

Program Guide

CleanBC Indigenous Community Energy Coach Program and Heat Pump Incentive

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1. Introduction

The purpose of this document is to provide an overview of CleanBC's Indigenous Community Energy Coach Program (the 'Program') and associated Indigenous Community Heat Pump Incentive, including objectives, funding levels, eligibility requirements, and application process. It is intended to provide guidance for Indigenous communities that are interested in participating in the Program.

2. Program Overview

Indigenous Community Energy Coach Program

The Indigenous Community Energy Coach Program is a component of the CleanBC plan, which contains actions to reduce provincial greenhouse gas (GHG) emissions and to build local and regional economies.

Fuel-switching from fossil fuels for space and water heating to clean electric heat pumps is a key path to achieving GHG reduction goals under the CleanBC Plan. The CleanBC Better Homes and Better Buildings Program provides financial incentives to help individuals and communities make this switch.

The Indigenous Community Energy Coach Program offers free energy coaching services to support Indigenous communities to take advantage of CleanBC retrofit incentives and related energy efficiency offers. The Program is funded by the Province of British Columbia, overseen by the B.C. Ministry of Energy, Mines and Petroleum Resources (MEMPR), and administered by City Green Solutions and BC Hydro.

More specifically, the Indigenous Community Energy Coach Program provides a free resource to:

- Discuss funding opportunities available to support fuel-switching and energy efficiency projects, with a focus on the CleanBC Indigenous Community Heat Pump Incentive;
- Work together to identify, assess and prioritize potential space and water heating fuel-switching and energy efficiency projects within Indigenous communities;
- Confirm CleanBC Indigenous Community Heat Pump Incentive eligibility;
- Assist with heat pump installation planning;
- Provide CleanBC funding program application support; and
- Identify additional incentives available for other retrofit upgrades.

Fuel-switching is the process of replacing non-renewable fossil fuels (e.g., heating oil, natural gas, and propane) with clean, renewable fuels (e.g., hydroelectricity).

Indigenous Community Heat Pump Incentive

As part of the Indigenous Community Energy Coach Program, CleanBC is providing incentive funding for fuel-switching to heat pumps and energy efficiency projects in residential and community buildings. Details can be found in Section 3.

Program Goals

The goal of the Program is to facilitate the implementation of fuel-switching and energy efficiency projects in Indigenous communities, and to enable Indigenous communities to:

- Reduce GHG emissions;
- Conserve energy and make homes and buildings healthier and more comfortable;
- Meet community energy goals; and
- Build capacity and awareness related to energy efficiency and fuel-switching.

3. Indigenous Community Heat Pump Incentive

Summary

The CleanBC Indigenous Community Heat Pump Incentive provides funding for heat pumps installations in Indigenous communities, including funding to support;

- Fuel-switching projects (e.g., switching from oil, natural gas, or propane to electric heat pumps) in communities served by renewable electricity (either grid or remote);
- Woodstove primary heated homes switching to electric heat pumps in communities served by renewable electricity (either grid or remote); and
- Efficiency projects (e.g., baseboard or electric furnace to electric heat pump) in remote communities served by diesel-generated electricity.

There are two funding streams, one focused on the installation of heat pumps in residential buildings (e.g., on-reserve housing) and one focused on the installation of centralized heat pumps in community buildings (e.g., administration offices).

The Incentive can be used to:

- Cover capital and installation costs of heat pump systems;
- Cover some associated expenses including electrical updates, oil tank removal, and feasibility

studies for community buildings. A full list of eligible expenses can be found in Appendix B; and

- Top-up other grant or incentive funding to cover up to 100% of eligible heat pump system costs.

The incentive amounts are summarized in the table below:

| RESIDENTIAL BUILDINGS (e.g., on-reserve housing) | COMMUNITY BUILDINGS (e.g., administration office) |
|---|--|
| <p>Up to 80% of the cost of new heat pump installation(s), up to a maximum of \$10,000 per residential heat pump.</p> <p>For homes switching from woodstove primary to electric heat pumps:</p> <ul style="list-style-type: none"> • \$3,500 for a mini-split heat pump system • \$6,500 for a central heat pump system | <p>Up to 80% of the cost of new heat pump installation(s) and up to \$200,000 total per community.</p> |
| <p>In response to the COVID-19 pandemic, the total maximum incentive available for each Indigenous Community program application is doubled from \$200,000 to \$400,000 for installations completed by June 2021 to support the restart of B.C.'s economy and help Indigenous communities save energy.</p> | |

Residential Buildings

Residential building projects (such as the installation of central or mini-split heat pumps in on-reserve housing) are eligible for an incentive of up to 80% of eligible costs, up to a maximum of \$12,000 per residential heat pump.

Community Buildings

Community building projects (such as the installation of a central heat pump system in an administration office) are eligible for an incentive of up to 80% of eligible costs, up to a maximum of \$200,000 per community building heat pump.

These projects tend to be more complex, and in some cases the Program may require that such projects conduct an energy feasibility study for the system prior to installation to ensure the system will be delivering the desired improvements in performance. Up to \$6,000 is available to help cover the costs of such energy feasibility studies. Contact the Indigenous Community Energy Coach to discuss your community building project and whether an energy feasibility study is required.

Eligible Heat Pump systems

FOR RESIDENTIAL BUILDINGS (E.G., ON-RESERVE HOUSING)

- The heat pump must be the primary heating system for the home or community building.
- The types of eligible air source heat pumps are qualifying central heat pumps, mini-split heat pumps, multi-split heat pumps, combination space and water heat pumps, or air-to-water heat pumps.
- All heat pumps installed must be CleanBC Tier 2 that meet the following eligibility criteria:
 - » Efficiency rating: SEER >16.00, HSPF >9.30, Variable Speed Compressor
 - » Must be listed on the [Qualifying Product List for Air-to-Air Heat Pumps](#) or the [Qualifying Product List for Air-to-Water Heat Pumps](#) and have a valid AHRI Reference Number.
- Wood stoves are acceptable as a back-up heating system.
- Heat pump must be new and not previously installed in another home or building.
- Heat pump must be installed after the launch of the Program.

FOR COMMUNITY BUILDINGS (E.G., ADMINISTRATION OFFICE)

Community Building Heat Pump projects are more complex and the types of systems are more varied. Please contact the Indigenous Community Energy Coach at ICEC@betterhomesbc.ca to confirm project and system eligibility.

4. Eligible Indigenous Communities

The Indigenous Community Energy Coach Program is available to Indigenous communities in B.C. with homes and buildings heated by fossil fuels (e.g., diesel, oil, propane, or natural gas) or wood/other solid fuels, that are served primarily by renewable electricity (either grid or remote), and that are ready to switch to electric heat pumps. Eligible communities include Indigenous communities in British Columbia falling into one of the following categories:

- A First Nation “band” as defined by the *Indian Act* (Canada);
- A First Nation governing body, representing exclusively one or more First Nations;
- Treaty First Nation governments and Nisga’a Government.

Remote communities that are served by diesel electricity generation may be eligible for heat pump incentives for energy efficiency projects (e.g., baseboard or electric furnace to electric heat pump conversions), subject to an assessment of their energy system. Please contact the Program at ICEC@betterhomesbc.ca to discuss eligibility.

5. Program Steps

The Program process includes four key steps, described below:

| STEP 1 Project Scoping | STEP 2 Registration | STEP 3 Installation | STEP 4 Payment |
|---|--|---|--|
| <ul style="list-style-type: none"> Community identifies proposed project (Coach can assist). In-person meeting with Coach to learn about the Program and potential incentive eligibility. Submit proof of community support. | <ul style="list-style-type: none"> Indigenous community Registers with Program (Coach can assist). Indigenous community identifies heat pump contractor and receives quote (Coach can assist). | <ul style="list-style-type: none"> Contractor provides heat pump details to Indigenous community and Coach to confirm system eligibility. Contractor completes installation in participating community. | <ul style="list-style-type: none"> Incentive application submitted to BC Hydro (Coach can assist). Incentive payment issued to participating community. Exit survey, quality assurance, and measurement & verification. |

Step 1 - Project Scoping

The first step is for the Indigenous Community to identify the project proposed to be carried out, including:

- the type of project (residential or community buildings);
- the type of systems proposed to be installed (e.g., mini-split and/or central systems);
- the number of systems proposed to be installed; and
- estimated project timelines.

The Coach is available to meet and discuss potential projects with the Indigenous community in person, and to work closely with participants in the early stages of developing a project concept to ensure incentive funding eligibility. The Coach will confirm that a proposed project concept meets the eligibility criteria to proceed to program registration. Once confirmed, the Program requires proof of community support (e.g., Band Council Resolution, Tribal Council Resolution, or Directors' Resolution approving the project).

Step 2 - Program Registration and Contractor Selection

Following project scoping and confirmation of incentive eligibility, the Indigenous community registers for the Program by completing the registration form and sending it to the Coach at ICEC@betterhomesbc.ca. The Coach can assist the participant community complete the Program registration form. At this stage, a Memorandum of Understanding (MOU) is signed between the Indigenous Community and the Program Administrators, to ensure alignment of expectations related to services offered through the Program.

Following this, the participating Indigenous community identifies and selects a heat pump contractor and receives a quote for installation. The Coach is available to support the Indigenous community in identifying potential heat pump contractors.

FINDING A HEAT PUMP INSTALLER FOR YOUR RESIDENTIAL HEAT PUMP PROJECT

If you do not already have an identified installer/contractor for your residential heat pump project, the following steps are recommended to help identify one.

- **Step 1:** Access the [Program Registered Heat Pump Contractor List](#) and contact companies to see if their services are available in your area.
- **Step 2:** If none are identified through Step 1, contact the Coach at ICEC@betterhomesbc.ca to assist with identifying potential installers that are available in your area.
- **Step 3:** Receive quote(s) from identified installer(s), including proposed makes/models of heat pumps, systems, delivery and installation costs, maintenance plan options, and other eligible costs. The Coach can help review quotes and communicate options to the community.
- **Step 4:** Engage in supplier contract with preferred installer. The Coach can liaise and communicate incentive program requirements to the contractor.
- In general, it is recommended to select a contractor with the following attributes:
 - » Have been in business in B.C. for two years
 - » Have a Business license number
 - » Are in good standing with WorkSafeBC
 - » Can provide Proof of liability insurance (\$2 Million)

The Better Homes BC Program Registered Heat Pump Contractors list

is a resource for assisting in the selection of heat pump contractors. It can be accessed at:

betterhomesbc.ca/prc

Step 3 - Installation

Following registration in the Program and contractor selection, the selected contractor will provide an estimate with details of the heat pumps to be installed to the participating Indigenous community and Coach. The Coach will review the system details to ensure the systems to be installed are eligible for incentive funding and to confirm the incentive funding amount.

Once system eligibility is confirmed, the contractor will complete the installations in the community. During this stage, the participating community is responsible for coordinating and providing access to the building(s) that are having the new systems installed. The Coach can assist with coordination between the contractor and community as necessary.

Step 4 - Incentive Application and Payment

Once the system(s) are installed, the Coach will coordinate between the contractor and the participant community to fill out the incentive application form. The application form is then submitted to BC Hydro for processing, and payment is issued by BC Hydro to the participating community for the qualified incentive amount. The Coach can assist with the coordination and submission of the application form as necessary.

Closure and Project Evaluation

Following installation and coordination of the incentive application, the participant community will be requested to fill out a program evaluation and exit survey. The purpose of this survey is to gain feedback on the Program so that it can continue to be enhanced and to ensure it is meeting community needs.

In order to ensure that the installed systems are operating as designed and to ensure participant satisfaction, the Program reserves the right to perform on-site inspections to verify the eligibility of any upgrade and to confirm any other relevant information related to Program eligibility. Participants are requested to provide reasonable access to the premises for the purpose of Program inspection for one year following the Program's receipt of their rebate application.

For more information

For more information on the Indigenous Community Energy Coach Program and the Indigenous Community Heat Pump Incentive, contact:

By web: betterhomesbc.ca/indigenous-coach

By email: ICEC@betterhomesbc.ca

For general information around available rebates, incentives and programs, contact:

By web: betterhomesbc.ca

By email: ask@betterhomesbc.ca

By phone: **1 (844) 881-9790**

Appendix A

Definitions

Fuel-switching – the process of replacing non-renewable fossil fuels (e.g., heating oil, natural gas, and propane) with clean, renewable fuels (e.g., hydroelectricity).

SEER – Seasonal Energy Efficiency Ratio. SEER measures the cooling efficiency of a heat pump over the entire cooling season. It is determined by dividing the total cooling provided (in Btu) over the cooling season by the total energy used by the heat pump during that time (in Wh).

HSPF – Heating Seasonal Performance Factor. A measure of the total heat output in Btu of a heat pump over the entire heating season divided by the total energy in watt hours it uses during that time. The higher the HSPF rating, the more energy efficient the heat pump is for heating.

COP – Coefficient of Performance. COP is a measure of a heat pump's efficiency. The COP is determined by dividing the energy output of the heat pump by the electrical energy needed to run the heat pump at a specific temperature. The higher the COP, the more efficient the heat pump.

Appendix B

Eligible Costs

Eligible heat pump upgrade expenses can include expenses up to the maximum amount for the following items:

- Heat pump capital costs
- Heat pump installation costs
- Up to one year of heat pump maintenance costs
- Oil tank removal costs
- Gas system decommissioning costs
- Electrical upgrade costs (e.g., electrical panel upgrades and associated wiring) required as part of heat pump installation
- Ducting modification and/or cleaning costs required as part of heat pump installation
- Additional air filtration systems added to heat pump systems
- Associated feasibility, energy study, or mechanical design costs for community buildings