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TO:	CHAIR AND MEMBERS PLANNING AND ENVIRONMENT COMMITTEE MEETING ON JULY 23, 2012
FROM:	GEORGE KOTSIFAS, P.ENG. DIRECTOR OF DEVELOPMENT & COMPLIANCE & CHIEF BUILDING OFFICIAL
SUBJECT:	MUNICIPAL SUPPORT RESOLUTIONS FOR LOCAL RENEWABLE ELECTRICITY GENERATION PROJECTS SEEKING ONTARIO FEED-IN TARIFF CONTRACTS

RECOMMENDATION

That, on the recommendation of the Director of Development & Compliance & Chief Building Official the following report **BE RECEIVED** for information regarding proposed changes (Program Rules) to the Feed-in-Tariff (FIT) Program operated by the Ontario Power Authority (OPA); and that Civic Administration **BE DIRECTED** to:

- a) Undertake the process described in the recommendations below when the Draft FIT Program Rules (April 5, 2012), which are designed to assist renewable energy project developers obtain timely Municipal Council Support Resolutions, are finalized in the very near future; it being noted that if the FIT Program Rules are substantially changed when finalized, City staff will revise these recommendations and resubmit, if required;
- b) Coordinate and review all requests for a Municipal Council Support Resolution and determine if the request falls into Category 1 Projects (all rooftop solar anywhere in London), Category 2 Projects (ground-mounted solar at specific locations in London) or Category 3 Projects (significant FIT projects such as wind, biomass and biogas at specific locations in London) **BE APPROVED**;
- c) For Category 1 Projects, the proposed resolution that the construction and operation of rooftop solar projects, having little or no potential for impacts on adjacent properties, be supported without reservation anywhere in London where permitted by the Province of Ontario's Feed-In Tariff (FIT) Program rules **BE APPROVED** as set out in the Municipal Council Blanket Support Resolution attached hereto as Appendix "A";
- d) For Category 2 Projects, the proposed resolution that the construction and operation of ground-mounted solar projects, having little or no potential for impacts on adjacent properties, be supported at a specific location(s) identified by the project developer where permitted by the Province of Ontario's Feed-In Tariff (FIT) Program rules **BE APPROVED** as at two step process:
 - i) Staff prepare a recommendation report to Planning & Environment Committee commenting on the proposed location,
 - ii) If supported by staff, submit a Municipal Council Support Resolution attached hereto as Appendix "B" as part of the report to Planning & Environment Committee;
- e) For Category 3 Projects, staff will review and offer recommendations to Council on the required steps for undertaking these types of projects and opportunities for a Municipal Council Support Resolution **BE APPROVED**;
- f) Coordinate the Municipal Council Support Resolution process through the Land Use Planning Division noting that liaison will take place with staff from Development & Compliance and Environmental & Engineering Services; and
- g) the Mayor and City Clerk **BE AUTHORIZED** to sign any requested Council Resolution for Category 1 Projects using the Municipal Council Blanket Support Resolution (Appendix "A"), noting that these recommendations are solely for the purpose of enabling an applicant to the FIT Program to receive priority points under the new FIT Program rules, and may not be used for the purpose of any other form of municipal approval in relation to the application or project or any other purpose.

PREVIOUS REPORTS PERTINENT TO THIS MATTER

None

BACKGROUND

PURPOSE

The purpose of this report is to:

- highlight the proposed changes with the Provincial Government Feed-in-Tariff (FIT) Program operated by the Ontario Power Authority (Appendix “C”).
- establish a process to provide a Municipal Council Blanket Support Resolution to proponents of rooftop solar projects without the need for Administration and Council to review each individual project proposal; noting that the Support Resolution is solely for the purpose of enabling an applicant to the FIT Program to receive priority points under the new FIT Program rules, and may not be used for the purpose of any other form of municipal approval in relation to the application or project or any other purpose. Rooftop solar projects are considered Category 1 Projects.
- establish a review process to provide a Municipal Council Support Resolution to proponents of ground-mounted solar projects for the purpose of enabling an applicant to the FIT Program to receive priority points under the new FIT Program rules, and may not be used for the purpose of any other form of municipal approval in relation to the application or project or any other purpose. Ground-mounted solar projects are considered Category 2 Projects.
- identify the need for a review and approval process for all other renewable electricity generation proposals before a Municipal Council Support Resolution can be provided.

CONTEXT

The Ontario FIT Program applies to projects that are larger than 10 kilowatts in nameplate capacity. Projects at this scale are typically associated with commercial, institutional, industrial, and high-density residential properties. Projects on low-density residential rooftops are smaller than 10 kilowatts, and fall under the separate microFIT program. As part of the province of Ontario’s review of the FIT Program, the Ministry of Energy has proposed changes to the program that would prioritize proposals based on a new, ten-point system:

Applicant Type	Local Participation Level	Points
Local Community with minimum 15% equity	Project includes 50 or more property owners who live in the municipality where the project is located	3
Aboriginal with minimum 15% equity	N/A	3
Public Schools, Colleges, Universities, Hospitals & Long-Term Care Facilities with minimum 15% equity or project host	N/A	2
Other participants	N/A	0
Additional Points		
Municipal Council Support Resolution		2
Aboriginal Community Support Resolution		2
Project Readiness		2
System Benefit (water and bioenergy)		1

Source: Ontario’s Feed-in Tariff Program Two-Year Review Report (2012)

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These proposed changes were expected to come into effect in June 2012 but have been further delayed.

Staff anticipate that a significant number of requests for municipal council support could be received within a relatively short time frame this summer. Most of these are likely to focus on roof top solar projects. To date, City staff and the Mayor have already received a number of such requests and/or inquiries about the process.

The Ontario Power Authority has also anticipated these requests for municipal council support, and have prepared templates for both a Municipal Council Blanket Support Resolution and a project-specific Municipal Council Support Resolution. City staff have amended the templates with details provided below.

It is also important to note that it is not mandatory for a private-sector project developer to obtain a Municipal Council Support Resolution in order to submit an application to the FIT Program.

DISCUSSION

The City of London, through the Rethink Energy London public engagement and action plan, has been an active supporter of sustainable energy initiatives. The City has developed its own renewable electricity generation projects at Tourism London, and provided financial and technical support for the community-led rooftop solar project at Landon Library. The City and has also partnered with London Hydro for the installation of ground-mounted solar tracking arrays a five locations across London.

To expedite the process of to receive Municipal Council Support Resolutions, City staff are recommending that three project categories be established to ensure that project developers receive timely support from City staff and receive the Council Resolution for appropriate projects.

Category 1 Projects – Any Rooftop Solar Project	In terms of those projects that warrant inclusion in a Municipal Council Blanket Support Resolution, City staff recommend that rooftop solar projects be included whether they have a specific address or not. All rooftop solar blankets should be provided a blanket Council Support Resolution (Appendix “A”) because these types of installations already exist across London and are encouraged by the Provincial Government through the FIT Program. It is anticipated that 90% of the requests will fall into this category.
Category 2 Projects – Ground-mounted Solar Project with a Specific Location	Ground-mounted projects require additional investigation by City staff prior to concurring that it is an appropriate location. In addition, it is not recommended that ground-mounted locations can be at any location in London. A two step process would be followed for this category of projects: i) Staff prepare a recommendation report to Planning & Environment Committee commenting on the proposed location, ii) If supported by staff, submit a Municipal Council Support Resolution attached hereto as Appendix “B” as part of the report to Planning & Environment Committee;
Category 3 Projects – all Other Renewable Electricity Projects	Proponents may seek a Municipal Council Support Resolution for projects identified by OPA that require substantially more review and analysis such as: <ul style="list-style-type: none"> • on-shore wind projects on agricultural-zoned land anywhere in the City of London • biomass-fuelled Projects on agricultural-zoned land or industrial-zoned land anywhere in the City of London; and • biogas-fuelled Projects on agricultural-zoned land or industrial-zoned land anywhere in the City of London. Additional work would be completed and reported to the Planning & Environment Committee. It is worth noting that projects undertaken on municipal properties such as the W12A Landfill, pollution control plants, or municipal buildings are already required to obtain project-specific approval of Municipal Council.

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Process Coordination

Staff from Development & Compliance will coordinate the process for the City of London. As required, liaisons will take place with staff from Land Use Planning and Environmental & Engineering Services. This process will ensure timely responses to these requests as it is anticipated that a very short time frame will exist between the request and when the project developer needs to pull together all the necessary points to submit with their application to the OPA.

SUBMITTED BY:	SUBMITTED BY:
JAMIE SKIMMING, P.ENG. MANAGER, AIR QUALITY	JAY STANFORD, M.A., M.P.A. DIRECTOR, ENVIRONMENT, FLEET & SOLID WASTE
REVIEWED & CONCURRED BY:	REVIEWED & CONCURRED BY:
JOHN M. FLEMING, MCIP, RPP DIRECTOR OF LAND USE PLANNING & CITY PLANNER	JOHN BRAAM, P.ENG. ACTING EXECUTIVE DIRECTOR, PLANNING, ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER
RECOMMENDED BY:	
GEORGE KOTSIFAS, P.ENG. DIRECTOR OF DEVELOPMENT & COMPLIANCE & CHIEF BUILDING OFFICIAL	

Appendix A Municipal Council Blanket Support Resolution

Appendix B Project-Specific Municipal Council Support Resolution

Appendix C Feed-in Tariff Program Review – April 5, 202 Letter from Minister of Energy, Chris Bentley

c: Vinay Sharma, P.Eng, Chief Executive Officer, London Hydro

APPENDIX A

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

RESOLUTION NO.: _____

DATE: _____

WHEREAS the Province's FIT Program encourages the construction and operation of rooftop solar projects.

AND WHEREAS one or more rooftop solar project may be constructed and operated in the City of London, Ontario.

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 London supports without reservation the construction and operation of:

- rooftop solar projects anywhere in the City of London;

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.

 Joe Fontana
 Mayor

Date: _____

 Catharine Saunders
 City Clerk

Date: _____

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APPENDIX B

**MUNICIPAL COUNCIL SUPPORT RESOLUTION
(Section 6.1(c)(i) - FIT Rules, Version 2.0)**

RESOLUTION NO.: _____

DATE: _____

WHEREAS [insert name of applicant] (the "Applicant") proposes to construct and operate a ground mount solar project (the "Project") on [insert description of the lands] (the "Property") in the City of London, Ontario under the Province's FIT Program.

AND WHEREAS the Applicant has requested that Council of the City of London indicate by resolution Council's support for the construction and operation of the Project on the Property.

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 the Applicant being offered a FIT Contract prior to other persons applying for FIT Contracts;

NOW THEREFORE BE IT RESOLVED THAT:

Council of the City of London supports the construction and operation of the Project on the Lands.

This resolution's sole purpose is to enable the Applicant 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 Project or any other purpose.

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

_____ Date: _____
Joe Fontana
Mayor

_____ Date: _____
Catharine Saunders
City Clerk

Agenda Item #

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APPENDIX C

FEED-IN TARIFF PROGRAM REVIEW - APRIL 5, 2012 LETTER FROM MINISTER OF ENERGY, CHRIS BENTLEY