

Building Improvement Rebates and Services

Building Energy Efficiency Program

For businesses, community governments and non-profit organizations

The Arctic Energy Alliance (AEA) can provide rebates to businesses, community governments and non-profit organizations operating in the Northwest Territories (NWT). These rebates help organizations lower their energy bills by reducing the electricity, heating fuel and water used in their buildings. Beyond the immediate financial savings, many of the projects that receive rebates provide other benefits such as improved work environments, reduced building and system maintenance, and reduced greenhouse gas emissions.

In addition to providing a rebate, the AEA can professionally analyze heating systems and controls, air sealing, lighting and lighting controls, ventilation and ventilation controls, hot water and low flow devices, and other building components. This analysis can help you decide what improvements to make.

Community governments are also eligible for project coordination services to help make their energy-saving projects happen.

What services and funding are available?

- **Rebates** for upgrading buildings to be more energy efficient or to conserve energy. The rebate amount you receive will be the lower of:
 - 50% of the total eligible costs of your project
 - A calculation based on the amount of money and greenhouse gases that your project will save¹

There is a maximum that you can receive for a project:

- Most businesses and non-profit organizations: \$50,000
- Community governments, Indigenous governments and Indigenous development corporations: \$75,000

If you own or lease more than one building you may receive multiple rebates in a year, up to double the maximum amount listed above.

¹ The savings calculation is based on the sum of 3 times the annual energy savings (in dollars), plus \$300 per tonne of lifetime greenhouse gas emissions avoided. For example, if your project will save you \$1,000 a year in energy costs and will save 100 tonnes of greenhouse gas emissions over its lifespan, your savings calculation would be $(3 \times \$1,000) + (\$300/\text{tonne} \times 100 \text{ tonnes}) = \$33,000$.

- **Building energy audits**, in the form of a yardstick (desktop) or targeted (on-site) energy audit, to find the greatest potential energy savings in your building. For more information, see the separate guidelines for building energy audits, available at <https://aea.nt.ca/program/building-improvements/>.
- **Project coordination support** for community governments. The AEA can help your community government to implement the energy upgrades recommended in a targeted energy audit report. The maximum value of the AEA's services for a project is \$10,000.

Who can apply?

- Businesses and not-for-profit organizations with owned or leased assets in the Northwest Territories, including Indigenous development corporations.
- NWT community governments who provide and deliver community government services such as water, sewer and road maintenance services.
- Indigenous governments in the NWT that are not community governments.

What projects are eligible?

The AEA will consider almost any building upgrade project, as long as it will save energy, is technically feasible and otherwise complies with the program requirements.

The following are the most common types of projects we see:

- Building envelope upgrades (such as insulation and air sealing)
- Improvements to heating systems and controls
- Upgrades to lighting and lighting controls
- Improvements to ventilation systems and controls
- Upgrades to hot-water systems
- Installation of low-flow water devices

Projects that involve the installation of appliances that burn fossil fuels, such as new heating systems, are not eligible for rebates.

Your upgrade should be at least as efficient as the items listed in the "Good" column in the following tables in the AEA's *Guide for New Energy Efficient Buildings* (available at aea.nt.ca):

- Residential buildings: sections 2.1 to 2.7
- Industrial, commercial and institutional buildings: sections 3.1 to 3.7

If the items you plan to upgrade are not listed in these tables, the AEA will determine if they are eligible for a rebate.

What buildings are eligible? (Community governments only)

For a community government to be eligible for AEA funding and services, all buildings to be upgraded must be owned or leased by an eligible NWT community government.

In addition, at least one of the following must apply:

- You have had an on-site energy audit conducted on any buildings you wish to upgrade. The targeted energy audits provided by the AEA are an example of the type of audit needed. The audits must include a site visit, be conducted by energy professionals, and include calculations showing the cost, savings and payback of recommended measures. Qualifying energy audits are at the discretion of the AEA.
- You have submitted to the AEA all of the information needed for the AEA to conduct a yardstick energy audit on all of the buildings you wish to upgrade. (See our building energy audit guidelines for more information.)

Rebates

What costs are covered?

- Materials
- Shipping
- Installation
- Project management services provided by a third-party contractor

What costs are not covered?

Examples of ineligible costs include:

- Spare parts inventory
- Operations and maintenance
- Upgrade costs not directly tied to energy savings
- Studies and reports, including pre-feasibility and feasibility studies
- GST or other tax
- Financing, interest and late payment fees
- Project management services provided by community government staff

What do I need to do to receive a rebate?

1. (Optional) Have the AEA complete one or both of the following on your building(s). For community governments, at least one of these is required.
 - a. A desktop (yardstick) energy audit
 - b. An on-site (targeted) energy audit
2. (Community governments only) Decide if you would like to hire the AEA to provide project coordination services to assist with your building upgrade project.

3. Contact the AEA for advice or to discuss project ideas.
4. Decide on your project. An energy audit report will help, if you have one.
5. Obtain quotes from contractors and suppliers for completing your project.
6. Complete your application form (the AEA can help if needed) and submit it, along with the following documentation, to the AEA for pre-approval.
 - a. Contractor/supplier quotes
 - b. Information about your existing and new systems (the AEA will contact you about the exact information we need)
 - c. (Community governments only) Supporting documentation for a yardstick energy audit (if you have not had an audit completed already). For more information, see the guidelines on building energy audits.
7. Complete your project within 4 months of receiving pre-approval. If you need to request an extension, submit it to the AEA before to the 4-month deadline.
8. Submit final paid invoices to the AEA within 4 months of receiving pre-approval for your project (unless you were granted an extension) or within 1 month of finishing your project, whichever is earlier.
9. Receive a rebate from the AEA.

We encourage you to submit your application before beginning your energy upgrade project. This allows us to pre-approve your rebate. Pre-approval means that funding will be set aside for your project regardless of how many other applications are received by the AEA. The AEA cannot guarantee rebate funding if your project has not been pre-approved. Pre-approval also allows us to provide advice about your project, and determine your energy savings potential before you begin your project.

Submit your application as soon as possible. Each year, the Arctic Energy Alliance receives a set amount of funding from the Government of the Northwest Territories and the Government of Canada for this program. This funding will be distributed on a first-come, first-served basis until all funding has been allocated. It is possible for funding to be fully allocated before the end of the year.

Building energy audits

For more information, see the guidelines for building energy audits, available at <https://aea.nt.ca/program/building-improvements/>.

What are building energy audits and how do they help?

A building energy audit is a tool to determine how much energy your building uses and to find potential savings. There are two types: desktop yardstick audits and on-site targeted audits.

A free **desktop yardstick audit** is usually the first step in the process. This type of audit uses utility data—usually from utility bills—to summarize the energy and water use in a building and compare it to benchmarks. Not only does it help find potential savings, but also helps determine if a more in-depth energy audit of the building would be useful. An AEA energy advisor will perform an analysis and create a summary report for you.

An **on-site targeted energy audit** is a more in-depth process and involves an AEA energy advisor going through your building. This type of audit helps determine the most beneficial building upgrades. A targeted audit is free for businesses and non-profits, and we offer a \$15,000 subsidy for community governments to help cover the cost.

An energy audit is not required for a business or non-profit organization to receive a rebate. At least one form of audit is required for community governments.

Project coordination (community governments only)

How can the AEA's project coordination service help me complete my project?

Your community government can hire the AEA to coordinate your energy upgrade project. The AEA provides project coordination for a fee, but you can receive a \$10,000 subsidy toward the cost. This service is provided on a first-come, first-served basis and depends on the availability of AEA staff.

The AEA's project coordination staff can help you with tasks such as:

- deciding which of the recommended energy upgrades to implement
- determining the technical specifications for the energy upgrade
- issuing the request for proposal (RFP) or request for quotation (RFQ)
- selecting the contractor
- drafting a contract between you and the contractor
- being onsite during the energy upgrade work to ensure that the work requested is what is done (note that this does not constitute an inspection for code compliance, and AEA staff are not GNWT inspectors)

What do I need to do to receive project coordination support?

1. Contact the AEA or indicate your interest on your rebate application form.
2. Sign a partnership agreement with the AEA by the date indicated in your correspondence with the AEA.
3. Work through the steps in the partnership agreement (all partnership agreements are slightly different, depending on your needs, so the steps can vary).

Other important information

How are applications evaluated?

Applications will be evaluated based on:

- Environmental benefits, including the reduction of greenhouse gas emissions.
- Potential energy savings, and
- Financial savings

All applications are processed in the order they are received by the AEA. The applications are considered received by the AEA when the application is completed correctly and contain all supporting documents. Services and funding in this program will be distributed on a first-come, first-served basis until all funding for the current fiscal year has been allocated. It is possible for funding to be fully allocated before the end of the year.

The Executive Director of the Arctic Energy Alliance will be responsible for the final approval of all rebate applications.

What are my responsibilities?

- You are responsible for obtaining all necessary permits and licences for your project and for ensuring that all upgrades under the project meet all applicable building code requirements.
- You must complete work on your project within four months of receiving pre-approval for your project. If you need an extension, please submit your request before the four-month deadline. If work has not been completed within four months and you have not received an extension, the rebate funding may be made available to other applicants.
- If you do not own the building you occupy and pay the bills for, you must obtain permission for the energy upgrades from the building owner before funding can be approved.
- You must contact the Arctic Energy Alliance if there are changes to the project scope, timeline or costs after the project has been pre-approved.

What are the AEA's responsibilities?

The AEA will:

- Provide rebate funding to you as per your pre-approval.
- Report details of your project to the Government of the Northwest Territories (such as your name, the amount of your rebate, your project name and description, the total project cost, and the energy and greenhouse-gas savings).

What else do I need to know about funding?

The rebate amount you receive will be based on your actual costs, as shown by the invoices and receipts you submit to the Arctic Energy Alliance. This may be different from the amount you were pre-approved for.

Rebates for costs higher than the pre-approved amount are not guaranteed and are dependent on the funding available to the Arctic Energy Alliance.



To be eligible to receive rebate funding under this program, you cannot receive funding for the same project under any of the following:

- Another program of the Arctic Energy Alliance
- A program of the Government of the Northwest Territories, Department of Infrastructure

To be eligible to receive rebate funding under this program, you likely cannot receive funding for the same project under any of the following (contact the AEA and the other funder for details):

- A program that receives funding from the Government of Canada's Low Carbon Economy Leadership Fund
- The Green Infrastructure funding stream under the Investing in Canada Infrastructure Program
- The Disaster Mitigation and Adaptation Fund
- The clean technology funding stream through the Innovation and Skills Plan
- Any other federally funded program

However, you can apply for funding from other programs for items not covered by this rebate program.

This program is made possible by financial contributions from the Government of Canada and the Government of the Northwest Territories.

For more information, contact:

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