



PROGRAMME  
**SMART**  
PROGRAM

# Ontario SMART GREEN Program



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# What is SMART Green

- ▶ CME SMART Green Program launched in October 2016
  - ▶ Funded by Government of Ontario (MEDG) with funds from GIF
- ▶ Non-repayable funding program to support investments in technology and process improvements by manufacturers which result in GHG emissions intensity reductions and/or avoidance through upgrades to process/production equipment, deliver energy efficiency, and lead to productivity improvements.



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# Eligibility

- ▶ All Ontario manufacturers with annual greenhouse gas emissions under 25,000 tonnes per year and/or have not opted in to Ontario's Cap & Trade program
- ▶ Must have a minimum 10 employees per applying facility
- ▶ Must have 3 years or more operating history
- ▶ Projects can not have started and would only move forward with the support of the funding



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# Funding Amounts

## ▶ Walk-through Assessments

- ▶ 100% up to \$2,500

## ▶ Technical Assessments

- ▶ 50% of eligible costs to maximum of \$15,000 or \$30,000 where gas metering is required
- ▶ Supplementary payment upon project approval to 100% if maximum benefit is not awarded

## ▶ Project Funding

- ▶ 50% of eligible costs to a maximum of \$500,000
- ▶ Up to 5 facilities may apply for a total of \$1.5MM



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# Projects Funding Payout

- ▶ Payout is provided in 3 payments.
  - ▶ 30% advance of the eligible costs upon signing of the contribution agreement
  - ▶ 50% of the eligible costs upon the completion (commissioning) of the project
    - ▶ An expense claim is required with supporting documentation of project payments
    - ▶ If the eligible project costs are reduced, the second payment will be reduced so that a combined total of 80% of the eligible costs are paid
  - ▶ 20% upon the receipt of the performance report providing evidence of the reduced GHG and performance results per the M&V report



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# Eligible Project Types

- ▶ Projects that support reduction in GHG intensity and/or avoidance through upgrades to process / production equipment / building enhancements
- ▶ Lead to productivity improvements, which in turn lead to lower GHG emissions on a gross or per-production-unit basis
- ▶ While electricity projects do not have a significant GHG savings, there is still a calculation for these project types and they ARE eligible.



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# Project Examples

## Example of Eligible Projects

- Boiler Right Sizing and Load Management
- Advanced Boiler Controls
- High Efficiency Burners
- Feedwater Economizers
- Combustion Air Preheat
- Energy Efficient Motors
- Condensate Return/Condensing Economizers
- Refrigeration Heat Recovery
- Air Compressor Heat Recovery
- Exhaust Gas Heat Recovery
- Ventilation Optimization and Heat Recovery
- Solar Installation
- Condensing Boilers
- Biogas Boilers
- Direct Contact Water Heaters
- High Efficiency Heating Units
- **Improved Building Envelope**
- **Building Expansion**

Other types of projects may qualify. We invite you to contact a SMART Green Technical Advisor to discuss your proposed project.



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# What is not Eligible

- ▶ Carbon offsets such as planting trees
- ▶ Projects that support reduction in GHG outside of the facility
- ▶ Transportation costs unless within facility such as propane powered forklifts
- ▶ Setting up recycling plans and/or water reduction usage



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# Eligible Project Costs

- ▶ All expenses directly related to the project and deemed reasonable and necessary for its execution.
- ▶ Eligible costs must be for arm's-length purchases.
- ▶ Costs may include:
  - ▶ Plant equipment purchases, including software and technologies that support the equipment and manufacturing processes;
  - ▶ Non-capital costs for equipment such as floor preparation, construction of area to install equipment i.e. ground reinforcement
  - ▶ Equipment or software installation and commissioning of new equipment from 3rd party suppliers;
  - ▶ Consulting Fees directly related and necessary to the project implementation. Costs will be reviewed and approved amounts will be advised.
  - ▶ Equipment and/or software training provided by equipment vendor.
- ▶ Stacking of funds with other local distribution company or government programs will be considered on an individual basis.



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# Timing

- ▶ Applications will be received on a continuous basis and reviewed on a first-in, first-reviewed basis.
- ▶ Approval of an application will be dependent on the information that has been provided with the application.
  - ▶ It is expected that a decision for a technical assessment should be complete within 7 - 10 business days. A decision for capital project should be completed within 30 business days.
- ▶ Assessment and Project-related activities may not start before a Contribution Agreement has signed by the Applicant and by CME.
- ▶ Applicants will have until **December 31, 2018** to complete the project.



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# Evaluation

- ▶ Projects will be reviewed by internally by Technical Program Advisors
- ▶ Projects will be selected based on:
  - ▶ Demonstrated reduction of GHG emissions
  - ▶ Applicant's ability to achieve the expected results, as demonstrated by the completed audit report provided with application
- ▶ Priority may be given to companies in growth sectors that are energy intensive and trade exposed



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# Contact Us

- ▶ For more details on the program, visit [www.cme-smart.ca/smart-green](http://www.cme-smart.ca/smart-green)
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