
FAIR TRADING COMMISSION

BARBADOS

FTCUR/FITORD2019

FAIR TRADING COMMISSION

IN THE MATTER of the Fair Trading Commission Act, CAP.326B of the Laws of Barbados;

AND IN THE MATTER of the Utilities Regulation Act, CAP.282 of the Laws of Barbados;

AND IN THE MATTER of the Utilities Regulation (Procedural) Rules, 2003 and the Utilities Regulation (Procedural) (Amendment) Rules, 2009;

AND IN THE MATTER of the Electric Light & Power Act, 2013-21;

AND IN THE MATTER of the Decision of the Fair Trading Commission dated September 24 2019 on Feed-in-Tariffs for Renewable Energy Technologies up to and including 1MW.

BEFORE:

Mrs. Tammy Bryan
Mr. Brian Francis
Mr. John Griffith
Ms. Ruan Martinez
Mr. Samuel Wallerson

Chairman
Commissioner
Commissioner
Commissioner
Commissioner

ORDER

WHEREAS the Government of Barbados in the National Energy Policy 2019-2030 has outlined a roadmap for transitioning the country from a fossil fuel dependent nation to one that is 100% RE based and carbon neutral.

AND WHEREAS the Commission has undertaken to determine a pricing framework for RE technologies for installations sized up to and including 1 MW pursuant to its powers under Section 4(3) (a) of the Fair Trading Commission Act, CAP. 326B

AND WHEREAS in recognition of the issues that have been considered and determined throughout the Consultation on Feed-in-Tariffs (FITs) for Renewable Energy Sources;

AND UPON READING AND CONSIDERING the written submissions of The Barbados Light and Power Company Ltd (BL&P); The Barbados Renewable Energy Association (BREA); Mr. Hallam Hope (CARITEL); Mr. Michael Ray, Mr. Khalid Grant (Solar Genesis), Blackstone Megawatt Energy Services Inc. and Williams Industries;

IT IS HEREBY ORDERED AS FOLLOWS THAT:-

- I** The effective start date for the FIT programme shall be October 1, 2019. The applicable categories, rates and capacity allocations shall be as set out at paragraph IV hereof and shall remain in effect until December 31, 2021 or until such time as the expiration of the capacity, stated herein, whichever comes first. Thereafter the rates shall be reviewed annually. New rates shall be announced three (3) months prior to the end of each review period.
- II** All terms shall remain constant for the duration of the 20-year contract. New or revised terms, conditions and tariff prices shall only be applicable to new projects entering the market in future programme years.

III The FIT shall be based on a 20-year fixed tariff with no front loading and differentiated by technology and size. The tariff is based on the LCOE, using a multi-criteria approach according to the guidelines espoused in the BNEP.

Fit Policy Design

FIT Policy Element	RE Systems up to 1 MW
Proposed Effective Date	1/10/2019
Rate: Fixed, Tiered or Variable Options	Fixed
Rate: Differentiated by Technology & Size	Yes
Tariff Duration	20 years
Administratively-Determined or Competitively-Bid	Administratively-Determined
Presumed Off-taker	BL&P
Quantity Covered by FIT	100% of output
Periodic Review of Rates and MW Allocation	27 months initially, thereafter, annually

FITs Differentiated by Technology and Size (Up to and including 1 MW)

Technology Category	Size Category
Solar	Up to 10 kW
Solar	Above 10 kW to 100 kW
Solar	Above 100 kW to 250 kW
Solar	Above 250 kW to 500 kW
Solar	Above 500 kW to 1 MW
Land-Based Wind	Up to 10 kW
Land-Based Wind	Above 10 kW to 1 MW
Anaerobic Digestion	Up to 1 MW
Solid Biomass	Up to 1 MW

IV The applicable categories, rates and capacity allocation shall be as outlined below:

Technology, Size Category	Oct. 1, 2019 - Dec. 31, 2021 FIT (BDS cents/kWh)	Oct. 1, 2019 - Dec. 31, 2021 Allocation (MW)
Solar, Up to 10 kW	42.75	5
Solar, Above 10 kW to 100 kW	44.75	
Solar, Above 100 kW to 250 kW	41.75	8
Solar, Above 250 kW to 500 kW	38.25	
Solar, Above 500 kW to 1 MW	36.25	12.7
Land-Based Wind, up to 10 kW	39.75	3
Land-Based Wind, Above 10 kW to 1 MW	38.25	
Anaerobic Digestion, Up to 1 MW	44.25	2
Solid Biomass, Up to 1 MW	52.25	2
Total Allocation		32.7

V Capacity shall be allocated on a first come first served basis.

VI The total MW to be allocated for the period October 1, 2019 to December 31, 2021 of the FIT programme is 32.7 MW, with the addition of any roll-over from the transition period (capacity allocated prior to September 27, 2019). Any un-utilised capacity shall rollover from one (1) iteration of the FIT to the next.

VII Current RER customers will be grandfathered and maintain their existing arrangements for the period of twenty (20) years commencing from the system's original commissioning date.

VIII Under the FIT programme, systems of 3 kW or less shall utilise the “sale of excess” billing arrangement at the appropriate rate, while those above 3kW and up to 1 MW shall use the “buy all/sell all” mechanism.

IX A multiplier of 10% in the first iteration of the FIT programme shall apply to all Community - Shared RE Projects. The criteria for Community - Shared RE Projects shall be: 1) a minimum of fifteen (15) residential customer investors, and 2) no single entity owning more than 50% of a single project.

X The maximum allowed duration between project licensing and COD is determined according to technology as follows:

- **Solar up to 1 MW: 12 months**
- **Wind up to 1 MW: 12 months**
- **Anaerobic Digestion: 36 months**
- **Solid Biomass: 36 months**

One (1) 6-month extension is allowed for solar and wind up to 1 MW, with no security, and no opportunity for further extension. For anaerobic digestion and solid biomass up to 1 MW one (1) 12-month extension is allowed, with no security, and no opportunity for further extension.

XI Only one (1) FIT project per parcel of land is allowed.

XII The FIT includes the purchase by the BL&P of all present and future commodities and/or environmental attributes generated by the project - including energy capacity, RECs or other commodities that may exist now or in the future. All rights, titles and interests in RECs shall be affirmatively purchased as part of the FIT and retained/retired so as to be counted towards the achievement of Barbados’ RE goals. Further, the resale of RECs by the BL&P to fulfill any other claims or commitments, or for financial gain in international markets is not allowed.

XIII At the end of the 20-year FIT contract period, a new contract would need to be negotiated based on the existing value of the assets, the avoided cost of fuel or such other factors as may be determined by the Commission, in its sole discretion, at that time.

Dated this day of September 2019.

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Tammy Bryan
Chairman

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Brian Francis
Commissioner

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John Griffith
Commissioner

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Ruan Martinez
Commissioner

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Samuel Wallerson
Commissioner