

## Federal Initiative for Renewable and Storage Technologies (FIRST)

**Time Frame:** January 2020 – June 2020

**Contribution Required to Participate:** \$5,000

### Project Aim and Objectives

The aim of this strategic project, the *Federal Initiative for Renewable and Storage Technologies (FIRST)*, is to proactively work with the Federal government officials and departments to advocate for policies and programs that will capture near-term and long-term market development opportunities for solar and energy storage technologies across Canada. In particular, the FIRST project will focus on the following objectives:

1. Secure near-term (2020-2021) front of the meter opportunities for solar energy technologies
2. Secure near-term (2020-2021) behind the meter opportunities for solar and energy storage technologies, within the residential, commercial and industrial rooftop sectors.
3. Advocate for a legislative framework for the continued long-term advancement of renewables and energy storage technologies (e.g. Canadian Electrification Strategy and Net-Zero by 2050 target)

To meet these objectives, we will pursue the following specific target outcomes over the first six months of 2020:

Q3 2020 Target Outcome	Potential value in new capacity by 2022
Secure clearly defined procurement opportunities for utility-scale generation to offset federal government operations within the Greening Government framework	400-500 MW in procurement opportunities potentially available to wind and solar
Secure clearly defined procurement opportunities for BTM solar capacity on federal premises within the Greening Government framework	Up to 100 MW of solar (e.g. additional 750 systems of 130 kWp)
Establish specific criteria/allocations for BTM solar within the \$100 million CMHC energy efficiency retrofit loan backstop program, as well as the integrated bilateral agreements with the provinces under the Pan Canadian Framework	30,000+ new solar homes across Canada through CMHC backstop program; 50 MW in new solar and storage capacity for remote and northern communities
Put forward specific proposals for smart grid innovation pilot projects to be delivered under the FCM grant and Clean Power funds (>\$6 billion total)	10s of MWs in potential location-specific solar and storage capacity, including both BTM and utility-scale, plus longer-term opportunities to prove concepts re: integrating large volumes of solar and storage
Produce thought leadership piece on national electricity decarbonization pathway toward 2050 Net Zero target	Longer-term value to industry

Considering CanSIA and CanWEA's upcoming amalgamation on July 1, 2020, the CanSIA FIRST strategic project will collaborative with CanWEA to align messaging in joint submissions to the federal government.

To learn more about this or other Strategic Projects and how your company can participate, please contact Julie Mair, Membership & Business Development Manager by email at [julie@cansia.ca](mailto:julie@cansia.ca) or by phone at 613-736-9077 x230.

## Industry Context

The unique circumstances of the re-election of the Liberals to a minority Government creates an unprecedented policy opportunity for solar and energy storage in Canada. As the recent Speech from the Throne stated, “A clear majority of Canadians voted for ambitious climate action now, and that is what the Government will deliver.”

The Liberals’ reliance on NDP, the Bloc, and possibly even Green Party support to pass legislation, and the uncertain timeline inherent in a minority Parliament, increases the likelihood that the scale of climate policy ambition and speed of implementation will be significantly increased compared to the preceding four years. There will be extraordinary pressure on the Government to drive investment, create energy jobs, and achieve emissions reductions.

There are a wide range of policy opportunities either already available or on the near-term horizon. Canada’s solar and energy storage industries, including the residential, commercial, industrial and utility-scale sectors, are all exceptionally well-positioned to leverage the federal political landscape. Our collective, cross-industry voice could make a significant difference in terms of shaping program design and policy direction, as well as accessing available capital.

Now is the time for our industry to think big, aim high and take decisive action to seize this opportunity!

## Scope of Work and Deliverables

This 6-month projects will build upon CanSIA’s previous federal advocacy efforts with an eye to capitalizing on this immediate opportunity with this new government, leveraging Canadian’s support for climate action and renewable energy.

We envision these opportunities for front-of-meter and behind-the-meter generation (Objectives 1 & 2), alongside the pursuit of a legislative framework for the continued long-term advancement of renewables and energy storage technologies (Objective 3) as being realized through 3 high-level projects:

# 2019-2020 Strategic Projects

Project:	Description:	Objective:
<p><b>Project 1: Driving deployment through Public-Sector PPAs (Objectives 1 &amp; 2)</b></p>	<p><b>Public sector PPAs:</b></p> <p>The Greening Government initiative, announced November 2016 and launched December 2017, commits the Federal Government to a 40% cut in greenhouse gas emissions from all government operations, (including facilities and fleets) by 2030 or earlier, and an 80% cut by 2050.</p> <p>Through the Initiative, the Government has committed that departments will use 100% clean electricity by 2025 by purchasing megawatt hours of renewable electricity.</p> <p>The program remains far behind schedule, with Government reportedly struggling to get money out the door, with pressure mounting to deliver results.</p>	<ol style="list-style-type: none"> <li>1. Provide Public Works and Government Services Canada with detailed options and guidance on procurement approaches, including indicative project specs and cost ranges; Determine the potential size of the procurement opportunity through different generation mix/regional deployment approaches</li> <li>2. Establish clearly defined procurement opportunities Government to deliver at least 500 MW of net new renewable generation capacity, to be deployed by 2022 (per the accelerated timeline announced by the Government), through a mix of both: <ul style="list-style-type: none"> <li>- 400 MW of front-of-meter capacity, with particular focus on AB in recognition of both resource availability and grid carbon intensity</li> <li>- 100 MW of Behind-the-meter capacity, including on-site generation at military bases, federal prisons and other large-scale sites, as well as administration buildings</li> </ul> </li> </ol>
<p><b>Project 2: Accessing New Resources for Renewable Energy Deployment and Innovation (Objectives 1 &amp; 2)</b></p>	<p>The Federal Government has announced a suite of federal regulatory and market-based instruments, at varying stages of development and implementation, aimed at driving new renewables deployment across Canada. These include:</p> <ul style="list-style-type: none"> <li>- \$1.1 billion in distributed energy resource and energy efficiency funding to be delivered by the Federation of Canadian Municipalities</li> <li>- Potentially \$100s of millions in specific allocations for both Green Infrastructure and Northern Infrastructure (including more efficiency and/or reliable energy) within the Integrated Bilateral Agreements with the provinces</li> <li>- \$Billions in proceeds from the Output-Based Pricing System</li> </ul>	<ul style="list-style-type: none"> <li>- Where there remains scope to influence program design, work to establish eligibility criteria that are highly favourable to solar, renewables and energy storage, including: <ul style="list-style-type: none"> <li>o FCM grant proposals (working collaboratively to identify specific projects for each region, and with particular focus on demonstrating enabling smart grid technologies and applications, and deploying energy storage and other enabling infrastructure for greater RE integration</li> <li>o Proposals for provincial bilateral agreements on green/northern infrastructure</li> <li>o High-ambition options for use of the Clean Power Fund, including particular focus on energy storage R&amp;D and smart grid innovation</li> <li>o Specific proposals for CMHC program criteria, including eligible projects, solar installer quality</li> </ul> </li> </ul>

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	<ul style="list-style-type: none"> <li>- A new \$5 billion Clean Power Fund to be administered by the Canada Infrastructure Bank (announced in the 2019 Liberal platform)</li> <li>- Four \$100 million long-term funds to be administered by CMHC to match/backstop private capital investment in building energy efficiency retrofits</li> </ul>	certification, consumer protection, and overall program goals
<b>Project 3: Shaping the Electricity Decarbonisation Agenda (Objective 3)</b>	The Federal Government remains in the early stages of planning on how to deliver on the Net Zero by 2050 pledge, and are currently opening up the consultation process to experts and stakeholders.	<ul style="list-style-type: none"> <li>- Work with the Federal Government to establish national targets for renewable energy deployment, and ensure specific provisions for electricity decarbonisation within the forthcoming Net Zero/carbon budget legislation</li> <li>- In consultation with members and industry-leading external experts, produce a whitepaper articulating a clear policy position on carbon offsetting with renewable electricity generation in Canada, and the scope for greater coordination within a “national offset framework”</li> </ul>

### Proposed High-Level Workplan

Anticipated Milestones	Completion Date
Strategic planning meetings with Advisory Committee to determine priorities (e.g. recommendations and submissions)	January, 2020
Meetings with government officials regarding near-term / previous commitments	Ongoing, particularly throughout Feb/March 2020
(Project 1) - Providing supporting documentation on Greening Government process, alongside specific proposals for eligible projects under our proposed criteria	First information/proposals in by March 6, 2020
(Project 2) - Finalize CanSIA policy and program submissions and recommendations for: <ul style="list-style-type: none"> <li>- FCM grants, Clean Power Fund, CMHC retrofit funding, and Bilateral provincial agreements on carbon pricing revenue allocation (e.g. Clean Action Incentive Fund, etc.)</li> </ul>	Specific proposals for each program to be completed and approved by the group by March 20, further refinement over March/April in consultation with government and stakeholders

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## 2019-2020 Strategic Projects

(Project 3) - Whitepaper development and launch – Setting the electricity decarbonisation agenda for Canada	Consultant hired by Feb. 17; Whitepaper launched week of May 18 with panel event/reception
Participate in government meetings and consultations (e.g. near-term, mid-term, long-term initiatives as necessary)	Ongoing January - June 2020
Update meetings with Advisory Committee (E.g. bi-weekly) on policy and program progress	Ongoing January - June 2020

### Project-Specific Opportunities

Participants, by leading the Advisory Working Group, will have the opportunity to contribute their industry knowledge and expertise to ensure that positions align with contributing company priorities and the broader needs of the industry. Participants will receive regular briefings on CanSIA's government relations activities and research undertaken by external consultants, be asked to participate in the development of industry recommendations and may have an opportunity on an as needed basis to participate in meetings with key federal government decision-makers.

### Funding Commitment and Allocation

The funding requirement from each company to participate is \$5,000. The majority of the funds will be directed towards government relations support and research/analytics support if applicable.

### CanSIA Influencers

CanSIA's Strategic Projects rely exclusively on the contributions of participating companies who deserve recognition for their contribution to the industry. CanSIA Members who contribute to and participate in this and other Strategic Projects will be recognized as CanSIA Influencers and access additional benefits.