
POLICY STATEMENT

Qulliq Energy Corporation (QEC) supports the development and expansion of renewable energy sources in Nunavut's electricity supply. QEC endeavors to strengthen the reliability and affordability of electricity in Nunavut by facilitating collaboration between the Corporation and Commercial and Institutional Power Producers (CIPP). This includes providing opportunities to develop local electricity resources which best serve the long-term interests and self-reliance of Nunavummiut and for QEC to buy such electricity without increasing the cost of electricity to its customers.

GUIDING PRINCIPLES

Piliriqatigiinniq/Ikajuqtigiinniq (working together for a common cause): this program requires the input and effort of multiple partners throughout the territory to reduce harmful emissions and increase economic opportunities.

Qanuqtuurniq (being innovative and resourceful): this program utilizes new energy technologies that rely on renewable sources available in Nunavut which can be integrated into current electrical systems.

Avatittinnik Kamatsiarniq (respect and care for the land, animals, and the environment): this program will reduce harmful emissions through the expansion of renewable energy projects in the territory.

APPLICATION

This policy applies to commercial and institutional customers who want to generate electricity from eligible renewable energy sources installed on-site and sell it exclusively to QEC at the avoided cost of diesel or such other price as QEC may be able to offer in the future.

DEFINITIONS

Eligible energy sources: are renewable sources authorized for CIPP projects including, but not limited to: wind, solar, biomass, hydro, tidal, and geothermal and such other energy sources as QEC may from time to time designate as such.

Generation and Connection Agreement: is an agreement that a CIPP power producer signs with QEC after the renewable power generating facility has been built and is ready to be connected to the QEC power distribution system.



Interconnection study: is a detailed assessment of a project’s impact to the electrical grid. The results of this assessment include a technical report outlining project feasibility, technical specification needed for the project, and impacts the project would have on the distribution system.

Power Purchase Agreement (PPA): is a legal contract between a CIPP and QEC that details the commercial terms, as well as each party’s legal obligations and rights in respect to the sale of energy from a renewable generation facility to QEC.

On-site: is the address associated with the existing commercial and institutional customer’s account.

Technical Interconnection Requirements (TIR): is a document establishing criteria and standards that must be met in order to ensure that new renewable generating facility interconnections do not adversely affect the safety, quality, or reliability of QEC’s distribution system.

ROLES AND RESPONSIBILITIES

Qulliq Energy Corporation (QEC)

In administering the CIPP Program, QEC shall:

- Develop and maintain a document which outlines Technical Interconnection Requirements (TIR) for safety, reliability, and power quality;
- Review CIPP technical designs and operating requirements;
- Develop all commercial terms for generating facilities that outline the capacity for generation and the purchase price; and
- At its sole discretion, reserve the right to disconnect a CIPP’s generating facility for reasons including – but not limited to – safety, operation, maintenance, or reliability, as outlined in the PPA.

Commercial and Institutional Power Producer (CIPP)

In participating in the program, CIPPs shall:

- Meet QEC’s interconnection requirements for safety, reliability, and power quality as outlined in the TIR;

APPROVAL DATE:

March 1, 2021



- Adhere to good engineering standards and operating practices as established by QEC, as well as national codes and standards;
- Be responsible for obtaining and maintaining all Government of Nunavut electrical inspection permits and all required approvals;
- Be subject to inspection and approval of their generating facilities design, equipment, and operating requirements;
- Be responsible for all costs associated with required system modifications, and connection infrastructure as determined by QEC;
- Be responsible for all costs related to interconnection studies and administrative work associated with the installation of the proposed project;
- Enter into a Power Purchase Agreement with QEC;
- Enter into an Generation and Connection Agreement with QEC; and
- Design, construct, install, commission, operate and maintain ownership of the renewable generating facility including paying all costs associated with operation, maintenance, and decommissioning.

PROVISIONS

1. Parameters of the CIPP Program

Existing institutional and commercial customers can apply to the CIPP Program at any time. All generation must take place on site and be sold to QEC in its entirety. CIPP proponents will purchase electricity from QEC for their own use at applicable local community rates.

The total allowable community power generation capacity varies by community, and will be based on a technical assessment.

2. Eligibility Requirements

Those applying to the CIPP Program must provide their proposed project's energy source, capacity, and location and any other facility related data as requested by QEC, as well as identify the owner or representative of the establishment.



Following an initial assessment, QEC will initiate an Interconnection Study. This will require the applicant to provide technical details of the system and a deposit for costs incurred in undertaking the Interconnection Study.

The total renewable energy generation capacity which may tie into a community's power system shall not exceed the amount specified in the TIR. No new applications will be approved once the defined limit has been reached.

3. Technical Interconnection Requirements (TIR)

The TIR are the technical aspects that must be considered to successfully complete a CIPP project. These considerations ensure the safety, reliability, and efficiency of the CIPP facility. The CIPP connection must not adversely impact QEC's electrical grid.

4. Commercial Terms of Reference

The commercial terms identify and define the parameters of key conditions of a PPA between CIPPs and QEC. All CIPPs must adhere to the conditions outlined in the commercial terms. The commercial terms outline particular areas of the agreement including:

- Cost responsibilities;
- Contract duration;
- Purchase price;
- Design and permit compliance; and
- Termination of contract.

PREOGATIVE OF EXECUTIVE COUNCIL

Nothing in this directive shall in any way be construed to limit the prerogative of Executive Council to make decisions or take action respecting independent power production and the Government of Nunavut, outside the provisions of this policy.

SUNSET

This policy shall be in effect from the date of signature until March 1, 2026