

## **Request for Decision**

Capreol – Cedar Rapids Waterpower Project, Water Power Group LP, Capreol, ON

Presented To:	Planning Committee
Presented:	Monday, Oct 22, 2012
Report Date	Wednesday, Oct 03, 2012
Type:	Routine Management Reports

#### Recommendation

WHEREAS Water Power Group LP (the "Applicant") proposes to construct and operate a 1 MW small waterpower project (the "Project") on Lands legally described as Parcel 4432, Sudbury East Section, together with Part 1, Plan SR-943, being Parcel 32510, Sudbury East Section, Township of Capreol, City of Greater Sudbury ("the Property"), to be constructed upon receipt of a FIT Contract from the Ontario Power Authority under the Province's FIT Program;

AND WHEREAS the Applicant has requested that Council of the City of Greater Sudbury, Ontario, indicate by resolution Council's support for the construction and operation of the Project on the Property;

AND WHEREAS, pursuant to the rules governing the FIT Program (the "FIT Rules"), Applications whose Projects receive the formal support of Local Municipalities will be awarded Priority Points, which may result in the Applicant being offered a FIT contract prior to other persons applying for FIT Contracts;

## Signed By

#### **Report Prepared By**

Stephen Monet Manager of Environmental Planning Initiatives Digitally Signed Oct 3, 12

#### **Reviewed By**

Paul Baskcomb Director of Planning Services Digitally Signed Oct 3, 12

#### **Recommended by the Department**

Bill Lautenbach
General Manager of Growth and
Development
Digitally Signed Oct 4, 12

### Recommended by the C.A.O.

Doug Nadorozny Chief Administrative Officer Digitally Signed Oct 4, 12

#### NOW THEREFORE BE IT RESOLVED THAT:

Council of the City of Greater Sudbury supports in principle the construction and operation of the Project on the Property in accordance with all applicable laws.

This resolution'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 purposes.

# **Province of Ontario Renewable Energy Initiatives**

The Green Energy Act (the "Act") came into effect in 2009. The Act addresses energy efficiency, energy 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) released a Feed-in Tariff (FIT) program whose purpose was to encourage renewable power generation through a guaranteed pricing structure for renewable electricity production. It included standardized program rules, prices and contracts for those interested in developing a qualifying renewable energy project.

In October 2011 a review of the FIT program rules was announced. In August 2012, the OPA posted final FIT 2.0 Rules. Under the new 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.

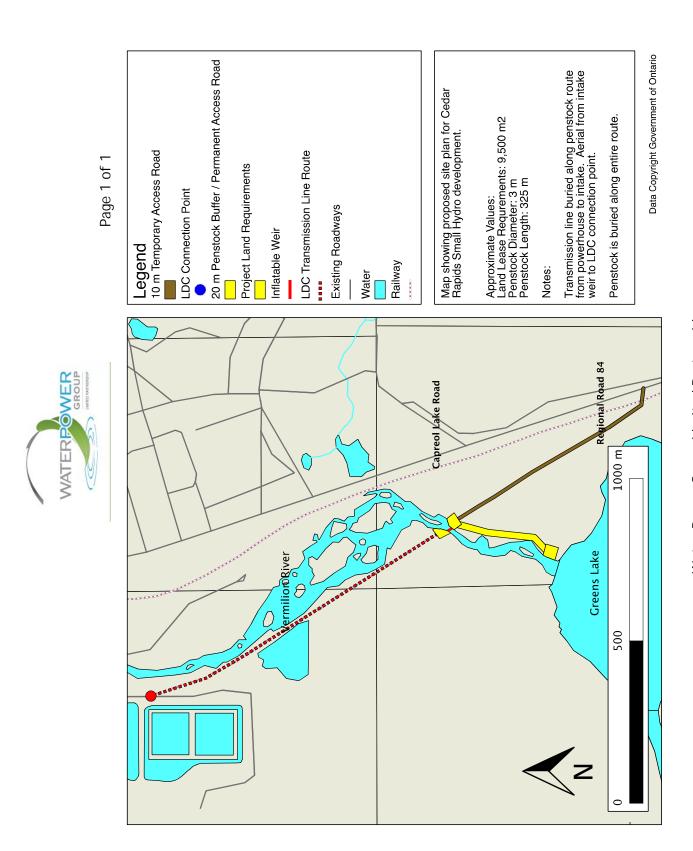
The increased local supply of energy derived from renewable sources is one of the key objectives of the City's EarthCare Sudbury Action Plan. On June 12, 2012, Council passed a motion (R-18) that provides blanket support in principle to community-based power projects. Private waterpower projects, however, are not included in this resolution, thus requiring Council support on a project-by-project basis.

# Water Power Group LP Request for Council Resolution

Water Power Group is an Ontario-based developer of small, low-impact, run-of-the river waterpower projects. By including local private, public and co-operative partnerships in our business model, Water Power Group is finding more effective financing, reducing project cost and risk.

Water Power Group LP (the "Applicant) proposes to construct and operate a 1 MW small waterpower project (the "Project") on Lands legally described as Parcel 4432, Sudbury East Section, together with Part 1, Plan SR-943, being Parcel 32510, Sudbury East Section, Township of Capreol ("the Property"), to be constructed upon receipt of a FIT Contract from the Ontario Power Authority under the Province's FIT Program. The Project is a very low-impact, run-of- river type (no flooding), small waterpower project. It is noted that if approved, the proposal will result in the installation of a sustainable energy source in the community. The project is on privately owned lands, part of which will be leased to the Water Power Group.

The Applicant is requesting that Council indicate by resolution their support for the construction and operation of the Project on the Property described above.



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