

BC Indigenous Clean Energy Initiative (BCICEI)

2018-19 Application Guidelines

CONTENTS

1. OVERVIEW - BC INDIGENOUS CLEAN ENERGY INITIATIVE.....	2
2. 2018 FUNDING PRIORITIES.....	3
3. ELIGIBILITY.....	3
4. APPLICATION GUIDELINES AND EVALUATION CRITERIA.....	5
5. APPLICATION PROCESS.....	10
6. FREQUENTLY ASKED QUESTIONS.....	12
7. CONTACT INFORMATION.....	14



NEW RELATIONSHIP TRUST

1. OVERVIEW – BC INDIGENOUS CLEAN ENERGY INITIATIVE

1.1 Purpose

The BC Indigenous Clean Energy Initiative (BCICEI) provides early support to develop Indigenous communities' capacity and readiness to advance local or regional clean energy projects. The BCICEI funding supports projects that follow community engagement (such as a community energy plan). This includes activities needed to secure a private sector partner or an electricity purchase agreement with BC Hydro, to attract debt financing, and/or to enable the construction of the project. Examples of such activities include: feasibility and site selection; environmental review and permitting; project design and engineering; and demand side management. The initiative also targets remote and off-grid communities seeking to reduce dependency on conventional diesel power generation.

Funding for BCICEI, totalling \$4,200,000, was established through the Strategic Partnerships Initiative (SPI). Created in 2010, the purpose of the SPI is to enable horizontal coordination of federal investments in Indigenous economic development. Under the SPI, federal departments and agencies will collaborate with Indigenous partners to pursue strategic approaches to investment in identified sector specific economic opportunities to enable Indigenous Canadians to fully participate in and benefit from those opportunities. In addition to supporting capacity building and development of local clean energy projects in Indigenous communities, the BCICEI will facilitate pathfinding towards private sector engagement and partnerships on clean energy, and help leverage new capital investments.

1.2 Outcomes and Objectives

Intended outcomes of the SPI and BCICEI include engagement of Indigenous communities on economic and business opportunities, an aligned federal approach to investments; and partnerships and investments in economic and resource opportunities.

The BCICEI will support the implementation of cost-effective clean energy project opportunities that will offer many positive benefits including ownership, revenue sharing and local employment involved with the assessment and environmental monitoring activities, as well as the creation or expansion of Indigenous businesses.

2. FUNDING PRIORITIES

Demand for BCICEI funds is high, therefore priority will go to 2018 project applications that:

- Demonstrate readiness and viability through agreements and/or partnerships;
- Create opportunities for communities to gain experience and build capacity with clean energy or energy efficiency project development, including pilot projects; and/or
- Support clean energy development in remote, off-grid, or diesel dependent communities.

Eligible BCICEI projects could receive support through contributions **up to \$150,000** in assisted project costs; however, project support levels will be determined based on demand for funds and the strength of applications.

3. ELIGIBILITY

3.1 Eligible Recipients

Eligible recipients under the BCICEI include:

- a) Indigenous communities, including self-governing First Nations;
- b) Tribal Councils or groups of two or more First Nations;
- c) Indigenous for profit and not-for-profit corporations, partnerships, associations, co-operatives and institutions, of which are majority owned and controlled by Indigenous communities.

The proposed project must be located in BC.

3.2 Eligible Project Activities

3.2.1 Clean Energy Activities

Eligible initiatives include the activities essential to identifying, planning, and implementing viable clean energy projects (examples include, but are not limited to: hydro, wind, biomass, solar, marine, geothermal). Initiatives also include energy efficiency projects, those aimed at reducing

dependency on conventional diesel power generation, energy storage, and clean energy projects in remote or off-grid communities.

3.2.2 Project Development Categories

Categories of project development phases under BCICEI include:

a) Feasibility and Site Selection

- Activities conducted to assess the project in detail, such that a decision can be made on proceeding with the project. Feasibility and site selection activities include: hydrologic assessment, wind monitoring, resource assessments, archaeological overview assessment, preliminary designs, business plans, detailed cost estimates, etc.

b) Environmental Review and Permitting

- Development activities for this stage include: costs for such items as applying for and obtaining permits and approvals (including those necessary to create a Development Plan as required by the BC government), land surveys and land rights, etc.

c) Project Design and Engineering

- Project design and engineering activities for this stage include: issuing tender documents for the purpose of selecting contractors, negotiating and establishing contracts, as well as interconnection studies, electricity project management, legal agreements, financing fees, pre-construction activities, financial modelling, etc.

d) Demand Side Management

- Conservation and efficiency activities designed to manage demand for energy. Examples of such activities include: energy performance modeling to establish a path for compliance with environmental building codes or standards, studies related to the design of energy efficient building systems or models, etc.

3.3 Ineligible Initiatives and Projects

Projects will be considered ineligible where:

- a) the applicant does not meet one of the definitions of Eligible Recipients in Section 3.1;
- b) the project does not meet the definition of Eligible Project Categories in Section 3.2;
- c) the proposed project is determined to be routine maintenance or repair;
- d) the BCICEI-funded costs will not be incurred prior to March 31, 2020;
- e) the proposed project has not demonstrated community approval in the form of a Band Council Resolution, Tribal Council Resolution, or Directors' Resolution;
- f) the applicant has not documented completion of community engagement (e.g. Community Energy Plan (CEP), Comprehensive Community Plan (CCP), etc.); or
- g) the project does not otherwise meet the mandatory criteria as outlined under this initiative.

3.4 Eligible Costs

Eligible costs are goods, services, professional, and technical costs required to plan and conduct project activities. Costs must be directly incurred and incremental, including, but not limited to:

- costs of infrastructure development including costs related to the initial planning, design, or pre-construction;
- capital costs such as recipient-owned machinery and equipment specific to the project;
- the costs of engaging consultants and other qualified or technical professionals;
- training and skills development related to project monitoring and maintenance; and
- any other costs deemed reasonable and required to complete the project.

Recipients are required to leverage 10% of eligible project costs, either through cash or in-kind contributions. Eligible costs, whether cash or in-kind, must be clearly verifiable and specific to the project. (See Section 6., Frequently Asked Questions, for examples of in-kind costs.)

3.5 Ineligible Costs

Ineligible costs and initiatives under BCICEI include, but are not limited to:

- community infrastructure development not related to economic development initiatives such as public office buildings, recreation and friendship centres, gaming houses, and public halls;
- ongoing operating costs of Indigenous organizations;
- costs and expenses incurred prior to the date of BCICEI application; or
- other initiatives that do not result in an economic benefit to Indigenous people.

4. APPLICATION GUIDELINES AND EVALUATION CRITERIA

4.1 Evaluation Criteria

Projects will be assessed based on the following criteria:

- Overall project feasibility, and alignment with BCICEI priorities and objectives;
- Potential to contribute to community capacity building;
- Anticipated outcomes, including potential for generating net economic, social, and environmental benefit;
- Ability to assist remote and off-grid communities in reducing dependency on diesel power generation where applicable;
- Technical viability of the proposed project activities and overall project;
- Management and capacity to complete activities of the proposed project;
- Potential for the creation of partnerships;
- Community engagement and commitment to the project; and

- Funding, including the ability to secure a minimum of 10% in other project funding (cash or in-kind).

4.2 Preparing a Strong Application

When preparing an application, please refer to examples of supporting documentation provided in the BCICEI Application Form. Along with responses to the application questions, supporting materials will be used to verify evaluation criteria. The supporting documents listed are examples; applicants may wish to substitute alternative documentation where it better represents the information being evaluated. Applicants can provide excerpts from relevant project documentation as needed to complete the requested descriptions.

Recipients will be required to submit sufficient information to demonstrate eligibility, as well as provide any information required to assess the proposed project against assessment criteria. For reference, Table 1 below compares elements of strong application with those of a weak application.

Please ensure that references to supporting documentation made in the Application Form responses clearly highlight relevant points and reference the page/sections in the supporting materials where this information can be found. If the review committee cannot easily identify or find relevant material in the supporting documentation to verify the evaluation criteria, an application may receive a low score.

Table 1: Guidelines for Preparing a Strong Application	
Strong Application	Weak Application
<u>Project Overview</u> (Application Section C)	
<ul style="list-style-type: none"> • Provides a full name and description of the applicant. • Provides a brief description of the proposed project and description of activities to be completed, including the site location. • Indicates who will own the completed project. 	<ul style="list-style-type: none"> • Applicant name and description are incomplete or inaccurate. • Project description is unclear or incomplete. • Insufficient details are provided to assess project activities; location not indicated. • No details of ownership provided.
<u>Capacity Building, Economic and Environmental Benefits</u> (Application Section D)	
<ul style="list-style-type: none"> • Describes how the project will lead to economic and environmental benefits (e.g. types of training or job opportunities, revenue generation, emission reductions), and provides estimates of these figures (e.g. number of jobs, CO2 reductions). 	<ul style="list-style-type: none"> • Link between the project activities and proposed benefits is unclear. • Project benefits are vague or undefined, without estimates. • No performance measures or indicators provided.

Table 1: Guidelines for Preparing a Strong Application	
Strong Application	Weak Application
<ul style="list-style-type: none"> Proposes performance measures or indicators to track project benefits (e.g. number of jobs created over a given timeline). 	
Other Community Benefits (Application Section E)	
<ul style="list-style-type: none"> Provides a rationale for how the project will benefit the community in other ways not already described. Offers examples with reference to documentation (e.g. links to a community's strategic plans, etc.) 	<ul style="list-style-type: none"> Repeats benefits from Section D. The link between Other Community Benefits and the proposed BCICEI project is unclear.
Viability and Technical Feasibility (Application Section F)	
<ul style="list-style-type: none"> Details the various stages of the project activities BCICEI funding would support, the objectives of these tasks, and how these fit within the broader project, if applicable. Indicates the status of licenses, permits, approvals, etc., expected completion dates, and provides documentation. Describes the anticipated deliverables, results, and impacts of the project, within a timeline. Details how the project's success will be measured by providing examples of evaluation methods and indicating who will complete them. 	<ul style="list-style-type: none"> No clear project plan; missing information on project steps or milestones. Project progression is unclear or uncertain due to omitted information on dates, outcomes. Impacts and benefits are not defined. No indication of how the project's success will be tracked or evaluated.
Project Risks (Application Section G)	
<ul style="list-style-type: none"> Clearly identifies project risks at various stages of completion (e.g. financial, operational, etc.) and their potential impacts. Describes steps necessary to manage these concerns. 	<ul style="list-style-type: none"> Disregards or downplays project risks. Fails to provide mitigation measures or provides unrealistic risk management methods.
Partnership Creation (Application Section H)	
<ul style="list-style-type: none"> Describes the relevant project partners, the nature of their involvement or importance to the 	<ul style="list-style-type: none"> Partnerships listed but not described or are unsubstantiated (e.g. no letters of support).

Table 1: Guidelines for Preparing a Strong Application	
Strong Application	Weak Application
project, and evidence of their commitment (e.g. through letters of support).	
<u>Community Engagement and Commitment</u> (Application Section I)	
<ul style="list-style-type: none"> Community engagement has been completed and documented (e.g. Community Energy Plan (CEP), Comprehensive Community Plan (CCP), questionnaires, surveys, etc.). Describes how and when consultation occurred. References the project's link to the community's strategic plans or goals. A Band Council Resolution, Tribal Council Resolution, or Directors' Resolution demonstrates direct support for the project, the BCICEI application, and the cash or in-kind contribution. 	<ul style="list-style-type: none"> No indication provided that the community is aware of or supportive of the project. Little or no consultation conducted with the community to date/details not provided. No link made between the project and the community's strategic plans or goals. The Band Council/Tribal Council Resolution is vague, incomplete, or missing.
<u>Project Management</u> (Application Section J)	
<ul style="list-style-type: none"> Describes the management and organizational capacity of the applicant, including both internal and external leadership. Project leadership is supported through documentation (e.g. resumes, biographies). Provides examples of previous experience and successful involvement with similar projects. 	<ul style="list-style-type: none"> Lists individuals involved in the project but does not provide information on their roles/responsibilities, or their previous experience. Distinction between internal and external project leadership is unclear.
<u>Funding Sources and Project Cost</u> (Application Section K)	
<ul style="list-style-type: none"> Provides estimates of both the total project costs and BCICEI-supported project phase costs. Shows a financial contribution from the applicant. Lists all sources of funding for the project, the status of the funding agreements and dates. Indicates the total BCICEI funding request. 	<ul style="list-style-type: none"> No distinction between the BCICEI funding request and the total project costs. No financial contribution from the applicant or contribution is less than 10% of BCICEI-supported project costs. Information on other funding sources is missing or incomplete.
<u>Budget Summary</u> (Application Section L)	

Table 1: Guidelines for Preparing a Strong Application

Strong Application	Weak Application
<ul style="list-style-type: none">• Provides a clear and complete breakdown of eligible project costs and categories, supported by a detailed budget document.• Indicates how the applicant will contribute 10% equity to the project.• Role of other funders is substantiated through direct links to project expense items and letters of support.	<ul style="list-style-type: none">• Project costs are vague or ineligible.• No indication of the applicant's 10% equity contribution.• Role of other funders is unclear and not substantiated through evidence of contribution (e.g. letters of support).

5. APPLICATION PROCESS

5.1 How to Apply for BCICEI Funding

Step 1: After reading this Application Guide, download the BCICEI Application Form from the New Relationship Trust website found at the following link:

[INSERT LINK ONCE UPDATED]

Step 2: Complete all fields of the BCICEI Application Form, either electronically or manually.

Step 3: If submitting electronically, save the completed BCICEI Application Form with the following filename format:
ApplicantName_BCICEI_ddmmyy.doc

Step 4: Prepare supporting documentation to submit with the Application Form (see Section 4. Of this guide, Application Guidelines and Supporting Documentation, and Section 5.2 Application Checklist).

Step 5: Email, mail, or fax the completed BCICEI Application Form and any supporting documentation to New Relationship Trust:

Submit by email:

csayers@nrta.ca

Submit by mail:

New Relationship Trust
Attn: Cole Sayers
#1008 - 100 Park Royal South
West Vancouver, BC
V7T 1A2

Closing Date for Applications to BCICEI:

Completed applications and supporting documentation must be received by New Relationship Trust in hard copy or electronically by:

12:00pm noon (PST), Friday, March 23, 2018

5.2 Application Checklist

For projects to be considered for evaluation and funding, BCICEI applications will be screened to ensure they meet the mandatory criteria below:

- The completed application form and **all** supporting documentation are submitted as a **full package** to the New Relationship Trust (NRT) by **12:00 PM NOON (PST), FRIDAY, MARCH 23, 2018** including:
 - a Community Energy Plan (CEP), Comprehensive Community Plan (CCP), and/or equivalent demonstration of community engagement and support (see BCICEI Guidelines for other supporting documentation examples);
 - A Band Council Resolution (BCR), Tribal Council Resolution (TCR), or Directors' Resolution (DR), stating project and financial support, or it is clearly stated in this Application Form that the noted document will be submitted to NRT prior to a BCICEI Contribution Agreement is signed, if the project is approved.
 - A comprehensive numbered list of **all** supporting documentation submitted in your application package.
- The applicant, the project, and proposed costs are all eligible as defined in Section 3 of this guide;
- The applicant confirms (within the BCR, TCR, DR, or similar) that the proponent community is covering a minimum 10% of total eligible costs requested under the BCICEI, through cash and/or an in-kind contribution; and
- The proposed project takes place in British Columbia.

6. FREQUENTLY ASKED QUESTIONS

QUESTION: How much equity do we have to provide?

ANSWER: You must be able to contribute a minimum of 10% of the total BCICEI funding request, either through cash or in-kind sources. For example, if the total BCICEI funded project costs \$100K, you must contribute a minimum of \$10K.

QUESTION: What contributions qualify as in-kind sources?

ANSWER: In general, eligible in-kind costs include goods, services, professional and technical costs required to plan and conduct project activities.

In-kind costs must be clearly verifiable and specific to the project. These contributions must be validated and substantiated. For example, staff time could be considered an in-kind contribution if qualified through a description of the allocated time, salaries, and benefits necessary to complete the proposed project. Equipment or space could also be deemed an in-kind contribution if the value of the material(s), item(s), or lease is verified. Discounts given by consultants do not constitute in-kind contributions.

QUESTION: We are a Tribal Council (TC); do we have to provide a Band Council Resolution (BCR) from each Nation we represent?

ANSWER: Yes, you must provide a BCR from each nation involved in the project. If a Nation within your Tribal Council would like to apply individually they will be given priority over the TC.

QUESTION: What should the BCR say?

ANSWER: It should be dated recently, showing support for this project and BCICEI funding.

QUESTION: Is a Community Energy Plan (CEP) required to receive funding?

ANSWER: No, however applicants must demonstrate that the community is aware of and in support of the proposed project. A CEP is just one example of such information, but other options include a Comprehensive Community Plan (CCP), or other documentation demonstrating consultation with the community on the proposed project.

QUESTION: Do we have to provide quotes for consultants?

ANSWER: NRT requires a quote for any consultant cost over \$5,000 and if the overall monies that are going to consultants exceed \$5,000 we will need quotes from all of them. Getting a quote from a consultant does not mean that you have to use them.

QUESTION: Is it better to get my application in before the deadline day?

ANSWER: Yes. We may be able to provide feedback and edits to strengthen your application during the intake period. This feedback is not available after the deadline date has passed.

QUESTION: How are projects selected for funding?

ANSWER: Applications are initially screened for eligibility to ensure that all requirements have

been met and provided by the applicant. Proposals are then reviewed based on a set of evaluation criteria provided in Section 4.1 of this guide. An Advisory Committee made up of Indigenous leaders, federal and provincial government representatives, and industry stakeholders provide advice and guidance that inform final project funding decisions by New Relationship Trust.

QUESTION: When can our project begin? When will the costs be eligible for reimbursement?

ANSWER: Only costs incurred from the date of application onward are considered eligible. As initial funding decisions will be made in June of 2018, it is recommended that applicants frame their costs from this point forward. Costs incurred prior to a project's approval are done so at the risk of the applicant.

Costs for activities or project stages funded through BCICEI must be incurred by March 31, 2020 in order to be eligible for reimbursement.

QUESTION: Are capital costs eligible?

ANSWER: Yes, provided they are recipient-owned and specific to the project. For example, the costs of equipment required to undertake proof-of-concept testing or data collection, such as solar panels, would be considered eligible. Construction costs are not eligible.

QUESTION: Can we reapply for BCICEI funding again during a later application intake?

ANSWER: Yes. Funding recipients are eligible for subsequent funding under BCICEI.

QUESTION: Are we able to submit multiple applications for different project proposals?

ANSWER: Multiple applications can be submitted, although this is not recommended. In cases where multiple proposals are received from the same applicant or community, these will be considered in competition with each other. It is recommended that you put forward your strongest application.

QUESTION: What defines a "project"?

ANSWER: The proposed activities for which the applicant seeks BCICEI funding. In most cases, the BCICEI project will be a subset of a larger project. For example, a BCICEI project could be a feasibility study or engineering assessment necessary to complete the later stages of the larger clean energy or energy efficiency initiative.

7. CONTACT INFORMATION

If you require further assistance please contact:

Cole Sayers

BC Indigenous Clean Energy Initiative (BCICEI) Coordinator
New Relationship Trust

Mailing Address:

Suite 1008 – 100 Park Royal South
West Vancouver, B.C.
V7T 1A2

Telephone: 604-925-3338

Toll-Free: 1-877-922-3338

Fax: 604-925-3348

Email: csayers@nrtf.ca