# ALBERTA MUNICIPAL SOLAR PROGRAM GUIDEBOOK

# May 2020

This Guidebook provides an overview of the eligibility requirements, available funding, and process for Municipalities to participate in the Alberta Municipal Solar Program.



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### **1.0 PROGRAM OVERVIEW**

The Alberta Municipal Solar Program (AMSP) provides financial rebates to Alberta Municipalities who install grid-connected solar photovoltaic (PV) systems on municipally owned facilities or land and complete public engagement for the Project.

### 2.0 ELGIBILITY

### 2.1 Eligible Participants

The following are eligible to participate in the AMSP:

- a. Municipalities: designated Municipalities within the province of Alberta are eligible to participate in the AMSP. As per Section 1(s) of the *Municipal Government Act* a "Municipality" is defined as:
  - i. a city, town, village, summer village, municipal district or specialized Municipality;
  - ii. repealed 1995 c24 s2;
  - iii. a town under the Parks Towns Act;
  - iv. or a Municipality formed by a special Act; or, if the context requires, the geographical area within the boundaries of a Municipality described in sub-clauses (i) to (iii).
- b. Community-related organizations: non-profit community-related organizations (CROs) are eligible to participate in the AMSP if the Project is located on a municipally owned facility or on municipally owned land. While CROs are eligible to participate, the Municipality<sup>1</sup> must be the signatory to the funding agreement and all reimbursements made under the program will be directed to the municipality. Such instances will be evaluated on a case-by-case basis.

### 2.2 Eligible Projects

To qualify for funding under the AMSP, each Project<sup>2</sup> must comply with the following criteria:

- a. The system must be located on a facility or parcel of land wholly owned by the participating Municipality;
- b. The system must be entirely paid for by the participating Municipality, with the exception of any external grant funding received for the Project:
  - i. The Project may not be receiving combined funding in excess of 100% of eligible system costs;
- $c. \quad \text{The system must be wholly owned by the participating Municipality for the life of the Project;}\\$
- d. The system must be grid-connected and compliant with the Government of Alberta's <u>Microgeneration Regulation (AR 27/2008)</u>, as amended from time to time;
- e. The system must be greater than or equal to 2 kilowatts (kW DC PV array capacity);
- f. The system must be designed and installed by a qualified installer <sup>3</sup>(not self-installed) who is a member of either the Solar Energy Society of Alberta (SESA) or the Canadian Solar Industries Association (CanSIA), and all system components must meet the Canadian Standards Association



<sup>1</sup> Municipality" means the legal signatory to the AMSP Implementation Funding Agreement that meets the definition of "municipality" under Section 1(1)s of the Municipal Government Act.

<sup>2 &</sup>quot;Project" means the solar PV system for which funding is requested through a single AMSP Application

<sup>3</sup> https://tradesecrets.alberta.ca/sources/pdfs/occupation\_page\_supporting/photovoltaic\_info\_sheet.pdf

- (CSA) requirements for electrical safety or an equivalent certification to applicable Canadian standards;
- g. The system must be a new installation, where "new" is defined as installations that have an interconnection approval from the wire service provider signed no earlier than October 1, 2018.
- h. Systems which signed AMSP Implementation Funding Agreements under the first funding round of the AMSP but are not yet completed will receive a rebate as per the terms of their agreement;
- i. All system components must be new and cannot have been used in an energized solar array at any point in the past;
- The same parcel/property (based on site ID) must not have received an incentive for a solar PV system under another provincial solar incentive program;
- k. The following equipment must carry these minimum warranty levels:
  - i. Modules: 20-year power performance and 10-year manufacturing;
  - ii. Inverter(s) and/or micro-inverter(s): 10-year manufacturing;
- I. Expansions to existing systems installed prior to the launch of the second funding round of the AMSP are eligible, however only the expansion portion of the system is eligible for funding;

### 2.3 Ineligible Projects

The following Project types are <u>ineligible</u> for the AMSP:

- a. Projects that are eligible for the following programs;
  - i. Residential and Commercial Solar Program (RCSP);
  - ii. Alberta Indigenous Solar Program (AISP);
  - iii. Alberta Growing Forward On-Farm Solar PV Program;
  - iv. Solar for Schools Program (SFS); and
  - v. Any other provincial solar incentive program that may follow
- Projects located on facilities or land owned by any other entity than a Municipality, including but not limited to the private sector, schools, universities, hospitals, and the provincial or federal governments;
- c. Projects located on temporary structures;
- d. Off-grid solar PV Projects;
- e. Solar thermal Projects;

### **3.0 FINANCIAL REBATE**

 $Municipalities \ are \ eligible \ to \ receive \ a \ financial \ rebate \ for \ the \ completion \ of \ a \ Project \ through \ the \ AMSP.$ 

### 3.1 AMSP Rebate Rates

The MCCAC agrees to pay a prescriptive per-watt incentive on total installed system capacity (\$/W), measured in nominal Direct Current (DC) watts, of each Project submitted through the AMSP Application, in accordance with the incentive rates defined in Table 3.1.



Table 3.1: AMSP Rebate Rates

Total Installed System Capacity (DC)	Rebate
<10 kilowatts	\$0.90/watt
10 kilowatts to <150 kilowatts	\$0.75/watt
150 kilowatts to <2 Megawatts	\$0.60/watt
2 Megawatts to 5 Megawatts	\$0.55/watt

In all cases, total rebate funding provided by the MCCAC will not exceed 30% of the total eligible expenses per Project, as defined in Section 3.4.

The MCCAC, at its sole discretion, reserves the right to adjust program rebate levels over time in accordance with changing market conditions (systems costs, electricity prices, etc.). Such changes will be announced publicly, highlighting a clear cut-off date for application approval under existing rebate levels.

### 3.2 Maximum Funding Limits

To ensure equitable and geographic distribution of program funds, total program funding distributed to a single Municipality is capped at \$1,500,000. AMSP funding issued to a Municipality prior to October 1st, 2018 will not be included in the calculation of this cap.

Applications from a Municipality for non-profit community related organization (CRO) projects located on municipally owned facilities or land will not contribute to the per Municipality cap of \$1,500,000. However, CROs are limited to one Project per organization up to a maximum incentive of \$100,000 including bonuses. Applications for CROs will be evaluated on a case by case basis and may be redirected to another provincial solar program if more suitable.

The MCCAC, at its sole discretion, reserves the right to adjust the maximum funding cap per Municipality in response to program demand and changing market conditions.

### 3.3 First-time Applicant Bonus

In order to encourage diverse participation in the AMSP, an additional bonus rebate of \$0.25/watt is available to Municipalities that have not previously participated in the AMSP for their first Project. CROs are eligible to receive the First-time Applicant Bonus. The bonus rebate is applied for the first Project only, where Project is defined to mean a single solar PV system for which funding is requested through an AMSP Application, not multiple systems, and is calculated independently as a separate rebate in addition to the standard incentive.

The First-time Applicant Bonus will be capped at a maximum of \$250,000.

Any Municipality who has already received an incentive through the AMSP for a completed Project or has signed an AMSP Implementation Funding Agreement for a Project under construction and yet to be completed since the launch of the program on February 5, 2016 is not eligible for this bonus.



### 3.4 Eligible Expenses

Eligible expenses incurred by the Municipality will be used to calculate the rebate value as described in Section 3.1 and must be outlined by the Municipality in the AMSP Application. To be included in the rebate calculation, eligible expenses must be incurred by the Municipality prior to Project completion.

The following expenses will be included in calculating the maximum rebate:

- a. Expenses for the purchase of the solar PV equipment for the Project (i.e. solar PV modules, racking, inverters, transformer (if any), main distribution panel (if necessary), cabling, conduit, fittings, disconnects and monitoring interface);
- b. Expenses for fencing or any other protective infrastructure for the Project if required by the current applicable version of the Canadian Electrical Code;
- c. Expenses for the design, development, energy modelling, engineering (structural, electrical, civil, geotechnical), specification, procurement, and construction of the Project;
- d. Expenses for obtaining the required electrical permit and grid-connected approvals, and any required building and development permits; and
- e. Expenses for completing the required electrical inspection and building inspection for the Project.

### 3.5 Ineligible Expenses

Expenses that are ineligible for reimbursement through the AMSP include:

- a. Goods and Services Tax (GST);
- b. Expenses for the operation and maintenance of a Project;
- c. Expenses for any security or protective infrastructure not required for the Project by the current applicable version of the Canadian Electrical Code;
- d. Expenses for roads or any other site access costs for a Project;
- e. Expenses for upgrades to electrical wires to the Project site or any other expenses which would fall within the purview of the Wire Services Provider (WSP);
- f. Lease payment expenses incurred after the Project is energized;
- q. Batteries or battery storage units connected to the solar PV system;
- h. Expenses incurred by the municipality to complete the AMSP Expression of Interest or AMSP Application;
- i. Expenses incurred by the municipality to prepare documents, process invoices, or other administrative and internal costs; and
- j. Any other expense deemed by the MCCAC to be ineligible.

### 3.6 Incentive Disbursement

The approval and allocation of qualified funds will occur on a first-come, first-served basis based on AMSP Application approval dates. Applicants will be placed into the first-come, first-served queue in the order in which they submit a completed AMSP Application to the satisfaction and approval of the program administrators and sign an AMSP Implementation Funding Agreement.

Any Municipalities that do not complete the construction of their systems and submit completion documentation within 8 months of signing the AMSP Implementation Funding Agreement are subject to



removal from the payment queue and must contact the MCCAC if they still wish to participate in the AMSP. On April 30, 2022, or when available funding is fully committed, the AMSP will be closed to further applications.

The AMSP rebate will be paid to the municipality by cheque after the MCCAC has verified that the Project is complete. The Project verification process is described in Section 4.0.

### 3.7 Incentive Stacking

The Municipality agrees to disclose to the MCCAC participation in any other government programs through which funding towards the cost of the Project is being pursued.

The Municipality is eligible to access other government programs for funding towards the cost of the Project. However, the maximum amount of combined funding towards the cost of the Project from all sources cannot exceed the total eligible costs of the Project. The Municipality is not eligible to access multiple incentives provided through the Alberta Climate Leadership Plan for funding towards the same Project.

### **4.0 HOW TO PARTICIPATE**

### **Step 1: Submit the AMSP Expression of Interest**

Municipalities must submit the AMSP Expression of Interest (EOI), accessible online at <a href="http://www.mccac.ca/AMSP-expression-of-interest">http://www.mccac.ca/AMSP-expression-of-interest</a> in order to notify the MCCAC of intent to participate and screen for high level eligibility. A single EOI submission may include multiple solar PV systems. When completing the EOI, please select "Add another item" for any Project pertaining to a separate facility, a separate electrical meter, or located on a different property.

It is recognized that values provided for the proposed installation capacity of the solar PV systems and the Project description are preliminary and may be updated prior to submission of the AMSP Application.

The MCCAC recommends all Municipalities participating in the AMSP solicit quotes from a minimum of two vendors prior to entering into any contract. The MCCAC has developed a <u>How to Choose a Solar Provider</u> guidance document to assist in the process of selecting a vendor, as well as a <u>Request for Proposals (RFP)</u> <u>Checklist</u> for Solar PV Installations document which provides a list of best practice items to include in any procurement processes should this be required for the Project.

The MCCAC will review all information provided in the EOI and will the contact the municipality to provide information regarding subsequent stages of the application process.

Note: Completion of the EOI does not secure funding or a place in the first-come, first-serve queue. For details on how this queue is established, see Section 3.6.

### **Step 2: Submit the AMSP Application**

Municipalities must submit the AMSP Application and all required attachments to <u>contact@mccac.ca</u> or the designated MCCAC Project Coordinator. The AMSP Application Form is available on the AMSP webpage at <u>mccac.ca/programs/AMSP</u>.



For each Project, Municipalities are required to provide a detailed description of the solar PV system as per the final design completed by the contractor. This includes:

- a. Location name;
- b. Location address;
- c. Site ID;
- d. Description of the solar PV system including:
  - i. Type and location of array mounting (e.g. roof, wall, ground, ballasted, attached, building-integrated);
  - ii. Array tilt (in degrees from horizontal) and azimuth angles (directional orientation, in degrees clockwise or counter-clockwise from due South);
  - iii. Make, model, and warranty for the solar PV modules, inverters, and racking;
- e. Any other relevant information;
- f. Rated capacity (watts DC) of each solar PV array; and
- g. Calculated energy yield of each solar PV array as installed (kWh AC per year / kW DC).

The following supporting information is also required for the Project as a whole:

- a. Project Contractor(s) <sup>4</sup>engaged to complete the design, procurement and installation of all solar PV systems included in the Project;
- b. Wire Services Provider (WSP) through which the solar PV system is connected;
- c. Estimated Project completion date;
- d. Total Installed Capacity (watts DC) of each solar PV system included in the Project; and
- e. Total eligible expenses.

A list of the following documentation must be included as an attachment to the AMSP Application:

- a. A signed copy of the Alberta Utilities Commission (AUC) required Form A Micro-generation Notice and supporting documentation submitted to the Wire Services Provider (WSP) through which the solar PV system is connected;
- b. A copy of the final contract between the Municipality and the Contractor for the Project;
- c. If not included in the contract, a quote and detailed breakdown of the anticipated total eligible expenses and total installed PV array capacity (watts DC) of the Project; and
- d. A copy of a structural engineering assessment certified by a duly qualified engineer, for all building-mounted solar PV systems, indicating that the building can support all loads created by the addition of the solar PV system.

Upon submission, the MCCAC will review the full AMSP Application. Approved Projects will proceed to Step 3.

While Municipalities may submit multiple AMSP Applications, no more than one AMSP Application may be submitted for any electricity meter (as per the site identifier number shown on the Micro-generation Notice) <sup>5</sup>.

4 "Contractor" means a person or company operating in the Province of Alberta that is duly-qualified to carry out any or all of the activities involved in the design, procurement or construction of a solar PV system.

5 In other words, individual solar PV systems are not eliqible for multiple separate AMSP rebates.



The MCCAC, at its sole discretion, reserves the right to deny or limit approval of any AMSP Application for reasons including but not limited to low energy yield and inappropriate or insufficient design.

### Step 3: Sign Funding Agreement

Approved Projects will be issued an AMSP Implementation Funding Agreement. The Municipality and the MCCAC must execute the AMSP Implementation Funding Agreement, including the AMSP Application (Schedule "B"). A signed copy of the AMSP Implementation Funding Agreement must be scanned and sent to <a href="mailto:contact@mccac.ca">contact@mccac.ca</a> or the designated MCCAC Project Coordinator. The MCCAC will return a final copy of the executed agreement to the Municipality.

The MCCAC must be notified of any deviation from Schedule "B" immediately, and an amendment must be duly executed should the Project scope, installation capacity, or completion date change.

### **Step 4: Project Construction**

Once the AMSP Implementation Funding Agreement is fully executed, Project funding is formally held and construction may begin. The Project must be completed and energized within 8 months of signing the AMSP Implementation Funding Agreement. Municipalities are responsible for ensuring that construction is completed by the deadline. Should an extension of the completion deadline be required, the Municipality must submit a request to the MCCAC in writing detailing the nature of the request.

Municipalities are responsible for exercising due diligence in selecting qualified Contractors and ensuring that the Project is completed in accordance with all applicable municipal bylaws (e.g. permitting and inspections) and the laws of the Province of Alberta.

The MCCAC, at its sole discretion, reserves the right to provide a maximum 4-month extension for Project completion if the Municipality provides a written rationale that the MCCAC deems reasonable.

### **Step 5: Project Completion**

Once the Project is energized, Municipalities must notify the MCCAC and provide the following documentation indicating that the Project was completed in accordance with the AMSP Implementation Funding Agreement:

- a. A copy of the final interconnection and operating agreement with the interconnecting wires service provider;
- b. Final Project invoices demonstrating a detailed breakdown of the work completed as well as the cost of such work:
  - i. The invoices must at a minimum separate equipment costs, permitting costs, labour costs, and GST;
  - ii. The invoices must confirm the final installed system size (Watts DC);
- c. Confirmation of full payment by the Municipality for all invoices provided:
  - Proof of payment documentation must match all totals on the provided invoices and clearly demonstrate that all invoices have been paid in full. This may include accounts payable registers, electronic funds transfer (EFT) payment advice, cheque copies, or vendor confirmation;
- d. Proof of completion of the AMSP public engagement requirement, which requires satisfaction of the following:



- i. Featuring the Project in the MCCAC's web-based project showcase; and
- ii. Issuing a media release for the Project or any other public engagement activity deemed acceptable by the MCCAC;
- e. A set of high-resolution photographs of the Project suitable for print publication. Photographs must show the Project during construction and after completion and include one photo in which all the solar PV modules are visible. Photographs including people are encouraged. In addition, please include:
  - i. A photograph of the module label that clearly shows the Canadian Standards Association (CSA), UL, or equivalent Canadian certification approval labels;
  - ii. A photograph of the inverter(s) or micro-inverter nameplate that clearly shows the Canadian Standards Association (CSA), UL, or equivalent Canadian certification approval labels
- f. A brief abstract describing the Project including one or more quotes from Municipal leaders, to be used for MCCAC program marketing;
- g. Completion of program evaluation

The MCCAC will review the provided documentation and issue an AMSP Project Completion Statement (Schedule "C") to the Municipality, outlining the final project details and rebate. A signed copy of the AMSP Project Completion Statement must be scanned and sent to <a href="mailto:contact@mccac.ca">contact@mccac.ca</a> or the designated MCCAC Project Coordinator. The MCCAC will return a final copy of the executed AMSP Project Completion Statement to the Municipality.

### **Step 6: Funding Disbursement**

After the AMSP Project Completion Statement is executed the MCCAC will issue the AMSP rebate cheque to the Municipality. The provided AMSP rebate will be calculated based on the actual final installed solar PV system capacity and eligible expenses listed in the AMSP Project Completion Statement.

### 5.0 EVALUATION, MEASUREMENT AND VERIFICATION

### 5.1 Evaluation

Municipalities will be invited to provide feedback on program implementation processes and operations to help inform the MCCAC's efforts to improve programs efficiency and cost-effectiveness, strengthen marketing, sharpen outreach, and increase the satisfaction of program participants. Municipalities will also be asked to help MCCAC determine the extent to which the programs intended outcomes and objectives are being met.

### 5.2 Verification

Any Municipality receiving grant money under the AMSP may be contacted by the MCCAC or a third-party evaluator retained on behalf of MCCAC to verify Project installation or be asked to complete a written, oral, or electronic participant survey.

The Municipality must submit documentation to establish, to the satisfaction of the MCCAC, that the Municipality incurred and paid all eligible expenses reported. All items on an invoice submitted by the Municipality must be listed separately, and the cost for each eligible expense must be clearly identified.



The Municipality must also provide any other documentation requested by MCCAC. If the Municipality fails to provide information within a reasonable time on reasonable notice, as determined by MCCAC, for the audit and evaluation of the Project, the Municipality may be required to refund any and all payments received under the program, as well as forfeit any future payments under the program.

### 5.3 Inspection

If an AMSP Application is approved, for three years following the execution of the AMSP Implementation Funding Agreement, the MCCAC or its designees are entitled, at a reasonable time and upon reasonable notice to the Municipality, to attend the Project site for the purpose of examining items pertinent to the Project in order to assess whether the Municipality is in compliance with these program conditions, and to conduct other measurement and verification activities if necessary.

### **6.0 REMEDIES AND WARRANTIES**

### 6.1 Refunds

The Municipality shall immediately refund to MCCAC any payment received under the AMSP not in accordance with the AMSP Guidebook and the AMSP Implementation Funding Agreement upon notice being provided to the Municipality by the MCCAC. Failure to make repayment as required by MCCAC creates a debt owing to the Government of Alberta that can be offset against any money the Government of Alberta owes to the Municipality.

### 6.2 Right of Set-Off

The Municipality agrees that the MCCAC may off-set against any other grant or amount payable to the Municipality under any programs administered by the MCCAC any amounts that become repayable by the Municipality to the MCCAC under the AMSP.

### 6.3 False or Misleading Information

If the Municipality provides any false, misleading, or incomplete information under the AMSP, the Municipality shall forgo all rights to benefit from the AMSP.

### **6.4 Environmental Attributes or Products**

"Environmental attributes" means emission offsets, renewable energy certificates, renewable energy credits, and any and all other current or future credits, benefits, emissions reductions, offsets or allowances, however entitled, named, registered, created, measured, allocated or validated

- a. that are at any time recognized or deemed of value, or both, by any buyer, applicable law, or any voluntary or mandatory program of any government or other person and
- b. that are attributable to
  - i. generation by the Project and
  - ii. the emissions or other environmental characteristics of such generation or its displacement of conventional or other types of energy generation through the avoidance of environmental impacts on air, soil or water, including but not limited to the emission of greenhouse gases.



The Municipality or applicant will not register or claim any environmental attributes generated by the Project. The Municipality or applicant will not transfer or assign any rights, title and interests, if any, in all environmental attributes generated by the Project to any person. The Municipality or applicant warrants that no environmental attributes generated by the Project have been claimed, sold or otherwise transferred to a third party and that no other person has any claim to or ownership of the environmental attributes generated by the Project.

### 6.5 Limitation of Liability

MCCAC's sole liability is limited to paying the properly qualified incentives specified herein.

The Municipality acknowledges that any service provider, solar installation contractor, or other solar provider selected by the Municipality is not an agent, contractor or subcontractor of MCCAC.

MCCAC shall have no obligation to maintain, remove or perform any work whatsoever on the solar PV system or equipment installed.

Neither MCCAC nor any of its affiliates shall be liable to the Municipality or to any other party for a Service Provider's and/or installation contractor's failure to perform, for failure of the solar PV equipment to function, for any damage to the Municipality's premises caused by the service provider and/or installation contractor, or for any and all damages to property or injuries to persons caused by or arising from any activities associated with this program.



## **AMSP CHECKLIST**

Step 1: Submit the AMSP Expression of Interest
$\square$ Complete and submit the AMSP EOI at <u>www.mccac.ca/AMSP-expression-of-interest</u>
$\square$ Receive approval to proceed to Step 2 from the MCCAC
Step 2: Submit the AMSP Application
$\square$ Complete and submit the AMSP Application (Schedule "B") and all required attachments, available at
www.mccac.ca/programs/AMSP
Step 3: Sign the AMSP Implementation Funding Agreement
$\square$ Review, sign, and submit the AMSP Implementation Funding Agreement issued by the MCCAC upon
approval of the AMSP Application
Step 4: Project Construction
$\square$ Install and energize the Project within 8 months of signing the AMSP Implementation Funding Agreement
Step 5: Project Verification
$\square$ Notify the MCCAC of Project completion and provide necessary documentation
$\square$ Complete program evaluation
$\square$ Review, sign, and submit the AMSP Project Completion Statement issued by the MCCAC upon approval of
completion documentation
Step 6: Funding Disbursement
☐ Receive your AMSP rebate cheque from the MCCAC
CONTACT US
Questions about the program may be directed to:
Municipal Climate Change Action Centre
Alberta Municipal Place
300-8616 51 Avenue
Edmonton, AB T6E 6E6
780.433.4431
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