

Request for Decision

Amendment of the Miscellaneous User Fee By-law to include fees for the review of renewable energy applications

Presented To:	City Council
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Type:	Routine Management Reports

Recommendation

WHEREAS the City of Greater Sudbury is seeing greater involvement of staff in providing required documentation to applicants proposing renewable energy projects under the Province's microFeed-In Tariff (microFIT) and Feed-In Tariff (FIT) programs,

NOW THEREFORE BE IT RESOLVED THAT: the City of Greater Sudbury amends the Miscellaneous User Fee By-law 2015-8 to include the following fee schedule:

- Zoning Certificate for microFIT (Feed-In Tariff) applications - \$100
- Municipal staff involvement in FIT applications between 10 and 500kW in fulfillment of requirements by the Independent Electricity System Operator (IESO) - \$500
- Municipal staff involvement in FIT applications over 500kW in fulfillment of requirements by the Independent Electricity System Operator (IESO) - \$2500
- Re-issue or confirmation of previously issued documents for FIT applications - \$200

The above fees are extra to any other fees charged by the City of Greater Sudbury in fulfillment of additional municipal approval or permit requirements.

Finance Implications

Based on the number of FIT applications reviewed by staff over the past two years, the projected total fees collected for this service could result in revenues of between \$10,000 and \$20,000 annually.

Background

The Green Energy Act (the "Act") came into effect in 2009. The Act addresses energy efficiency, energy

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conservation and demand management, and the promotion of renewable energy technologies. Renewable energy sources include: wind, waterpower, biomass, biogas, landfill gas, solar photovoltaic, and geothermal.

In 2009, the Ontario Power Authority (OPA) launched a Feed-in Tariff (FIT) program for renewable energy projects over 10kW and a microFIT program for projects under 10kW. The purpose of these programs is to encourage renewable power generation through a guaranteed pricing structure for renewable electricity production. Both programs include standardized program rules, prices and contracts for those interested in developing a qualifying renewable energy project.

In October 2013, the OPA posted final FIT 3.0 Rules. Under these rules, projects will be prioritized according to the number of ‘points’ they earn. One way in which a project may earn points is through a motion of support from the Council of the municipality in which the project is located. The rules allow Councils to indicate their support on a project-by-project basis, or by adopting a blanket support motion on a technology-specific basis. The OPA’s support motions for both alternatives clearly states that the motion’s sole purpose is to enable the applicant to receive priority points under the FIT Program and may not be used for the purpose of any other form of municipal approval in relation to the application or project or any other purpose. Municipal council support resolutions are not required under the microFIT program.

The FIT 3.0 rules also require applicants for non-rooftop solar projects (i.e., groundmount) to supply a Zoning Certificate prepared by either of the following municipal staff:

- 1. A chief building official, municipal chief administrative officer, municipal clerk or equivalent municipal official that is not a land use planner; or
- 2. A land use planner, which includes a qualified director of planning or equivalent municipal official.

A Zoning Certificate is also required under the microFIT program but only if applying for

- 1. a wind renewable generating facility that has a nameplate capacity of 3 kW or less or
- 2. a non-rooftop solar facility.

The Independent Electricity System Operator (IESO), which as of January 1, 2015 includes the OPA, has issued a draft request for proposal for Large Renewable Procurement (LRP) intended for proposed projects over 500kW. Although still draft, the rules for LRP require the applicant to include in their application the Municipal Council Support Resolution form and the Zoning Certificate, as well as demonstrate that the applicant has had a meeting with City staff and has entered into an agreement with the municipality.

Requirements for municipal involvement are necessitating increasing levels of staff time. As a result, more and more Ontario municipalities are charging a fee to applicants for the review of renewable energy projects as a basis for providing them with the necessary IESO forms and requirements. The table below illustrates the various fees charged by a sample of Ontario municipalities for staff involvement in renewable energy projects.

Municipality	Fees for microFIT or FIT Applications
Brampton	\$570 - FIT
Clarington	\$137 - microFIT \$437 - FIT Solar \$5750 - Large-scale application
East Gwillimbury	Blanket resolution for rooftop solar \$5000 - other FIT (e.g., ground mount solar)

Halton Hills	\$1520 – FIT
Huntsville	\$500 - FIT - 15kW or less \$41/hour - FIT - greater than 15kW
Kawartha Lakes	\$100 – microFIT – Zoning Certificate \$200 – FIT - Council support resolution form
London	\$60 - microFIT \$30 - FIT rooftop solar \$300 - FIT ground mount solar \$100 - other FIT: wind, biomass, biogas
Markham	Blanket resolution for rooftop solar \$2450 - other FIT
Milton	\$750 – FIT
Mississauga	Blanket resolution for rooftop solar
New Tecumseth	\$2500 – FIT (listed under fees for site plans)
Whitby	\$150 – FIT rooftop solar between 10 and 500 kW \$500 – FIT ground mount solar between 10 and 500 kW \$1500 – FIT over 500 kW solar \$1500 – FIT between 10 and 500 kW other than solar

Conclusion and Recommendation

Based on the fees charged by other Ontario municipalities and on the anticipated time for CGS staff involvement in the review of FIT applications, the following fee schedule is recommended as an amendment to the Miscellaneous User Fee By-law 2015-8:

Zoning Certificate for microFIT (Feed-In Tariff) applications	\$100
Municipal staff involvement in FIT applications between 10 and 500kW in fulfillment of requirements by the Independent Electricity System Operator (IESO)	\$500
Municipal staff involvement in FIT applications over 500kW in fulfillment of requirements by the Independent Electricity System Operator (IESO)	\$2500
Re-issue or confirmation of previously issued documents for FIT applications	\$200

The above fees are extra to any other fees charged by the City of Greater Sudbury for additional municipal approvals or permit requirements.