

Building Energy Retrofit Accelerator

AN ENERGY EFFICIENCY REBATE PROGRAM FOR
COMMERCIAL AND INSTITUTIONAL BUILDINGS

PROGRAM MANUAL

**CHANGE
FOR
CLIMATE** 

Edmonton



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PROGRAM OVERVIEW

Program Overview

On June 3, 2020, the City of Edmonton launched the Building Energy Retrofit Accelerator, a new rebate program that provides financial incentives for energy efficiency upgrades to commercial and institutional buildings.

The program aims to address the emissions resulting from the operations of commercial and institutional buildings by reducing building energy intensity. The program offers financial rebates on the purchase and installation of select energy-efficient equipment (see the [Eligible Measure List](#)). The program targets building lighting and lighting controls, HVAC equipment used for heating and cooling buildings, hot water equipment, building controls, the building envelope and green building certifications.

The program objectives are to:

- Facilitate deep energy retrofits and reduce greenhouse gas emissions in commercial and institutional buildings.
- Strengthen working relationships between the City and participants to encourage engagement in current and future climate initiatives.
- Stimulate market transformation such that deep energy retrofits and emissions reductions strategies become the new market norm for buildings and businesses.





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PROGRAM ELIGIBILITY

To participate in the Building Energy Retrofit Accelerator rebate program, participants must meet the following criteria:

- **Building Type:** The building is an existing commercial or institutional building and has an annual electricity consumption equal to or less than 15 GWh. This could include any of the following building categories
 - » **Commercial buildings and mixed-use buildings – commercial space only.** The building must be zoned for commercial operations, and building operations must reflect that purpose. Also eligible is the commercial space in a mixed-use building (e.g., a building with commercial and residential spaces).
 - » **Institutional buildings.** These buildings include schools, hospitals and clinics, nursing homes, community centers, recreation centers, libraries, religious facilities, and other buildings that are not directly owned and operated by the municipal, provincial, or federal government.
 - » **Multifamily residential buildings – common spaces only.** Common spaces in these multifamily residences include lobbies, hallways, and indoor and outdoor social and recreation spaces.
 - » **Light-industrial zones.** The industrial buildings targeted for participation in the program are classified under the City's light-industrial zones.
 - » **Nonprofits.** This category includes buildings operated by nonprofit organizations within the zoning bylaw categories listed above.
 - » **Indigenous-owned commercial and institutional buildings.** Indigenous-owned buildings within the zoning bylaw categories listed above are eligible for this program.
- **Building Size:** In alignment with the [Building Energy Benchmarking Program](#), buildings must have a gross floor area greater than 1,000 square feet.
- **Location Within City Limits:** The building must be located within the City of Edmonton as demonstrated through a recent [utility bill](#) (within two months of the submission date) for the building. The bill should contain the matching building address located within the City of Edmonton.
- **Actively Operational:** The building must have been in operation for one calendar year prior to the application.
- **Existing Building:** The program is targeting building energy retrofits only. Newly constructed buildings (buildings that have been in operation or were constructed less than one calendar year prior to the application submission date) are not eligible.
- **Building Owner or Tenant Approval to Participate:** In order for the building to be eligible for participation, the retrofit project must be approved by the building owner or tenant submitting the application (third parties may submit on their behalf).
- **Join Edmonton's Building Energy Benchmarking Program.** To be eligible, the building where the energy retrofits are taking place must participate in the [Building Energy Benchmarking Program](#). For tenants, the building they are located within must have participated in the program.

WHO IS NOT ELIGIBLE?

Medium- and heavy-industrial buildings, multifamily buildings (with equipment servicing residential suites), other residential buildings, and buildings owned and operated directly by government agencies are not eligible for the program.



BUILDING ENERGY BENCHMARKING PROGRAM

In 2017, Edmonton's [Building Energy Benchmarking Program](#) launched as a foundational component of Edmonton's [Community Energy Transition Strategy](#). The first municipally led program of its kind in Canada, the program collects information about building energy efficiency across our city to help lay the foundation for Edmonton's transition to a low-carbon future. The program collects and compares annual, whole building energy consumption across Edmonton's large building stock. This information is used to benchmark building energy performance and facilitate greenhouse gas reductions.

Similar [programs across North America](#) have proven the value of this approach, and there is considerable momentum building in Canada. For example, the federal government's [Pan Canadian Framework on Clean Growth and Climate Change](#) indicates that building energy reporting and disclosure will become mandatory nationwide.

Program participants will benefit from technical support, customized building benchmarking reports, validation of energy-saving opportunities and access to financial rebates (up to \$10,000/building) to help offset the cost of an energy audit (optional). Commercial, institutional and multifamily buildings over 1,000 square feet in ground floor area are eligible to participate. Anyone can sign up a building using the online registration and consent form; however, the building owner must agree to participate.

Benchmarking support services are available for those with questions or in need of assistance by emailing energystar@edmonton.ca. All participants are encouraged to review the program details and toolkits available at edmonton.ca/energybenchmarking.





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PROGRAM REBATES

Program Rebates

In order to ensure that the program is able to reach a significant number of participants within the City of Edmonton and to ensure that the program operates in a cost-effective manner, the following rebate conditions exist:

- **Measure-Specific Rebate Amounts:** Fixed **\$/unit** have been determined based on the average equipment cost at present market value (see [Eligible Measure List](#)). As product costs vary for different makes and models, the rebate amount is **capped at 50%** of the actual equipment cost (including installation) regardless of the **\$/unit** amount. Maximum rebate for solar PV installations: \$80,000
 - Third party installation labour is eligible to be rebated as part of the cost of the measure, provided it is included in the invoice for purchasing and installing equipment. In instances where the applicant has installed their own equipment, (e.g. a Third party contractor has not been used to install the equipment), the labour associated with installation is not eligible for rebates. The City of Edmonton will not rebate in-house labour used to install equipment as part of this program.
 - **Minimum Rebate per Application: \$1,000**
 - **Maximum Rebate per Project per Program Year:**
 - » **\$75,000, or**
 - » **\$125,000 if a heat pump or solar PV is installed.**
 - **Maximum Rebate per Company per Program Year (at multiple locations): \$150,000**
 - **Bundling Bonus:** To encourage deeper retrofits in buildings, participants who install more than one equipment category will receive an additional 5% rebate for each category they install, up to a maximum bonus of 10% (e.g., two categories = +5%, three or more categories = +10%). The bonus rebates are not subject to the 50% of eligible cost cap for equipment, or for the project as a whole, and would allow a project to exceed those caps.
- » **Equipment categories include:**
 - Lighting fixtures (interior, exterior)
 - Controls (lighting, non-lighting)
 - HVAC (including hot water)
 - Building envelope
 - **Certification Bonus:** To encourage participation in third-party building certification programs, rebates cover 50% of the certification cost, as well as a 5% bonus rebate on all equipment rebates. The certification must be completed in conjunction with other measures, and proof of certification is required for the participant to receive the benefit. The bonus applies to the following certifications (see [Eligible Measure List](#) for details):
 - » **EnerPHit – Quality-Approved Energy Retrofit with Passive House Components Certificate**
 - » **LEED Existing Buildings – Operations & Maintenance (EBOM) or Interior Design and Construction (ID+C)**
 - » **BOMA BEST**
 - » **Net Zero**
 - » **ENERGY STAR®**
 - » **Zero Carbon Building (ZCB) Standard**

WHAT ABOUT REBATE STACKING?

The participant can partake in other rebate and grant programs from the City of Edmonton or other authorities, but the combined rebates from all programs cannot exceed 100% of the project costs (equipment plus installation).

HOW ARE REBATE AMOUNTS CALCULATED?

Rebates are calculated using a prescriptive cost per unit. The total rebate amount equals the number of units multiplied by rebate amount per unit (see [Eligible Measure List](#)). This is calculated for each measure, and then the project and participant caps are applied. If the project qualifies for bundling or certification bonuses, those are applied to all measures after the project is capped, and may allow a project to exceed the cap.

REBATE CALCULATION EXAMPLE 1

A small office space replaces **100** 3,500-lumen linear fixtures that cost **\$50** each to purchase and install, for a total of **\$5,000**. The rebate would be:

$$\begin{array}{r} 100 \text{ linear fixtures} \\ \times \$20 \text{ rebate per fixture} \\ \hline \$2,000 \end{array}$$

No caps are reached, and the project does not meet any bundling criteria, so the final rebate is **\$2,000**.

REBATE CALCULATION EXAMPLE 2

A small office space replaces **100** 3,500-lumen linear fixtures that cost **\$30** each to purchase and install, for a total of **\$3,000**. The rebate would be:

$$\begin{array}{r} 100 \text{ linear fixtures} \\ \times \$20 \text{ rebate per fixture} \\ \hline \$2,000 \end{array} \text{ [exceeds rebate cap]}$$

Rebate is capped at **50%** of project cost (**\$3,000**), which means the project rebate is capped at **\$1,500**.



REBATE CALCULATION EXAMPLE 3

A large warehouse replaces **1,000** 20,000-lumen high-bay fixtures (**\$250** each) with the optional integrated occupancy sensors (**\$50** each), and adds a 20-ton centrally ducted heat pump (**\$40,000**) to reduce their heating and cooling load. The warehouse also applies for a BOMA BEST certification, which costs **\$8,800**. The rebate would work out like this:

1,000 high-bay fixtures x \$100 rebate per fixture	=	\$100,000
+ 1,000 controls x \$15 rebate per control	=	\$15,000
+ 20 tons x \$900 rebate per ton	=	\$18,000
+ 50% of certification costs	=	\$4,400
	=	\$137,400

The base project rebate for equipment is capped at **\$125,000** because a heat pump is included.

\$125,000	Base Rebate (Capped)
x 5%	Certification Bonus
\$6,250	Certification Bonus Rebate
\$125,000	Base Rebate (Capped)
x 10%	Bundling Bonus
\$12,500	(three measure categories)

Base Rebate (Capped)	\$125,000
+ Certification Bonus Rebate	\$6,250
+ Bundling Bonus Rebate	\$12,500
TOTAL REBATE	= \$143,750

This project qualifies for a **5%** certification bonus and a **10%** bundling bonus for including three measure categories. The total rebate is **\$143,750**.



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PARTICIPANT JOURNEY

Participant Journey

As part of the Building Energy Retrofit Accelerator program, the participant will submit an online application using a portal, where the applicant will have to create a user account. Participants will have the option to access their submitted applications and review their application status anytime. Applications can be submitted for pre-approval or post-installation; please see the process and requirements outlined below.



CAN A THIRD PARTY SUBMIT ON MY BEHALF?

Contractors, distributors and other third parties may apply on behalf of the participant; however, the participant will need to approve the project and sign the **Program Terms and Conditions**. All rebate payments must be made to the participant. No cheques will be issued to contractors, distributors or other third parties.

COMMUNICATION TO APPLICANTS

For all applications, participants will be sent notification of their status via email. Status updates will be provided every time the status of an application changes. The email will explain the new status and what, if anything, is required from the applicant. Applicants may also confirm their status by logging into the application portal and reviewing their project.

Participant Journey

PRE-APPROVAL APPLICATIONS

Pre-approval applications are recommended for all participants. These applications provide certainty for the participant, confirm equipment eligibility, and reserve rebate funding for when the project is completed.

1A. RESEARCH AND PLANNING

Applicants should review program materials and the [Eligible Measure List](#) while planning their project and choosing what equipment, products and certifications to install. If necessary, applicants should request quotes from qualified contractors. Applicants may wish to hire a professional to complete an energy audit, which will help them understand what upgrades are recommended for their building. American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) Level 2 energy audits are eligible for a rebate up to \$10,000 (maximum 50% of the cost) through the [Building Energy Benchmarking Program](#).

1B. PRE-APPROVAL

Applicants will submit an application, including the following required pre-approval documents, through the online portal:

- Recent utility bill (within two months of the application submission date)
- Copy of email confirmation for registration in Edmonton's [Building Energy Benchmarking Program](#)
- Installation/equipment quote, including equipment model numbers, quantities and price
- Signed copy of the [Program Terms and Conditions](#)

Applications will be reviewed and the applicant will be notified within one to two weeks about whether they qualify for a rebate or if any additional or updated documentation is required. If the applicant is pre-approved, a digital letter will be issued outlining the amount, equipment and expiration date (nine months from the date of issue).

In the event of project delays, **pre-approval extensions will be assessed on a case-by-case basis** and extensions may be granted at the sole discretion of the City of Edmonton.

2. INSTALLATION AND DOCUMENT SUBMISSION

Following project pre-approval, the equipment is to be procured and installed. Once the final invoice has been received, a post-installation application can be submitted online.

3. APPROVAL

The post-installation application will be reviewed to ensure that the application is complete and all required documentation has been submitted, and to determine what rebates the project qualifies for. Within one to two weeks, the applicant will be notified if they qualify for a rebate, or if any additional or updated documentation is required.

The applicant must submit an invoice for the installation, including the equipment model numbers, quantities and price. Additional documentation may be required, as outlined in the [Eligible Measure List](#) and [Program Terms and Conditions](#).

Once the application is complete, a digital letter will be issued to the applicant outlining which equipment was approved and how much the rebate will be.

4. CLOSEOUT

A rebate cheque will be sent to the participant and is expected to be mailed within two to three weeks of receipt of the digital approval letter. The participant will be sent an optional customer satisfaction survey.

FIGURE 1: PRE-APPROVAL APPLICATION PROCESS



POST-INSTALLATION APPLICATIONS

In some cases, applicants may not have time to wait for a pre-approval. This may be the case if equipment breaks suddenly and needs to be repaired quickly. The Building Energy Retrofit Accelerator program accepts post-installation applications.

Pre-approval is strongly recommended. By submitting post-installation, the applicant does not receive confirmation that they and their equipment are eligible. Moreover, when a project is pre-approved the funds are reserved for that specific participant. If the application is submitted post-installation, there is no guarantee that funding will be available. It is strongly recommended that participants submit a pre-approval application whenever possible.

1. RESEARCH AND PLANNING

Applicants should review program materials and the [Eligible Measure List](#) while planning their project and choosing what equipment, products and certifications to install. If necessary, applicants should request quotes from qualified contractors. Applicants may wish to hire a professional to complete an energy audit, which will help them understand what upgrades are recommended for their building. ASHRAE Level 2 energy audits are eligible for a rebate up to \$10,000 (maximum 50% of the cost) through the [Building Energy Benchmarking Program](#).

2. INSTALLATION AND DOCUMENT SUBMISSION

The equipment is to be procured and installed. Once the final invoice has been received, a post-approval application can be submitted online. The applicant must submit their application within 30 days of the final invoice date for the project if no pre-approval was completed.

3. APPROVAL

The application will be reviewed to ensure that it is complete and all required documentation has been submitted. Within one to two weeks, the applicant will be notified about whether they qualify for a rebate or if any additional or updated documentation is required. Required documentation includes:

- Recent utility bill (within two months of the application submission date)
- Copy of email confirmation for registration in the [Building Energy Benchmarking Program](#)
- Installation invoice, including equipment model numbers, quantities, and price
- Signed copy of the [Program Terms and Conditions](#)

Additional documentation may be required, as outlined in the [Eligible Measure List](#). If the post-installation application is accepted, the participant will receive a digital letter specifying what equipment and rebate amounts were approved.

4. CLOSEOUT

A rebate cheque will be sent to the participant and is expected to be mailed within two to three weeks of the digital approval letter. The participant will be sent an optional customer satisfaction survey.

READY TO APPLY?

Refer to the [Program Checklist](#) to help guide you through your application process.

FIGURE 2: POST-INSTALLATION APPLICATION PROCESS





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ELIGIBLE MEASURES

Eligible Measures

Measures and rebate amounts were chosen to encourage multiple measures and more significant building energy retrofit projects. The program focuses on energy-efficient lighting fixtures and controls, as well as high-efficiency non-lighting measures, particularly those associated with space heating and building envelope.

Measure eligibility was determined using ENERGY STAR and Design Light Consortium (DLC) qualified product list (QPL) or certification criteria. For the measures for which there are no QPL or certification criteria in ENERGY STAR and DLC, measure standards from other relevant Technical Resource Manuals¹ were used. Detailed eligibility criteria for each measure is described in the [Eligible Measure List](#).

¹ A Technical Resource Manual (TRM) is a document that provides a standardized and transparent approach for the calculations of energy efficiency savings. A TRM will outline assumptions, typical operating hours, emission factors, changes in operations for the end user (i.e., the measure level).

CONTACT US

Have questions? Please see [Program FAQs](#) on our website and send any additional questions to us via email or phone:



changeforclimate.ca/buildingretrofitrebate

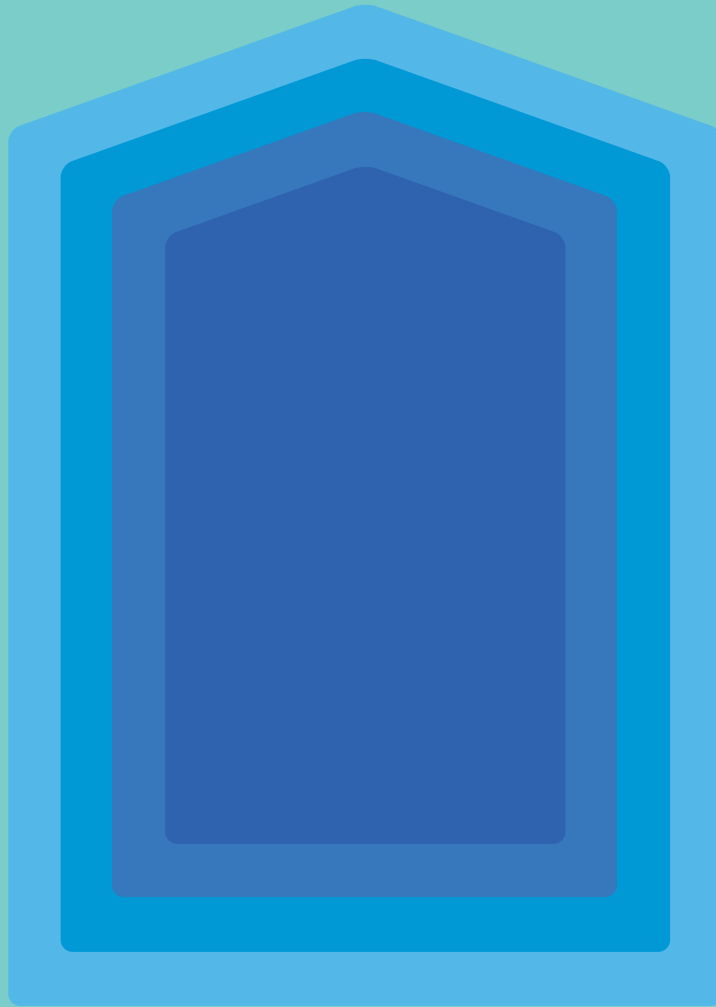


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