

# FIT Guidelines: Multiple Projects on One Property

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## Issue

Are multiple FIT contracts for the same technology, including incremental projects, permitted on the same property, and if so, how are they treated with regard to pricing?

## Background

Section 7.3 (e) of the FIT Rules prohibits applicants from splitting one project into smaller projects for the purpose of obtaining a higher price or any other benefit. The guidelines below describe how this rule is applied by the OPA.

### **Solar Photovoltaic (PV) Rooftop**

To provide greater clarity to applicants on how rooftop solar PV projects are evaluated under Section 7.3 (e), an addition was made to Section 2.1 (Eligibility Requirements) in November 2009, which specifies that only one rooftop solar PV project is permitted on a single property:

- Section 2.1 (c) of the FIT Rules states that *“with respect to solar PV projects, only one rooftop facility shall be permitted on any single property. For greater certainty, a single rooftop facility may have generating equipment located on multiple buildings on a single property so long as the total capacity of the generating equipment located on the property is reflected in a single application and shares a common connection point.”*

The guidelines provided below are intended to provide greater flexibility to applicants who are unable to submit a single application with a common connection point (for example, when multiple buildings are located on a single property), and for applicants who wish to install their projects in a phased approach.

This version of the guidelines has been revised to include additional scenarios that have arisen as a result of the implementation of version 1.4 of the microFIT Program, which includes a separate price for ground-mounted solar PV projects.

### **Other Technologies**

Currently, the rules are silent on how incremental projects, or multiple projects using the same renewable fuel on a single property, are treated with regard to pricing.

The guidelines below describe how the OPA will apply Section 7.3 (e) to all technologies, including solar, wind, water and bioenergy.

## Principles

In developing these guidelines, the OPA used the following principles to ensure that projects are not divided into smaller projects for the purpose of obtaining a higher price or any other benefit.

1. Under the microFIT Program, only 10 kilowatts (kW) per renewable fuel per property is permitted.
2. A microFIT project and a FIT project may be constructed on the same property provided that they do not use the same renewable fuel or fuel type.
3. Multiple FIT projects using the same renewable fuel type will be permitted provided that the contract price for each project is within one price tranche.
4. A microFIT project will not be permitted on the same property as a FIT project if it uses the same renewable fuel as the FIT project.

## Guidelines

For all technologies:

1. In general, only one FIT project per renewable fuel will be permitted on a single property.

Notwithstanding the above, a rooftop solar PV project and a ground-mounted solar PV project are permitted on the same property, under the FIT Program.

*Important note:* For the purposes of assessing whether an additional FIT rooftop project would be permitted on the same property, a ground-mounted solar PV microFIT project that has a microFIT contract at a price of 80.2 cents/kWh is considered a rooftop project. Therefore, a 10 kW ground-mounted facility that has a contract price of 80.2 cents per kilowatt-hour (kWh) will not be permitted on the same property as a solar PV rooftop or ground-mounted project under the FIT Program.

Under the microFIT Program, only 10 kW of solar PV generation, either rooftop or ground-mounted, is permitted per property.

2. The sum of the nameplate capacity of any microFIT and FIT project (or projects) using the same renewable fuel on the same legal property must not be greater than 10 kW.

For greater clarity, if the sum of the nameplate capacity of a proposed FIT project and an existing microFIT project is greater than 10 kW, the FIT project is ineligible.

3. Where the OPA deems that a series of projects does not constitute project splitting, the OPA will accept multiple FIT applications using the same renewable fuel located on a single legal property provided that the aggregate capacity of all FIT applications on a single property will be used to establish the FIT contract price.

This permission allows for phased in-service dates, as well as multiple connection points where a single connection point is not feasible.

The following provisions must be met:

- (a) Applications must be submitted within the same business day.
- (b) It is not permitted to combine the capacities of multiple FIT and microFIT applications. To submit multiple applications and qualify for the aggregate price, all applications must be submitted under the FIT Program.
- (c) If the aggregate capacity of the initial group of applications is equal to or less than the highest project size tranche (for example in the case of solar PV projects, 500 kW or less), subsequent applications may be submitted provided that the aggregate capacity of all of the FIT applications does not exceed the price tranche established by the initial group of applications submitted. Each subsequent application would receive the price associated with the project size tranche established by the initial group of applications, regardless of the size of the project.
  - o For example: If a 400 kW project is submitted as an initial group of four 100 kW applications, the contract price for all applications would be determined based on the aggregate capacity (400 kW at 63.5 cents/kWh). At a later date, a subsequent 100 kW application (or multiple applications totalling 100 kW) could be submitted, since the total capacity would remain within the 500 kW project size tranche. The subsequent application(s) would also qualify for the 63.5 cents/kWh price.
- (d) If the aggregate capacity of the initial group of applications is in the highest project size tranche (for example, in the case of solar PV rooftop projects, greater than 500 kW), there is no limit on the number or size of subsequent applications. Each subsequent application would receive the price associated with the highest project size tranche regardless of the size of the project.
  - o For example: Applications for three 200 kW solar PV rooftop projects are submitted. The aggregate capacity is 600 kW. Each would qualify for the greater than 500kW size tranche at 53.9 cents/kWh. Subsequent applications of any size may be submitted. All projects would be eligible and would qualify for the 53.9 cents/kWh price.

The FIT Program will be reviewed in two years. At that time, the OPA will explore the possibility of allowing additional applications for the same renewable fuel on the same property. This will allow the OPA to ensure that proponents are not splitting projects to obtain higher prices, and still appropriately encourage incremental renewable energy capacity in a manner that makes sense.

## Appendix A – FIT Price Schedule

| <b>Feed-In Tariff Prices for Renewable Energy Projects in Ontario</b> |                     |                               |   |
|---|---------------------|-------------------------------|---|
| <b>Base Date: July 2, 2010</b>  |                     |                               |   |
| <b>Renewable Fuel</b>   | <b>Size Tranche</b> | <b>Contract Price (¢/kWh)</b> | <b>Percentage Escalated<sup>4</sup></b> |
| <b>Biomass<sup>1,2</sup></b>  |                     |                               |   |
|   | ≤ 10 MW             | 13.8                          | 20                                      |
|   | > 10 MW             | 13.0                          | 20                                      |
| <b>Biogas<sup>1,2</sup></b>   |                     |                               |   |
| On-Farm   | ≤ 100 kW            | 19.5                          | 20                                      |
| On-Farm   | > 100 kW ≤ 250 kW   | 18.5                          | 20                                      |
| Biogas  | ≤ 500 kW            | 16.0                          | 20                                      |
| Biogas  | >500 kW ≤ 10 MW     | 14.7                          | 20                                      |
| Biogas  | > 10 MW             | 10.4                          | 20                                      |
| <b>Waterpower<sup>1,2,3</sup></b>                                     |                     |                               |   |
|   | ≤ 10 MW             | 13.1                          | 20                                      |
|   | > 10 MW ≤ 50 MW     | 12.2                          | 20                                      |
| <b>Landfill gas<sup>1,2</sup></b>                                     |                     |                               |   |
|   | ≤ 10MW              | 11.1                          | 20                                      |
|   | > 10 MW             | 10.3                          | 20                                      |
| <b>Solar PV</b>   |                     |                               |   |
| Rooftop   | ≤10 kW              | 80.2                          | 0                                       |
| Ground-mounted*   | ≤10 kW              | 58.8                          | 0                                       |
| Rooftop   | > 10 ≤ 250 kW       | 71.3                          | 0                                       |
| Rooftop   | > 250 ≤ 500 kW      | 63.5                          | 0                                       |
| Rooftop   | > 500 kW            | 53.9                          | 0                                       |
| Ground-mounted <sup>2</sup>   | ≤ 10 MW             | 44.3                          | 0                                       |
| <b>Wind<sup>2</sup></b>   |                     |                               |   |
| Onshore   | Any size            | 13.5                          | 20                                      |
| Offshore  | Any size            | 19.0                          | 20                                      |

**Appendix B: Examples**

| <b>QUESTION</b>   | <b>RESPONSE</b>   |
|---|---|
| <b>FIT and microFIT</b>   |   |
| 1. Can I put a 5 kW FIT solar PV project and then a 5 kW microFIT solar PV project on the same property?  | Yes.<br>If one project is a rooftop project and one project is a ground-mounted project, then the projects must be separately metered.  |
| 2. Can I put a 10 kW microFIT solar PV rooftop project and then later add a 200 kW FIT solar PV ground-mounted project on the same property?                    | Yes.<br>If the 10 kW solar PV rooftop project received version 1.3 of the microFIT contract, then an amendment to the microFIT contract will be required to ensure that the existing facility complies with the definition of rooftop facility. |
| 3. If I installed a 10 kW ground-mounted project on my property, can I install a 200 kW FIT solar PV rooftop project on the same property?                      | Yes, provided that the ground-mounted project did not receive a contract price of 80.2 cents/kWh.   |
| 4. Can I install a 3 kW solar PV rooftop project and then later add a 7 kW solar PV rooftop project as an incremental project, both under the microFIT program? | Yes.<br>If the 3 kW solar PV rooftop project received version 1.3 of the microFIT contract, then an amendment to the microFIT contract will be required to ensure that the existing facility complies with the definition of rooftop facility.  |
| 5. If I installed an 8 kW solar PV ground-mounted project, can I install a 2 kW solar PV rooftop project on the same property under the microFIT Program?       | Yes.<br>Note that the projects must be metered separately (e.g., they cannot be incremental to each other).   |
| 6. Can I install a 10 kW solar PV rooftop project under microFIT and one 100 kW rooftop PV project under FIT on the same property?                              | No.<br>Alternatively, you could submit two applications at the same time under the FIT Program, one for a 10 kW project and the other for a 100 kW project. Both projects would be eligible for the 110 kW price of 71.3 cents/kWh.             |

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| 7. Can I install a 100 kW solar PV rooftop project under FIT and a 10 kW solar PV ground-mounted project under microFIT on the same property?                    | Yes, provided that the 10 kW ground-mounted solar PV project did not receive a contract price of 80.2 cents/kWh.<br><br>Note that if a connection impact assessment for the project is required by the LDC, then it is not eligible under the microFIT Program, however, it would be eligible under the FIT Program. |
| 8. Can I install a 100 kW FIT solar PV ground-mounted project and a 10 kW microFIT solar PV ground-mounted project on the same property?                         | No.<br>Alternatively, you could submit two applications at the same time under the FIT Program, one for a 10 kW project and one for a 100 kW project. Both projects would be eligible for the 110 kW price of 44.3 cents/kWh. Both projects would be subject to the agricultural land restrictions.                  |
| 9. Can I install a 10 kW solar PV rooftop project and a 10 kW solar PV ground-mounted facility on the same property, both under the microFIT program?            | No, only 10 kW of solar PV is permitted per property under the microFIT Program.   |
| 10. Can I put a microFIT solar PV project and a FIT project using a different renewable fuel on the same property?   | Yes.   |
| 11. If the owner's land is leased to an outside company for wind turbines can a homeowner put a microFIT solar PV on their property?                             | Yes.<br>Note that if a connection impact assessment for the project is required by the LDC, then it is not eligible under the microFIT Program, however, it would be eligible under the FIT Program.   |
| <b>FIT Solar PV</b>  |  |
| 12. Can I put a FIT solar PV rooftop project and a FIT solar PV ground-mounted project on the same property?   | Yes.   |
| 13. Can I submit a 200 kW solar PV rooftop application and apply for a 100 kW solar PV rooftop project on the next day?  | No, the second application would not be eligible.  |
| 14. I have a property with two buildings; unfortunately one connection point is not possible. Can I have panels on both buildings, constructed at the same time? | Yes, both applications must be submitted on the same business day and the aggregate capacity will be used to determine the FIT price.  |

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| <p>15. A university campus with many buildings but only one legal property wants to have 10 solar PV rooftop projects, 100 kW each on different buildings, with separate FIT contracts constructed over time.</p> | <ul style="list-style-type: none"> <li>• 10 applications should be submitted on the same business day. The aggregate capacity of all of the applications is 1,000 kW. Each project would be eligible for the 53.9 cents/kWh price.</li> <li>• In this case, since the aggregate capacity of the initial applications exceeds the 500 kW project size tranche, there is no limit on the number or size of projects that can be submitted at a later date. Each of the subsequent projects would be eligible for the 53.9 cents/kWh.</li> </ul>  |
| <p>16. A shopping centre has one very large roof and wants 10 solar PV rooftop projects, 20 kW each, located at different connection points.</p>  | <ul style="list-style-type: none"> <li>• 10 applications should be submitted on the same business day. The aggregate capacity of all of the applications is 200 kW. Each project would be eligible for the 71.3 cents/kWh price.</li> <li>• In this case, subsequent applications may be submitted. However, the aggregate capacity of the existing projects and the new projects must not exceed the 250 kW project size tranche (for example, two additional 25 kW applications may be submitted). The subsequent applications would also be eligible for the 71.3 cents/kWh price.</li> </ul> |
| <p><b>FIT – Other Technologies</b></p>  |  |
| <p>17. Can I apply for a 5 MW landfill gas project and subsequently apply for a 10 MW incremental landfill gas project?</p>   | <p>No. In this case, you could submit two applications for both projects at the same time. Both would qualify for the 10.3cents/kWh price. Each project would have a separate contract and would be allowed to come into service on different dates.</p>   |
| <p>18. I have an existing FIT biogas project already. Can I build a new separate small biogas project at another location on the farm?</p>  | <p>This would only be permitted if the total capacity of the existing project and the new project does not exceed the price tranche established by the first project. If the aggregate capacity exceeds the price tranche, the second project is not eligible.</p>   |
| <p>19. Can I add an expansion (incremental project) to an existing FIT waterpower project?</p>  | <p>This would only be permitted if the total project capacity of the existing project and the incremental project does not exceed the price tranche established by the first project. If the aggregate capacity exceeds the price tranche, the incremental project is not eligible.</p>  |
| <p>20. Can I put a FIT solar PV project and a FIT project using a different renewable fuel on the same property?</p>  | <p>Yes.</p>  |