

## Questions about insurance?

### Call us.

British Columbia, Saskatchewan and Manitoba  
Toll-free: 1-877-772-3777 ext. 222  
Hours: M-F 9:00 a.m. – 4:00 p.m.

Alberta and the North  
Toll-free: 1-800-377-6378  
Hours: M-F 8:30 a.m. – 4:00 p.m.

Ontario  
Toll-free: 1-800-387-2880  
Hours: M-F 8:00 a.m. – 5:00 p.m.

Quebec  
Toll-free: 1-877-288-4321  
Hours: M-F 8:30 a.m. – 4:30 p.m.

Atlantic  
Toll-free: 1-800-565-7189 ext. 227  
Hours: M-F 8:30 a.m. – 4:30 p.m.

[www.abc.ca](http://www.abc.ca)  
[www.getintheknow.abc.ca](http://www.getintheknow.abc.ca)

 @InsuranceBureau

 [youtube.com/user/insurancebureau](https://www.youtube.com/user/insurancebureau)

Insurance Bureau of Canada is the national trade association for Canada's private home, car and business insurers.



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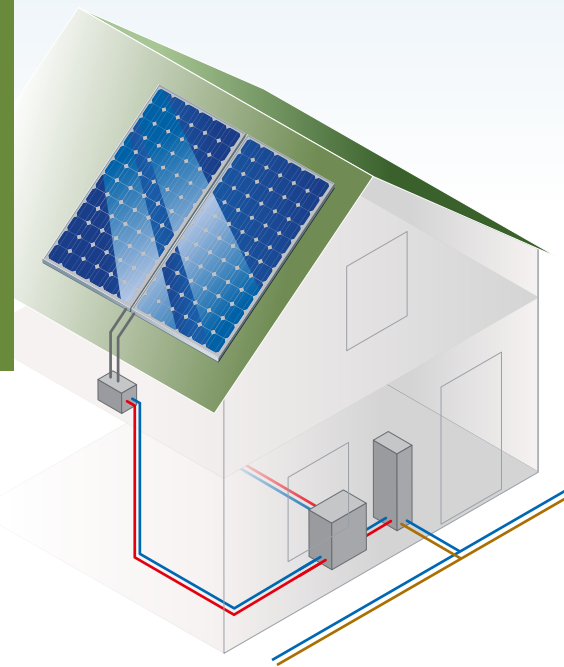
The information provided in this brochure is intended for educational and informational purposes only. Please consult the appropriate qualified professional to determine if this information is applicable to your circumstances.

## Insuring your renewable energy project in Ontario

### TIPS FOR PARTICIPANTS IN THE MICROFIT PROGRAM



HOME INSURANCE → VISIT IBC.CA



### Thinking about participating in Ontario's microFIT Program?

#### Already involved?

#### **DON'T FORGET ABOUT INSURANCE!**

You will need to protect your investment and get coverage for the renewable energy installation itself and for your home or business.

Talk to your broker or agent early in the process to get a clear idea of your potential insurance requirements and to understand how insurance will factor into the ongoing costs of your project. As this is a new program, not all insurance companies offer this coverage. Therefore, you may have to shop around.

#### **Your insurance needs will depend on the way you participate.**

There are several types of renewable electricity generation projects – solar, wind and water power projects. To date, solar panels have proven to be the most popular with participants.

No matter what option you choose, each has its own special insurance considerations. Your insurance provider can help you make sure you have the right coverage to meet your needs.

For example, you may need coverage for the following scenarios:

- Loss or damage to any solar panels or equipment on your property due to theft, fire, wind or other perils;
- Loss of income due to the interruption of the generation and sale of energy caused by loss or damage to your property;
- Liability for any potential loss or damage to a third party, such as a solar developer or renewable energy installer, or the local energy distribution company.

There are several different ways to participate in the microFIT Program, each of which involves different risks and benefits:

- Own your own project.
- Lease your property.<sup>1</sup>
- Lease equipment.
- Participate in a project in your neighbourhood.



#### *Best advice?*

**Talk to your insurance representative.**

<sup>1</sup> This arrangement is not currently permitted under the microFIT Program. As of August 2010, the Ontario Power Authority has created an advisory panel to develop a new program stream for those who wish to lease their property to a third-party solar developer.



# WHAT YOU SHOULD KNOW...

## 1 You may need a separate policy.

Your home or business insurance policies may not provide coverage for loss or damage to a rooftop or ground-mounted solar panel, or loss of business income earned through the program. You may wish to purchase a separate policy or an extension to your current policy to cover your project.

## 2 The project adds value to your property.

Renewable energy projects add significant value to your property, which has additional insurance implications.

Most comprehensive home or business insurance policies require you to report any renovations or upgrades that impact the value of your property. It is important to speak to your broker or agent before construction begins to make sure that you are adequately protected in the event that you suffer loss or damage to your home or business.

## 3 Community project? You may still need insurance.

If you choose to develop a microFIT project in collaboration with members of your community, the community organization that serves as the microFIT contract holder would be responsible for obtaining insurance for the microFIT installation. However, your insurance professional may recommend that each person also carry insurance for any loss of income or damage to property that is held jointly.

## 4 Remember to think about liability.

Review all contract language carefully before entering into an agreement with a local energy distribution company, solar developer or renewable energy installer. You may also consider consulting with a lawyer. The specific sections of the contract related to liability may impact the responsibility you carry for any loss or damage to you or others resulting from your participation in the microFIT Program.



If you choose to work with a solar developer who can install and maintain your solar panel, make sure the developer has a minimum amount of \$1,000,000 commercial general liability insurance to cover any problems that might arise.

Consider your liability for any potential loss or damage to a third party, such as a solar developer or renewable energy installer, or the local energy distribution company.

### More questions?

#### Insurance Bureau of Canada

Ontario Consumer Information Centre

Tel: 416-362-9528

Toll-free: 1-800-387-2880

#### Ontario Power Authority

Toll-free: 1-888-387-3403

Email: [microfit@powerauthority.on.ca](mailto:microfit@powerauthority.on.ca)

### What you should have handy when you speak with a broker or agent

When you apply for insurance for any microFIT project, your broker or agent may ask you for several documents to verify safety and soundness of construction and to establish costs, such as:

- Conditional offer of microFIT contract and /or final microFIT contract;
- Letter of authorization to connect from the Electrical Safety Authority;
- Building permit or section report produced by the renewable energy installer (where one is involved);
- Connection agreement between you and the local distribution company and/or the contract between you and the renewable energy installer or solar developer; and/or
- Invoice or purchase agreement outlining the total cost (including all taxes) of panels, the installation of panels and the number of kilowatts generated (if applicable).