

Independent Electricity System Operator

Attn: JoAnne C. Butler
c/o FIT Program
Suite 1600
120 Adelaide Street West
Toronto ON M5H 1T1

CC: Ministry of Energy, OSEA Board, OSEA Policy Committee

Thursday, December 10, 2015

Dear Ms. Butler:

I am writing on behalf of the membership of the Ontario Sustainable Energy Association (OSEA). OSEA is a member-based association of individuals, community, public and private sector champions. For more than fourteen years, OSEA has been championing our vision of a prosperous Ontario with a thriving sustainable energy sector, good jobs, resilient communities and healthy environments powered, heated, cooled and moved by portfolios of sustainable energy. We have been involved in the development of the Renewable Energy Standard Offer Program as well as in the Green Energy and Economy Act and its Feed-in Tariff (FIT) programs.

With regards to the latest round of FIT applications in the FIT 4.0 window, it has come to our attention that there was a glitch with your online system for application submissions, which is affecting the time stamp on the submitted applications. Several of our members, who have gone to some significant length to submit their applications as soon as the window opened, are reporting that they see themselves unfairly treated due to the issue.

While we trust that you will find appropriate measures to mitigate the issue and ensure the fair treatment of all applicants, we feel that this issue reveals a bigger problem that comes with accepting applications only during a specific time period. This is what we would like to address here and suggest possible solutions for the future.

The OSEA membership has been concerned about the issues that arise from accepting FIT applications only during specific time periods. Several concerns stick out:

1. The window creates an artificial notion of scarcity.
2. Applicants rush to make their submissions on time, which may lead to applications that are either incomplete and will therefore be thrown out or that will never get built despite being awarded a contract due to issues with partners in the projects. This leads to a lot of time, energy and money wasted by the applicants as well as the IESO.

3. Some technologies, such as biogas, need longer lead times that do not align with the current FIT timelines.

Moving forward, we therefore suggest that the IESO consider removing the window and allowing FIT applications to be submitted on an ongoing basis. Projects can then still be awarded contracts based on available capacity, while ensuring that the received applications are complete and secured with the proper partnership/funding agreements. To maintain the order in which the IESO would review the applications, a number system, similar to what is being used by many government agencies and financial institutions, could be introduced to ensure fairness. When the FIT price is being reviewed and new prices are being introduced, a cut-off date (or number) can be announced with enough notice, to alert current and future applicants of the price regime, to which their application will adhere.

In conjunction with removing the application window, we propose that the timeline to COD for solar PV projects gets shortened to one year. Shortened development time for wind projects could also be considered, as long as other regulatory requirements from the MOECC, for instance, are being taken into consideration. This measurement would ensure that only applications of projects that are ready to be built would be submitted and that the risk of gaming would be reduced.

This process should be applied to the FIT program as well as a net-metering program that will eventually be introduced.

On behalf of the OSEA membership, I thank you for your time and consideration.

Sincerely,



Nicole Risse
Interim Executive Director
Ontario Sustainable Energy Association