



# EFFICIENCY MANITOBA INNOVATION FUND

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PROGRAM GUIDE

DESIGN WITH ENERGY EFFICIENCY IN MIND.





# PROGRAM OVERVIEW

Efficiency Manitoba’s Innovation Fund supports new and innovative energy-efficient technologies and approaches in the Manitoba market. It provides funding for near-term pilot projects and partnerships to reduce common barriers to emerging energy-efficient technologies and strategies and looks ahead to efficiency opportunities that can contribute to meeting our electricity and natural gas savings targets in future years.

The objectives of the Innovation Fund are to:

- evaluate the effectiveness of technologies and approaches within the Manitoba context;
- support the development of electricity and natural gas saving technologies and approaches to be incorporated into efficiency programs;
- foster economic development through capacity building and local project delivery;
- enable participation by Indigenous organizations and support the development of projects that address the unique needs and context of Indigenous Manitobans.

The Innovation Fund was included in Efficiency Manitoba’s 2020/23 Efficiency Plan as part of our commitment to exploring emerging opportunities. It aligns with our Emerging Technology Program, which supports technologies that are ready to deploy in the Manitoba market.

This program guide provides prospective applicants with information about eligibility, funding streams, and the application process.

## KEY FACTS

Eligible projects	Eligible applicants	Funding offer	Application process
<ul style="list-style-type: none"> <li>• Technology demonstration projects</li> <li>• Market building projects to accelerate the adoption of a proven energy-saving technology</li> </ul>	<ul style="list-style-type: none"> <li>• Manitoba-based corporate, non-profit, or community organizations, including municipalities and Indigenous communities.</li> </ul>	<ul style="list-style-type: none"> <li>• Up to 75% of eligible project costs to a maximum of \$250,000</li> <li>• Projects must be completed within 36 months of signing a funding agreement</li> </ul>	<ol style="list-style-type: none"> <li>1. <a href="#">Complete the Expression of Interest</a></li> <li>2. Project is reviewed to confirm eligibility</li> <li>3. Submit a detailed application</li> </ol>

If you have any questions about the Innovation Fund or need help with the application process, please email us at [innovationfund@efficiencyMB.ca](mailto:innovationfund@efficiencyMB.ca).



# FUNDING STREAMS

To address the unique needs of different projects and support pathways to new efficiency programs, the Innovation Fund is divided into two streams:

- 1) Technology Demonstration Stream
- 2) Market Capacity Stream

The details of each stream are as follows:

	Technology Demonstration Stream	Market Capacity Stream
<b>Purpose</b>	Evaluating technology in the Manitoba context	Understanding and reducing market barriers to energy-efficient technologies
<b>Target applicants</b>	<ul style="list-style-type: none"> <li>• Technology developers</li> <li>• Product manufacturers</li> </ul>	<ul style="list-style-type: none"> <li>• Product distributors</li> <li>• Trade allies (contractors, engineers, architects)</li> <li>• Groups of customers (especially underserved communities)</li> <li>• Market support services (consultants, program administrators, implementers, non-profits)</li> </ul>
<b>Eligible project types</b>	<ul style="list-style-type: none"> <li>• Demonstration projects</li> <li>• Field tests</li> <li>• Small-scale technology pilots</li> </ul>	<ul style="list-style-type: none"> <li>• Communities of practice and peer learning networks</li> <li>• Capacity building</li> <li>• Training programs</li> <li>• Go-to-market studies and strategies</li> <li>• Program pilots</li> </ul>
<b>Outcomes (primary, secondary)</b>	<ul style="list-style-type: none"> <li>• Proven financial and energy savings models</li> <li>• Lasting benefits for pilot/test participants</li> <li>• Local economic development, particularly within Indigenous communities and organizations</li> </ul>	<ul style="list-style-type: none"> <li>• Deeper understanding of market barriers and reduction techniques</li> <li>• Market awareness and understanding</li> <li>• Market capacity</li> <li>• Local economic development, particularly within Indigenous communities and organizations.</li> </ul>



# ELIGIBILITY CRITERIA

Applicants must meet the following eligibility criteria:

Category	Details
<b>Sector</b>	Residential, Indigenous, commercial, industrial or agricultural
<b>Applicant type</b>	Must have a physical presence or be registered as a legal entity within Manitoba Must be a corporate, non-profit, or community organization, including municipalities and indigenous communities.
<b>Energy saving potential</b>	The proposed project must result in electricity and natural gas savings which could then be replicated at other sites in Manitoba.
<b>Other EM incentives</b>	The project or technology must not be eligible for existing Efficiency Manitoba programs <sup>1</sup>
<b>Applicant capacity</b>	The applicant and their partners must have the capacity to carry out and report on the project
<b>Project focus for Technology Demonstration Stream</b>	One of the following aspects of the technology must not yet be proven in Manitoba: <ul style="list-style-type: none"><li>• Energy performance</li><li>• Reliability</li><li>• Cost effectiveness</li><li>• Applicability</li></ul>
<b>Project focus for Market Capacity Stream</b>	The project must support the market growth of an energy-efficient technology that has been proven and is available in Manitoba, but is not widely adopted due to barriers including: <ul style="list-style-type: none"><li>• Availability: consumers aren't aware of the technology's existence</li><li>• Awareness: consumers aren't aware of the technology's performance</li><li>• Accessibility: the technology isn't actively being marketed to consumers</li><li>• Affordability: the technology isn't yet cost competitive</li><li>• Acceptability: the technology isn't yet acceptable to consumers</li></ul>

<sup>1</sup> For projects in the Market Capacity Stream, the process or technology may be under-represented in current programs; therefore, it may be deemed eligible for the Innovation Fund.



# FUNDING OFFER

For each project, we'll commit up to 75% of the project cost to a maximum of \$250,000. Projects must be completed within 36 months of signing a funding agreement.

Applicants benefiting from or seeking financial assistance from any other innovation support program will need to let us know of any sum received or to be received related to the project. In these situations, we can provide financial assistance; however, the amount of funding will be reduced by the contribution from any other organization for the same innovation project so that the maximum payable from all funding sources doesn't exceed 75% of the total project cost.

## ELIGIBLE COSTS

Eligible costs are defined as all direct costs properly and reasonably incurred and paid solely and specifically in relation to the project or program. Examples of eligible cost categories are outlined in the table below.

Eligible costs	Ineligible costs
<ul style="list-style-type: none"><li>• The salary of the participant's in-house staff and partners while working directly on the project, up to a maximum 25% of the total project cost</li><li>• Fees related to the professional services required for the project</li><li>• Equipment costs and supplies related to the project, including installation and start-up costs</li><li>• Fees for professional services and costs associated with measurement and verification of the innovative product or technique and any baseline measurement</li><li>• Licenses, permits, authorizations, or certificates specific to the delivery of the project</li><li>• Project management costs related to reporting to Efficiency Manitoba</li><li>• Preparation of technical use guides, if required for the site host(s)</li></ul>	<ul style="list-style-type: none"><li>• Any costs incurred prior to signing the Innovation Fund contract</li><li>• Production losses, rejects, or other losses resulting from activities related to carrying out the project</li><li>• Land purchases</li><li>• Any waste-related costs</li><li>• Any fines, penalties, or civil action resulting from the project</li><li>• Maintenance costs associated with equipment</li><li>• Decommissioning or disassembly costs at the end of the project</li><li>• Unnecessary and unjustifiable expenses related to the project, including those that would reflect negatively on Efficiency Manitoba including but not limited to salaries of managers or executives or expenses that don't represent an additional cost to the participant</li><li>• Any other expenses that aren't directly linked to the project</li></ul>



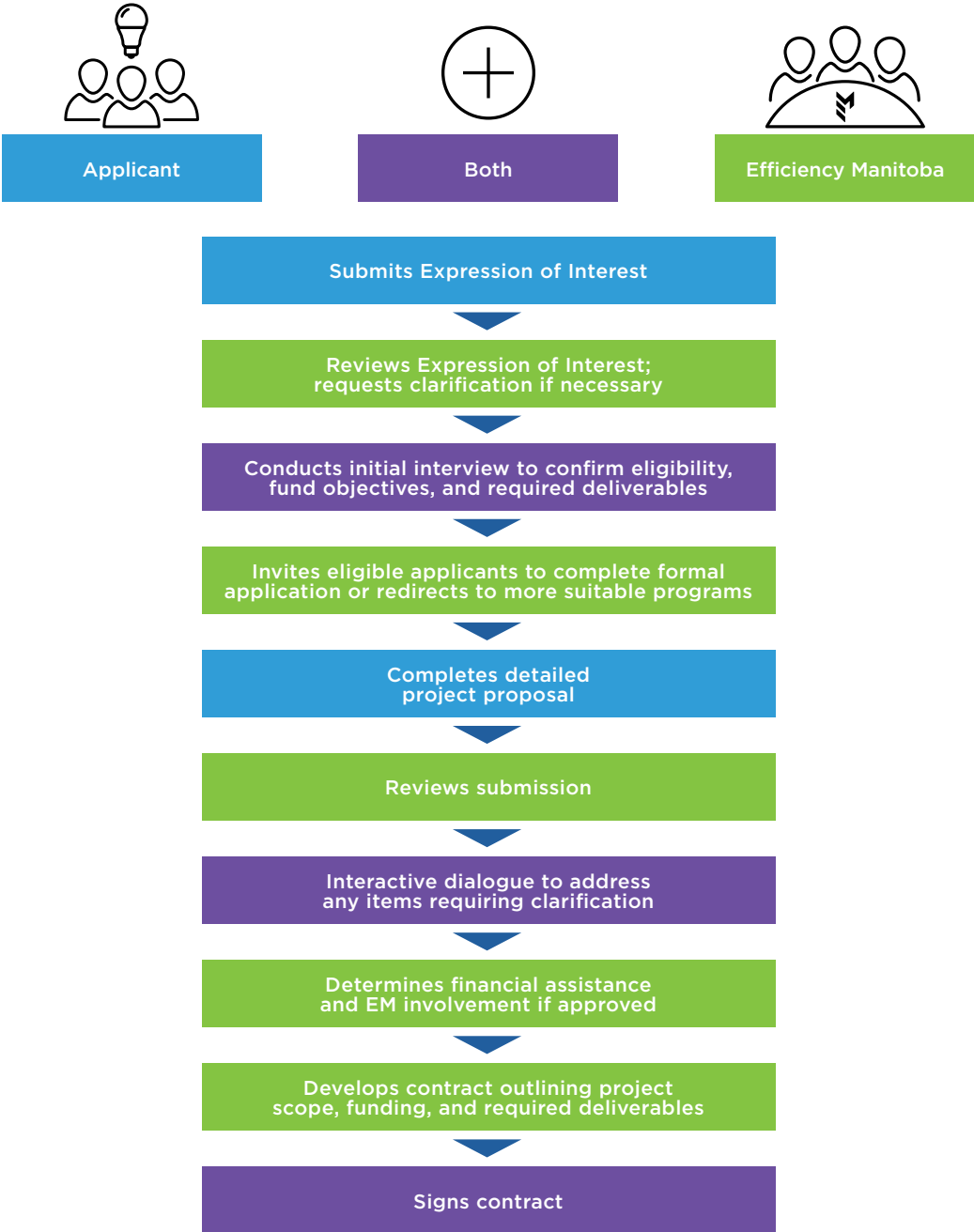
# APPLICATION PROCESS

## OVERVIEW

There are two stages to the Innovation Fund application process:

- 1) an Expression of Interest; and
- 2) a detailed application.

The application approval process is shown below.



## EXPRESSION OF INTEREST

The Expression of Interest provides an overview of the potential project so that we can further discuss your project and how it may fit within the purpose of the Innovation Fund. The application requests the following information:

Section	Details
1. Applicant details	<ul style="list-style-type: none"><li>• Primary contact</li><li>• Company or organization name</li><li>• Partners (if relevant)</li></ul>
2. Project details	<ul style="list-style-type: none"><li>• Project description</li><li>• Project purpose (how will the project advance an innovative technology or market?)</li><li>• Project team</li><li>• Total project cost</li><li>• Funding request</li><li>• Proposed project timelines</li></ul>

Expressions of Interest can be submitted at any time. For those who can't apply electronically, we can provide paper copies or other accessible formats. We'll accept detailed applications several times throughout the year, with closing dates indicated on the Expression of Interest application.

To support applicants through the application process, we'll assign a single point of contact to work with applicants to fill out their expression of interest and full application forms.

Our staff will review Expressions of Interest, and we may contact the applicant for more information during the evaluation process. We aim to evaluate submissions within 10 working days and we'll provide a written response indicating whether the project can proceed to a detailed application, should be revised and re-submitted or whether it's been declined.

If you have a project in mind and are ready to start the process, visit [efficiencyMB.ca/innovationfund](https://efficiencyMB.ca/innovationfund)

## DETAILED APPLICATION

Once we've approved an applicant's Expression of Interest, they'll be invited to submit a detailed application.

The application requirements are included below. The Technology Demonstration and Market Capacity streams have slightly different application forms.

Section	Details
<b>Project summary</b>	<ul style="list-style-type: none"> <li>• Project name</li> <li>• Location</li> <li>• Primary contact</li> <li>• Target market</li> <li>• Innovation to be tested</li> <li>• Testing methods</li> </ul>
<b>Market potential</b>	<ul style="list-style-type: none"> <li>• Market size for product in Manitoba</li> <li>• Market-scale energy savings potential in Manitoba</li> </ul>
<b>Implementation details</b>	<ul style="list-style-type: none"> <li>• Team structure, roles, and qualifications (CVs)</li> <li>• Timeline and deliverables</li> <li>• Funding request and detailed cost breakdown</li> <li>• Risk identification and management</li> <li>• Health and safety plan</li> <li>• Partnerships</li> <li>• Intellectual property requested or held</li> </ul>
<b>Other impacts and benefits</b>	<ul style="list-style-type: none"> <li>• Environmental impacts/benefits</li> <li>• Economic development benefits</li> <li>• Employment</li> <li>• Serving under-represented communities or people groups</li> </ul>
<b>Project focus (Technology Demonstration Stream)</b>	<ul style="list-style-type: none"> <li>• Estimated technology price</li> <li>• Estimated technology savings</li> <li>• Incremental cost of technology above baseline</li> <li>• Economic cost-effectiveness calculations and assumptions (ROI, payback)</li> <li>• Competitive advantages of the technology</li> <li>• Constraints of adoption of the new technology</li> <li>• Potential to extend technology to other applications</li> </ul>
<b>Project focus (Market Capacity Stream)</b>	<ul style="list-style-type: none"> <li>• Identified market barrier hypothesis</li> <li>• Market barrier testing approach</li> <li>• Proposed solution to market barrier</li> </ul>
<b>Funding</b>	<ul style="list-style-type: none"> <li>• Financial plan detailing a breakdown of costs over the project's duration</li> <li>• Funding requested from Efficiency Manitoba</li> <li>• Funding requested from other sources</li> </ul>
<b>Reporting</b>	<ul style="list-style-type: none"> <li>• A measurement and verification plan that respects the International Performance Measurement and Verification Protocol (IPMVP)</li> <li>• Projects receiving less than \$30,000 in funding will have relaxed reporting requirements</li> </ul>

In addition to the application form, supporting documents may be included to provide further context and information about the project. Examples include:

- quotes received from project contractors or vendors;
- other project-related materials to better explain project outcomes and goals (e.g. strategic plans, research reports); or
- letters of support from relevant project partners and stakeholders.



## APPLICATION EVALUATION

Applications will be evaluated by Efficiency Manitoba staff, as well as external advisors and subject matter experts as needed. The review team will work with applicants to address any questions related to the application or request missing information. We'll notify successful applicants within one month of the application deadline. While all funding decisions are final, we may offer a debriefing to unsuccessful applicants upon request and at a mutually agreed upon time.

The call for applications does not constitute an agreement to purchase goods or services or an approval of any activity or developed contemplated in any application that requires any approval, permit or license pursuant to any federal, provincial, regional district or municipal statute. Efficiency Manitoba isn't bound to enter into an agreement with any applicant.

The review team will score applications based on the following criteria:

	Technology Demonstration Stream (proving technology in the Manitoba context)	Market Capacity Stream (understanding and reducing market barriers to technology adoption in Manitoba)
<b>Energy impact</b>	Estimated project-level gains in energy efficiency (kWh electricity or m <sup>3</sup> natural gas) compared to baseline	Estimated market-level energy efficiency adoption compared to current levels
<b>Market potential and cost effectiveness</b>	<ul style="list-style-type: none"> <li>Savings are reproducible and applicable to a significant market in Manitoba</li> <li>Cost effectiveness / economics for target customers (ROI, etc.)</li> <li>Cost-effectiveness for Efficiency Manitoba</li> </ul>	<ul style="list-style-type: none"> <li>Technology or intervention is available in Manitoba, with proven cost effectiveness</li> <li>Market is either underrepresented or not represented in current programs, and has significant energy savings opportunity</li> </ul>
<b>Degree of innovation</b>	Increase in efficiency compared to currently available baseline and energy-efficient technologies	Approach to barrier reduction has not been previously attempted in Manitoba
<b>Applicability to Efficiency Manitoba programs</b>	<ul style="list-style-type: none"> <li>Relevance to an existing Efficiency Manitoba program</li> <li>Ease of integration with other technologies</li> </ul>	
<b>Indigenous involvement</b>	<ul style="list-style-type: none"> <li>Partnership/ownership in project by Indigenous organizations, communities, and/or leadership</li> <li>Relevance of technology or market approach to Indigenous communities</li> </ul>	
<b>Applicant qualifications</b>	<ul style="list-style-type: none"> <li>Quality and reliability of information within application</li> <li>Project team experience</li> <li>Level of financial contribution by applicant and other sources</li> </ul>	
<b>Economic development and underserved communities</b>	<ul style="list-style-type: none"> <li>Estimated job creation impact in Manitoba</li> <li>Estimated economic development impact in Manitoba</li> <li>Underserved market segment applicability/focus (low income, Northern Manitoba)</li> </ul>	

## OWNERSHIP OF RESPONSES

All documents, including any applications or information submitted, will become the property of Efficiency Manitoba. They'll be received and held in confidence subject to the provisions of the Freedom of Information and Protection of Privacy Act.



# CONTRACTUAL REQUIREMENTS

Successful applicants will enter a contract with Efficiency Manitoba which outlines terms and conditions of the fund. The following provides an overview of the contract.

## REPORTING

As part of this contract, successful applicants will need to provide regular project status updates in the form of reports. These reports must include the following:

- Key activities undertaken during the reporting period
- Milestones achieved
- Preliminary results of measurements and data collection
- A financial report detailing the expenses incurred at the date of the progress report

To streamline administration, applicants who have multiple funding sources with similar reporting requirements (e.g. the federal government) may be eligible to submit those reports instead, provided they include the required information outlined above. In addition, projects requesting less than \$30,000 in funding will have reduced reporting requirements.

When the project is finished, successful applicants must provide a final report which summarises the results of the project and whether the objectives have been achieved.

## PAYMENT SCHEDULE

Funding will be disbursed throughout the project based on a pre-determined schedule outlined in the contract. For example:

- 25% upon signing the contract
- 50% distributed at various project milestones
- 25% upon the completion and acceptance of the final report

## COMMUNICATIONS

The Innovation Fund is seen as a partnership between successful applicants and Efficiency Manitoba. Successful projects are intended to be integrated into our programming and may be included in our marketing strategies to introduce new products, technologies, or processes to the Manitoba market. In addition, successful applicants may wish to undertake their own marketing initiatives. With this in mind, the following guidelines must be followed:

- Successful applicants must inform us about promotional activities related to the project before any public materials are distributed or events are held;
- Efficiency Manitoba must be acknowledged as a funding partner in in any project communications, events, or signage;
- We must provide consent before promotional activities or the publishing project outcomes in the form of case studies or promotional materials.

## **WHAT SHOULD I DO NEXT?**

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**ARE YOU READY TO APPLY?**

**DO YOU HAVE QUESTIONS ABOUT  
THE INNOVATION FUND?**

September 2021

Available in accessible formats upon request.

