

Re: Re-connecting Decommissioned Projects for Community Feed-in Tariff Approval

1. PURPOSE.

The following directive has been established to provide direction to proponents interested in re-connecting decommissioned renewable electricity projects through the Community Feed-in Tariff (COMFIT) program.

2. POLICY RATIONALE.

The COMFIT program is designed to assist in the development of renewable low-impact electricity generation facilities present in Nova Scotia. Qualifying projects must meet the requirements of the COMFIT program as outlined in the *Renewable Electricity Regulations* and COMFIT directives.

This directive works in conjunction with COMFIT Directive 0010: Project Transition Rules for Projects Already Underway. Only executed and then decommissioned renewable electricity projects that meet the requirements of the COMFIT program are eligible to receive the current COMFIT rate. The project must require significant capital upgrades and have experienced technical issues to qualify. A turbine that is able to operate under its existing power purchase agreement is not eligible. Existing Power Purchase Agreements through a call for bids or the Enhanced Net Metering program must be cancelled, and distribution capacity forgone before receiving COMFIT approval. This is consistent with COMFIT's approach to have new renewable energy infrastructure connected to the distribution grid.

This directive outlines how decommissioned renewable electricity project may apply for COMFIT approval.

3. LEGAL AUTHORITY.

Under Subsection 28(1) of the Renewable Electricity Regulations, the Minister of Energy (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 regarding what stage of projects the Minister will consider eligible for COMFIT Approval.

4. DIRECTIVE.

This directive states that decommissioned renewable low-impact electricity generation facilities may be eligible for COMFIT approval. Any proponent with a decommissioned project considering applying for COMFIT is required to meet program requirements before receiving Ministerial approval. This directive works in conjunction with COMFIT Directive 0010, which states:

“Because the COMFIT program has been designed to encourage and support the development of new renewable electricity projects, some projects are not eligible for participation. The following criteria outline

projects that are not eligible for the COMFIT program:

- Projects that have already been connected to the grid;
- Projects participating the Enhanced Net Metering Program; and/or
- Projects that have received a Power Purchase Agreement (PPA).”

As such, a project that has received a PPA but it is no longer in place, the project no longer connected to Nova Scotia Power’s distribution grid, and has since been decommissioned may be eligible to receive COMFIT approval.

If a contract or agreement with Nova Scotia Power (i.e., a PPA) is in place, proponents wishing to receive the COMFIT rate must cancel their existing PPA, forgo their space within the distribution grid, and wait 30 days before applying to the COMFIT program.

If the PPA has been cancelled and the applicant intends to apply for the COMFIT program, it must submit a complete COMFIT application. The Minister must be satisfied that all COMFIT requirements have been met, including community support, regardless of the stage of the project.

Please note that according to Section 29 of the *Renewable Electricity Regulations*, COMFIT approval cannot be transferred from an approved project to a decommissioned project without the prior written approval of the Minister.

Decommissioned components may not contribute more than 50 percent of the capital for a project. Additionally, the project must require significant additional equity (more than 50 percent) or debt re-investment. Specifically, projects must have been decommissioned for technical or operational reasons. Projects that are operational under an existing PPA or net metered agreement are not eligible for the program.

5. DEFINITIONS.

“Renewable low-impact electricity generation facility” means a facility in the Province that generates qualifying renewable low-impact electricity (as defined in Section 18(1) of the *Renewable Electricity Regulations*) and has received all required approvals and permits.

Murray Coolican, Deputy Minister
Nova Scotia Department of Energy