New Transition Opportunities for Existing Small Renewable Energy Projects 500 kW and less
October 30, 2009

Introduction

Projects of any renewable technology that have a capacity of 500 kW or less and were purchased by 11:59 p.m. on October 1, 2009 will be eligible to transition to the FIT and microFIT Programs. They will be deemed to have met the domestic content requirements.

Generators who have not been operating under an OPA contract will receive a 20-year FIT or microFIT contract. Generators who have been operating under a RESOP contract will obtain a contract representing the balance of the 20-year FIT or microFIT contract.

Further details on the process for transitioning to the FIT and microFIT Programs, including the prescribed forms, will be posted shortly.

Renewable Energy Standard Offer Program (RESOP) Contract Projects 500 kW or less

All RESOP projects 500 kW or less may transition to the FIT Program as follows:

- For projects larger than 10 kW and less than or equal to 500 kW, the RESOP contract will be amended to include FIT pricing.
- RESOP projects 10 kW or less that purchased generating equipment by October 1, 2009 will terminate the RESOP contract and convert to the microFIT program.
- Projects must reach commercial operation by December 31, 2010.
- Domestic content requirements will be deemed to have been met.

Existing Non-RESOP Contract Projects 500 kW or less

Net-metered projects, merchant generators or projects not yet in service where the generating equipment was purchased by October 1, 2009 may apply to the FIT or microFIT Programs.

- Projects larger than 10 kW and less than or equal to 500 kW in service by October 1, 2009 can apply to the FIT Program and declare commercial operation at the same time. No fee or securities will be required.
- Projects larger than 10 kW and less than or equal to 500 kW that have purchased the generating equipment by October 1, 2009 can apply to the FIT Program.
- Projects 10 kW or less that purchased generating equipment by October 1, 2009 will apply to the microFIT Program.
- Projects must reach commercial operation by December 31, 2010.
- Domestic content requirements will be deemed to have been met.

These options do not apply to waterpower projects covered by the May 7, 2009 direction to the OPA (re: negotiating new contracts with hydro-electric generation facilities).

I. Micro RESOP Projects 10 kW or less				
	Project has reached commercial operation by October 1, 2009	**Generating equipment was purchased by October 1, 2009**	**Contract Type**	**Rules and Requirements**

I(a)	Yes	Yes	microFIT	• "RESOP to microFIT transition agreement" will terminate RESOP contract when microFIT contract is executed
				  o Signed agreement should be submitted to the OPA by November 30, 2009
				• Execute microFIT contract by December 31, 2010 or RESOP contract will remain in effect
				• microFIT contract begins when contract is executed, but not before the start of the first LDC settlement period after February 1, 2010
				• For projects in service – domestic content requirements deemed to be met
				• For solar PV projects not yet in service - submit evidence of purchase of equipment purchase to the OPA prior to contract execution
				• The RESOP contract term length will continue as follows:
				  o RESOP projects that reached commercial operation in 2009 will receive a 20-year microFIT contract term
				  ▪ 2008: 19-year microFIT contract term
				  ▪ 2007: 18-year microFIT contract term.

I(b)	No	Yes	microFIT	
I(c)	No	No	microFIT	Original FIT Program transition options apply, extended to 11:59 p.m. on November 30, 2009: • Rescind RESOP contract by sending "RESOP Mutual Termination Agreement" signed by applicant to the OPA by November 30, 2009 • Apply to microFIT Program – all program requirements will apply. • Will **not** be deemed to meet domestic content requirements.

II. RESOP Projects greater than 10 kW and less than or equal to 500 kW				
	Project has reached commercial operation by October 1, 2009	**Generating equipment was purchased by October 1, 2009**	**Contract**	**Rules and Requirements**
II(a)	Yes	Yes	RESOP	• RESOP contract will be amended to include FIT price • Contract term will continue from original commercial operation date for a total term of 20 years. • Request to amend should be submitted to OPA by November 30, 2009.

II(b)	No	Yes	RESOP	• RESOP contract will be amended to include FIT price
				• Request to amend should be submitted to OPA by November 30, 2009, as well as:
				  o for solar PV and wind projects, evidence of equipment purchase agreement for generating equipment
				  o security
				• Projects must reach commercial operation by December 31, 2010, or will be subject to liquidated damages.

II(c)	No	No	FIT	Original FIT Program transition options apply, extended to 11:59 p.m. on November 30, 2009: • Rescind RESOP contract by sending "RESOP Mutual Termination Agreement" signed by applicant to the OPA by November 30, 2009 • Apply to FIT Program – all program requirements will apply • Will **not** be deemed to meet domestic content requirements Note: This option applies to RESOP projects of any size.

III. Existing non-RESOP Contract Projects 10 kW or less (micro)				
	Project has reached commercial operation by October 1, 2009	**Generating equipment was purchased by October 1, 2009**	**Contract type**	**Rules and Requirements**
III(a)	Yes	Yes	microFIT	• Should apply to microFIT Program by November 30, 2009 • For solar PV projects in service – domestic content requirements deemed to be met • For solar PV projects not yet in service – submit evidence of purchase of equipment to the OPA prior to contract execution • Projects must reach COD within 12 months of the conditional offer of the contract.
III(b)	No	Yes	microFIT	
III(c)	No	No	microFIT	• Apply to microFIT Program • Will **not** be deemed to meet domestic content requirements.

IV. Existing non-RESOP Contract Projects greater than 10kW and less than or equal to 500 kW				
	Project has reached commercial operation by October 1, 2009	**Generating equipment was purchased by October 1, 2009**	**Contract type**	**Rules and Requirements**
IV(a)	Yes	Yes	FIT	• Must apply to FIT Program by December 31, 2010 providing evidence required to declare commercial operation (see article 2.6 of FIT contract) • Domestic content requirements deemed to be met • No security or fees required.
IV(b)	No	Yes	FIT	• Should apply to FIT Program by November 30, 2009 • For solar PV and wind projects, submit evidence of purchase of the generating equipment to the OPA by November 30, 2009 • Projects must reach commercial operation by December 31, 2010, or else will be liable to pay liquidated damages • Domestic content deemed to have been met.
IV(c)	No	No	FIT	• Apply to FIT Program • Will **not** be deemed to meet domestic content requirements.