

ONTARIO ENERGY INCENTIVES

GENERAL FUNDING INFORMATION

<p>WHAT GOVERNMENT FUNDS</p> <ul style="list-style-type: none"> ✓ Energy initiatives – energy use studies, technology development , energy efficiency incentives ✓ Regional and rural economic initiatives (automotive, agricultural) ✓ Wage subsidies ✓ Research & Development, including green technology development, demonstration and installation; automotive; and food processing (equipment, training, and marketing) 	<p>WHAT GOVERNMENT DOES NOT FUND</p> <ul style="list-style-type: none"> × Start-ups (in business for less than two years) × Acquisitions × Bail outs × Business as usual activities × Real estate, construction and leasehold purchases × Legal or environmental compliance × Work done outside of Canada
<p>BUSINESSES SUITABLE FOR FUNDING</p> <ul style="list-style-type: none"> ✓ Agri-processing ***** ✓ Manufacturers ✓ Interactive Digital Media 	<p>BUSINESSES UNSUITABLE FOR FUNDING</p> <ul style="list-style-type: none"> × Retailers, Wholesalers, Service Providers × Companies that make their products outside of Canada × Companies with fewer than 10 employees or not incorporated

FUNDING BY CATEGORY

ACTIVITY	PROGRAM NAME	PROGRAM DESCRIPTION	OTHER
ENERGY STUDIES AND TECHNOLOGY IMPLEMENTATION	Industrial Accelerator	Offers incentives to "distribution-connected" industries for making capital investments in energy-efficiency capital projects and other enabling initiatives including Monitoring & Targeting. Company must have an Energy Manager and a minimum annual electricity consumption of a least 15,000MWh in the previous year to qualify.	<ul style="list-style-type: none"> ▪ Max \$: 75,000 ▪ Contrib. Ratio: 80% ▪ Due Date: Open Intake ▪ Type: Grant ▪ Applicant: Large Industrial Energy Users
	Process Integration	Supports process integration studies in large plants to reduce energy consumption.	<ul style="list-style-type: none"> ▪ Max \$: 50,000 ▪ Contrib. Ratio: 50% ▪ Due Date: Open Intake ▪ Type: Grant ▪ Other: Companies must register with NRCan

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ENERGY STUDIES AND TECHNOLOGY IMPLEMENTATION (CONTINUED)	Gas & Hydro Utilities	Incentives for aspects of energy efficiency projects from study, design to project implementation	<ul style="list-style-type: none"> ▪ Max \$: 100,000 ▪ Contrib. Ratio: 50% ▪ Due Date: Open intake ▪ Type: Grant ▪ Applicant: Must be utility customer
	Green Municipal Funds	Supports third party feasibility & field studies for environmental projects that cut pollution & greenhouse gas emissions, improve air/water/soil quality, sustain the environment, and/or improve sustainable use of resources. *Also applicable to Energy Initiatives.	<ul style="list-style-type: none"> ▪ Max \$: 350,000 ▪ Contrib. Ratio: 50% ▪ Due Date: Open Intake ▪ Type: Grant ▪ Applicant: Must apply through a municipality
	Ontario Power Authority Conservation programs	saveONenergy Process & Systems for large users (70% capital costs) saveONenergy Audit Funding (to determine conservation opportunities) Energy Retrofitting (commercial, industrial and institutional buildings) High Performance New Construction (incentives for energy efficiency)	<ul style="list-style-type: none"> ▪ Max \$: varies ▪ Contrib. Ratio: varies ▪ Due Date: Open intake ▪ Type: Grant ▪ Applicant: Any
	Fit and Microfit program	Incentive based on generation by any renewable energy source. Agreement for 20 years. FIT (feed-in tariffs) is above 10kW and Microfit is below.	<ul style="list-style-type: none"> ▪ Max \$: Per kWh fed back to the grid ▪ Contrib. Ratio: varies ▪ Due Date: Open intake ▪ Type: Grant ▪ Applicant: Any
	Strategic Jobs and Investment Fund	Supports cluster development and leading-edge initiatives that build global competitiveness in clean/green technologies, financial services, information and communication technologies or life sciences including agriculture. Investments must be a minimum of \$10 million and create 50 high paying jobs.	<ul style="list-style-type: none"> ▪ Max \$: none ▪ Contrib. Ratio: 33% maximum ▪ Due Date: must be invited to apply ▪ Type: Interest-free loan and some grant ▪ Funded Activities: Demonstrations ▪ Other: Must create 50 jobs within 5 years
	FedDev	50% for capital and 75% for third party costs up to \$20 million to projects related to environmental science and technologies; natural resources and energy; health and life sciences technologies including food and beverage industry; and Information and communications technologies that will diverse and strengthen Ontario economy	<ul style="list-style-type: none"> ▪ Max. \$20million ▪ Contribution 50% capital. 75% out of pocket ▪ Dues Date: None ▪ Type: Grant for not for profit. Interest Free loan for private sector ▪ Applicant: Ontario incorporated not for profit or business

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SECTOR AND REGIONAL INITIATIVES	<u>AgriProcessing Initiative (API)</u>	50% up to \$2 million 8-year interest free unsecured loans.	<ul style="list-style-type: none"> ▪ Max \$: 2,000,000 ▪ Contrib. Ratio: 50% ▪ Due Date: Negotiated as part of contract ▪ Type: Loan ▪ Applicant: agricultural, food processing
	<u>Automotive Partnership Canada (APC)</u>	100% up to \$1 million for academic research. Excellent program for bio-material based projects. Must have an academic involved.	<ul style="list-style-type: none"> ▪ Max \$: 1,000,000 ▪ Contrib. Ratio: 100% ▪ Due Date: None ▪ Type: Grant ▪ Applicant: Automotive
	<u>Rural Economic Development Program</u>	50% up to \$1 million for food processor equipment and other invoiced costs. Best funding program for food processors and rural businesses.	<ul style="list-style-type: none"> ▪ Max \$: 1,000,000 ▪ Contrib. Ratio: 50% ▪ Due Date: none ▪ Type: Grant ▪ Funded Activities: Equipment (food processors only) & 3rd party costs ▪ Applicant: Rural-based Companies
	<u>Eastern Ontario Development Fund</u>	15% in grants to support investments of \$100,000 which create a minimum of 10 jobs in Eastern Ontario excluding the City of Ottawa	<ul style="list-style-type: none"> ▪ Max. None ▪ Contrib. Ratio: 15% ▪ Status: Active ▪ Due Date: None ▪ Type: Grant ▪ Funded Activities: Equipment, third party ▪ Applicant: Eastern Ontario Mfg.
	<u>Northern Ontario Heritage Fund</u>	<p>50% up to \$100,000 towards engineering and design costs as well as environmental studies. Applicants must have a Feed-in-Tariff offer and an established partnership with a municipality and/or First Nation.</p> <p>50% up to \$250,000 towards capital and installation costs for internal projects that generate energy for the applicant's own use and reduce demand on external energy sources. The project must generate energy (heat, electricity bio-fuels or a combination of heat and power) from a renewable source (e.g. wind, solar, geothermal, waste heat recovery systems, hydro, etc.). Feed-in-Tariff and Micro-Fit Feed-in-Tariff supported projects as well as investments in energy conservation or equipment and production efficiencies are not eligible for funding.</p>	<ul style="list-style-type: none"> ▪ Maximum: \$100,000 and \$250,000 ▪ Contrib. Ratio: 50% ▪ State: Active ▪ Due Date: None ▪ Type: Grant ▪ Funded Activities: 3rd party and capital ▪ Applicant Mfg. and not for profit

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WAGE SUBSIDIES	<u>Unemployed, persons over 50,disadvantage,summer employment</u>	Various programs offering subsidies usually on a case by case basis	<ul style="list-style-type: none"> ▪ Max \$: less than\$10,000 ▪ Contrib. Ratio: 50% ▪ Due Date: Open intake ▪ Type: Grant ▪ Industry Sector: Any
	<u>Youth Internships</u>	Offers 50% up to \$30,000 in funding to hire recently graduated post-secondary students to work in their fields of study. Technical positions will receive more subsidy than ‘soft skill’ positions – i.e. systems programmer vs. marketing assistant. Quick turnaround of applications – usually 2-3 weeks.	<ul style="list-style-type: none"> ▪ Max \$: 12,000 – 30,000 ▪ Contrib. Ratio: 50% ▪ Due Date: Open intake ▪ Type: Grant ▪ Industry Sector: Any
RESEARCH & DEVELOPMENT	<u>Scientific Research and Experimental Development (SR&ED) Tax Credits</u>	In Ontario, 37% to 72% of employee wages recovered as tax rebate or credit for previous research and development. Materials and contractor costs also eligible. MUST have solid linking documentation between activities and claimed costs.	<ul style="list-style-type: none"> ▪ Max \$: No Limit ▪ Contrib. Ratio: 20-42% ▪ Due Date: within 18 months of FYE ▪ Type: tax credits/cash rebate ▪ Industry Sector: businesses
	<u>Industrial Research Assistance Program (IRAP) and Accelerated Review Process (ARP)</u>	IRAP provides a maximum 75% towards labour and consulting directly related to technical R&D project costs. It is recommended that the first application be no larger than \$100,000 or due diligence will be brutal. Larger amounts are easier to obtain with a successful track record of IRAP performance. Small projects (\$50,000 or less) should apply to ARP.	<ul style="list-style-type: none"> ▪ Max \$: 500,000 ▪ Contrib. Ratio: 75% ▪ Due Date: Open Intake ▪ Type: Grant ▪ Applicant: Businesses with fewer than 500 employees
	<u>University Funding</u>	Offers 100% up to \$20,000 in funding to contract university professors to undertake research. Offers 50% up to \$250,000 on larger university undertaken research. Industry contribution can include significant in-kind costs.	<ul style="list-style-type: none"> ▪ Max \$: \$250,000 ▪ Contrib. Ratio: 50% ▪ Due Date: Open intake ▪ Type: Grant
COMMERCIALIZATION	<u>Technology Development Fund (OPA)</u>	Provides financial assistance to support pre-commercial technologies or applications that have the potential to improve electricity supply, conservation or demand management. Maximum project length three years. In-kind contributions will be considered. Staff good to work with.	<ul style="list-style-type: none"> ▪ Max \$: 250,000 ▪ Contrib. Ratio: 50% ▪ Due Date: Open Intake ▪ Type: Grant ▪ Industry Sector: Any
	<u>Sustainable Development Technology Fund</u>	For clean technology late-stage development and pre-commercial demonstration. Eligible technologies must be highly innovative products or processes that contribute to clean air, water and land and to improving the productivity and global competitiveness of Canadian industry. Tough program to crack – very paper intensive.	<ul style="list-style-type: none"> ▪ Max \$: undefined ▪ Contrib. Ratio: 33% ▪ Due Date: Twice Yearly RFP ▪ Type: Grant ▪ Industry Sector: Any