

April 5, 2012

Email to Pre-Dec. 8, 2010 constrained conditional offer holders

Subject line: Action Required: Important Information about your microFIT application

Thank you for your continued patience as we have developed solutions to your constrained microFIT project. You are receiving this email because you have previously been in communication with OPA about this issue.

Today the OPA has posted information on the microFIT website about the relocation options offered to constrained microFIT conditional offer holders who:

- applied to the microFIT Program before December 8, 2010, and
- had requested an Offer to Connect from their local distribution company as of August 19, 2011, and were denied connection.

It is important that you review this information and send an email to the OPA with a completed form and all required evidence for the relocation option you have chosen **by May 31, 2012**.

Only those who respond by this date will continue to receive communications on this important issue.

Information on the relocation options is [available here](#).

Please note that a Constrained Applicant's Conditional Offers must have been valid as of August 19, 2011, in order to participate in the relocation options. If the conditional offer expired after this date, or is set to expire soon, the Applicant will still be permitted to participate in the relocation options.

Thank you.

microFIT Program Update – April 5, 2012

Relocation of Constrained microFIT Projects

Please note: if you are interested in participating in any of the options described below, you must send the OPA the appropriate completed form and required supporting documentation by May 31, 2012 to remain eligible to participate in the relocation options.

Eligibility for the relocation options

Relocation options are available to Constrained Applicants, as described below:

1. Submitted a complete microFIT Application before December 8, 2010, and received a Conditional Offer from the OPA that had not expired as of August 19, 2011.
2. Had requested an Offer to Connect as of August 19, 2011, and were notified by their LDC that connection capacity was not currently available at their proposed Connection Point (the Offer to Connect was denied).

In order to be eligible for any of the options described below, a Constrained Applicant must submit to the OPA the relevant form together with any required supporting evidence on or before **May 31, 2012**. Each form requires a letter from the applicable LDC that demonstrates that the Constrained Applicant had requested an Offer to Connect as of August 19, 2011, and was denied due to connection constraints. Other evidence may be required depending on the option selected.

Options for constrained microFIT applicants

Constrained microFIT Applicants have the following options in relation to Constrained Projects:

- A. Individual Relocation – A Constrained microFIT Applicant can request an amendment to the location of the Constrained Project to a new location that is not connection constrained. In this option, the project location changes, the nameplate capacity may be reduced and the Applicant may change their Renewable Fuel from non-rooftop to rooftop but everything else in the Constrained Applicant's Application remains the same. Additional conditions apply.
- B. Assignment – A Constrained Applicant may request an assignment of a Conditional Offer for a Constrained Project to a new Applicant, provided that the new Applicant is also a Constrained Applicant and either qualifies as an [Eligible Participant](#) as of August 19, 2011, or is a Co-operative Corporation incorporated under the *Co-operative Corporations Act* (Ontario). If this option is chosen and the OPA consents to the assignment, the new Applicant (i.e., the assignee) will have until June 28, 2012, to submit either a Form A or a Form C to be eligible to apply for the Individual Relocation Option or the Combined Project Option.
- C. Combined Project Option (up to 500 kW Project) – A Constrained Applicant with more than one Constrained Project has the option to apply for a Power Purchase Agreement (PPA) to develop a project with a maximum capacity of 500 kW, representing up to 50 of their own Constrained

microFIT Projects. The price will correspond to the FIT Price Schedule in effect for the relevant technology on the date of the Conditional Offer (subject to averaging), however all other terms and conditions of the PPA will be subject to terms and conditions deemed appropriate by the OPA.

- D. Built Project Option – A Constrained Applicant may indicate interest in the Built Project Option for which the OPA is engaged in confirming the details of a strategy to address issues faced by Constrained Applicants who have purchased their solar panels as of August 19, 2011.

[Click here](#) to access the forms for the relocation options.

To participate in one of these relocation options, applicants must send an email to microFIT@powerauthority.on.ca, with the appropriate form completed with supporting documentation. Please put the relocation option chosen and the microFIT reference number in the subject line. **We must receive this information by May 31, 2012**

If the form is not submitted by May 31, 2012, the Constrained Applicant will no longer be eligible to participate in the above options.

Please note that Constrained Applicants with Conditional Offers that expired after or are set to expire after August 19, 2011, will be permitted to participate in the relocation options.

If you have already connected your project or are not having difficulty connecting your project, you don't need to take any action in relation to the relocation options.

If you have questions about these options, please send an email to microFIT@powerauthority.on.ca with your microFIT reference number in the subject line, or call the OPA's customer service centre at 1-888-387-3403.

FAQs for the website on Constrained microFIT relocation options

April 5, 2012

1. How will the options for constrained microFIT applicants work?

There are four different options that applicants can choose from:

1. Individual Relocation -- Applicants who have a conditional offer but cannot currently connect can relocate their project to another property without connection constraints, for example, to their cottage if it is a rooftop project. Applicants participating in this option would submit Form A.
2. Assignment -- Any applicant (whether holding one or multiple conditional offers) can assign their constrained projects to another applicant who also holds one or more constrained conditional offers, provided that applicant is either an "Eligible Participant" or a co-operative corporation. Applicants participating in this option would submit Form B.
3. Combined Project Option -- Any applicant with multiple conditional offers and multiple projects that cannot connect can combine up to 50 projects, with a total capacity of up to 500 kW, and relocate them to a new property. The new project would be subject to all the permitting and regulatory requirements associated with developing projects of up to 500 kW on the new site. Applicants participating in this option would submit Form C.
4. Built Project Option -- If the constrained project is built, the conditional offer holder will also have the option to participate in a remediation option exclusively for built projects. Applicants participating in this option would submit Form D.

2. What if I don't like any of the options?

Working with our partners we have developed a number of relocations options to help connect as many constrained projects as possible. Your participation in Ontario's clean energy economy is important to us. That's why we have developed these relocation options and look forward to working with you on one of the proposed solutions.

3. I'm interested in more than one option and I'm not sure what choice is best. Can I pick one, but change my mind later?

No. Constrained Applicants are being given sufficient time to make a decision. Submitting the relevant form to the OPA represents a commitment to the selected option.

4. Are there any restrictions on who can participate?

Yes. These relocation options are limited to people with conditional offers who have been deemed capacity constrained. To be deemed capacity constrained the applicant must have:

- submitted a microFIT application as of December 8, 2010, and received a Conditional Offer from the OPA
- had requested an Offer to Connect as of August 19, 2011, and were notified by their local distribution company that connection capacity is not currently available at their proposed connection point (the Offer to Connect was denied)
- have responded to the OPA's constrained microFIT continued participation communication before the May 31, 2012, deadline and included all evidence and documentation specified on their form.

5. What if I meet all of these conditions but my conditional offer is expired?

You are still eligible to participate in the relocation options, as long as your conditional offer was valid as of August 19, 2011.

6. Who are the "Eligible Participants" or co-operative corporations?

Those eligible to participate in the relocation options must be constrained conditional offer holders who submitted their applications before December 8, 2010, and had requested an Offer to Connect as of August 19, 2011, and were notified by their local distribution company that connection capacity is not currently available at their proposed connection point (the Offer to Connect was denied).

Only Applicant types found on the Eligible Participant Schedule, or co-operative corporations, will be able to have Constrained Conditional Offers assigned to them through Form B. All eligible Constrained Conditional Offer holders will be able to participate through Form A, C, D or B as an Assignor.

7. Are there any restrictions on where a person can move their project?

Yes. Eligible conditional offer holders wishing to move their project(s) to another property will need to check with their LDC to ensure capacity is available at that alternate property. The property must meet the OPA's basic eligibility requirements. If the project is a ground-mounted solar PV system, the property must also comply with the following land-use restrictions:

- The project cannot be on property on which residential use is lawfully permitted, or abut property on which residential use is lawfully permitted.
- However, for property where the lawfully permitted use is agricultural, a solar facility that is not a rooftop facility is permitted on such property or property that abuts such property if residential use is permitted as ancillary to the agricultural use.
- If the property is zoned to permit commercial or industrial uses, the project must not be the primary use of the property.

Combined projects with a capacity of up to 500 kW are also subject to all the siting, permitting and regulatory requirements associated with locating those larger projects on the new site. The siting requirements will include that the land must not be CLI Class 1, 2, or 3 land, CLI Organic lands or a Specialty Crop Area.

8. Who will pay to relocate the project?

If the Individual Relocation Option is chosen, the conditional offer holder is responsible for any costs associated with moving a built project or with accessing another property.

Under the assignment option, this must be worked out between you (the assignor) and the eligible participant or co-operative corporation (the assignee) to whom you assign the project.

The details of the Built Project Option are still under development, but, as of today's date, it will offer two options: continued participation or removal of already purchased solar PV equipment from your property by an OPA-approved third party at no cost to you. More information on this option is available on Form D.

9. Will this cost me anything? What about the money I've already spent?

If the Individual Relocation Option is chosen, the conditional offer holder is responsible for any costs associated with moving a project or with accessing another property. Once the project is connected at the new location, the project would generate revenues under its microFIT Contract.

With the assignment option, this must be worked out between you and the eligible participant to whom you assign the project.

The details of the Built Project Option are still under development, but as of today's date, it will offer two options: refund or refund with continued participation -- in which those who have already incurred costs will be eligible to have them refunded by providing evidence of paid invoices. More information is available on Form D.

10. If I choose the Built Project Option and I want to continue my participation, will I still continue to receive revenue?

The terms and conditions of the agreement with the OPA-approved third party will be developed through negotiation. More details on the terms and conditions of continued participation will be available once the negotiations are complete. The OPA is working to find suitable solutions for eligible constrained applicants with built projects. More information on this option is available on Form D.

11. Will I still get the rate I was given in my conditional offer?

Under the Individual Relocation Option, the rate in the conditional offer will stay the same.

Under the Assignment Option, you have given up the rights to your conditional offer and any payment is to be worked out between you and the Eligible Participant or co-operative corporation to whom you assign the project. The assignee of the Conditional Offer will receive the contract price of the original Conditional Offer.

Under the Combined Project Option, larger projects made up of conditional offers that are all receiving the same price will receive that price for the aggregated capacity. If there is a mix of prices, the project would receive a blended price.

12. Under the microFIT Rules, there was no requirement for a Renewable Energy Approval (REA) for solar PV projects less than 10 kW in size. Will it be different for the Combined Project Option?

Under the Combined Project Option, all of the projects moved to a particular location will be treated as a group with regard to regulatory requirements. For example, if fifty 10 kW microFIT projects are moved (the maximum number allowed under this option) to the same location, they will be treated as one 500 kW system for the purposes of determining which regulatory requirements apply to them.

An REA is required for ground-mounted solar PV projects with a capacity over 12 kW. A location that has several microFIT ground-mount solar PV projects located on it will likely be subject to the REA if the total capacity of all the projects at the location exceeds 12 kW.

Rooftop solar PV projects are REA exempt.

The Ministry of the Environment has proposed reduced regulatory barriers for some low-impact activities such as small ground-mounted solar projects (12 kW to 500 kW) that meet specific criteria. Please check [Ontario's Environmental Registry](#) for the latest information on this proposal.

13. I have specific questions about obtaining a Renewable Energy Approval (REA). Who should I contact?

REFO can arrange for a consultation with the Ministry of the Environment (MOE) to help you understand the REA process and requirements as they relate to your project. Please contact REFO at (416) 212-6582, toll-free at 1-877-440-REFO (7336) or via e-mail at REFO@ontario.ca.