



**Commercial Feed-In Tariff Rules for Micro-Generators
(CFIT)
*Version 1.0***

January XX, 2011

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Section 1 – Introduction

1.1 Background to the CFIT Program

The Commercial Feed-In Tariff Program (the “CFIT Program”) is intended to provide a simplified approach for enabling the development of renewable micro-generation projects in Ontario.

The Commercial Feed-In Tariff Contract (the “CFIT Contract”) is for the following persons or entities:

1. Commercial entities with multiple renewable micro-generation projects, each of which is 10 kW or less;
2. Persons or entities who are not Eligible Participants or who are not otherwise eligible for the microFIT Contract; and
3. Persons or entities who wish to take advantage of Secured Lender provisions not found in the microFIT Contract.

The primary objective of this document is to outline the process for participating in the CFIT Program. This process is designed to be efficient and streamlined for project Applicants, Local Distribution Companies (each an “LDC”) and the Ontario Power Authority (“OPA”).

The CFIT Program is closely aligned with the existing connection and settlement functions for LDCs established under the Distribution System Code and the Retail Settlement Code. These codes outline the LDCs’ requirements for connecting micro-generation projects and settling OPA contracts.

All capitalized terms used in these CFIT Rules are defined in the final section of this document.

1.2 Overview of the CFIT Program

The following outlines the key steps of the CFIT Program:

1. An Applicant will apply for a CFIT Contract using the online application form available on the CFIT Program website. Information collected from the Application will be provided to the applicable LDC and may be shared with other relevant industry agencies and government ministries (e.g. the Ministry of Energy and Infrastructure).
2. When an Application for a CFIT project (a “CFIT Project”) is submitted, a Reference Number is issued for the CFIT Project. The Reference Number will be used by the Applicant, the LDC and the OPA as a primary means of identifying the CFIT Project through the connection and contracting process.
3. The OPA will review each Application to ensure that the CFIT Project meets the CFIT Program’s eligibility requirements. If the CFIT Project meets the program eligibility

requirements, then the OPA will await confirmation from the applicable LDC that the offer to connect has been issued by the LDC.

4. Where the Applicant is not an LDC, the Applicant will make a Connection Request to the LDC for the connection of the CFIT Project using the LDC's generation connection request form. The Applicant must include the applicable CFIT Project Reference Number on the form to identify the project.
5. The OPA will provide the Applicant a "Conditional Offer of CFIT Contract" only if the LDC has issued an offer to connect. The Conditional Offer of CFIT Contract will expire in 6 months if the conditions of the offer are not satisfied.
6. Applicants should be aware that, pursuant to the FIT Direction, the CFIT Contract will require that CFIT Projects for solar (PV) achieve a Minimum Required Domestic Content Level.
7. Upon receipt of the Conditional Offer of CFIT Contract, the Applicant will install the CFIT Project and ensure that it meets the LDC's requirements for connection and delivery of electricity to the LDC's distribution system. This includes obtaining and providing the necessary proof of authorization to connect from the Electrical Safety Authority.
8. Where the Applicant is not an LDC, the Applicant will complete a Connection Agreement with the LDC for the connection of the CFIT Project and will be responsible for finalizing connection with the LDC. The Connection Date of the CFIT Project will be the later of the date of the Conditional Offer of CFIT Contract and date that the project is physically connected to the LDC's distribution system or Load Customer with suitable metering configurations appropriate for CFIT settlement.
9. Upon connection of the CFIT Project, the LDC will provide the connection details to the OPA. These will include project specific information and the Connection Date.
10. After receiving the connection details from the LDC, the OPA will prepare the CFIT Contract and will provide notice to the Applicant that the CFIT Contract has been offered.
11. The Applicant is required to access the CFIT Program website to accept their CFIT Contract. The Applicant must accept the contract offer within 45 Business Days of the initial offering of the CFIT Contract otherwise the contract offer will be withdrawn.
12. Generation Payments for the CFIT Project will not begin until the CFIT Contract is accepted by the Applicant. Once the CFIT Contract is accepted, the OPA will inform the LDC of the effective date of the CFIT Contract and that Generation Payments to the Supplier can begin.
13. The Contract Price for the CFIT Project will correspond to the FIT Price Schedule in effect for the relevant technology on the date of the Conditional Offer of CFIT Contract.

Where the CFIT Project is a solar (PV) project, a different Contract Price will apply depending on whether or not the CFIT Project is to be a Rooftop Facility.

14. Suppliers will be paid Generation Payments which will be the Contract Price (as adjusted from time to time by the Percentage Escalated, if applicable) multiplied by the metered electricity output in kilowatt-hours (kWh), consistent with Section 5.2.

Section 2 - Project Eligibility Requirements

2.1 Basic Eligibility Requirements

- a) To be eligible for the CFIT Program, a project must:
 - i) be a Renewable Generating Facility, which uses a Renewable Fuel that is included in the FIT Price Schedule;
 - ii) be located in the Province of Ontario;
 - iii) not be or have been an OPA contracted facility that has reached commercial operation. RESOP contracted facilities can apply to the CFIT Program if the RESOP contract holder has signed a “RESOP to CFIT Transition Agreement” or “RESOP Mutual Termination Agreement”, available on the FIT Program website;
 - iv) not have a Nameplate Capacity greater than 10 kW;
 - v) be connected, directly or indirectly, to the IESO-Controlled Grid via a distribution system; and
 - vi) have separate metering suitable for CFIT Program data collection and settlement purposes as described in Section 3.5. In-series metering configuration is not permitted.
- b) The Supplier must be the same person or entity as the person or entity that maintains the Generator Account in respect of the CFIT Project, and must also be the person or entity who signs the Connection Agreement for the CFIT Project.
- c) If a project is determined by the LDC to require a Connection Impact Assessment, then the project will not be eligible for a CFIT Contract, and must apply through the FIT Program.
- d) Although it is not an eligibility requirement for purposes of an Application, Applicants should be aware that, pursuant to the FIT Direction, the CFIT Contract will require that CFIT Projects for solar (PV) achieve a Minimum Required Domestic Content Level.
 - i) For solar (PV) projects that reach commercial operation on or prior to December 31, 2010 the Minimum Required Domestic Content Level is 40%. For solar (PV) projects that reach commercial operation on or after January 1, 2011 the Minimum Required Domestic Content Level is 60%.

- ii) Solar (PV) projects that have been purchased by October 1, 2009 will be deemed to have achieved the Minimum Required Domestic Content Level. If the solar (PV) project has been purchased but has not reached commercial operation by October 1, 2009, then the Applicant must provide evidence satisfactory to the OPA that the solar (PV) project was purchased by October 1, 2009.
 - iii) The Domestic Content Level of a CFIT Project for solar (PV) is determined in accordance with the Domestic Content Grid.
 - iv) The Supplier must obtain a written confirmation from any equipment supplier or installer providing equipment or services contributing to the Domestic Content Level, confirming which components qualify as Designated Activities.
 - v) Applicants must indicate their Domestic Content Level at the time the CFIT Contract is offered by indicating which designated activity achieves the Minimum Required Domestic Content Level.
 - vi) Within 10 Business Days of any request by the OPA, the Supplier shall provide written evidence satisfactory to the OPA, acting reasonably, confirming that the facility has met the Minimum Required Domestic Content Level.
- e) The Applicant is responsible for ensuring that applicable Ministry of Environment and Ministry of Natural Resources requirements are met before the project is constructed, including obtaining a Renewable Energy Approval from the Ministry of the Environment.
- f) Projects cannot be divided into smaller projects for the purpose of obtaining a higher Contract Price or any other benefit under the CFIT Program. If the OPA determines that a project has been divided into smaller projects, it may reject all Applications in respect of such projects.
- g) Only one project of each Renewable Fuel type shall be permitted on a single property. For greater clarity, this includes projects under the FIT, microFIT and CFIT Programs. Projects will only be considered to be on separate properties if the projects are situated on:
- (A) lands that are separately conveyed by a unique Property Identification Number or may be separately conveyed pursuant to Sections 50(3)(a), 50(3)(b), 50(3)(f), or 50(5)(a) of the *Planning Act* (Ontario);
 - (B) provincial or federal crown lands that are the subject of separate applications to the crown for access rights; or
 - (C) lands that are “reserve lands” or “special reserves”, as set out in the *Indian Act* (Canada), where the permission to use such lands is granted by way of separate resolutions of the applicable “band council”.

Section 3 – Application, Conditional Offer and Connection

3.1 CFIT Application

- a) An Applicant must apply for a CFIT Contract using the online application form available on the FIT Program website. Information required to complete an Application will include:
- i) legal name and contact information of the Applicant. Where the Applicant is not an LDC, the legal name of the Applicant must be the same name associated, or that will be associated, with the Generator Account and Connection Agreement for the CFIT Project;
 - ii) type of Applicant (e.g., homeowner, commercial, institutional, etc.);
 - iii) the Applicant’s GST registration number (if applicable);
 - iv) name of the LDC serving the property where the CFIT Project is to be located;
 - v) LDC account number that is associated with the existing Load Customer where the CFIT Project will be located (if applicable);
 - vi) municipal address of the CFIT Project. If the CFIT Project does not have a municipal address, then the Applicant must provide a legal description of the land;
 - vii) Property Identification Number of the property on which the project is located;
 - viii) Nameplate Capacity of the CFIT Project in kW;
 - ix) type of Renewable Fuel, and if the type is solar (PV), whether or not the CFIT Project is for a Rooftop Facility;
 - x) if the CFIT Project is converting from a Net-Metered Project;
 - xi) the estimated date when the Applicant will submit the Connection Request to the LDC.
- b) Once an application has been submitted, changes to the CFIT Project location are not permitted.
- c) An Applicant must provide the OPA with a valid e-mail address for purposes of correspondence related to the CFIT Program, which address the Applicant may amend from time to time by providing written notice to the OPA. Applicants must regularly check the “My CFIT Homepage” for messages and notices from the OPA. The OPA will not be responsible for an Applicant’s failure to comply with this provision.

- d) In order to complete the Application, the Applicant must agree to share information collected through the Application process with the applicable LDC, the OPA and other relevant agencies and government ministries.
- e) Each CFIT Project will be assigned a Reference Number.
- f) The OPA will review the Application to confirm that the project meets the CFIT Program eligibility requirements as set out in Section 2 of these CFIT Rules. The OPA, at its discretion, may ask for additional clarification with respect to the Application. The OPA may reject the Application if any of the required information is missing or incomplete.
- g) Upon completion of the review of eligibility requirements, the OPA will notify the Applicant that in order for the Application to proceed the Applicant must request and receive an Offer to Connect from the LDC.

3.2 *Conditional Offer of CFIT Contract*

- a) If the OPA determines that the Application meets the CFIT Program eligibility requirements, then the OPA will issue the Applicant a Conditional Offer of CFIT Contract. The OPA will not issue a Conditional Offer of CFIT Contract unless the LDC has issued the Offer to Connect.
- b) The Conditional Offer of CFIT Contract will be conditional on the following:
 - i) The Applicant being in compliance with CFIT Rules in effect at the time the Conditional Offer of CFIT Contract was issued;
 - ii) The direct or indirect connection of the CFIT Project to the distribution system; and
 - iii) Receipt by the OPA of all information necessary to complete preparation of a CFIT Contract in effect at the time the Conditional Offer of CFIT Contract was issued.
- c) If the conditions of the Conditional Offer of CFIT Contract are satisfied, the applicant will be offered a CFIT Contract, on the terms in effect at the time the Conditional Offer of CFIT Contract was issued.
- d) The Conditional Offer of CFIT Contract will expire if the conditions, as specified above in subsection (b), are not satisfied within 6 months of the date of the Conditional Offer of CFIT Contract.
- e) The Conditional Offer of CFIT Contract is not transferable to any subsequent Applicant.
- f) If the Conditional Offer of CFIT Contract expires, the Applicant may re-apply for a CFIT Contract, but will be subject to the CFIT Rules and CFIT Contract in effect as of the date of the new Application.

3.3 LDC Connection Request

- a) In its Connection Request to the LDC, the Applicant must provide the LDC with the applicable CFIT Project Reference Number.

3.4 Connection Date

- a) The Connection Date will be the later of
 - i) the date of the Conditional Offer of CFIT Contract; and
 - ii) the date that the CFIT Project is physically connected to the LDC’s distribution system or the Load Customer, provided that suitable metering configurations, appropriate for the calculation of Generation Payment, in compliance with all requirements of the LDC (as shown in Section 3.5.) and with the applicable Generator Account established for the CFIT Project are in place.

LDCs will provide the Connection Date to the OPA once the Applicant and the LDC have finalized the connection of the CFIT Project to the distribution system (along with other information as described in Section 4.1). LDCs may choose to select a Connection Date that coincides with the start date of the next LDC billing cycle.

3.5 Connection and Metering

- a) A CFIT Project may be connected to a distribution system in an arrangement that is independent of the associated load as shown in Figure 1 (this is referred to as directly connected), or it may be connected indirectly to the distribution system in parallel to an existing Load Customer as shown in Figure 2.
- b) In-series metering configuration is not permitted.
- c) Battery back-up systems cannot be installed upstream of the generation meter (m_G).

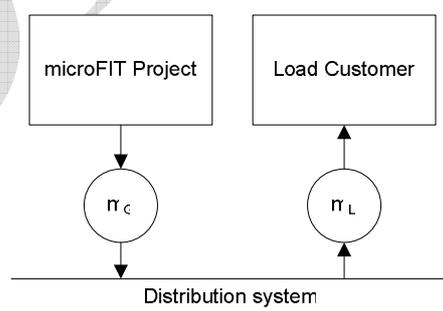


Figure 1 – Directly connected CFIT Project

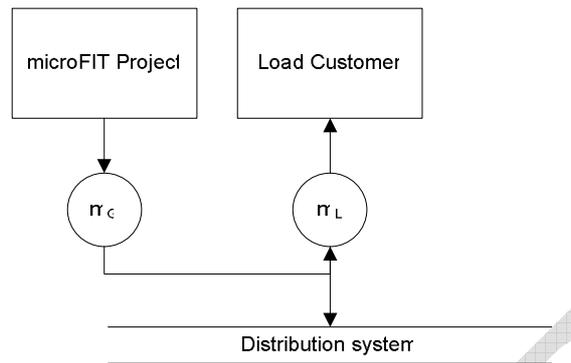


Figure 2 – Indirectly connected CFIT Project (in parallel)

- d) Output from the CFIT Project must be metered separately and it must meet the LDC's requirements.
- e) Any meter associated with the CFIT Project must be owned by the LDC.

Section 4 – Contract Form and Execution

4.1 CFIT Contract

- a) The CFIT Contract requires information contained in the applicable Connection Agreement for the CFIT Project. After the connection has been completed between the LDC and the Applicant, the LDC will provide the OPA with certain information about the CFIT Project, including the:
 - i) Reference Number;
 - ii) name of the Applicant as written on the Generator Account and Connection Agreement;
 - iii) Generator Account number and billing address;
 - iv) Municipal address (or legal address) of the CFIT Project;
 - v) Nameplate Capacity of the CFIT Project in kW;
 - vi) type of Renewable Fuel;
 - vii) Connection point and configuration (i.e., directly connected or in-parallel connection); and
 - viii) Connection Date.
- b) The OPA will prepare and provide notice to the Applicant that a CFIT Contract has been offered for the applicable CFIT Project once the OPA has received confirmation and the

connection details from the applicable LDC that the CFIT Project has been connected. The OPA's target for preparing and providing CFIT Contract offer notice to the Applicant is 15 Business Days following the receipt of connection information from the LDC.

- c) The Applicant must access the CFIT Program website to accept the CFIT Contract.
- d) Generation Payments will not be issued until the Applicant accepts the CFIT Contract.

4.2 *CFIT Contract Execution*

- a) Acceptance by the Applicant of the CFIT Contract through electronic contracting will complete the execution the CFIT Contract.
- b) The CFIT Contract will be valid only for the CFIT Project described in the contract.

Section 5 – Contract Term, Contract Price and Generation Payment

5.1 *Contract Term*

- a) If accepted by the Supplier, the CFIT Contract will deemed to commence on the Connection Date. The Supplier must accept the contract offer within 45 Business Days of the initial offering of the CFIT Contract otherwise the contract offer will be withdrawn.
- b) For CFIT Projects other than waterpower projects, the length of the contract term will be 20 years. For CFIT Projects that are waterpower projects, the length of the contract term will be 40 years.

5.2 *Contract Price and Generation Payments*

- a) The Contract Price for the CFIT Project will correspond to the FIT Price Schedule in effect for the relevant technology on the date of the Conditional Offer of CFIT Contract.
 - i) The Generation Payment will equal the Contract Price (as adjusted from time to time by the Percentage Escalated, if applicable) multiplied by the metered electricity output in kWh.
- b) For CFIT Projects that are solar (PV), a different Contract Price will apply depending on whether or not the CFIT Project is a Rooftop Facility. If the CFIT Project is not a Rooftop Facility, the Contract Price applicable to ground mounted solar (PV) will apply.
 - i) If the OPA determines that a CFIT Project is not a Rooftop Facility, it may reject the Application in respect of such project.
- c) For certain Renewable Fuels, the FIT Price Schedule may include an annual escalation of a specified percentage of the Contract Price on the basis of increases in the Consumer

Price Index (CPI) relative to the CPI applicable at the date specified in the FIT Price Schedule. The Contract Price shall not be adjusted downwards for decreases in the CPI.

The on-farm bio-gas price, the community price adders, or the aboriginal price adders noted in the FIT Price Schedule are not available under the CFIT Program. Also, waterpower projects and bio-energy projects under the CFIT program will not receive on/off peak pricing.

- d) Generation Payment will be made by the LDC according to the established meter reading and Settlement Periods of the LDC.
- e) The LDC will complete financial settlement with the Supplier for the metered electricity output by the CFIT Project according to the Retail Settlement Code, the Connection Agreement and the CFIT Contract.
- f) Settlement of the Generation Payments will be net of station service and any loss factors that may be applied by the LDC consistent with the Retail Settlement Code. Suppliers should also note that they will be responsible for charges and fees that are associated with their Generator Account.

Section 6 – Additional Rules

6.1 Supplier Responsibilities

- a) The Supplier is responsible for ensuring that the CFIT Project complies with the requirements of the Electrical Safety Authority, the applicable LDC Conditions of Service, the CFIT Rules, and that it does not contravene any laws, regulations, codes, etc., including those of the municipality in which the project is located.
- b) The Supplier is responsible for ensuring that it understands all legal requirements and implications of entering into a CFIT Contract, including whether it must charge and remit GST for Generation Payments and whether and how much income tax it may have to pay.
- c) All Applications and requests will be prepared at the sole cost and expense of the Applicant. Neither an LDC nor the OPA will be liable to pay any Applicant's/Supplier's costs or expenses under any circumstances. In particular, neither an LDC nor the OPA will reimburse the Applicant in the event of rejection of any or all Applications or requests or in the event of the cancellation or suspension of the CFIT Program at any time.
- d) The OPA reserves the right to cancel all or any part of the CFIT Program at any time and for any reason, or to suspend the CFIT Program in whole or in part for any reason for such period of time as the OPA shall determine in its sole discretion, in each case without any obligation or any reimbursement to the Applicants. For Applicants that receive a Conditional Offer of CFIT Contract prior to the date of such cancellation or suspension, the OPA will offer CFIT Contracts to these Applicants if the conditions are satisfied. Cancellation or suspension of the CFIT Program will not affect executed CFIT Contracts.

- e) Notwithstanding anything contained in these CFIT Rules, the OPA may reject any Application in whole or part whether or not completed properly and whether or not the Application contains all necessary information.
- f) The CFIT Contract provides that all Environmental Attributes otherwise applicable to the CFIT Project or available to a Supplier in respect of the CFIT Project, are absolutely and unconditionally transferred and assigned to the OPA.

6.2 *Personal Information*

- a) By submitting an Application, the Applicant authorizes the collection, use and disclosure by the applicable LDC and/or the OPA of the information set out in the Application and otherwise collected pursuant to these CFIT Rules in accordance with the privacy provisions applicable to the CFIT Program. The Applicant shall obtain the consent of any other individual on whose property the CFIT Project is located regarding the collection, use and disclosure by the applicable LDC and/or the OPA of his or her personal information in accordance with the privacy provisions applicable to the CFIT Program. The information may be collected, used and disclosed for the purposes set out in or incidental to these CFIT Rules, and for offering, managing and directing the CFIT Program. The privacy provisions for the CFIT Program are contained in the OPA Privacy Policy, which is available at www.powerauthority.on.ca

6.3 *Contract Termination*

- a) The Supplier shall have the right to terminate the CFIT Contract. The Supplier must give the OPA 30 days' notice of its intent to terminate the CFIT Contract.
- b) Where the Supplier is not an LDC, the CFIT Contract will terminate automatically upon, and at the same time as, the termination of the Connection Agreement. The Supplier will notify the OPA immediately upon the termination of the Connection Agreement.
- c) The OPA may terminate the CFIT Contract for breach by the Supplier.

6.4 *Contract Assignment*

- a) The Supplier may assign its rights and obligations under this Agreement with the consent of the OPA, which shall not withhold its consent unreasonably.
- b) The OPA shall have the right to assign its rights and obligations under this Agreement without the consent of the Supplier, provided that such assignment is made to an LDC; to another agency of the government of the Province of Ontario or to an entity that has a credit rating not lower than that of the OPA at the time of such assignment.

6.5 *Resolving Inconsistencies*

- a) To the extent that there is any inconsistency between these CFIT Rules and the CFIT Contract, the CFIT Contract shall prevail.

Section 7 – Program Review

- a) The OPA intends to review and amend as necessary the CFIT Program, the CFIT Rules and the FIT Price Schedule at periodic intervals (“Scheduled Program Review”). The OPA may make an amendment outside of a Scheduled Program Review in response to ministerial directives, changes in laws or regulations, significant changes in market conditions or other circumstances as required.
- b) Notice of any amendment as a result of a Scheduled Program Review will be posted on the CFIT Program website at least 90 days before the effective date of the amendment. Notice of any amendment that is not as a result of a Scheduled Program Review will be posted by the OPA on the CFIT website before the effective date of such amendment, as circumstances may permit.
- c) Any amendment to the CFIT Program, the CFIT Rules and CFIT Contract will not affect existing CFIT Contracts and will not affect Applicants that have a Conditional Offer of CFIT Contract at the time notice of an amendment is given, except to the extent that an amendment to the CFIT Program, the CFIT Rules or the CFIT Contract restricts a future assignment of the Application or the CFIT Contract, in which case such restrictions on future assignments will apply to the existing CFIT Contracts and any Applicants that have a Conditional Offer of CFIT Contract at the time notice of an amendment is given. The OPA shall be deemed to be acting reasonably if it withholds its consent to any assignment that does not conform with such restrictions on future assignments.

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Definitions

- 1) **Applicant** means the person or entity who has submitted an Application form and will become the Supplier upon accepting a CFIT Contract.
- 2) **Application** means an application submitted online to the OPA for a proposed CFIT Project.
- 3) **Biogas** has the meaning given to it in Ontario Regulation 328/09, made under the *Electricity Act*, as published in *The Ontario Gazette* on September 26, 2009, but does not include landfill gas.
- 4) **Business Days** means any day that is not a Saturday, a Sunday, or a legal holiday in the Province of Ontario.
- 5) **CFIT Contract** means the agreement between a Supplier and the OPA for a CFIT Project.
- 6) **CFIT Program** means the Feed-in Tariff Program developed for renewable energy projects that are 10 kW or less in capacity.
- 7) **CFIT Project** means a project to develop a Renewable Generating Facility less than or equal to 10 kW that will be the subject of a CFIT Contract.
- 8) **CFIT Rules** means these rules, as may be amended in accordance with its terms, from time to time.
- 9) **Conditional Offer of CFIT Contract** means the offer given in accordance with Section 3.2 of these CFIT Rules.
- 10) **Connection Agreement** means a “Micro-Embedded Generation Facility Connection Agreement” as prescribed by the Distribution System Code entered into between an LDC and a Supplier.
- 11) **Connection Date** has meaning given to it in Section 3.4 of these CFIT Rules.
- 12) **Connection Impact Assessment** means an assessment conducted by an LDC to determine the impact on the distribution system of connecting a generation facility to its distribution system.
- 13) **Connection Request** is a request made to an LDC by an Applicant to connect a CFIT Project in accordance with the Ontario Energy Board’s Distribution System Code.
- 14) **Contract Date** means the effective date of the CFIT Contract.
- 15) **Contract Price** means the price that is set out by the FIT Price Schedule and specified in the CFIT Contract.

- 16) **CPI** means the consumer price index for “All Items” published or established by Statistics Canada (or its successor) for any relevant calendar month in relation to the Province of Ontario.
- 17) **Designated Activity** has meaning given to it in the first column of the Domestic Content Grid.
- 18) **Distribution System Code** means the “Distribution System Code” established and approved by the Ontario Energy Board, which, among other things, establishes the obligations of an LDC with respect to the services and terms of service to be offered to customers and retailers and provides minimum technical operating standards for Distribution Systems.
- 19) **Domestic Content Grid** means the “Domestic Content Grid for Micro-Scale ($\leq 10\text{kW}$) Solar Photovoltaic Power Projects” shown below.

Domestic Content Grid for Micro-Scale ($\leq 10\text{kW}$) Solar Photovoltaic Power Projects

Designated Activity	Qualifying Percentage
1. Silicon that has been used as input to solar photovoltaic cells manufactured in an Ontario refinery.	10%
2. Silicon ingots and wafer, where silicon ingots have been cast in Ontario, and wafers have been cut from the casting by a saw in Ontario.	12%
3. The crystalline silicon solar photovoltaic cells, where their active photovoltaic layer(s) have been formed in Ontario.	10%
4. Solar photovoltaic modules (i.e. panels), where the electrical connections between the solar cells have been made in Ontario, and the solar photovoltaic module materials have been encapsulated in Ontario.	13%
5. Inverter, where the assembly, final wiring and testing has been done in Ontario.	9%
6. Mounting systems, where the structural components of the fixed or moving mounting systems, have been entirely machined or formed or cast in Ontario. The metal for the structural components may not have been pre-machined outside Ontario other than peeling/roughing of the part for quality control purposes when it left the smelter or forge. The machining and assembly of the mounting system must entirely take place in Ontario (i.e. bending, welding, piercing, and bolting).	9%
7. Wiring and electrical hardware that is not part of other Designated Activities (i.e., items 1-6 and 8 of this table), sourced from an Ontario Supplier.	10%
8. All on- and off- site labour and services. For greater certainty, this Designated Activity shall apply in respect of all facilities.	27%
Total	100%

- 20) ***Domestic Content Level*** means the level of domestic content in the CFIT Project, determined in accordance the Domestic Content Grid.
- 21) ***Environmental Attributes*** means the interests or rights arising out of attributes or characteristics relating to the environmental impacts associated with a Renewable Generating Facility or the output of a Renewable Generating Facility, now or in the future, and the right to quantify and register these with competent authorities, including:
- a) all right, title, interest and benefit in and to any renewable energy certificate, credit, reduction right, offset, allocated pollution right, emission reduction allowance or other proprietary or contractual right, whether or not tradable, resulting from the actual or assumed displacement of emissions by the production of electricity from the CFIT Project as a result of the use of renewable energy technology;
 - b) rights to any fungible or non-fungible attributes or entitlements relating to environmental impacts, whether arising from the CFIT Project itself, from the interaction of the CFIT Project with the IESO-Controlled Grid, a Distribution System or the Load Customer, or because of laws and regulations or voluntary programs established by governmental authorities;
 - c) any and all rights, title and interest relating to the nature of an energy source (including a Renewable Fuel) as may be defined and awarded through laws and regulations or voluntary programs, including all emission reduction credits; and
 - d) all revenues, entitlements, benefits, and other proceeds arising from or related to the above that may be available in connection with the CFIT Project,
 - e) but excluding:
 - i) payments under the Government of Canada's ecoENERGY for Renewable Power Program (or any predecessor program thereto) that may be available in connection with a Renewable Generating Facility;
 - ii) any tax or other benefit under the Government of Canada's Canadian Renewable and Conservation Expenses (CRCE) or successor program that may be available in connection with a Renewable Generating Facility; and
 - iii) such other items as the OPA may determine in its sole discretion at any time and from time to time. Such excluded items will be posted on the CFIT website and revised periodically.
 - f) For greater certainty, in the event that any governmental or non-governmental agency, whether provincial, federal, national or international in scope or authority, creates or sanctions a registry, trading system, credit, offset or other program relating to Environmental Attributes or their equivalent, the term "Environmental Attributes" as used in the CFIT Contract shall include the rights or benefits

created or sanctioned under any such program or programs to the extent available as a result of, or arising from, the production of electricity or Related Products from the CFIT Project.

- 22) **Electrical Safety Authority** or **ESA** means the person or body designated under the *Electricity Act* regulations as the Electrical Safety Authority.
- 23) **Electricity Act** means the Electricity Act, 1998 (Ontario).
- 24) **Existing Building** means a building (a) that was in existence and completely constructed on the date that the Applicant first submitted its Application, or (b) in respect of which the OPA has issued a written confirmation that the building will be deemed an Existing Building for the purposes of the definition of Rooftop Facility.
- 25) **Feed-in Tariff Program** or **FIT Program** means the Renewable Energy Feed-In Tariff Program established by the OPA.
- 26) **FIT Direction** means the direction issued by the Minister of Energy and Infrastructure to the OPA on September 24, 2009 directing the OPA to develop the Feed-in Tariff Program.
- 27) **FIT Price Schedule** means the schedule of prices established by the OPA from time to time, in its sole discretion that will be used to determine the Contract Price for a CFIT Contract, differentiated by Renewable Fuel, Nameplate Capacity and other factors as determined by the OPA.
- 28) **FIT Program Facility** means any Renewable Generating Facility that is the subject of a contract or an application pursuant to the FIT Program or the CFIT Program
- 29) **FIT Rules** means the rules governing the FIT Program as may be amended in accordance with its terms, from time to time.
- 30) **Generation Payment** means an amount paid to the Supplier pursuant to the CFIT Contract for the metered electricity output by the CFIT Project.
- 31) **Generator Account** means an LDC customer account for a CFIT Project that is a separate customer for settlement purposes (separate and apart from any associated Load Customer).
- 32) **GST** means the goods and services tax eligible per pursuant to the *Excise Tax Act* (Canada), or any successor thereto, including for greater certainty the “Harmonized Sales Tax” proposed in the March 26, 2009 Ontario Budget.
- 33) **IESO** means the Independent Electricity System Operator.
- 34) **IESO-Controlled Grid** has the meaning given to it by the IESO Market Rules.

- 35) ***IESO Market Rules*** means the rules made under Section 32 of the *Electricity Act*, together with all manuals, policies, and guidelines issued by the IESO, as may be amended from time to time.
- 36) ***kW*** means kilowatt.
- 37) ***kWh*** means kilowatt-hour.
- 38) ***LDC Conditions of Service*** is a document developed by the LDC according to the Ontario Energy Board's Distribution System Code that describes the operating practices and connection rules for the LDC.
- 39) ***Load Customer*** means a premise connected to both the LDC's distribution system and the CFIT Project.
- 40) ***Local Distribution Company*** or ***LDC*** means the owner or operator of a distribution system licensed by the OEB as an "electricity distributor."
- 41) ***Minimum Required Domestic Content Level*** means the minimum Domestic Content Level required for solar (PV) CFIT Projects, specified in Section 2.1(d) of these CFIT Rules.
- 42) ***Nameplate Capacity*** means the manufacturer's total installed rated capacity of the CFIT Project to generate electricity and, in the case of a solar photovoltaic facility, 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.
- 43) ***Net-Metered Projects*** means projects that have participated in an LDC net-metering program for load displacement and the receipt of load displacement credits.
- 44) ***Percentage Escalated*** means the percentage of the Contract Price that escalates on the basis of increases in the Consumer Price Index, as set out in the FIT Price Schedule.
- 45) ***Reference Number*** means the reference number that is assigned to a CFIT Project through the Application process.
- 46) ***Renewable Biomass*** has the meaning given to "biomass" in Ontario Regulation 328/09, made under the *Electricity Act*, as published in *The Ontario Gazette* on September 26, 2009, but may also include supplementary non-renewable fuels other than coal used for start up, combustion, stabilization and low combustion zone temperatures shall be no more than ten percent (10%) of the total fuel heat input in any calendar year for Electricity generation units with a gross nameplate capacity of 500 kW or less and five percent (5%) of the total fuel heat input in any calendar year for electricity generation units with a gross nameplate capacity of greater than 500 kW.
- 47) ***Renewable Energy Approval*** means the approval issued by the Ontario Ministry of the Environment under Section 47.3 of the *Environmental Protection Act* (Ontario).

- 48) **Renewable Fuel** means wind, solar photovoltaic (PV), Renewable Biomass, Biogas, Bio-fuel, landfill gas or waterpower.
- 49) **Renewable Generating Facility** means an electricity-generating facility that generates electricity exclusively from a Renewable Fuel.
- 50) **Retail Settlement Code** or **RSC** means the code established and approved by the Ontario Energy Board governing the determination of financial settlement costs for electricity retailers, consumers, distributors and generators.
- 51) **Rooftop Facility** means a solar (PV) Renewable Generating Facility that is integrated into or forms part of the wall facing, roof, cover, or other architectural element that forms part of a permanent Existing Building that has been designed to be used for the purpose of providing enclosure, shelter or protection to people or property, provided that one of its main purposes is not to support a solar power installation or to provide shelter from the sun. An Existing Building will be considered to have a main purpose of supporting a solar power installation or providing shelter from the sun where the building or part of that building would not reasonably have been constructed in the absence of the solar (PV) Renewable Generating Facility.
- 52) **Scheduled Program Review** has the meaning given to it in Section 7.1(a) of these CFIT Rules.
- 53) **Settlement Period** means the schedule consistent with the monthly, bimonthly, quarterly or other periodic billing cycle of the applicable LDC.
- 54) **Supplier** means the person or entity identified as the “Supplier” in the CFIT Contract.