

Community Energy Leadership Program

CELP – 2016/17

Program Guide



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1. Program Overview

1.1. Purpose

Most local governments and First Nations communities across British Columbia have adopted climate action, energy efficiency and/or clean energy reporting and policies through broad-based plans and commitments, such as Community Energy and Emissions Plans, Comprehensive Community Plans, and the Climate Action Charter. Partnerships between BC communities and the energy efficiency and clean energy sectors in the province continue to grow, but there remain substantial opportunities to develop local small-scale projects with the right combination of community champions, strategic partnerships and secured funding.

In order to advance these prospects, the Community Energy Leadership Program (CELP or Program) has been established to support local governments' and First Nations' investments in energy efficiency and clean energy projects. The primary purposes of the Program are to support vibrant and resilient communities in the province to increase energy efficiency and reduce greenhouse gas emissions in their capital infrastructure, and to stimulate economic activity in the clean energy sector.

Funding will support new community energy partnerships that will encourage investments in small-scale community-owned energy generation from clean or renewable resources such as biomass, biogas, geothermal heat, hydro, solar, ocean or wind. The Program will also encourage energy efficiency through ultra-efficient new, or retrofits of, community-owned buildings and other infrastructure. The Program will promote community-owned projects and partnerships with industry that advance this growing sector of the provincial economy.

Funding for CELP was established through the Innovative Clean Energy (ICE) Fund. Established in 2007, the ICE Fund is designed to support the province's energy, economic, environmental and greenhouse gas reduction priorities and advance B.C.'s clean energy sector.

The Community Energy Leadership Program was designed in accordance with, and to advance, the goals and objectives of the: *Clean Energy Act*, Climate Action Plan, Energy Plan, Jobs Plan, and Energy Efficient Buildings Strategy.

1.2. Amount of Contribution

CELP is currently funded with \$1.3 million over three fiscal years (2015/16 through 2017/18 inclusive). Separate calls for applications are being made each year. For 2016/17, a total allotment of \$500,000 is available to fund projects; contributions will range from \$10,000 to \$150,000 per proponent. A maximum of two larger-scale projects (i.e., \$120,000 to \$150,000) will be awarded in 2016/17.

This funding will be administered via conditional Contribution Agreements between successful proponents and the Ministry of Energy and Mines (Ministry).

2. Eligibility

2.1 Eligible Applicants

Eligible applicants or proponents are:

- British Columbia local governments, which includes municipalities and regional districts. Local governments must be signatories to the B.C. Climate Action Charter to be eligible; or
- First Nations governments.

2.2 Eligible Projects

Eligible projects encompass:

- Either one of:
 - Clean or renewable energy projects as defined in B.C.'s Clean Energy Act. (Under the Act, a "clean or renewable resource means biogas, geothermal heat, hydro, solar, ocean, wind or any other prescribed resource.); OR
 - Innovative energy efficiency projects (e.g. net-zero energy ready building performance design, a net-zero energy ready or passive house standard demonstration building, existing building retrofit based on the ASHRAE 100 standard, installation of heat pump space heating and / or water heating technologies, or other energy efficiency projects that you can demonstrate are innovative for your community or type of community);
- New construction, renewal, retrofit, expansion or material enhancements; and
- Investment in community-owned infrastructure, community-owned clean or renewable energy projects, or a community-owned equity stake in clean or renewable energy projects.

2.3 Ineligible Projects

Projects will be considered ineligible where:

- the applicant does not meet either one of the definitions of Eligible Applicants in Section 2.1;
- the project does not meet the definition of Eligible Projects in Section 2.2 of this Program Guide;
- the project has already received funding from the Innovative Clean Energy Fund;
- construction has already begun on the project (where the "project" is the CELP-funded project which may be a distinct project on its own or a phase of a larger project that may have already begun construction);
- the proposed project is determined to be routine maintenance or repair;
- the project will either not be completed (or substantially completed, by agreement in advance of the application) prior to March 31, 2017; or
- the project does not otherwise meet the mandatory criteria as outlined in this Program Guide.

2.4 Eligible Costs

Eligible costs are defined as all direct costs properly and reasonably incurred, and paid solely and specifically in relation to the project. Such costs would normally be capitalized in the records of the local or First Nations government.

Eligible costs* for reimbursement by the Program include:

- energy performance modelling and design of new or retrofitted net zero energy ready building systems, where this cost is part of the overall capital project funded by CELP;
- engineering;
- contract labour and equipment for project construction, including site preparation;
- training costs directly related to operating and maintaining the installed system;
- energy efficiency and clean energy technology; and
- associated materials.

*Only those itemized project costs approved by the Province, at the time the Province and successful applicant develops the 'contribution agreement', will be funded.

When calculating the total overall project costs to determine the CELP percentage of the total funding, the proponent's staff labour costs that can be demonstrated to be used directly for project construction can be used to calculate total project costs. These costs are, however, not reimbursable by the Program.

2.5 Ineligible Costs

Cost items that are not eligible include:

- administration or administrative overhead charges;
- PST and GST;
- preliminary planning and design (with the exception of energy performance modelling and design of new or retrofitted net zero energy ready building systems where this modelling or design is part of the overall capital project funded by CELP);
- costs incurred prior to execution of a Contribution Agreement resulting from this Call for Applications;
- proponent's own staff costs (although these can be used for calculating total project costs);
- costs incurred after March 31, 2017; and
- land and building acquisition.

3. Application Process

3.1 How to Apply

Each community is allowed to submit only **one application**. (*Please notify CELP@gov.bc.ca of your intent to apply and CELP staff will notify you of any other applications from your community of which we are aware*)

Step 1: Download and read the Community Energy Leadership Program Guide ([found here](#)).

Step 2: Download the Application Form ([found here](#))

Step 3: The Application Form is a protected Word® Document which must be completed electronically. Please note that the response area below each question will expand as necessary to provide additional space to answer a question. Also, use [CELP Ghg Calculator](#) when completing Section D of the Application Form – Energy and Greenhouse Gas Savings.

Step 4: Save the completed Application Form with the following filename format using the applicant's name, CELP (acronym of the Program) and date completed (yymmdd).

For example: **CommunityName_CELP_150620.doc**.

Step 5: Prepare supporting documentation that will be submitted with the Application Form (see Guide Section 4: Application Guidelines and Documentation). Supporting documentation must include the Energy and GHG Calculator ([found here](#)) and a summary of related assumptions.

Step 6: Email the completed Application Form and any supporting documentation to the Ministry at: CELP@gov.bc.ca

Closing Date for Applications to CELP:

All completed applications and supporting documentation must be received in the CELP@gov.bc.ca inbox **by 5:00pm, Pacific Daylight Time, Tuesday December 15th, 2015** in order to be considered.

Notes:

- For each project, a proponent must submit a completed Application Form and related supporting documentation. Proponents are responsible for ensuring that full and accurate information is submitted to the Ministry. Applications with one or more incomplete fields will not be considered.
- The information being collected is for the administration of the Program and will be used to evaluate eligibility. The information submitted is subject to the *Freedom of Information and Protection of Privacy Act*. As such, any questions about the collection, use or disclosure of this information should be directed to the Contact at the end of this Program Guide.
- The Ministry will assign each application with a CELP file number. Acknowledgement of application receipt will be sent to proponents on or before **Friday December 18th, 2015**. If a proponent has not heard from the Ministry by that time, please contact CELP@gov.bc.ca. The Ministry will strive to notify successful proponents by March 15th, 2016.
- This Call for Applications must not be construed as an agreement to purchase goods or services, or as approval of any activity or development contemplated in any proposal that requires any approval, permit or license pursuant to any federal, provincial, regional district or municipal statute, regulation or by-law. The Province is not bound to enter into an agreement with any applicant. Applications will be evaluated in light of the Mandatory and Evaluation Criteria. The Province will be under no obligation to receive further information, whether written or oral, from any Proponent unless requested. All application approval decisions are final.

3.2 Application Evaluation

3.2.1 Initial Screening - Mandatory Criteria

Only **one** application per community will be considered.

For projects to be considered for evaluation, CELP applications will be initially screened to ensure that the following mandatory criteria have been completely fulfilled:

- The completed project Application Form and supporting documentation are submitted by email to CELP@gov.bc.ca by **5:00pm, Pacific Daylight Time, Tuesday December 15th, 2015**.
- The proponent, the project and proposed costs are all eligible as defined in this Guide (see Section 2: Eligibility).
- The proposed project must be explicitly linked to a community-wide or corporate energy, or capital budget plan.
- The application confirms that the proponent community itself is covering a minimum of 5% of the total project costs, that no more than 33% of total project costs are being requested from the Program, and that the CELP portion will be applied 100% to the portion owned by the proponent.
- The application clearly stipulates that all project fees and expenses must be incurred, and the project complete by March 31, 2017. *Large predetermined projects may propose a phase that will be completed by March 31, 2017 as a project under CELP.*

- If approved by the Ministry, the project will be duly authorized by a Resolution of the appropriate Municipal Council, Regional District Board or First Nations Council, or it is clearly stated in the Application that this will take place before the execution of a Contribution Agreement.
- The proposed project must not already have received funding through the Innovative Clean Energy Fund.
- For local governments only: Local Government applicants are a signatory to the Climate Action Charter.

Applications not meeting each of the Mandatory Criteria above will not be considered further for evaluation.

3.2.2 Evaluation Criteria

Applications meeting the Mandatory Criteria will be further reviewed against the Evaluation Criteria. These criteria are designed to allow the selection committee to assess applications against their ability to support the Program Purpose as outlined in Section 1.1.

The selection committee will use the following criteria and point system, drawing primarily on the information provided by each proponent in the submitted application form, and secondly on the relevant information in the supporting documentation that is highlighted for reviewers to consider (see Section 4 for examples of supporting documentation). Important note – Relevant information in supporting documentation that is not clearly and directly referenced by the proponent within the Application itself may not be considered.

Table 1: Evaluation Points by Criteria

Criteria	Points	Minimum Score*
Project Feasibility	40	30
Energy & GHG Savings	15	5
Employment and Economic Benefits	15	n/a
Innovation & Replicability	15	n/a
Other Benefits to the Community	5	n/a
Demonstrated Need for Funding	5	n/a
Leverage of Other Funding	5	n/a
Total	100	65

During the evaluation period, proponents may be contacted directly to provide clarification on their application. Applicants must not send unsolicited additional information after the closing date. Questions addressed for one proponent will be provided to all applicants, as will any request for

additional information that may not be unique to one applicant.

Applications must meet the minimum score for each of the two categories and the total minimum score noted above. Applications that do not meet any one of the minimum scores will not be eligible for funding.

Final funding approval decisions will be made based on:

- Each application's final score; and
- Availability of the \$500,000 maximum allotment for 2016/17 CELP projects.

The selection committee will strive for a reasonable balance of selected projects between Renewable Energy and Energy Efficiency, and between First Nations and Local Governments, as long as the relative quality of the applications among the four categories warrants such a balance.

4. Application Guidelines and Documentation

When preparing applications, please refer to Table 2 below for the guidelines on submitting information and supporting documentation to address evaluation criteria. The supporting documents listed are examples; proponents may wish to substitute alternative documentation that better represents the information being evaluated.

NOTE: When attaching supporting documentation, please ensure that the text in the Application Form highlights the relevant points and references the page / sections in the supporting materials where this information can be found. If the selection committee cannot easily identify or find relevant information in the supporting documentation pursuant to the evaluation criteria, an application may receive a low score.

Table 2: Guidelines for Submissions

Section	Evaluation Criteria	Example Supporting Documentation
Section 4.1.1	<p>Project Relevance and Feasibility</p> <p>Describe the rationale for the project, why it is feasible and will succeed, using the following five categories:</p> <p>Community Leadership</p> <ol style="list-style-type: none"> 1. Include an excerpt from your most relevant planning document to convey or explain the importance of this project to your community. 2. Describe why the project is important to the community and consistent with the community's broader strategic, energy and / or capital plan. 3. Highlight the community's history of energy efficiency and/or renewable energy leadership. 4. If relevant, describe broader community consultation on the project, and the community's level of support. 	<ul style="list-style-type: none"> • Comprehensive Community Plan / Community Energy & Emissions Plan / Corporate Climate Action Plan / Integrated Community Sustainability Plan / Capital Asset Plan
Section 4.1.2	<p>Project Management, Plan & Schedule</p> <ol style="list-style-type: none"> 1. Identify the community's own project management team (including the council and staff champions), and any external resources that you will be using to complete the 	<ul style="list-style-type: none"> • Project Plan and Schedule / Timeline

<p>Section 4.1.3</p>	<p>project.</p> <ol style="list-style-type: none"> From the project plan, describe the project's purpose, goals and deliverable(s), a project map, and the detailed tasks, resources and schedule for completing (or close to completing) the project no later than March 31, 2017. Finally, provide assurance that sufficient staffing or other resources will be in place to reliably operate and maintain the facility/equipment over its service life. <p>Technical Feasibility and Preparedness Demonstrate the project's technical feasibility and readiness by:</p> <ol style="list-style-type: none"> Providing a feasibility study, business case, or similar plan that clearly demonstrates the viability of the project including costs and benefits; Showing that all initial design work has been completed, all federal, provincial or local licenses, approvals or permits are either in place or there is a reasonable expectation to obtain permits without compromising the project schedule (If a net zero building ready project includes energy performance modelling and design as part of the project, show what initial work has been done to date on the project to be ready to proceed with the next project phase); and Providing reasonable evidence that the project team is ready to proceed, including the technical team's track record of successfully delivering similar projects. 	<ul style="list-style-type: none"> Feasibility Study Business Case
<p>Section 4.1.4</p>	<p>Budget & Financial Feasibility Provide a summary of the project budget, including total project cost. The project budget must also detail the funding commitment from all partners, and verify both the amount and the percentage of CELP funding requested in relation to total project costs.</p> <p>The proponent will identify:</p> <ol style="list-style-type: none"> The total project cost An itemized cost estimate of the project components Quarterly costs until completion Annual revenue or energy cost savings upon completion The funding amount requested from CELP A list of other funders / contributors / financiers, with their amounts itemized and the status of their funding (e.g. confirmed, tentative, etc.). Include in this list the community's own contribution. <p>If a funding shortfall exists, demonstrate the capacity to access necessary funds.</p>	<ul style="list-style-type: none"> Copies of approved permits, etc. Professional Team credentials Project Plan Detailed project budget, including all funding documentation
<p>Section 4.1.5</p>	<p>Risks</p> <ol style="list-style-type: none"> Outline any project risks to completion (financial, regulatory, operational or seasonal); and Describe risk mitigation measures that are in place to ensure project success. 	<ul style="list-style-type: none"> Risk Register Project Plan

Section	Evaluation Criteria	Example Supporting Documentation
Section 4.2.0	<p>Energy and GHG Savings</p> <ol style="list-style-type: none"> 1. For either renewable energy or energy efficiency projects, state the annual energy projected to be saved (if an energy efficiency project), or produced (if a renewable energy project); 2. Stated greenhouse gas emissions projected to be reduced compared to business-as-usual as a result of the completed project; and 3. What is the cost per tonne of GHG emissions based on CELP funding? <p>Use the "Energy&GHG Calculator" provided and provide a summary of assumptions.</p>	<ul style="list-style-type: none"> • Feasibility Study or similar documentation modelling annual energy savings and/or GHG emission reductions • Must attach Energy & GHG Calculator and a summary of assumptions to the Application
Section 4.3.0	<p>Employment and Economic Benefits</p> <ol style="list-style-type: none"> 1. Describe the types of employment and number of jobs, and training (if relevant). 2. Detail the additional employment hours that the project will create during the construction phase, as well as during the operations & maintenance phase. 3. Describe any broader local economic benefits to the community. 	<ul style="list-style-type: none"> • Feasibility Study, business case, Project Plan, or similar documentation demonstrating employment hours
Section 4.4.0	<p>Other Benefits to the Community</p> <p>This section should outline how the project is expected to benefit the community, aside from energy savings, greenhouse gas emissions reductions and economic benefits:</p> <ol style="list-style-type: none"> 1. Explain the nature of community collaboration or consultation undertaken, and partnerships gained, either as part of gaining approval for the proposed project, or during the community's larger planning process (many other benefits come out of such engagements); 2. Describe measures that minimize environmental impact on build-out (e.g., materials use, local ecological sensitivities, local air quality) and during ongoing operations; 3. Describe the 'sense of place' of the community: fosters its established identity or culture, and possibly its 'fit' with the surrounding environment; and 4. Profile any other benefits you feel will result from the project. 	<ul style="list-style-type: none"> • Project Plan • Feasibility Study • Business Case • Stakeholder letters of support
Section 4.5.0	<p>Innovation and Replicability</p> <ol style="list-style-type: none"> 1. Describe how this project is innovative globally, nationally, provincially, or within your region. The selection committee recognizes that although a technology might be generally proven, the project might be innovative in your community for a variety of reasons. If this is the case, please describe 	<ul style="list-style-type: none"> • Project Plan or similar documentation

	<p>why this is either innovative for your community or for the specific application.</p> <ol style="list-style-type: none"> Describe how this project or its components could be replicated in other communities in B.C., how this project's completion might inform the further development of the clean energy sector, and how the lessons learned from this project might be shared. Describe your interest and availability to participate in interviews, webinars or conferences to share project outcomes. 	
Section 4.6.0	<p>Funding Need & Leveraging</p> <ol style="list-style-type: none"> Describe and demonstrate how this project cannot proceed as described in this application without the assistance of CELP funding; and Describe to what extent this funding has been able to confirm or leverage funding from other sources (itemized amounts by funding source). 	<ul style="list-style-type: none"> Project Budget

Approval and Contribution Agreements

It is anticipated that successful proponents will receive notification of approved project funding by March 15th, 2016. Once Contribution Agreements are finalized, all proponents will be advised of the successful CELP projects funded for the 2016/17 fiscal year.

Successful proponents will enter into a Contribution Agreement with the Ministry that sets out the terms and conditions of the funding. This will confirm both parties' understanding of the project, the maximum contribution amount to which the proponent is entitled, reporting requirements and the payment terms and conditions. CELP funding will be provided to the successful applicants following the execution of the Contribution Agreement, and as project expenses are incurred, with a 10% hold back, payable upon project completion and acceptance of a Final Project Report, submitted by the proponent.

Contributions are project-specific and may not be transferred from an approved application to a new proposal.

Recipients will be required to complete quarterly Progress Reports over the term of the Project, and a Final Report in accordance with terms in the Contribution Agreement.

Contact Information

Contact

Leah Davies

Program Coordinator, Community Energy Programs, Ministry of Energy and Mines

Email: CELP@gov.bc.ca

Other links:

- [CELP 2016/17 Call for Applications](#)
- [GHG Calculator](#)