – one for a rooftop solar photovoltaic (PV) system on the Kinsmen Civic Center and the second for a rooftop solar PV system on Peterborough Utilities Group Building at 1867 Ashburnham Drive. PUI was unsuccessful in securing contract offers under the FIT 2.1 program due to in part to the high number of applications received by the OPA (146 megawatts (MW) received contract offers out of 825 MW of applications).

In October 2013, the OPA launched the FIT 3.0 program. Under the new FIT program, one-third of all contract offers will be set aside for projects with a direct municipal investment of more than 50% Municipal Contract Capacity Set Aside projects (CCSA). The Municipal CCSA is a new criteria added to FIT 3.0 in order to encourage greater participation and success of the municipal sector in the FIT program. Projects that meet the eligibility criteria as Municipal CCSA projects will compete with similarly eligible projects based priority points and the time stamp associated with their application. The initial window for FIT 3.0 applications opens November 4th 2013 and closes December 13, 2013.

Municipal Council Support Resolution

FIT applicants whose projects receive the formal support of Municipalities will be awarded priority points. These additional points may position applicants higher in the queue over those applicants without municipal support. Recognizing that Council granted the Mayor and the Clerk authorization to sign these letters, a new by-law is required to support rooftop solar applications for FIT 3.0 using the prescribed FIT 3.0 form.

Option to License and Revenue Sharing Agreement

In an effort to maximize the opportunity to obtain a FIT 3.0 contract offer, the applicant for the rooftop solar project at the Kinsmen Civic Centre will be the newly formed solar project company, Peterborough Solar Projects Corporation ("PSPC") as set out in Report CAO13-012 on the October 21, 2013 Committee of the Whole Agenda

In the event the FIT application is successful and PSPC exercises its option, then Staff will bring a report back to Council on the Revenue Sharing and License Agreement.

Council approval required October 21, 2013

In order to be able to submit the application by the November 4th opening date, this report will appear on the October 21, 2013 Council meeting agenda as part of an October 21, 2013 Committee of the Whole Report for approval.

SUMMARY

One of the goals of the Greater Peterborough Area Community Sustainability Plan is to conserve the amount of energy used while maximizing the production of local, renewable energy. The City's support of PUI's plans to install rooftop solar systems on rooftops across the City, demonstrates our commitment to the production of a local, clean, sustainable, renewable energy source.

Submitted by,

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