

Participant guide

Custom Efficiency Program

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Program overview

FortisBC delivers the energy British Columbians need, while working with customers to rethink how we can all use energy more efficiently. Our Conservation and Energy Management programs help customers invest in high-efficiency equipment to save energy and costs, and support our target to reduce our customers' greenhouse gas emissions by 30 per cent by 2030.¹

The Custom Efficiency Program is designed to help commercial and industrial customers achieve energy-efficiency improvements in their buildings, facilities or processes. Recognizing that such projects can be large and complex, we work with you, every step of the way, to identify your needs and tailor the incentives and support available through this program to meet your goals.

This guide will introduce some of the types of projects that may qualify for incentives through the Custom Efficiency Program, discuss the incentives available for industrial improvements or commercial building retrofits and show you a typical path through the program.

Beyond just saving energy and costs, the Custom Efficiency Program could benefit your building or business in many ways:

- insight into how your building or facility uses energy
- energy studies to support the case for replacing older, inefficient equipment
- ideas for low- and no-cost improvements you can quickly implement to save energy
- improving comfort for occupants
- boosting your facility's productivity
- reducing greenhouse gas emissions, water and waste
- learning about incentives for future energy-efficiency improvements

¹From 2007 levels.

Is the Custom Efficiency Program right for you?

Do any of the following statements help describe your building or project?

If you answer “yes” and you meet eligibility requirements (see page 6), contact your key account manager or technical advisor to discuss your project.

You are the owner or long-term leaseholder of an **existing**:

- multi-unit residential building
- commercial, office or retail building
- health care facility
- education facility

OR

You are the owner or long-term leaseholder of a **new or existing**:

- greenhouse or agricultural facility
- mining facility
- industrial, processing or manufacturing facility

Your building or facility receives natural gas from FortisBC on a commercial rate, and your project might include:

- comprehensive natural gas heating and ventilation optimization
- building control optimization
- building envelope improvement
- heat recovery
- large boiler project
- process heating
- burner optimization

AND/OR

Your building or facility receives electricity from FortisBC or from the municipal utility of Summerland, Grand Forks, Penticton or Nelson Hydro, and your project might include:

- comprehensive electric heating, cooling and ventilation optimization
- building control optimization
- building envelope improvement
- compressed air optimization
- motor, fan and/or pump optimization
- refrigeration optimization and upgrades
- agricultural LED lighting²

OR

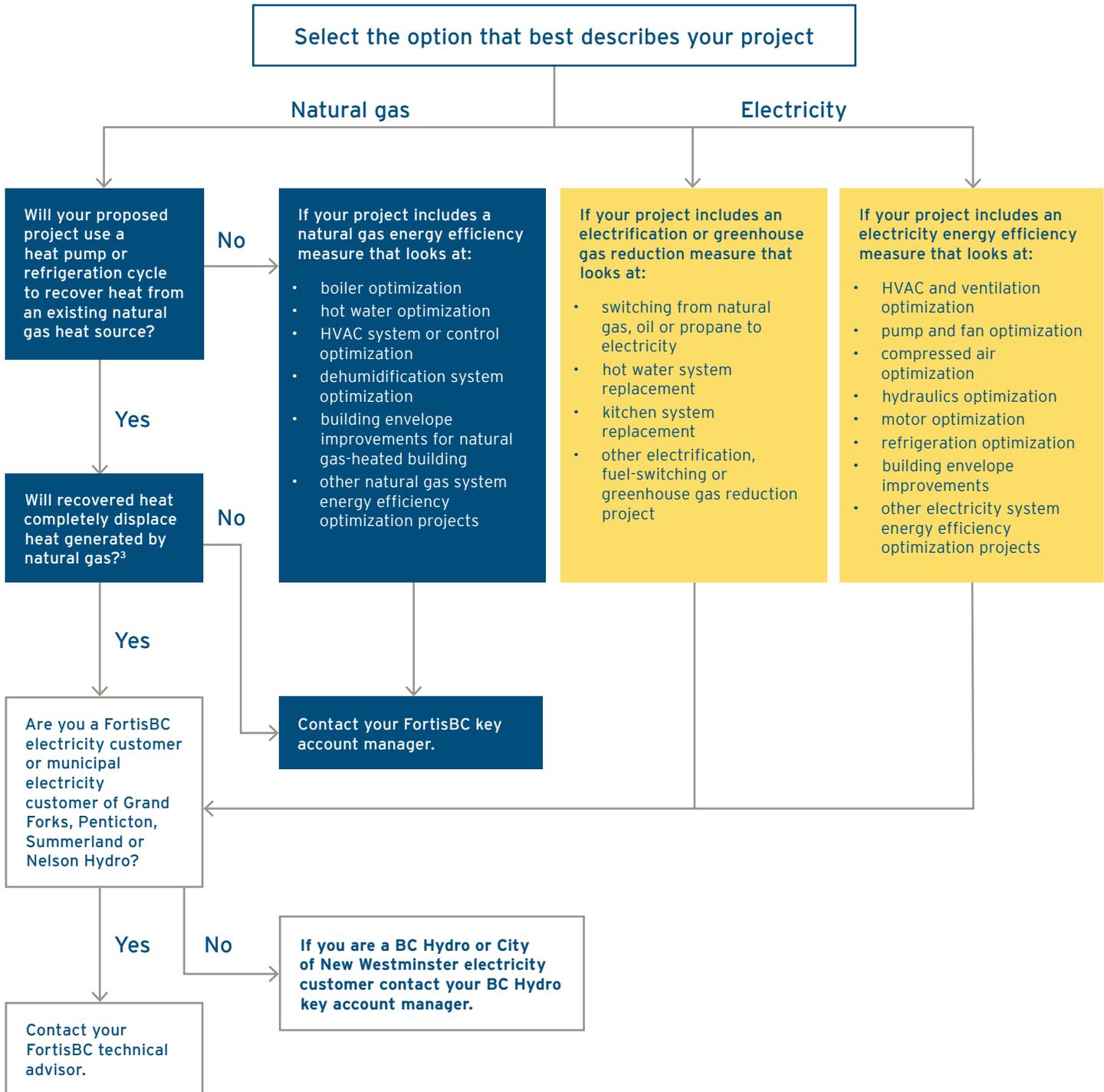
- You have an energy study or plan to complete one to evaluate how your proposed energy-efficiency project will perform.

More rebates for businesses

If your building or business would benefit from individual rebates on high-efficiency equipment such as boilers, water heaters, steam system upgrades and more, learn more at fortisbc.com/findrebates.

²For commercial LED lighting rebates, visit fortisbc.com/commerciallighting for more information.

Who you should contact to get your project started?



³Natural gas at the system level during an average weather year.

Eligibility requirements

1. You must be a FortisBC natural gas customer under any rate class except Rate 1 and/or a FortisBC electricity customer or municipal electricity customer of Grand Forks, Penticton, Summerland and Nelson Hydro.⁴
2. You must be an owner or long-term leaseholder of a new or existing industrial or agricultural building or facility or an existing commercial, institutional, or multi-unit residential building or facility.
3. You must have written approval from FortisBC before purchasing equipment or implementing the project that is the subject of funding from the Custom Efficiency Program.
4. Retrofit, expansion and new construction projects are eligible in industrial⁵ or agricultural facilities.
5. For natural gas customers, your project must have the potential to save a minimum of 1,000 gigajoules of natural gas annually.
6. For FortisBC or municipal electricity customers, your project must have the potential to save 50,000 kWh of electricity annually.

Terms and conditions apply for the energy study and implementation incentives, and are available from your key account manager or technical advisor. Programs are subject to change.

What incentives are available?

The Custom Efficiency Program provides three types of funding to encourage participants to complete projects to save energy in their buildings or processes:

- **Energy study funding** toward having a detailed professional engineering analysis of your facilities performed to identify opportunities for cost-effective natural gas or electricity savings. The consultant who performs the energy study must be included in [FortisBC's list of approved consultants](#).
- **Implementation incentives** to encourage the installation of cost-effective energy-efficiency upgrades identified in the energy study.
- **Implementation bonus** to further encourage your project to progress from energy study to completion.

Note: you must notify FortisBC if you receive funding toward an energy study or the approved energy conservation measures through financial incentive programs other than FortisBC.

The amount of funding you may receive depends on whether your project is for a commercial building retrofit or for new construction or improvements for an industrial or agricultural process or facility.

For commercial, multi-unit residential and institutional buildings or agricultural lighting

Energy study	up to 75% of the energy study cost
Implementation incentives	the lesser of: <ul style="list-style-type: none"> • \$3/GJ over the measure life of the project • \$0.02/kWh over the measure life of the project⁶ • 75% of the invoiced project costs • up to a maximum of \$500,000
Implementation bonus	up to 25% of the approved energy study cost

For industrial facilities

Energy study	up to 75% of the energy study cost
Implementation incentives	the lesser of: <ul style="list-style-type: none"> • \$3/GJ over the measure life of the project • \$0.02/kWh over the measure life of the project⁶ • 75% of the invoiced project costs • up to a maximum of \$1 million
Implementation bonus	equal to 25% of the approved energy study cost

⁴Projects within FortisBC's joint gas and electric service area would have to meet only one set of requirements for natural gas and electric efficiency projects.

⁵Industrial production is a manufacturing or transformative process in which raw materials are transformed into finished goods for the purpose of resale with the use of machines, tools and labour.

⁶For customers who receive electricity from FortisBC or municipal utilities of Summerland, Grand Forks, Penticton or Nelson Hydro.

What does “incremental cost” mean?

Incremental cost is the cost difference between an energy-efficient project and the project baseline. In some cases, the project baseline is the existing system; in other cases, it is the code-compliant or standard efficiency application of the project.

How incentives are paid

Energy study incentives, if applicable, will be paid after the energy study and consultant's paid invoice are submitted. The payment of implementation incentives depends on how much incentive your project is eligible to receive and whether it is aimed at improving gas or electric efficiency. The implementation bonus is paid following completion of any FortisBC-funded energy efficiency project.

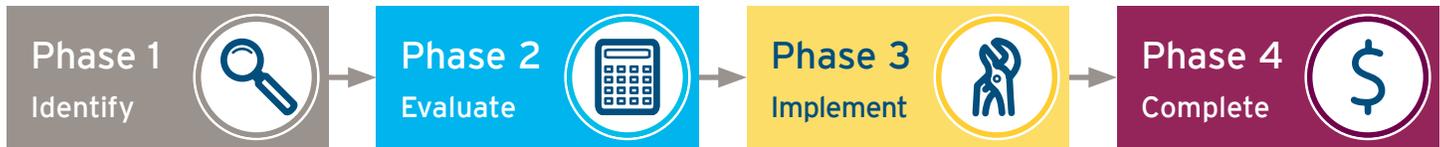
Natural gas efficiency projects that are eligible for incentives exceeding \$250,000 or electric efficiency projects eligible for incentives exceeding \$100,000 require measurement and verification (M&V) after installation. Other projects with incentives below the above thresholds may require M&V at FortisBC's discretion.

If M&V is required, you will receive 75 per cent of the implementation incentive after the post-implementation site visit, and the remaining 25 per cent after the evaluation period, if the project energy savings meet minimum requirements as outlined in the implementation incentive offer letter.

For projects that do not require M&V, you will receive the implementation incentive in full after the site visit and submitting your paid invoices and supporting documents.

For more information, see the flowchart and description of your path through the program (pages 8-10).

Your path to custom efficiency projects



Each project is different, but they all follow a similar path to successful completion. See the flowchart on page 10 for an at-a-glance view or read the details of the four phases of the Custom Efficiency Program. These steps apply to commercial building retrofits or industrial facilities and processes alike.

Phase 1: Identify

1. If you have a potential energy-efficiency project you're exploring, contact a FortisBC [key account manager or technical advisor](#) to discuss your project and get an application form.
2. If you don't already have an energy study, choose an engineering consultant from our [list of approved consultants](#) to help you complete an energy study.
3. Work with your key account manager to submit your application along with any other relevant documents such as an energy study proposal from your consultant, an existing energy study or a report from your FortisBC technical advisor.

Phase 2: Evaluate

4. We'll schedule a kick-off meeting with you and your consultant to review the program and discuss your proposed project.
5. When you receive written approval for the energy study, your consultant can begin performing the energy study of your facility or building.
6. You'll need to submit the energy study within six months of the date of the energy study incentive approval letter.
7. FortisBC will review the energy study or report with details of your proposed energy-efficiency upgrade(s) for cost, energy savings and cost effectiveness. We may contact you or your consultant for clarifications or corrections.
8. When your energy study or report is approved, we'll send you the energy study incentive payment (if applicable) and an offer letter outlining the implementation incentives you're eligible to receive and whether measurement and verification (M&V) is required to receive the full incentive amount.

What does "cost effectiveness" mean?

As a regulated utility, FortisBC may only provide incentives for projects where the energy benefits of the project to the customer and utility outweigh the project costs.

Phase 3: Implement

1. To accept the implementation incentive offer and the terms and conditions for implementation incentive funding, submit a signed copy of the offer letter to FortisBC within 60 days. You can now begin implementing your proposed energy-efficiency project.
2. If your offer letter indicates M&V will be required, a FortisBC engineer will work with you to create a post-implementation M&V plan for your project.
3. Projects should be completed within 18 months of the date of the implementation incentive offer letter. Please contact your key account manager or technical advisor if you have questions during your project, and to let us know when it's complete.

What if your project changes?

Contact your key account manager or technical advisor to let them know about substantial changes to the energy-saving measures you're planning to implement and to discuss how we can continue to support your project.

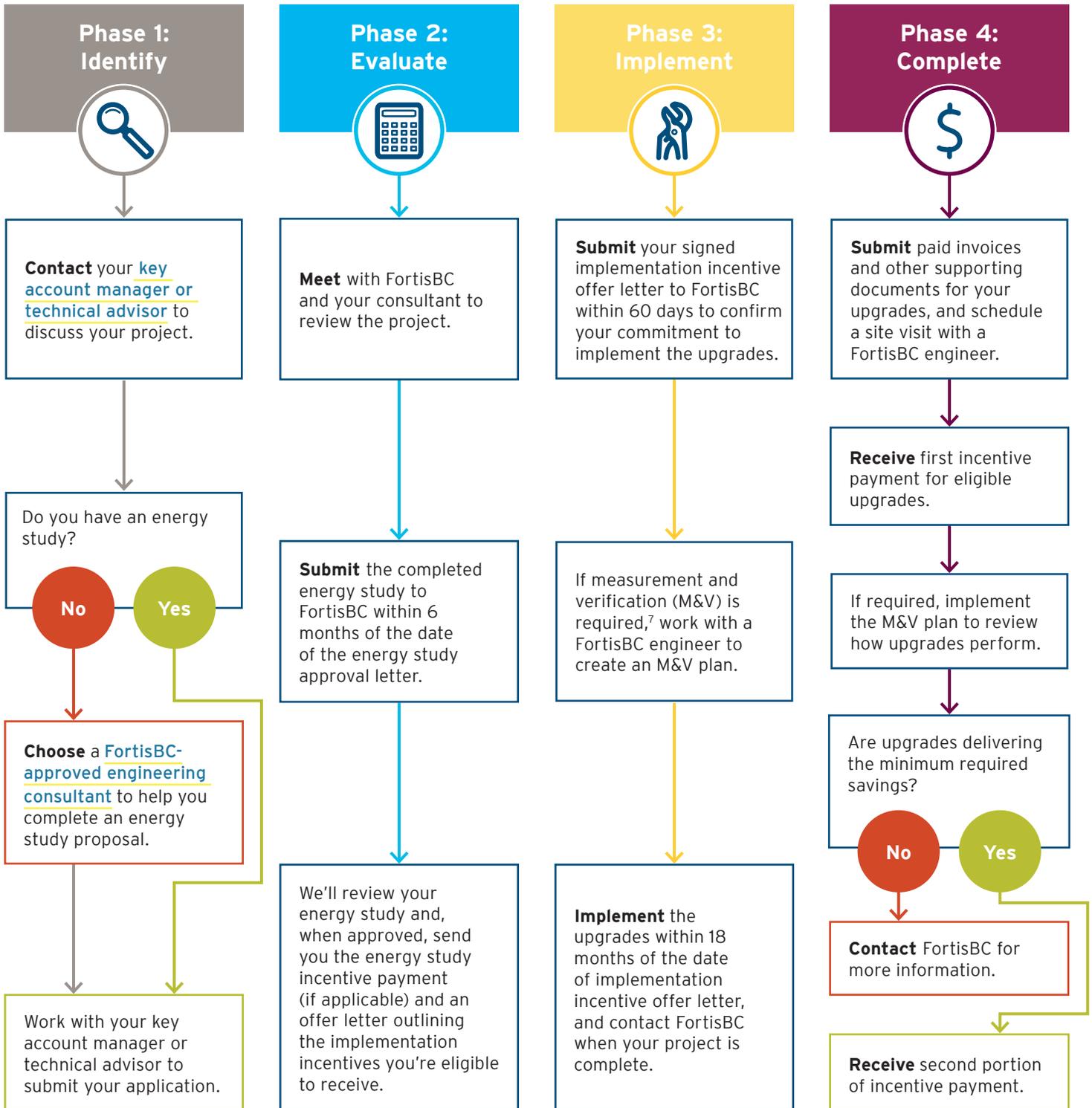
Phase 4: Complete

4. Submit copies of paid invoices and other supporting documents for the eligible upgrades and schedule a site visit with a FortisBC engineer.
5. Once FortisBC staff have visited your site and verified that your upgrades are installed and operational (as specified in your energy study), we'll provide the first implementation incentive payment and the implementation bonus (if applicable).
6. If your project requires a period of M&V, implement the plan that was created to evaluate whether the upgrades are delivering the minimum required savings agreed upon in your implementation incentive offer letter.
7. If the minimum required savings are achieved, we'll provide the remaining portion of your implementation incentive payment. If you have questions, please contact us.

Let's keep talking

After the project is finished, we'll follow up with you to get your feedback on your experience with the program and discuss how we can help you with energy-efficiency projects you might want to pursue in the future.

Your path to custom efficiency projects



After the project is finished, we'll contact you to get your feedback on the program and discuss how we can help you with future energy-efficiency projects.

For more information about our programs, visit fortisbc.com/businessrebates.

⁷Creating and implementing a measurement and verification plan may be required for natural gas projects that are eligible for incentives of \$250,000 or more, electricity projects eligible for \$100,000 or more, or at FortisBC's discretion, as outlined in the implementation incentive offer letter.

Answers to frequently asked questions

Q: I've applied for additional funding through another organization. How does this affect the funding I will receive requirement that the building or facility must be owned or leased by the participant?

A: Long-term lease means a commercial or industrial lease with a term of 120 months or more, with an option to renew for at least 60 months. At the time of application to this program, at least 36 months must be remaining on the current lease.

Q: I've already begun implementing an energy-efficiency project—can I apply for incentives from the Custom Efficiency Program?

A: All custom projects require written pre-approval from FortisBC prior to implementation or purchasing equipment. Contact your key account manager or technical advisor to learn about incentives for your future energy efficiency projects.

Q. Is maintenance work such as cleaning burners and repairing insulation, which can save energy, eligible for this program?

A. Operations and maintenance projects are not eligible for the Custom Efficiency Program.

Q. Can I receive incentives for a new project through the Custom Efficiency Program?

A. Projects for a new industrial or agricultural facility may be eligible for incentives from the Custom Efficiency Program. If you are constructing a new commercial, multi-family residential or mixed-use building, the [FortisBC Commercial New Construction Program](#) offers incentives for designing and building high-performance buildings.

Q. If my facility self-generates some of its energy, will my project be eligible for the Custom Efficiency Program?

A. Your project may still be eligible, but your incentive will be prorated by the amount of time you import energy from FortisBC compared to the time you export self-generated energy annually. For instance, if you self-generate some of your energy, but do not export it and always import energy from FortisBC, you would be eligible for the full incentive from the Custom Efficiency Program. If you import energy from FortisBC 50 per cent of the time and export self-generated energy the other 50 per cent of the time, you will be eligible for 50 per cent of the typical incentive.

Q. Is it possible to receive a timeline extension on the six-month energy study period or 18-month project implementation period?

A. If requested in writing, FortisBC may be able to offer a timeline extension, subject to program funding availability and other considerations.



We're here to help

For more information and to apply, contact your FortisBC key account manager or technical advisor by visiting fortisbc.com/accountmanager.

For natural gas customers

Phone: **1-866-884-8833**

Email: commercialrebates@fortisbc.com or industrialrebates@fortisbc.com

For electricity customers

Phone: **1-855-857-7411**

Email: businessrebates@fortisbc.com

Connect with us @fortisbc



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