



Guide to Business and Industrial Incentive Programs

Take advantage of
incentives to increase
the efficiency of your
buildings and operations



There are incentives for:

- Energy audits
- Energy-efficient lighting
- Equipment upgrades
- Energy-efficient new construction and major renovations
- Building commissioning
- Industrial upgrades
- Demand Response



AUDIT FUNDING

Description

An energy audit can help identify the costs and benefits of implementing efficiency projects and prioritize energy management projects for your business.

Three types are available:

- Electricity survey and analysis to understand financial benefits
- Detailed analysis of capital intensive modifications for projects that require more sophisticated modelling
- Detailed analysis of non-capital intensive modifications, such as balancing and mechanical equipment, that includes system evaluations that measure actual operation conditions and reasonable estimate of consumption and demand profiles during peak demand. This incentive excludes the study of lighting systems.

Incentive

For **Electricity Survey and Analysis**, funding is based on \$0.10/sq. ft. up to 30,000 sq. ft. For buildings with more than 30,000 sq. ft., the incentive will be \$3,000 for the first 30,000 sq ft., plus \$0.05/sq. ft. for incremental sq. ft.. Funding is capped at 50% of your project costs, to a maximum of \$25,000.

For **Detailed Analysis of Capital Intensive Measures**, incremental funding of up to \$10,000 is available for those studies that involve comprehensive modelling of larger measures. Based on an additional \$0.05/sq. ft., this funding is capped at 50% of the added project costs, and is available to facilities greater than 50,000 sq. ft.

For **Detailed Analysis of Non-Capital Intensive Modifications**, the incentive covers 50% of the cost of a system energy audit, up to \$5,000.

Tenant Audits: Funding for audits of lighting, office equipment and plug loads. The incentive is \$0.03/sq. ft. or up to \$7,500, whichever is less.

Eligibility

For building owners and tenants. Auditors must meet prescribed qualifications.

Key Benefits

This program is designed to provide you with funding to identify potential solutions to operational challenges.

- Determine an action plan and priority list as the basis of a multi-year investment plan
- Establish your baseline and build your business case for retrofit projects or for project funding approval

RETROFIT PROGRAM

Description

This program provides financial incentives to replace existing inefficient equipment with high-efficiency equipment and for installing new control systems to improve the efficiency of your operational procedures and processes.

There are three tracks you can choose from:

- **Prescriptive** – simple, predefined measures with per-unit incentives
- **Engineered** – design-based approach with potential for higher incentives
- **Custom** – for more complex or innovative measures not covered in other tracks

Many applications qualify including lighting, building controls, unitary air conditioning, variable frequency drives, high-efficiency motors, refrigeration systems, monitoring & targeting systems, chillers and more.

Incentive

Lighting projects: The greater of \$400/kW of demand savings or \$0.05/kWh of one year electricity savings, to a maximum of 50% of project costs.

Non-lighting projects: The greater of \$800/kW of demand savings or \$0.10/kWh of first year electricity savings, to a maximum of 50% of project costs.

Additional incentives are available for social housing and multi-residential buildings. Fuel switching from electricity to natural gas not included.

Eligibility

For owners and tenants of commercial, institutional, industrial, agricultural (nursery, greenhouse) and multi-residential facilities, including social housing.

Key Benefits

- Funding up to 50% of your project costs

HIGH PERFORMANCE NEW CONSTRUCTION

Description

Substantial financial incentives and design assistance are provided for new building and major renovation projects that exceed the electricity efficiency specified in the Ontario Building Code.

Incentive

- Up to 100% of the cost of modelling a building (up to \$10,000)
- **Prescriptive component** – encourages incorporation of pre-approved technologies
- **Engineered component** – incentives based on a preset calculation worksheet that helps calculate reductions
- **Custom component** – incentives based on modelled energy performance
- **Design Decision Maker incentive** – available for third parties influencing the outcome of the design

Eligibility

For owners, tenants and architects of new buildings and major renovation projects in office buildings, industrial buildings, retail spaces, multi-residential buildings, housing complexes, colleges, universities, schools, hospitals, long-term care facilities, hotels and motels are eligible.

Key Benefits

This program is designed to provide you with funding and assistance to:

- Build beyond standard code requirements to create long term environmental benefits
- Get ongoing savings from lower long-term operating costs
- Enhance leasing and sales opportunities

There is also a **NEW HOME CONSTRUCTION** program for single family dwellings.

DEMAND RESPONSE DR3

Description

If your production processes or equipment are flexible enough to allow you to curtail electricity use for a specific number of Demand Response (DR) events per year, this program can provide a key new source of revenue in return for mandatory participation in activation notices.

Incentive

Availability Payment for demand (kW) savings:

- Availability payments are dependent on your ability to commit to 100 hours per year

Utilization rate for energy (kWh) savings:

- Utilization rates are dependent on your ability to sustain load reductions for one to four or five to nine consecutive hours per Demand Response event
- The incentive rates are dependent on the agreement with your chosen Demand Response Provider or, if you can deliver more than 5 MW, you can contract directly with the Ontario Power Authority (OPA)

Eligibility

Your business must have a peak demand greater than 50 kW and be operating and available during a predefined schedule of about 1,600 hours per calendar year. Within the 1,600 hour period, you can select to participate in activations of up to 100 hours per year.

Key Benefits

- Create an additional revenue stream
- Reduce operating costs including the opportunity to reduce Global Adjustment Mechanism charges
- Leverage emergency standby system assets and elevate system reliability

PROCESS & SYSTEMS Energy-Efficiency Upgrades

Description

This program helps you find, achieve and sustain major energy savings. It provides access to substantial financial incentives and technical expertise to upgrade your systems and make improved energy management a part of your day-to-day business.

Incentive

Preliminary Engineering Study

- Identify and investigate project opportunities
- Estimate energy savings and project costs
- Funded up to \$10,000

Detailed Engineering Study

- Comprehensive investigation of energy savings and project costs
- Sufficient to support capital decisions
- Fully funded for first year of program, up to \$50,000

Capital Incentive

The Capital Incentive is based on your forecasted energy savings as well as your project costs, using the lowest of three calculations:

- \$200 per MWh of projected annual average electricity savings
- 70% of your eligible project costs
- The amount needed to reduce your simple payback to one year

Eligibility

For owners and tenants of large commercial, institutional and industrial operations.

Qualifying upgrades must save at least 100 MWh annually. Capital projects greater than 350 MWh of savings per year require a detailed engineering study.

Key Benefits

This program is designed to provide you with major funding and technical expertise to:

- Find the best opportunities to save through engineering studies
- Invest in manufacturing upgrades that improve product quality, process reliability and energy efficiency

PROCESS & SYSTEMS Energy Management and Monitoring

Description

This program provides long-term support so you can maintain and grow your savings well into the future.

Incentive

- Funding up to 80% of an Embedded Energy Manager's salary to an annual maximum
- Up to \$75,000, capped at 80% of project cost, for a monitoring and targeting system

Eligibility

For owners and tenants of large commercial, institutional and industrial operations. To qualify, you must have the potential to meet the minimum annual savings targets for overall consumption and peak demand.

For Monitoring and Targeting, you must use at least 15,000 MWh of electricity annually, have an on-site Embedded Energy Manager, and have the potential to meet the minimum savings targets for overall consumption and peak demand by the end of the second year. For Embedded Energy Managers you must achieve at least 300 kW of demand reduction plus an associated amount of energy reduction per year.

Key Benefits

This program is designed to provide you with funding to create a real, sustainable competitive advantage through energy management best practices.

- Take charge of your energy with an on-site Funded Energy Manager
- Equip your team with accurate, up-to-the-minute data about your energy use

EXISTING BUILDING COMMISSIONING

Description

This program provides incentives to evaluate and implement retrofits and commissioning measures that increase the efficiency of your chilled water system.

Incentive

- \$2,500 to hire an expert to analyze your chilled water plant (Scoping Phase)
- Up to \$30,000, based on chiller size, to evaluate energy efficiencies and implement the required data acquisition system (Investigation Phase)
- Up to \$5,000 to complete the Implementation Phase Commissioning Report plus incentives for major measures (Implementation Phase)

- Project incentives at \$800/kW or \$0.10/kWh for projects having a simple payback of greater than 2 years
- Funding of \$2,500 to complete a Final Commissioning Report (Hand Off/Completion Phase)

Eligibility

For owners, facility or property managers, and tenants of commercial, institutional, multi-family buildings and agricultural facilities that have a general service account with more than 50kW annual demand, and own or lease a chilled water system. Your system must be more than three years old, cool an area greater than 50,000 sq. ft. and the system must not have been involved in any previous OPA funding initiative.

Key Benefits

- May yield a quick payback and ongoing operational savings
- Provides insights into the way in which your chilled water systems are being operated and valuable tools to monitor ongoing performance

SMALL BUSINESS LIGHTING

Description

Specifically for small businesses, this program offers a free assessment to identify energy saving opportunities and up to \$1,500 of lighting and other energy-efficient upgrades, including all equipment and labour.

An authorized licenced contractor will make an appointment to complete your retrofit. Installations are quick and can be made when your business is open.

Incentive

- Up to \$1,500 in free lighting and equipment upgrades

Eligibility

The program is for owners and tenants with a Toronto Hydro general service account of less than 50 kW. Bulk and submeter customers may also apply. However, if you are not the building owner, you will need the landlord's permission to authorize these upgrades.

If your business has previously participated in Power Savings Blitz^{OM}, you are not eligible.

Key Benefits

This program is designed to provide you with funding for energy-efficient retrofits.

- The program is completely free of charge to you
- Get a free assessment to identify possible energy savings
- Receive up to \$1,500 of energy-efficient retrofits – including all equipment and labour
- Get access to additional incentives
- You may also be eligible for incentives through the **saveONenergy RETROFIT PROGRAM**

Visit torontohydro.com/business

for more information or to apply online.

Or contact us today at: Tel: 416.542.3388 Fax: 416.542.2980 Email: cdm@torontohydro.com



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