

Participant's Guide

Energy Efficiency Program – Efficient Construction and Renovation

Business and Major Industries Markets



documents.

Imagine energy differently

As part of its Energy Efficiency Plan, Énergir offers grants to its customers through its energy efficiency programs to help them reduce their natural gas consumption and their greenhouse gas (GHG) emissions.

This *Participant's Guide* is intended for customers who wish to participate in the New Efficient Construction Grant. It explains the steps to follow to make a request for financial assistance, as well as the eligibility criteria.

Also included is the form required to request financial assistance. Énergir encourages participants to submit their applications electronically, along with supporting documents.

> The conditions for participation have been in effect since December 1, 2021 and updated on April 1, 2024. Energir reserves the right to modify or terminate the grant at any time, without prior notice. However, all applications accepted by Energir before the end of the grant will be processed. Energir also reserves the right to interpret the terms and conditions of the grant.

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For more information

For more information, consult:

- your commercial representative
- the Énergir DATECH team of engineers

To submit requests or for any administrative information regarding an application:

By e-mail:

energyefficiency@energir.com

By phone: 514 598-3410

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Definitions

Definitions

Below are the definitions of the various terms used in this Guide.

Marginally free energy: Thermal energy released that would normally be lost or discharged without being recovered. Once equipment that can capture it is in place, the energy is considered free from a marginal point of view (versus energy sold by an energy distributor that is not free).

Renewable heat energy/proven technologies: Air/aerothermal, ground/ geothermal, sun/wall or roof panels for heating water (except solar energy produced by equipment eligible for financial assistance from Énergir for Solar preheating).

Unrecovered exhaust heat: Exhaust heat from necessary or inevitable activities that is lost (contaminated air, process, combustion products, motors/compressors/chillers, lighting, servers...)

Mechanical compression refrigeration system: A mechanical compression refrigeration system has a motor, a compressor, a cooler, a condenser, an expansion valve and an evaporator that can transfer heat from one place to another. For example, heat pumps are mechanical compression refrigeration systems. Such systems are called active heat exchangers since they have a motor. The electrical energy consumed by the motor is usually in the form of heat, which is discharged to the condenser.

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Description and objective

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The grant is aimed at encouraging the construction of energy efficient buildings that will reduce operating expenses and increase their resale value.

Newly constructed buildings must also comply with the laws and regulations in effect in Québec, particularly those dealing with energy efficiency, air quality, and environmental protection.

Customers who wish to get the grant must complete the form and appropriate tabs, according to the steps of the project, and submit them to Énergir's Energy Efficiency Department, along with the supplementary documents required.

Financial assistance

The financial assistance accorded by Énergir under this grant is \$5.00 per cubic metre of natural gas saved. The maximum amount of financial assistance is \$325,000 per account number served with natural gas.

If the building obtains an energy efficiency improvement of 5% above the reference, as defined in Division B, Part 8, of the National Energy Code for Buildings – Canada 2015 – which integrates amendments from Québec (NECB 2015-Qc), it qualifies for receiving financial assistance under the New Efficient Construction Grant. The amount of financial assistance accorded may not be higher than 75% of the additional investment costs. Énergir estimates extra investment costs related to energy efficiency measures at 8% of investment costs.

New: To encourage integrated designs, Énergir now recognizes the costs associated with an integrated design process as eligible additional investment costs.

If the building does not satisfy the energy efficiency requirements, or does not meet one or more of the Grant's eligibility criteria, Énergir reserves the right to refuse to award any financial assistance.

Énergir agrees to pay financial assistance for carrying out energy simulations; the maximum financial assistance will be \$15,000, or 75% of the costs (the lesser of the two).

Requests for less than \$5,000 (excluding the simulation) are not eligible.

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Description and objective

Transition period

Projects submitted with a preliminary Declaration on Energy Simulation (Tab 2 of the new form, formerly Form II), between December 1, 2021 and January 1, 2022, can choose to use the terms and conditions of this Participant's Guide, or those of the previous Guide in effect from January 15, 2019, revised November 4, 2020.

The terms and conditions of this Guide apply to all projects for which a preliminary Declaration on Energy Simulation (Form, Tab 2) is received after January 1, 2022.

Contribution from other organizations

A participant who is covered by another financial assistance grant to carry out a new construction project, agrees to inform Énergir of any amount received or to be received from energy distributors or government organizations for the same project. Énergir will pay the customer the financial assistance, net of any contribution paid by other organizations for the same project, so that the portion paid by the participant represents 25% of the costs related to the project.

Eligibility criteria

1. Be a current and about-to-be Énergir customer

The activity sectors targeted are as follows:

- commercial sector;
- multi-tenant sector: buildings with four or more units;
- institutional sector;
- industrial sector.

Note: In the case of about-to-be customers, the financial assistance will be paid once a Énergir account has been established.

2. The building must be new

Accepted projects are those that plan to construct a new building, construct an enlargement of an existing building, as well as major renovation projects. What Énergir means by a major renovation project is a project that involves all the following: architecture, heating, ventilation and air conditioning (HVAC) system, and lighting.

3. The building must be heated by natural gas

The projects submitted must necessarily plan to use natural gas for space and/or domestic hot water heating. Only the savings generated by natural gas heating will form part of the financial assistance calculation. Measures affecting the procedure might be eligible, but only if the simulation report shows that the building achieves an

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Description and objective

energy efficiency improvement of 5% above reference NECB 2015-Qc when excluded from the energy savings calculation. The measures concerning industrial processes are not eligible.

4. The calculations must have been done by a registered firm

Registered firms are consulting engineering firms specializing in energy efficiency that can support Énergir customers in identifying and implementing energy efficiency projects. Having already carried out energy efficiency projects for Énergir customers and, having access to information about the energy efficiency grants offered, these firms are well placed to guide customers and facilitate their participation in Énergir's energy efficiency grant programs. Énergir has made a directory of registered firms available to its customers. This directory is meant to be a tool to help customers identify and find contact details of firms that offer energy efficiency services. None of these firms is a subsidiary or partner of Énergir, and making this directory available in no way certifies, attests to, or guarantees the quality of the services offered by these firms.

- Consult the list of <u>registered firms</u>
- To register your firm, send an e-ail to: <u>energyefficiency@energir.com</u>

5. The new construction project must have been modelled using a simulation tool

- The design of a new construction project must have been modelled using a simulation tool such as eQuest, EnergyPlus, IESVE, or any other software previously approved by Énergir. Note: TRACE and HAP are not approved by Énergir.
- The energy simulation must have been carried out or verified by an engineer member in good standing of the *Ordre des ingénieurs du Québec* and be working for a registered firm.
- The customer agrees that, if required, Énergir may request details from the professional who carried out the energy simulation. The customer also agrees that the details requested will be supplied within 10 working days.

6. The request for financial assistance must be submitted to Énergir before the new construction project is started

All requests for financial assistance for a new construction project must be submitted before sending the plans and specifications with the **Declaration of Interest (Form, Tab 1)**.

Once Form, Tab 1 has been submitted, the customer has three (3) months to submit the **Declaration on Energy Simulation (Form, Tab 2, Declaration on Energy Simulation – PRELIMINARY)**.

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Description and objective

7. Savings generated by substituting natural gas for another form of energy are excluded

The savings generated by the substitution of natural gas for another form of energy are not eligible and must be subtracted from the savings generated by the new construction project.

8. Heat recovery from sources other than natural gas may be acceptable under certain conditions

Énergir accepts measures using geothermal, aerothermal, and heat recovery from sources other than natural gas under certain conditions:

- 8.1. The heat energy recovered must be: i) marginally free, AND ii) come from unrecovered exhaust heat or from renewable heat energy.¹
- 8.2. The unrecovered exhaust heat must have been generated from energy efficiency measures on the premises.

However, measures aimed at the recovery of exhaust heat from a water supply network between buildings (urban network) could be eligible under certain conditions. Such measures, if applicable, must be submitted in advance to an Énergir Energy Efficiency Advisor for analysis.

- 8.3. The recovered heat energy must lead to a reduction in natural gas consumption, regardless of its use (heating, hot water, ventilation, process).
- 8.4. The calculations of energy savings related to the use of renewable energy must be submitted to Énergir for approval.

With a reference building based on NECB 2015-Qc, savings related to the production of renewable energy are treated as electricity savings. In the case where natural gas savings should be considered (e.g., a heat pump whose heat source is the ground or air with a natural gas backup), the engineer must supply a separate calculation to show the impact of the measure on the use of the natural gas backup system.

Énergir reserves the right to interpret the terms and conditions of the program and to revise and validate the hypotheses and parameters of the calculation presented of the energy recovery measures.

9. Energy savings recognized by another program offered by Énergir must be deducted from those under this program.

The savings generated from using a high-efficiency appliance eligible for the energy efficiency program - Efficient Appliances - Énergir Business - must be deducted from the savings generated under the new construction project. Since redundancy equipment does not generate savings, it is not considered when calculating the savings to be deducted.

¹ While solar energy is considered renewable heat energy, it is excluded from this program since Énergir already offers a specific Solar program.

Business and Major Industries Markets



Description and objective

Similarly, savings related to the installation of a solar wall eligible for the Energy Efficiency - Solar Preheating program - Énergir Business - must be deducted from the savings generated by the new construction project.

10. The application submitted should contain all the documentation required by Énergir

Énergir requires several documents in order to do an analysis of an application, and the following Documentation Guide must be respected. Énergir accepts documents submitted in electronic form.

11. The new construction project will be verified by a third independent party

To determine the amount of financial assistance, Énergir will have the energy simulation revised by an experienced modeler selected by Énergir. The cost of the review report will be assumed by Énergir.

The simulation review is not aimed at certifying its compliance with the Québec Building Code. Énergir and the experienced modeler bear no responsibility for compliance.

New Efficient Construction Grant

Documentation Guide

Document	Title & Sub-title	Contents
1	List of files submitted	List all the files submitted to Énergir in a summary document (names of files submitted with a brief description of their contents).
2	Simulation report	
2.1	Summary of simulation	Present an overview of the modelling of the building. This section must include:
		• An introduction to the building: its geographic location, climatic zone, number of floors, usages, energy characteristics, as well as any particular system;
		 Name and version of simulation software used;
		Reference standards used;
		 Summary table of consumption for the proposed and the reference building, divided by energy station and by source;
		 Calculation of reduction in energy consumption in the proposed building compared with the reference building (% savings).
2.2	Certification of compliance with (NECB 2015-Qc)	Declare the compliance of the building with the energy efficiency requirements of the Québec Building Code (Chapter 1.1 of the Building Code) by the Method of energy performance compliance set out in Part 8, Division B, of the National Energy Code for Buildings – Canada 2015 amended for Québec. This declaration must be signed by an engineer member in good standing of the <i>Ordre des ingénieurs du Québec</i> .
2.3	Description of proposed building and comparison with reference building	Briefly describe the proposed and the reference buildings, including, as a minimum: hours of use, efficiency of thermal envelope and windows, types and configurations of heating systems, ventilation and air conditioning, air-conditioned and non-air-conditioned areas, domestic hot water system, process loads, building control systems, lighting, renewable energy production system, and any other pertinent systems, if applicable.
2.4	Explanation of all supporting calculations	Provide explanations, including objectives, hypotheses, and equations used, as well as a summary of the results so the reviewer can quickly understand the supporting calculations supplied.
		The supporting calculations may include renewable energy production, efficiency of heat recovery, surface areas of walls, floors and windows, quantities of fresh air, consumption of hot water, etc.
2.5	Attestation of calculation of fresh air supply	Show that the rates of fresh air used in the simulation comply with the plans and specifications, as well as with the standard used in the design.
2.6	Explanation of errors in simulation software	Document all errors or warnings produced by the simulation software.
	Appendices to simulation	report
3	Diagram of mechanical zone	Supply a diagram or drawing that clearly shows all the thermal zones used in the simulation, using the same nomenclature to avoid any possible confusion.
4	Architectural plans and specifications	Supply the most recent version (ideally the as built drawings) for the full set of plans/ drawings, specifications, and control sequence. Énergir will only accept drawings/plans that are signed and stamped.

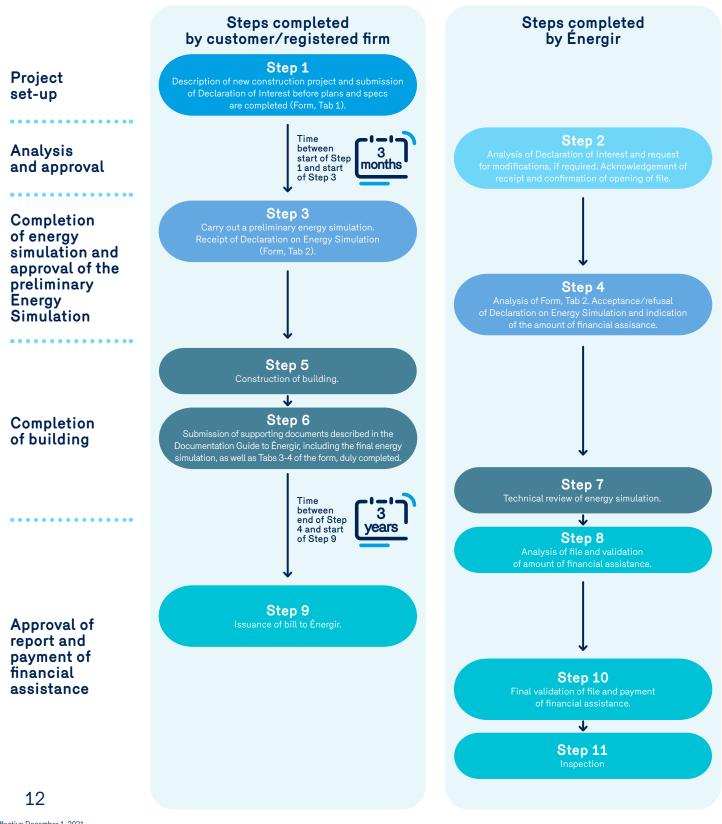
New Efficient Construction Grant

Documentation Guide

Document	Title & Sub-title	Contents
5	Mechanical plans and specifications	
6	Electrical plans and specifications	Supply the most recent version (ideally the as built drawings) for the full set of plans/ drawings, specifications, and control sequence. Énergir will only accept drawings/plans that are signed and stamped.
7	Plans and control sequences	
8	Specifications/technical datasheets/drawings for workshop	Supply specifications for major equipment (ventilation unit, energy production system, pumps, lighting, etc., as well as the envelope (construction of walls, windows and roof). All information from manufacturers that served as input to the simulation and that cannot be determined from the plans must be supplied.
	Simulation files	
9	Simulation files: proposed & reference	Include the simulation files in their original formats, if applicable, input files and files of reports of results for the proposed and the reference building. It is important to ensure that the latest update of these files is supplied so the results correspond to those used in the simulation report.
10	Files of supporting calculations	Submit the calculation files in their original format, (Excel, RETScreen, etc.), including clear explanations of the source of the inputs used, the hypotheses and calculation methods used. A summary must show the results obtained and presented in the simulation report.
	Additional documents	
11	Service offer for energy simulation	Supply a copy of the service offer or the invoice showing the cost of carrying out the energy simulation and analysis.
12	Proof of project cost	Supply an invoice or any other document supporting the total estimated cost of the project, as shown under Tab 3 of the Declaration on Energy Simulation – Final.
13	Proof of cost of integrated design	Supply, if applicable, a bill or any other document that supports the cost of the fees related to the integrated design phases, such as concept designs, multidisciplinary design team meetings, and follow-up. Supply items that show such meetings were held (Minutes, reports, agendas, etc.).
14	Énergir form	Form, Tab 3, Declaration on Energy Simulation – Final Form, Tab 4, Request for Payment of Financial Assistance

New Efficient Construction Grant

Steps to follow (table)



Effective December 1, 2021 – updated on April 1, 2024. New reference based on NECB 2015-Qc.

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Completion steps

Steps to follow

Step 1

Submission of Declaration of Interest

The grant is intended for current and about-to-be Énergir customers who want to construct a new efficient building. To do so, the customer submits a **Declaration of Interest (Form - Tab 1)** advising Énergir of his/her intention to obtain financial assistance from Énergir.

In the Declaration of Interest, the customer acknowledges having read and agreed to the Grant's eligibility criteria.

Step 2

Receipt by Énergir of Declaration of Interest and opening of file.

Énergir analyzes the **Declaration of Interest (Form - Tab 1)** and confirms the opening of the file in writing.

Step 3

Preliminary submission of Declaration on Energy Simulation

Once a preliminary energy simulation has been carried out, the customer must send an application to Énergir by completing the **Declaration on Energy Simulation (Form - Tab 2)**.

The request must be accompanied by the preliminary energy simulation files that justify the expected energy savings.

From the date of confirmation of the opening of the file, he customer has 3 months to submit Tab 2 of the form.

Step 4

Analysis of energy simulation

Énergir analyzes the documents based on the eligibility criteria, and confirms its acceptance (or refusal) of the financial assistance in writing, along with the amount to be accorded.

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Completion steps

Step 5

Construction of building

From the date of acceptance of the preliminary Declaration on Energy Simulation from Énergir, the customer has three years to complete the new building construction. The customer must advise Énergir in the event this timeframe cannot be respected. Beyond that date, Énergir reserves the right to refuse to pay the financial assistance.

The building, as approved by Énergir in the energy simulation, must be constructed in its entirety. The client must advise Énergir if any modifications are made to the building.

Step 6

Submission of documents listed in Documentation Guide

The customer sends all the documents listed in the Documentation Guide to Énergir to initiate the review process, including, in particular, the final energy simulation, along with the supporting documents. The customer sends the form to Énergir with Tab 3, Declaration on Energy Simulation – Final and Tab 4, Request for Payment of Financial Assistance, duly completed.

Step 7

Technical review of energy simulation

The cost of the technical review of the new construction project will be assumed entirely by Énergir and will be carried out by an experienced modeller, selected by Énergir. The review report will be send to the customer and to Énergir.

The simulation review is not aimed at certifying its compliance with the Québec Building Code. Énergir and the experienced modeler bear no responsibility for compliance.

Step 8

Analysis of file and validation of amount of financial assistance

Énergir will then analyze the file and the review report based on the eligibility criteria and will inform the customer, in writing, of the final amount of financial assistance.

Step 9

Issuance of bill to Énergir

The customer must send Énergir a bill requesting the amount of financial assistance, including the applicable taxes (GST & PST). Refer to Tab "Sample bill".

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Completion steps

Step 10

Final validation of file and payment of financial assistance

Énergir will then perform a final analysis of the file and, if it is considered satisfactory, that is, if it respects the performance terms and conditions, Énergir advises the customer and issues a cheque.

Step 11

Post-construction inspection

An inspection visit may be required for certain files, The inspection is random and Énergir will select the participants whose buildings will be inspected. Énergir will contact the resource person identified on Tab 1 of the form to arrange a date for the inspection.

If the inspection shows major differences between the building constructed and the one simulated, the customer must undertake to reimburse the financial assistance Énergir awarded under this program.

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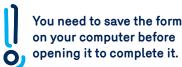
Forms

Form

The New Efficient Construction form has the following tabs:

- 0. Completion Steps
- 1. Declaration of Interest
- 2. Declaration on Energy Simulation PRELIMINARY
- 3. Declaration on Energy Simulation FINAL
- 4. Request for Payment of Financial Assistance
- 5. Sample bill

The participant only needs to complete the tab(s) required in line with the project's completion step and must re-use the latest version of the file sent to or received from Énergir so as not to have to complete the earlier tabs again.



New Efficient Construction form



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Appendix Treatment of applicable taxes

New Efficient Construction Grant

As a company registered for GST and PST and as the beneficiary of financial assistance offered under the above grant, we wish to inform you that, in order to respect the *Excise Tax Act (GST)* and the Québec *Sales Tax Act (QST)*, a bill addressed to Énergir must be sent to Énergir for the total amount of financial assistance offered.

In order for the payment to be made, the bill must be drawn up in due and proper form and must contain the following information:
Name of beneficiary of financial assistance (customer);
Address of project;
Énergir shown as addressee;
Number of bill and date billed;
Description: Financial assistance under the New Efficient Construction Grant;
Amount of financial assistance claimed, as indicated in the acceptance letter from Énergir;
Taxes payable on the amount of financial assistance (GST, QST);
Beneficiary's registration number for GST, QST;
Reference to file number indicated on acceptance letter.

This bill should be sent following Énergir's confirmation of the amount of financial assistance (Step 9.) A sample of the bill can be found under Tab 5 of the form.

Your accounting and/or tax specialists will be able to give you more details concerning this specific procedure and the tax treatment of the financial assistance. Please do not hesitate to consult them.

To submit a request or for any administrative information regarding an application:

By e-mail:

energyefficiency@energir.com

By phone: 514 598-3410