

Re: COMFIT Approval Conditions

1. PURPOSE. The following directive is being administered to ensure that COMFIT proponents build their projects according to their application in a timely fashion.

2. POLICY RATIONALE. The Renewable Electricity Plan contemplates the Community Feed-In Tariffs program as a tool to enable communities to benefit from the development of renewable low-impact electricity projects at a community level. Only projects connected and serving loads at the distribution level of the electrical system will be eligible for COMFIT rates. As this opportunity is limited, it is important that applicants understand they must remain in compliance with their commitments during the application process and move their projects forward in a timely fashion or enable others to proceed if their project is unable to proceed.

After a project receives approval from the Minister, the applicant must then enter the NSPI approval system. At this stage, there may be a technical studies and an assessment of further technical requirements to ensure the technology being connected to the electrical system is properly designed to make certain it does not impair system reliability. Once Nova Scotia Power Inc. (NSPI) technical approval is granted, the project then proceeds to the construction/installation phase. During this time, the project's place in the queue is maintained; however, if the project is delayed for an unreasonable period of time, NSPI has the authority to remove it from their queue.

To ensure consistent administration of the COMFIT, the Minister will set total time conditions for a project to come into operation. The conditions will not be unreasonable and a minimum period of 36 months from time of Ministerial approval to in service operation is proposed. This period may be extended under extenuating circumstances, if there are no other applicants in the queue.

In addition, the requirements set out in the COMFIT application are designed to ensure that projects meet all applicable laws and regulations. The following directive also ensures that COMFIT projects will be built according to the approved application so as to minimize the potential risks to the public and the environment.

3. LEGAL AUTHORITY. Under subsection 28(4) of the *Renewable Electricity Regulations*, Feed-In Tariff approvals may be subject to terms and conditions that the Minister determines are appropriate. In addition, as required by Section 30 of the regulations, an applicant that has received an approval must diligently pursue the construction and completion of the applicant's project. This directive provides guidance on the time within which different types of generation

facilities should be in service after an approval has been granted, and provides the basis upon which the Minister may condition Feed-In Tariff approvals in this regard. This directive also provides guidance on when the Minister might suspend or revoke a Feed-In Tariff approval as permitted under Clause 43(2)(b)¹ of the regulations or extend the time within which a condition of an approval must be met as permitted under Clause 43(2)(d)² of the regulations. This directive is made under the authority of Subsection 2B(2)³ of the *Electricity Act* and Clauses 43(1)(b)⁴ and 43(2)(e)⁵ of the *Renewable Electricity Regulations*.

4. DIRECTIVE.

Upon receiving Feed-In Tariff approval from the Department of Energy, proponents are only guaranteed the COMFIT rate corresponding to their proposed technology/project if project development and associated actions proceed as described in the COMFIT application. This means that any permits, approvals, and licenses that the proponent identified as being necessary to obtain in his/her application must be received in order to maintain Feed-In Tariff approval.

Failure to meet this requirement throughout the course of the project may result in the termination of the COMFIT project approval in accordance with Clause 43(2)(b) of the regulations. Project proponents that see non-compliance issues emerging that are beyond their control should have an early discussion with the Department of Energy on plans to come back into compliance. In addition, the Minister will establish as a standard requirement that all projects have an in-service operation within the time frame indicated below beginning from the date the application is approved.

¹ **43(2)** In addition to the powers and duties set out in subsection (1), the Minister may do any of the following: ... (b) suspend or revoke an approval issued under these regulations;

² **43(2)** In addition to the powers and duties set out in subsection (1), the Minister may do any of the following: ... (d) extend the time within which a condition of an approval issued under these regulations must be met;

³ **2B (2)** The Minister may establish and administer policies, programs, standards, guidelines, objectives, codes of practice, directives and approval processes under this Act.

⁴ **43 (1)** The Minister has all the power and authority necessary to implement, administer and enforce these regulations, including the power to issue directions or 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;

⁵ **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.

Technology:	Time Frame:
Wind	3 Years
Biomass	4 Years
Tidal	5 Years
Run-of-the-river	4 Years

This requirement may be extended in extenuating circumstances after application to the Minister for such extension stating the cause and why it was unanticipated at the time of the application. Such an extension will be granted only if there are no other applicants seeking access to the same distribution connect opportunity.