
FAIR TRADING COMMISSION

BARBADOS

FTCUR/DECFIT/2020-01

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 30, 2020 on Feed-in-Tariffs for Renewable Energy Technologies over 1MW and up to and including 10MW.

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 Barbados National Energy Policy 2019-2030 (BNEP) has outlined a roadmap for transitioning the country from a fossil fuel dependent nation to one that is 100% renewable energy (RE) based and carbon neutral;

AND WHEREAS the Commission has undertaken to determine a pricing framework for RE technologies for installations sized above 1 MW and up to and including 10MW pursuant to its powers under Section 4(3) (a) of the Fair Trading Commission Act, CAP. 326B and Section 24B(1) of the Utilities Regulation Act, CAP. 282;

AND WHEREAS in recognition of the issues that have been considered and determined throughout the Consultation on Feed-in-Tariffs (FITs) for RE 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.; Williams Industries; consultation with local financial and insurance institutions; consultation with the Inter-American Development Bank; and the Commission's own research;

IT IS HEREBY ORDERED THAT:-

- I The effective start date for this extension of the FIT programme shall be October 1, 2020. The applicable categories, rates and capacity allocations shall be as set out at paragraph IV hereof. The rates to be applied to all new projects sized over 1MW up to 5 MW shall remain applicable for eighteen (18) months**

until March 31, 2022. However, should there be a material change to the market, such as the exhaustion of capacity, a review may be undertaken earlier. The rates for all new projects sized over 5 MW up to 10 MW shall remain applicable for seven (7) months until March 31, 2021 or until such time as a competitive procurement framework is established.

- II All terms of all FITs procured under this decision shall remain constant for the duration of the 20-year contract.
- 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. See Tables below.

Fit Policy Design

FIT Policy Element	RE Systems above 1 MW up to and including 10 MW
Proposed Effective Date	October 1, 2020
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

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

Technology, Size Category	October 1, 2020 – March 31, 2022 FIT (BDS cents/kWh)	October 1, 2020 – March 31, 2022 Allocation (MW)
Solar PV, above 1 MW and up to 5 MW	23.25	30
Land-based Wind, above 1 MW and up to 5 MW	22.25	10
Total Allocation		40

Technology, Size Category	October 1, 2020 – March 31, 2021 (BDS cents/kWh)	October 1, 2020 – March 31, 2021 Allocation (MW)
Solar PV, above 5 MW and up to 10 MW	21.75	25
Land-based Wind, above 5 MW and up to 10 MW	20.25	10
Total Allocation		35

- V The capacity refers to AC current. Any unutilised capacity shall be transferred from one technology to the other, where applicable.
- VI Under this extension of the FIT programme the billing arrangement shall be “Buy all/Sell all”.
- VII At the end of the 20-year FIT contract period, a new contract will 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 29th day of September 2020.

Original Signed by

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Tammy Bryan
Chairman

Original Signed by

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Brian Francis
Commissioner

Original Signed by

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John Griffith
Commissioner

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Ruan Martinez
Commissioner

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Samuel Wallerson
Commissioner