



**City of Kingston
Report to Council
Report Number 15-372**

To: Mayor and Members of Council

From: Cynthia Beach, Commissioner, Corporate and Strategic Initiatives

Resource Staff: Paul MacLatchy, Director, Environment and Sustainable Initiatives

Date of Meeting: September 15, 2015

Subject: Municipal Council Blanket Support Resolution for Rooftop and Non-Rooftop Solar Photovoltaic Applications of less than 500 Kilowatts Made Under the Provincial Feed-in Tariff Program 3.1

Executive Summary:

The Independent Electricity System Operator (IESO) has extended the Feed-in Tariff (FIT) version 3.0 procurement of renewable energy to applicants with projects deemed complete and acceptable, but not offered a contract by the IESO in 2014. The IESO has created FIT version 3.1 for this extension of FIT 3.0 program. This process is separate from the recent IESO large renewable procurement process that Council recently reviewed.

Council previously adopted a blanket municipal support resolution for FIT 3.0 which expired in November 2014, and the IESO now requires that applicants under FIT 3.1 reconfirm blanket municipal support for their projects.

This report recommends that Council provide a 12-month blanket resolution of support for small (10kW to 500 kW) ground mounted and rooftop solar photovoltaic (PV) generation power projects in the form prescribed by the Independent Electricity System Operator, and that the sole purpose of the resolution be to facilitate applications made for local renewable energy projects to the FIT 3.1 process.

The Independent Electricity System Operator requires strict adherence to predefined wording for blanket support resolutions for FIT applications. In order for the municipal resolution of blanket support to be valid, minor changes to the wording are not permitted.

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Recommendation:

That the following municipal council blanket support resolution for small solar photovoltaic applications made under the Provincial Feed-in Tariff (FIT 3.1) program, be adopted:

WHEREAS capitalized terms not defined herein have the meanings ascribed to them in the FIT Contract, Version 3.1; and

WHEREAS the Province's FIT Program encourages the construction and operation of ground mount solar PV and rooftop solar PV generation projects (the "Projects"); and

WHEREAS one or more Projects may be subject to FIT Contracts and may be constructed and operated in the City of Kingston; and

WHEREAS in accordance with the FIT Rules, Version 3.0, the Council of the Local Municipality ("Council") had previously indicated, by a resolution, its support for Projects in the Local Municipality (the "Prior Resolution"); and

WHEREAS Council now indicates, by a resolution dated no earlier than June 10, 2015, Council's continued support for the construction and operation of the Projects anywhere in the Local Municipality (the "New Resolution"); and

WHEREAS, pursuant to the FIT Contract, where a New Resolution is received in respect of the Projects in the Local Municipality, Suppliers will be recognized as fulfilling the requirements under Section 2.4(d)(vii) of the FIT Contract, which may result in Suppliers being offered Notice to Proceed in accordance with the terms of their respective FIT Contract(s);

THEREFORE BE IT RESOLVED THAT:

Council of the City of Kingston supports the construction and operation of the Projects anywhere in the City of Kingston.

This resolution's sole purpose is to enable Suppliers to achieve Notice to Proceed under their FIT Contracts and may not be used for the purpose of any other form of municipal approval in relation to a FIT Contract or Project or for any other purpose.

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

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Authorizing Signatures:ORIGINAL SIGNED BY COMMISSIONER**Cynthia Beach, Commissioner,
Corporate & Strategic Initiatives**ORIGINAL SIGNED BY CHIEF ADMINISTRATIVE OFFICER**Gerard Hunt, Chief Administrative Officer****Consultation with the following Members of the Corporate Management Team:**

Lanie Hurdle, Community Services

Denis Leger, Transportation, Facilities & Emergency Services Not required

Jim Keech, President and CEO, Utilities Kingston Not required

Desiree Kennedy, Chief Financial Officer & City Treasurer Not required

Options/Discussion:

The Independent Electricity System Operator (IESO) operates the Feed-In-Tariff (FIT) Program, which is designed to encourage and promote greater use of renewable energy sources including on-shore wind, waterpower, renewable biomass, biogas, landfill gas and solar (PV) for electricity generating projects in Ontario. The fundamental objective of the FIT Program, in conjunction with the Green Energy and Green Economy Act 2009 (Ontario), and Ontario's Long Term Energy Plan 2013, is to facilitate the increased development of Renewable Generating Facilities of varying sizes, technologies and configurations via a standardized, open and fair process.

The FIT program was launched in 2009 and has occurred annually since, with updates and modifications to the program reflected in the version number. The Minister of Energy directed the IESO in August 2014 to extend the FIT version 3.0 procurements by offering contracts to those FIT 3.0 applicants who passed the completeness and eligibility reviews, but did not receive a contract offer due to the original procurement amount being reached. The IESO has updated the terminology and definitions associated with FIT 3.0 for the extension, and identifies the additional procurement as FIT 3.1. No changes were made to the FIT rules version 3.0 for the extension of the procurement.

Further to this, the Minister of Energy directed that these FIT 3.0 applicants, who applied with the support of a Municipal Council resolution, must reconfirm Municipal Council Support through new support resolutions in the form prescribed by IESO.

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In 2013 Kingston City Council adopted a blanket support resolution for solar rooftop photovoltaic projects made under the FIT 3.0 program. A new blanket support resolution is now required to allow FIT 3.0 participants to continue within the FIT 3.1 program. A prescribed municipal council blanket support resolution template has been developed by the IESO (Exhibit 'A') for the development of photovoltaic applications made under the Provincial Feed-in Tariff (FIT 3.1) program

Building Permits Required

Any project that is awarded a contract under the FIT 3.1 rules will have 18 months to install the project. Before installation can proceed the applicant must apply for and obtain a Building Permit from the City of Kingston's Building & Licensing Department. During the review of the Building Permit application, the municipality ensures that the solar installation is safe by abiding by the requirements of the Building Code. Structural implications such as a roof's ability to safely carry the load of the solar panels, and proper fastening of the panels to the roof are examined along with inspection of electrical safety requirements.

Heritage Preservation Issues

Any rooftop solar installation upon a heritage building will be subject to the requirements of the Ontario Heritage Act and therefore require a heritage permit from the City of Kingston.

Municipal Requirements

Depending on the impacts and location of a ground mounted solar PV project, approvals such as site alteration permits, tree removal permits, site access permits and signage permits could apply to FIT projects.

Visual Screening Requirements

Applicants to the FIT 3.1 program must agree to comply with the visual screening and setback requirements as set out by the Ontario Ministry of Energy as well as municipal setback and screening requirements. Proponents are required to establish and maintain appropriate visual screening along areas of the proposed facilities that abut residential uses for the length of the contract term.

Other Requirements

The FIT program has land use restrictions for ground mounted solar projects. The FIT 3.1 rules provide a number of requirements for non-rooftop (i.e. ground mount) solar projects including the following:

1. A project cannot be located on a Specialty Crop Area.
2. A project cannot be located on Canada Land Inventory (CLI) Organic Lands.
3. A project cannot be located on CLI Class 1, 2 or 3 Lands unless the lands are:
 - o an airport or aerodrome as indicated on all Local Municipal official plans in effect in each Local Municipality in which the Site is located;

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- a closed landfill as indicated on all Local Municipal official plans in effect in each Local Municipality in which the Site is located;
 - a federal military installation as indicated on all Local Municipal official plans in effect in each Local Municipality in which the Site is located;
 - a Contaminated Property;
 - a Property in respect of which: (I) industrial uses are Lawfully Permitted Uses; (II), such Property is being used for industrial uses; and (III) the Non-Rooftop Solar Project would not constitute the Principal Use of such Property;
 - in the case of CLI Class 3 Lands, a Property that is owned by a Municipality.
4. A project cannot be located on a residential property unless it is an Exempt Residential Property.
 5. A project cannot be located on lands abutting a residential property unless that property is an Exempt Residential Property.

Existing Policy/By-Law:

Ground mount solar PV projects that are the subject of this report and the recommended resolution of municipal support are not exempt from the Provincial requirements for a Renewable Energy Approval (REA) and therefore are also not exempt from the City of Kingston's Municipal Consultation and Review Process for Renewable Energy Project.

This report recommends blanket support resolution for FIT projects equal to or less than 500 kW.

Notice Provisions:

None.

Accessibility Considerations:

None.

Financial Considerations:

None.

Contacts:

Paul MacLatchy, Director Environment & Sustainable Initiatives 613-546-4291 ext. 1226

Other City of Kingston Staff Consulted:

Annemarie Eusebio, Intermediate Planner, Planning Building & Licensing

Exhibits Attached:

Exhibit 'A' – Fit Version 3.1 – Proposed Municipal Council Blanket Support Resolution Template

INSTRUCTIONS: TEMPLATE: MUNICIPAL COUNCIL SUPPORT RESOLUTION (BLANKET) - NOTICE TO PROCEED (Sections 2.4(d)(vii) of the FIT Contract, Version 3.1)

Capitalized terms not defined herein have the meanings ascribed to them in the FIT Contract.

INSTRUCTIONS SPECIFIC TO THE TEMPLATE: MUNICIPAL COUNCIL SUPPORT RESOLUTION (BLANKET) - NOTICE TO PROCEED (THE "TEMPLATE")

1. Where a Prior Resolution (as defined in the Template) was passed in respect of a Project and a Municipal Council Support Resolution is required as per the FIT Contract Cover Page, a New Resolution must be provided to the IESO for the purposes of achieving Notice to Proceed ("NTP") under Section 2.4(d)(vii) of the FIT Contract, Version 3.1.
2. Local municipal councils have the option of drafting the New Resolution (as defined in the Template) on the council or equivalent governing body letterhead or submitting a completed Template.
3. Words in between square brackets (i.e. "[" and "]") are immaterial to the intent of the Template and may be modified to follow standard procedure of the issuing body. Wording not contained within square brackets must not be changed in order for the New Resolution to be acceptable for the purposes of achieving NTP. No additional wording (aside from completing the blanks) may be added.
4. All information provided in the New Resolution must be consistent with the information contained in the Prior Resolution. The Local Municipality named in the New Resolution must be the Local Municipality in which the Project is located. The Renewable Fuel type named in the New Resolution must be the same as that contained on the Supplier's FIT Contract Cover Page.
5. No Prior Resolution related to the Project will be accepted for the purposes of achieving NTP.
6. The entirety of the Template (all blanks) must be completed and it must be signed by authorized individual(s). There should be no delegation of authority contained in the New Resolution.
7. This instruction page is not required to be submitted to the IESO.

TEMPLATE: MUNICIPAL COUNCIL SUPPORT RESOLUTION (BLANKET) - NOTICE TO PROCEED
(Section 2.4(d)(vii) of the FIT Contract, Version 3.1)

Resolution NO: _____

Date: _____

[WHEREAS] capitalized terms not defined herein have the meanings ascribed to them in the FIT Contract, Version 3.1;

[AND WHEREAS] the Province's FIT Program encourages the construction and operation of
insert renewable fuel (e.g., rooftop solar PV, ground mount solar PV, biogas) _____ generation projects (the "Projects");

[AND WHEREAS] one or more Projects may be subject to FIT Contracts and may be constructed and operated in
insert the name of the Local Municipality _____ ("Local Municipality");

[AND WHEREAS] in accordance with the FIT Rules, Version 3.0, the Council of the Local Municipality ("Council") had previously indicated, by a resolution, its support for Projects in the Local Municipality (the "Prior Resolution");

[AND WHEREAS] Council now indicates, by a resolution dated no earlier than June 10, 2015, Council's continued support for the construction and operation of the Projects anywhere in the Local Municipality (the "New Resolution");

[AND WHEREAS], pursuant to the FIT Contract, where a New Resolution is received in respect of the Projects in the Local Municipality, Suppliers will be recognized as fulfilling the requirements under Section 2.4(d)(vii) of the FIT Contract, which may result in Suppliers being offered Notice to Proceed in accordance with the terms of their respective FIT Contract(s);

[NOW THEREFORE BE IT RESOLVED THAT]:

Council of the _____ insert the name of the Local Municipality _____ supports the construction and operation of the Projects
anywhere in the _____ insert the name of the Local Municipality _____.

This resolution's sole purpose is to enable Suppliers to achieve Notice to Proceed under their FIT Contracts and may not be used for the purpose of any other form of municipal approval in relation to a FIT Contract or Project or for any other purpose.

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

Title:

Title:

(signature lines for elected representatives.)

FIT Contract ID #: _____