



GENERATION SOLAR

Newsletter – 2010

Greetings! Welcome to the Generation Solar Newsletter: an occasional publication where we bring you news, industry happenings, and a little technical advice. Enjoy!



Generation Solar designs, supplies, installs, and services renewable energy technologies for residential and commercial applications. With the rising interest in the provincial FIT program, this newsletter issue is devoted to MicroFIT opportunities for home and business.

Ontario's Feed in Tariff Program for Solar Electricity

A new green energy program has been implemented. Read on to see what everyone is talking about.

What is the Feed in Tariff (FIT) Program?

Feed in Tariff Programs incent the deployment of leading edge energy technologies. In the case of renewable energy, the benefits of deployment include cleaner air, reduced climate change, and reduced consumption of our fixed, non-renewable fossil fuel resources. FITs turned Germany and Japan into world leaders in solar technologies and many other countries around the world are adopting FITs in response. Ontario was the first jurisdiction within North America to deploy a FIT. The FIT program is for systems > 10kW in size. For small systems a parallel program called the MicroFIT offers a simplified application and approval process.

How will it work?

The Ontario Power Authority (via your local electric distribution company (LDC)) will pay a fixed premium rate for every kilowatt-hour generated using renewable energy. **The rate for small scale solar generated electricity is \$0.80/kWh and the contract term is 20 years.**

All your green electricity will be exported to the utility; your consumption will be billed at the current retail rate.

Who is it for?

This program is big news for anyone interested in being a solar electric power producer, whether residential or commercial.

Is it complicated?

No. The process for very small systems (<10kW) is straightforward. Naturally, there is some bureaucracy to wade through, but we can help.

What is the financial benefit?

On small scale systems the FIT offers a 8% to 12% simple return on your capital investment.

When will it be available?

It's available now! FIT and MicroFIT contracts have been offered to eligible proponents and new applications are being submitted daily.

How do I get in on it?

Generation Solar has installed many FIT-eligible systems. We'll facilitate the MicroFIT application for you and deliver an installed revenue generating solar energy system.





MicroFIT Facts

Rates

(FIT rates apply to roof mounted arrays only.)

<=10kW (MicroFIT)	80.2¢/kWh
10kW to 250kW (FIT)	71.3¢/kWh
250kW to 500kW (FIT)	63.5¢/kWh

Transferability

If you sell your house your MicroFIT contract can be transferred to the new owners.

Application Fees

MicroFIT projects have no application fee.

Application Process

1. Apply for a contract on the OPA website.
2. Upon receipt of a 'conditional offer of contract' from the OPA, notify your LDC of your plans to connect a MicroFIT system.
3. Contract a qualified contractor to supply and install a MicroFIT PV system. The system is subject to electrical permits and building permits.
4. Once the system is commissioned and operational, notify the OPA and your MicroFIT contract will begin.



We can assist you with your MicroFIT and LDC applications.

Typical performance

For each kiloWatt (kW) that you install, expect the following (assuming a sloped roof installation):

Cost	\$6000 to \$7500
Roof area required	70 sq ft to 100 sq ft
Production	~1100kWh annually
MicroFIT benefit	~\$880 annually

Tax implications

MicroFIT income is taxable. Your MicroFIT investment is depreciable against that income, and can flow through against other income. Consult your accountant/tax planner to see how this may impact you.

Resources

<http://microfit.powerauthority.on.ca/>
<http://www.cansia.ca>



Contractor Qualifications

Don't forget the basic rules about choosing a contractor: Check for relevant experience, relevant qualifications and credentials, and get relevant references. Consider only CanSIA member companies.

You'll need a Licensed Electrical Contractor for PV installations. Call us for more details.

Generation Solar is a Licensed Electrical Contractor (ECRA/ESA #7001714) and carries \$3M in general commercial liability insurance. Solar has been our exclusive focus since our founding in 1998 and we have installed hundreds of solar energy systems.