

Re: COMFIT Small Wind Projects: Clusters and Distribution

1. PURPOSE. The following directive has been amended to specify parameters on the number of small wind generation devices (50 kW and under) to be permitted per county.

2. POLICY RATIONALE. The Renewable Electricity Plan contemplates Community Feed-in Tariffs as a tool to enable communities to benefit from the development of renewable electricity projects at the local level. It enables eligible applicants to access the distribution system in order to minimize connection costs and ensure the distribution among all communities.

Section 28(2) of the *Renewable Electricity Regulations* establishes a 5 MW cap for wind generation facilities with a capacity of 50 kW or less. By setting a province-wide cap of 5 MW, the Department will provide the opportunity for approximately 100 small wind projects to be developed in the province. The 50 kW small wind category was established to allow greater participation in the COMFIT program—especially in communities where the opportunity to match project capacity with local load is small. Small wind will create affordable scale technology therefore allowing smaller groups to grow in expertise and experience. Further, small wind allows for the opportunity to capitalize in low capacity areas and helps to provide a balance between cost and demand through its size limitations.

There is concern that the opportunities potentially envisaged by many communities could be secured by a handful of communities if they were able to secure a large share of the limited project opportunities. Accordingly, the following directive is being established to ensure a more equitable distribution of COMFIT small wind generation devices across Nova Scotia. The per county cap allows for an equitable distribution of renewable energy projects throughout the province. Its limits also allow for an orderly build out of the system and its opportunities.

This directive has been amended to reflect the changing reality of the COMFIT program. Experience indicates that not all counties in the province are interested in pursuing small wind development at this time. Others, however, have expressed a greater than average level of interest. As such, this Directive raises the small wind cap to a maximum of 8 per county, which will be determined on a case by case basis. In addition, the Minister will ensure that a minimum allocation of 4 projects per county remains in order to provide continued access to opportunities. Therefore, this Directive adjusts the small wind cap to enable those with more interest to proceed with more projects while still preserving a minimum allocation per county should interest emerge at a later date.

This will not affect the allocation of MWs to Mi'kmaq band councils and qualifying Mi'kmaq business enterprises. A quantity of one project per band council has been reserved for these groups.

3. LEGAL AUTHORITY. Under subsection 28(1) of the *Renewable Electricity Regulations*, the Minister may approve or reject an application for a Feed-in Tariff approval that satisfies the requirements of the Act and the regulations. This directive provides guidance on the approval process as it relates to the Small Wind Cap, and is made under the authority of subsection 2B(2)¹ of the *Electricity Act* and clauses 43(1)(b)² and 43(2)(e)³ of the *Renewable Electricity Regulations*.

4. DIRECTIVE.

The Minister of Energy will approve a maximum of 1 small wind project (devices 50 kW capacity or less) per application. In all cases, eligible entities are required to submit a separate application for each project, and additional applications will not be accepted until the previous application has been approved.

A maximum of 3 small wind projects will be approved at any one point in the distribution system.

The Minister will ensure a minimum of 4 projects are allocated to each county to provide continued access to small wind opportunities throughout the province. This minimum contributes 72 small wind projects across the province. A county may be allocated up to a maximum of 8 small wind projects; this will be determined by the Minister on a case by case basis until 18 additional projects have been approved. The 72 reserved and 15 additional projects, in addition to the allocation for Mi'kmaq business enterprises (see below), will ensure an equitable distribution of 100 small wind projects throughout the province.

The Minister reserves the right to allocate a specific amount of MWs or number of projects to Mi'kmaq band councils and qualifying Mi'kmaq business enterprises. Currently, 13 projects have been reserved province-wide for these COMFIT applicants. Such allocation shall take precedence over other allocations.

¹ 2B(2) The Minister may establish and administer policies, programs, standards, guidelines, objectives, codes of practice, directives and approval processes under this Act.

² 43(1) The Minister has all the power and authority necessary to implement, administer and enforce these regulations, including the power to issue directions and orders, and must do all of the following: ... (b) establish a process for approving and re-approving renewable low-impact electricity generation facilities and renewable low-impact electricity generators.

³ 43(2) In addition to the powers and duties set out in subsection (1), the Minister may do any of the following: ... (e) prepare interpretations of these regulations, or policies, standards and guidelines under these regulations.

The following table summarizes the amended allocation of small wind projects throughout the province:

Minimum of 4 projects per county	72 projects
Allocation to Mi'kmaq band councils	13 projects
Additional projects contributing to a maximum of 8 per county	15 projects
Total small wind projects	100

5. DEFINITIONS.

“Mi'kmaq business enterprise” means an entity in which a Mi'kmaq band holds at least a majority ownership interest.

“Small Wind” means wind power with a capacity of 50 kW or less. Small wind turbines must have a swept area of less than 200 m² and an output of 50 kW or less at a wind speed of 11 m/s.

“Project” means a COMFIT application, one device, or one turbine. Each turbine of 50 kW or less is considered a project. The Minister will approve each project as a separate application.