

# Participants guide:

## CleanBC Custom-Lite Incentives

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# 1. Program overview

CleanBC's Custom-Lite Incentives ("Custom-Lite Incentives") are part of the Province's Better Buildings program, which offers efficiency incentives for the Commercial, Institutional, and Multi-Family (CIM) building sector. Specifically, Custom-Lite Incentives help building owners and operators reduce greenhouse gas (GHG) emissions in their existing building portfolio.

The program is funded by the Province of British Columbia and Government of Canada overseen by the BC Ministry of Energy, Mines and Petroleum Resources (MEMPR), and administered by BC Hydro.

This guide is designed to provide existing BC Hydro commercial customers with the details of CleanBC's Custom-Lite Incentives, including its objectives, funding levels, eligibility requirements, and application process.

Custom-Lite Incentives are a simplified version of the CleanBC's larger Custom Incentives and are intended to facilitate smaller GHG reduction and electrification opportunities across the commercial and institutional building sector. Like the Custom Incentives, the Custom-Lite Incentives will offer funding for both energy studies and capital equipment replacement that result in GHG reductions from fuel-switching and other electrification measures (such as heat reclaim systems).

CleanBC's Custom-Lite Incentives are open to customers that can demonstrate a strong potential to reduce their GHG emissions between 500 tonnes and 1200 tonnes of CO<sub>2</sub> equivalent (tCO<sub>2</sub>e) over the lifetime of a measure – this is roughly equivalent to 500 to 1,200 GJs of natural gas per year.

For further information please contact either BC Hydro Key Accounts or the Energy Savings Business Help Desk if you do not have a KAM. Customers interested in reducing their GHG emissions but maintaining natural gas as their primary heating source should contact FortisBC's energy efficiency and conservation program.

## 2. Program eligibility

To receive funding for both the energy study and capital incentives, you must meet the eligibility criteria below. Note that additional funding criteria and terms and conditions will apply, and will be reviewed between you, your consultant, and BC Hydro during preliminary meetings. For additional program information and detailed requirements, contact Key Accounts or the Energy Savings Business Help Desk if you do not have a Key Account Manager.

- The project must demonstrate the potential to implement measures at a single facility that will lead to at least 500 and less than 1,200 tCO<sub>2</sub>e of lifetime savings.
- Buildings must be in the BC Hydro service territory, including New Westminster.
- To qualify as an energy measure, projects must:
  - Provide a net decrease in greenhouse gas emissions
  - Result in energy impacts that are measurable and verifiable
  - Result in energy impacts that can be estimated using standard engineering calculations
  - Involve a technology that is not covered by other utility DSM programs (e.g. FortisBC's Commercial Performance Program).
- Projects must involve a technology that is accessible/viewable for site inspection and/or measurement and verification if required.
- Project must be hardwired or permanent in nature.
- Project must provide net electrical load growth.
  - Projects with Gas Savings only, without incremental electric load should first contact Fortis BC about eligibility in its gas DSM program.

- Proposed projects must be proven technologies which are commercially and readily available in the market with a reasonable adoption rate.
  - Demonstration projects may be considered if they are innovative technologies that are commercially available but not widely used in BC or for testing emerging technologies that are relatively new. Such projects must seek approval from program administrators.
  - Projects looking to displace diesel generated electric power with electricity from the grid will be considered.
- Equipment cannot be purchased before finalizing and signing the Capital Incentive Agreement.
- Potential CleanBC Custom-Lite Incentive measures can include:

Air-to-Water Heat Pump Water Heater

Air-to-Air Rooftop Heat Pump

Sewage Heat Recovery Heat Pump

High-efficiency (>75%) HRV\*

Electric Water Heater\*\*

Air Source VRF

Electrical Cooking Equipment

\*Proposed measures leading to a gas dominant heating system (i.e. Gas heating equipment with greater than 50% share in total building heating energy consumption) should first contact Fortis BC to inquire about eligibility in its gas DSM program.

\*\*Electric boiler/water heater only will be accepted if all other more efficient heat pump options are not feasible.

The following measures qualify but are typically found in larger buildings and as such may not fall within the participation criteria thresholds for the Custom-Lite Program.

Heat Recovery Chiller\*

Ground Source Heat Pump

Water-to-Water Heat Pump

Exhaust Air Heat Recovery Heat Pump

Electric Boiler\*\*

Water Source VRF

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<sup>1</sup>Exception: New/added heat recovery chillers may in some cases improve the efficiency of the existing chillers and reduce cooling tower operation time such that additional electrical load may not be added. These will be accepted on a case by case basis pending review by MEMPR Coordinator and BC Hydro

## 3. Custom-Lite workbook

The Custom-Lite Workbook (“Workbook”) is an Excel Spreadsheet with information on preliminary building and/or equipment information, project cost and GHG estimates, as well as relevant contact and project team information. By completing the Workbook, both customers and program administrators will be able to determine if there is a viable opportunity for Custom-Lite Incentives.

The Workbook is mandatory for all commercial customers wishing to apply for energy study-Lite funding and capital incentives. The Workbook is a free tool that can be obtained on the Better Buildings BC website.

## 4. Program Incentives

### 4.1 Energy study-lite incentive

An energy study provides detailed technical information, quantified energy information, and expected implementation costs. The study can be used to determine the most effective energy efficiency measures for implementation.

- CleanBC will provide \$2000 towards the cost of an energy study. Any remaining balance will be funded by the customer.
- A **BC Hydro Alliance of Energy Professionals** member must complete the energy study
  - If your preferred vendor is not an Alliance member, the vendor may contact the BC Hydro Alliance team for assistance in gaining membership.
- The system under review in the energy study must:
  - Demonstrate the potential to implement measures at a single facility that will lead to at least 500 to 1200(maximum) tCO<sub>2</sub>e of lifetime savings.
  - Involve a technology that must provide net electrical load growth
  - Involve a technology that is accessible/viewable for site inspection and/or measurement & verification if required.
  - Be hardwired or permanent in nature.
  - Projects looking to displace diesel generated electric power with electricity from the grid will be considered for Custom-Lite Incentives.
  - Be included on the list of electrification measures, as identified in the table above.

### 4.2 Capital funding incentives

Incentives are offered to support the implementation of energy measures, as identified by the customer in the energy study and/or Custom-Lite Workbook.

- Based on a rate of \$40/tCO<sub>2</sub>e of lifetime GHG savings, the program will support up to \$48,000 per customer project.
  - For heat pump rooftop units, the rate will be \$60/tCO<sub>2</sub>e up to a maximum of \$72,000 per customer project
- All eligible Northern customers\* will receive an additional \$10/t CO<sub>2</sub>e incentive on all eligible measures installed. The total maximum incentive including the top-up offer is \$84,000 per project.
  - \*Eligible buildings must have a commercial utility account with BC Hydro and be located north of and including the District of 100 Mile House (latitude 51.628°N).

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<sup>1</sup>“Customer” is defined as a parent company or umbrella organization.

- Incentives will be capped at the lesser of 50% of a project’s incremental cost, or to the point where the payback for the measure is less than 4 years after the incentive.
- Individual Custom–Lite Projects are limited to a total of \$48,000 in incentives for non heat pump rooftop units. The overall customer<sup>1</sup> cap for combined Custom–Lite and Custom Energy Studies and Incentives is \$750,000 which can be spread over multiple projects and locations.
- If you received Custom Incentive energy study funding but were not eligible for capital incentives due to not meeting the GHG reduction threshold of 1200 tCO<sub>2</sub>e over the lifetime of a measure, you may be eligible for capital incentive funding in Custom–Lite.
- If you have already received funding from CleanBC’s gas conservation program administered by FortisBC, the same technology will not be eligible for incentives from this offer.
- Eligibility for Custom–Lite incentives is dependent on review from BC Hydro’s Conservation and Energy Management (CEM) Engineering.
  - Eligibility approval can be obtained by submitting a completed Custom–Lite Workbook with either additional engineering documentation, or an approved energy study report.
  - It is possible for an energy study to be submitted that did not receive Custom–Lite Incentives and/or was completed prior to the launch of CleanBC. These reports need to be approved by CEM Engineering before they are considered eligible for capital incentives.
  - If approved, the customer/consultant is responsible for completing the inputs in the Custom–Lite Workbook
- Equipment cannot be purchased before finalizing and signing the Capital Incentive Agreement.

## 5. Program process

### 5.1 Energy study–lite incentives

1. Read all materials and download the Custom–Lite Workbook from the CleanBC website. Contact the Energy Savings Business Help Desk, Business Account Rep or Key Account Manager, if you have any further questions.
2. You submit the Energy Study Custom–Lite application.
3. Once the application is reviewed and approved by CEM Engineering, subject to budget availability, an Energy Study–lite Agreement is created, and signed by you.
4. Your contractor or engineering consultant completes the energy study. You have 6 months from the date of the signed Energy Study–Lite Agreement to complete the energy study.
5. Submission of the energy study report and Custom–Lite Workbook with invoices and proof of payment.
6. Once the review is completed and the energy study is approved, the Energy Study–Lite payment will be issued.

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<sup>2</sup>Direct to Incentive’ energy studies must be submitted with the ‘Pre–Screen’ and ‘Study Results’ tabs of the Workbook completed and then be approved by CEM Engineering before being eligible for capital incentives. The Energy study must have been completed no later than two–years prior to the Capital Incentive application, and no major changes to the respective energy–use equipment should have occurred.

## 5.2 Custom capital funding incentives

1. You submit:
  - a. A completed energy study approved by BC Hydro CEM Engineering. The energy study can either be funded by CleanBC, OR a non-CleanBC funded study with supporting engineering documentation approved by BC Hydro CEM Engineering.<sup>2</sup>
  - b. A completed Custom-Lite Workbook.
2. You submit the Incentive Application.
3. Once the application is reviewed and approved by CEM Engineering, subject to budget availability, a Capital Incentive Agreement is created, and signed by you.
4. Project is implemented. You have 12 months from the date of the signed Capital Incentive Agreement to complete the project.
5. Submission of proof of project implementation (i.e. invoices and proof of payment).
6. A Post Implementation Review is conducted to verify that the agreed measures were installed as proposed. Once completed, the respective incentive payment is issued.

This program is funded by the Province of British Columbia and the Government of Canada.

