

# Nova Scotia Community Solar Program: Frequently Asked Questions

April 2024

This document summarizes the questions we have received, and the updates we have released, about the Community Solar Program for eligible project owners from November 2022 to present.

## Contents

Section 1: Community Solar Program Overview .....	1
Section 2: Community Solar Program Application Process .....	2
Section 3: Community Solar Program Evaluation Process .....	3
Section 4: Technical requirements .....	4
Section 5: Power Purchase Agreement (PPA) and Energy Rate .....	5
Section 6: Subscriptions .....	6
Section 7: Additional Information .....	7

## Section 1: Community Solar Program Overview

### What is the Community Solar Program?

The Community Solar Program is a new program in Nova Scotia to encourage the use of renewable energy.

Under this program, eligible project owners can apply to the program to build, own, and operate a community solar garden with a project capacity between 0.5MWac and 10MWac.

Eligible project owners include municipalities, towns, townships, villages, not-for-profits, First Nations, for-profit businesses, co-operatives, colleges and universities, or a partnership between any of the eligible entities.

If you are interested in establishing a community solar garden, and meet the program criteria, you can apply to the program. If your application is approved, you will enter into a power purchase agreement (PPA) with Nova Scotia Power Inc. (NSPI). The Minister of Natural Resources and Renewables will determine the Energy Rate at which NSPI must purchase the electricity from the project.

### Is a church eligible to apply as a project owner?

Yes, a registered church organization can apply as a project owner.

### Is a crown corporation eligible to apply as a project owner?

No.

### How does the Community Solar Program fit in with the existing solar programs?

The following solar programs already exist in Nova Scotia:

#### Net-metering Program

The Net-metering Program allows customers to generate solar energy for their own use, up to their annual consumption, by installing rooftop and/or ground mount solar installations.

The generation limits are as follows:

**Residential customers:** up to 27kW

**Small commercial customers:** 27kW to 200kW

**Large commercial customers (with demand charge on utility bill):** 200kW to 1000kW

Find more information at:

[Self-Generating Option | Nova Scotia Power \(nspower.ca\)](https://nspower.ca)

[Commercial Net Metering | Nova Scotia Power \(nspower.ca\)](https://nspower.ca)

### **Green Choice Program**

This program allows large energy users to connect directly to renewable energy suppliers. Find more information at <https://novascotiagcp.com>

## Section 2: Community Solar Program Application Process

### **When will the program open for applications from eligible project owners?**

The program opened March 1, 2024, and is currently accepting applications.

### **Will it be a competitive application process with a set deadline, or a rolling intake until the program capacity has been reached?**

The program has a rolling intake. We will continue to accept applications until we have reached the program capacity.

### **How can I prepare to apply for the program?**

Community solar gardens require considerable planning, including preliminary community engagement and readiness, and feasibility studies such as site selection, preliminary engineering design, and geotechnical studies.

Start by learning about the program's details, eligibility criteria, and benefits. Then start preparing your high-level financial projections and cash flows. Consider the size of your project, capital investments and operational costs, the land you propose using, and any land preparations and government permits you may require.

**Please note:** any investment you make prior to the program launch is at your own discretion and does not guarantee eligibility for the program or program approval.

### **How can I apply to become a project owner?**

- Download and complete the [Community Solar Program Application Form](#).
- Gather necessary documents, including the [Construction Plan, Financial Planning Template, and Risk Assessment Template](#).
- Review the [Final Checklist](#) to ensure all required information is included.
- Submit your application by email to [sharedsolar@novascotia.ca](mailto:sharedsolar@novascotia.ca)

### **Can a community solar project use separate legal entities or company names on the program application, interconnection request, and when signing the SSGIA and PPA?**

No. The project owner (the entity owning the project) and the entity selling energy through the PPA must be the

same. Consistency across all steps in the application and approvals process is required.

### What should I do after applying?

Ensure you receive the following communication from the Program Coordinator:

- **Application confirmation email:** you will receive an email within 1-2 business days of the application submission notifying you we have received your application. If you do not receive this e-mail within two days of submitting your application, please contact us at [sharesolar@novascotia.ca](mailto:sharesolar@novascotia.ca)
- **Confirmation of completed application:** you will receive an email within 1-5 business days of submitting your application notifying you whether your application is complete or incomplete. If your application is complete, it will be forwarded to the evaluation team. In case of an incomplete application, you will have 45 business days to submit the requested information, or you can resubmit the completed application when it's ready.

### Will there be any future rounds of the Community Solar Program?

We cannot provide a definitive answer at this time. No commitments have been made regarding future rounds of the Community Solar Program. Please stay tuned for updates.

## Section 3: Community Solar Program Evaluation Process

### How will projects be evaluated?

Your application will be evaluated based on:

- how prepared you are to implement your community solar project
- the long-term economic viability of your project
- how your project will benefit your community

The evaluation criteria, as outlined in the Program Guide (section 4), include both minimum criteria and a point-based assessment across various categories.

- **Minimum Criteria:** Applications must meet certain baseline requirements to be considered.
- **Points-Based Categories:** Applications are scored on the strength of specific aspects such as project benefits, partnerships, community engagement, environmental considerations and financial planning.

Your project must also fit within the available program capacity ([see Section 4](#)).

The Minister will review each application project and will offer a power purchase rate to successful applicants.

### How many projects will be approved?

The number depends on a variety of factors such as program capacity, the number of eligible applications received and individual project size.

### Can I apply as a project owner for multiple community solar gardens?

Yes. We will consider all applications on a case-by-case basis. However, this does not mean that one project owner will be awarded approval for multiple 10MWac solar gardens.

### When will I find out if my application is approved or rejected?

You can expect to receive notification about the outcome of your application within 45 business days of receipt of your application.

**If my project doesn't receive a Power Purchase Agreement (PPA), will there be a review with me?**

Yes, we will provide feedback on your application.

**Can I resubmit my project if it's not awarded a PPA initially?**

Yes, resubmission may be allowed.

## Section 4: Technical requirements

**What is the proposed capacity of the Community Solar Program?**

The program capacity for all community solar gardens combined is 100 MWac.

**What is the minimum and maximum capacity for individual projects?**

The individual project capacity must be between 0.5MWac and 10MWac.

Project size for each site will depend on multiple factors, including the hosting capacity, which will be determined by NSPI during the [Generation Interconnection Procedures | Nova Scotia Power \(nspower.ca\)](#). More information is available in the [Program Guide](#).

**Can projects be co-located on the same project site?**

Yes, smaller projects could be co-located on the same project site. Details such as these will be considered on a case-by-case basis during the program application process. However, the intention of the program is not to have multiple 10MWac projects owned by the same project owner on the same site. If two community groups want to co-locate on the same site, we suggest they consider forming a partnership for a larger project.

**Is the preliminary interconnection assessment required as part of the application?**

Yes. If your interconnection request is deemed valid, NSPI will proceed with a preliminary assessment which will identify any potential adverse system impacts that would result from the interconnection of the generating facility. Project owners will receive an order of magnitude estimate to be provided in their financial model for their application to the program. Applicants are required to submit their completed preliminary assessment with their program application.

**What is the timeline for developing a solar garden to achieve commercial operation?**

During the application process, utilize the [construction plan](#) template which can assist you with estimating a the commercial operation date.

**Is my project required to connect to the distribution system?**

No, projects are not required to connect only to the distribution system. Transmission connected projects are still eligible to apply for the program. It is likely that most program applicants will proceed with the Distribution Generator Impact Procedures (DGIP) process. The SGIP for transmission interconnection procedures is typically a much longer process. If transmission impacts are identified during your Preliminary Assessment, you can work with the System Operator to discuss potential timelines and economic viability of proceeding with the DGIP or SGIP.

**Please Note:** All projects must first submit and Interconnection Request and receive a Preliminary Assessment from NSPI.

**Are projects eligible if they are required to connect to the transmission system?**

If transmission impacts are identified during the Preliminary Assessment, the applicant will have the option to proceed with the next steps of the feasibility study, as a part of the Standard Generator Interconnection Procedures (SGIP Process). This requires paying a \$15,000 deposit to proceed. The feasibility study will provide the applicant with an estimate of expected costs, but is not as robust as completing the full System Impact Study (SIS). The SIS is not completed until after a project receives approval. For transmission interconnected projects, a completed feasibility study will be required as a part of your application to the Community Solar Program.

**Please Note:** proceeding with the feasibility study as a part of the SGIP process is at the risk of the project owner and does not guarantee program approval.

**Section 5: Power Purchase Agreement (PPA) and Energy Rate****What will be the Energy Rate awarded to successful project applicants?**

You will be asked to propose an Energy Rate in the financial template as a part of your application. This is the rate at which Nova Scotia Power will purchase electricity from your project.

If your application is successful, the Minister will determine the rate at which NSPI must purchase the electricity from your project on a set of criteria that include the following:

- your proposed Energy Rate in your program application
- the long-term economic viability of your project
- the benefits your project will bring to your community
- the impact (if any) your project has on rate payers

All proposed power purchase rates through the program will be a minimum of \$70.00/MWh.

**Will there be one Energy Rate awarded to all projects, or will the rate vary for each project?**

The Energy Rate paid by NSPI to project owners to purchase electricity will vary based on each project.

**What administrative fees are associated with the Power Purchase Agreement (PPA) in the community solar program?**

The PPA in the community solar program includes a fixed administrative fee for NSPI that does not exceed \$5.00 per megawatt-hour (MWh) of electricity purchased by NSPI. In the financial template for the application, we assumed \$3.00 per megawatt-hour (MWh) for each project. The actual administrative cost will be issued based on project size and the number of subscribers.

**Does the Community Solar Program allow for an escalating Energy Rate?**

The awarded Energy Rate will be fixed for the term of the power purchase agreement (25 years).

**Will project owners be able to set their own retail rate for subscribers, and or charge a subscription fee?**

No. The Energy Rate awarded to project owners will be the only source of revenue for the project. All costs related to the project will be considered and accounted for in the awarded Energy Rate. Subscribers continue to be billed at their existing rate, and Nova Scotia Power will directly apply a \$0.02/kWh credit to subscriber's bills.

## Section 6: Subscriptions

### **How will projects find subscribers?**

Project owners will be required to engage and retain their own subscribers.

### **Who can be a subscriber?**

Any existing customer of Nova Scotia Power can be a subscriber. Subscribers cannot be participating in net metering or the self-generation option.

### **Do subscribers need to be located within the same distribution zone as the project?**

Subscribers may be located anywhere within the province.

### **How will existing NSPI customers apply to become subscribers?**

The Community Solar Team at Department of Natural Resources and Renewables is creating a standard subscriber application form that they will share with approved project owners at a later date. The processes are still being developed, but it is likely that project owners will create their own webpage and or develop their own process for managing subscription applications. The exact processes for onboarding subscribers, from application, to approval, and billing by NSPI, are in development and will be shared once finalized.

### **How is subscription size determined? Can subscription be sold?**

Subscribers choose how much of their electricity usage they want to offset with solar. This can range from 10 per cent to 100 per cent. The actual size approved for each subscriber will be determined based on their choice of solar offset %, nameplate capacity availability, and a determination by Nova Scotia Power of the subscription size, in kilowatts (kW), that the subscriber requires.

### **How many subscribers will each community solar garden be required to have?**

Community solar gardens are expected to have at minimum:

- Two subscribers
- 25% of the nameplate capacity subscribed to by residential customers and maintain at least 85% of the nameplate capacity of the project subscribed during the term of the PPA, beginning one year after the commercial operation date.

### **What are the benefits to becoming a subscriber?**

Each month, subscribers will receive a monthly credit of \$0.02/kWh based on the actual amount of energy generated by the solar garden they are subscribed to in proportion to their subscription size as a percentage of the solar garden's nameplate capacity.

### **How will subscribers be credited?**

Nova Scotia Power is responsible for crediting subscribers on their electricity bill. Details of the process are in development and will be shared once finalized.

### **Is it free for subscribers to subscribe to the community solar garden?**

There are no application fees or subscription fees for being a subscriber. Subscribers receive solar energy credits as a discount on their electricity bill. Subscribers are still responsible for paying the remaining electricity usage that is not covered by the solar garden subscription, in addition to the regular monthly base fee (and any other fees and tariffs required).

**What resources are available to share with subscribers?**

Infographics for subscribers are available at <https://energy.novascotia.ca/sites/default/files/size-community-solar-garden-subscription.pdf>

## Section 7: Additional Information

**How can I finance my community solar garden project?**

Projects will require a mix of funding, grants, equity, and financing. We're actively exploring opportunities, including the creation of a provincial funding program. Only approved projects will be considered for this funding. Further information about the provincial funding program will be released once finalized.

Any investment you make with your own money or external funding **before program approval** is at your own risk and **does not guarantee eligibility** for the program.

**Will the provincial funding program be stackable?**

It is anticipated that the provincial funding program will be stackable with other funding programs. However, each program will have their own requirements, which may not include an ability to stack with other programs.

**Will there be a webpage where I can access information about becoming a project owner and/or a subscriber?**

Yes. Our program website has launched. Visit <https://energy.novascotia.ca/renewables/community-solar-program>

**Will there be an opportunity for additional input from stakeholders?**

No additional consultations are planned at this time. The program was designed based on considerable input from stakeholders. That input included:

- stakeholder engagement sessions held in 2021 by Clean Foundation, who were contracted by Natural Resources and Renewables for that purpose
- best practices and learnings from community solar projects in multiple jurisdictions and geographical areas across Canada and internationally
- an online survey that was sent to a cross-section of stakeholders in March 2023
- one-on-one consultations with multiple stakeholders that have been ongoing since 2021

**How can I contact the program team?**

About the program, email us at [sharedsolar@novascotia.ca](mailto:sharedsolar@novascotia.ca)

About the interconnection process, contact Nova Scotia Power at [communitysolar@nspower.ca](mailto:communitysolar@nspower.ca)