



# Enova

## WEBINAR

Clean Energy, Smart Investments:  
Optimizing Your Decarbonization Strategy

July 11, 2024



# Agenda

**11:00 am – What’s New from Enova**

*Andrew and Chris, Key Account Advisors, Enova Power Corp.*

**11:11 am – Optimizing your Decarbonization Strategy**

*Scott Barker, President & CEO, Grand River Energy Solutions*

**11:50 am – Wrap-Up**

# A smart friend you can rely on.

## Andrew Bennett



Andrew has been helping businesses find energy solutions for more than 15 years. With a background in engineering technology and energy management, coupled with a data-driven approach, Andrew has the knowledge to solve your tough energy challenges.

📞 519-239-8211

✉ [andrew.bennett@enovapower.com](mailto:andrew.bennett@enovapower.com)

## Chris Drygala



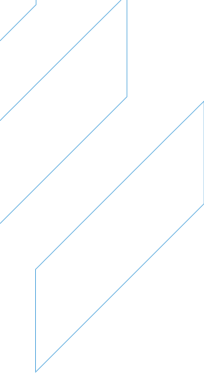
Born and raised in Kitchener-Waterloo, Chris has 13 years of experience in energy management and customer service. As a Certified Engineering Technologist with a Sustainable Energy and Building Technology diploma from Humber College, Chris knows the questions you need to ask for the solutions you need.

📞 226-220-2935

✉ [chris.drygala@enovapower.com](mailto:chris.drygala@enovapower.com)

# What New from Enova:

- **Enova's Draft Conditions of Service**
  - [www.enovapower.com/enovas-draft-conditions-of-service](http://www.enovapower.com/enovas-draft-conditions-of-service)
  - combining two into one, updates
  - feedback collected until July 12
- **Canada's First Multi-Market Information Platform is LIVE**
  - supported by the Grid Innovation Fund
  - in partnership with several Ontario LDCs
  - working demonstration using small scale equipment (solar, storage, loads)
- **Strategic Energy Management Program**
  - [saveonenergy.ca/For-Business-and-Industry/Programs-and-incentives/Strategic-Energy-Management-Program](http://saveonenergy.ca/For-Business-and-Industry/Programs-and-incentives/Strategic-Energy-Management-Program)
  - two-year commitment, cohort-based learning model at no charge
  - peer to peer learning, performance incentives, dedicated support, and more
  - recruiting commercial retail customers, applications due July 19, 2024



# **Clean Energy, Smart Investments: Optimizing your Decarbonization Strategy**



# Start at the Beginning & Don't Jump Ahead

Important to step back and take a holistic view of the desired end state.

## Things to consider before taking action:

### Operational Objectives & How They Fit Together:

- Facility or fleet only?  
Electrical or thermal?  
Or yes to all?
- Consistent or variable conditions? 24-hour ops?
- Reliability/resilience and emergency requirements?

### Financial Objectives:

- Is there internal capital?
- Preference for minimizing OpEx or CapEx?
- Importance of near-term savings vs. long-term costs & certainty?

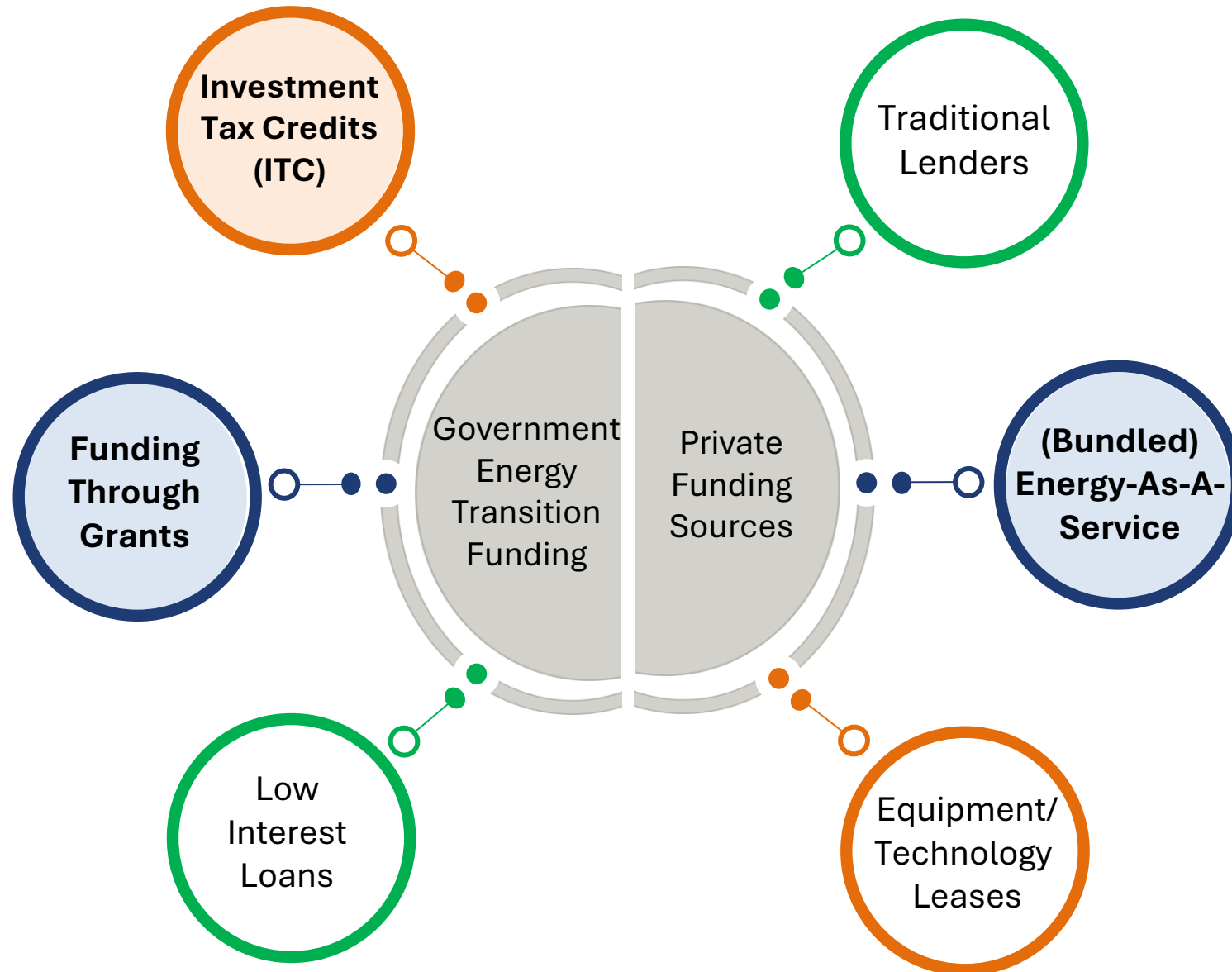
### Sustainability Goals:

- How do internal and client sustainability/ESG targets factor in?
- Need for direct process impacts vs. indirect (facility/fleet) changes?

Answering these questions upfront allows a holistic approach that will inform technology and funding choices.

Starting with individual products/technologies and or funding streams will result in piecemeal approaches → more costly and painful in the long run

# Unprecedented Access to Funding Opportunities





# Clean Technology Investment Tax Credits (ITC)

The Clean Tech ITC is a 30% refundable tax credit for capital invested in the adoption and operation of new clean technology from March 28, 2023, to December 31, 2034.



The Clean Tech ITC can only be claimed by taxable Canadian corporations. Can be accessed by taxable and non-taxable organizations indirectly through partnerships.



Eligible Projects Include:

- Equipment used to generate electricity from solar, wind and water energy
- Stationary electricity storage equipment that does not use any fossil fuel in operation such as batteries
- Active solar heating equipment, air-source heat pumps and ground-source heat pumps
- Equipment used exclusively for the purpose of generating electrical energy or heat energy (or a combination of both), solely from geothermal energy



15% Clean Electricity ITC designed for non-taxable entities has not been approved yet, and the list of eligible technologies is shorter. Partnering to access the 30% ITC can potentially offer the best combination of economics and risk mitigation.





# Some Available Government Funding Streams

## Grid Innovation Fund

Supports innovation to significantly reduce electricity bills for Ontario ratepayers and help customers manage energy consumption more efficiently.

Identifies and mitigates market barriers to accelerate competitive, cost-effective energy solutions.

In partnership with utility.

## Green Industrial Facilities & Manufacturing Program (GIFMP)

Provides financial assistance for the implementation of energy efficiency & management solutions designed to maximize energy performance & reduce GHG emissions.

Covers 50% up to \$10M per proposal. Applicant \$40k contribution needed

## Green Municipal Fund

Funds local sustainability projects that help adopt climate solutions faster.

Can cover 50% - 80% of eligible project costs through grants for planning, studies & pilot projects. Loans available for capital projects.

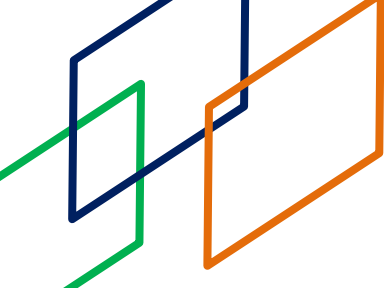
Available for community buildings, organic waste-to-energy, sustainable housing & more.

## Zero Emission Vehicle Infrastructure Program (ZEVIP)

Provides funding towards EV chargers and hydrogen refuelling stations across Canada.

Covers 50% of total project costs up to \$5mil per project.

Legal entities incorporated/ registered in Canada, including not-for-profit organizations are eligible.



# Energy-as-a-Service



Variety of entities offering turnkey energy-as-a-service (EaaS) solutions where solution design, installation, operations and maintenance, and energy are bundled in a single monthly or per-unit fee



Depending on application and technology, may be funded on a shared savings basis



Advantages include access to external capital/off-balance sheet financing and out-sourcing of technology, construction, and operational risk to 3rd parties



Important to ensure:

- That partner can provide holistic approach, i.e. right product(s)/technologies, right size, right capabilities to meet Operational, Financial, and Sustainability objectives
- (Long-term) commercial & operational alignment with EaaS partner

# Finding Resources



# Fund Stacking Case Study

## Scenario:

- Public sector organization installing 360 kW high-speed EV charging infrastructure w/ 3 connectors
- 10-year equipment life/contract term
- Eligible for NRCan ZEVIP funding & 30% ITC (under specific circumstances)

Option	Self-Perform (via DBOM contracts)	Partner with EaaS Provider
Design/Build Risk	Internal	Partner Responsibility
O&M Risk	Internal	Partner Responsibility
Financing Risk	Internal (5% notional)	Partner Responsibility
Project CapEx	\$600,000	\$600,000 -\$225,000 ZEVIP Grant <u>-\$112,500</u> Tax Credit <b>\$262,500 Net</b>
Monthly Depreciation (Flat)	\$5,000	N/A
Monthly O&M Cost	\$300	Included
Monthly Financing Cost	\$1,300	Included
Avg Monthly Cost (10 Yrs)	\$6,600	\$5,150



# So What Does This Mean?

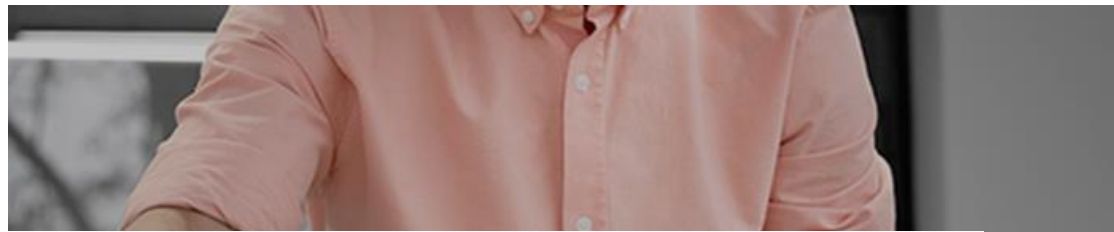
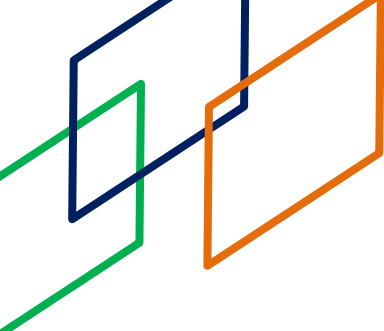
## Meaningful Opportunities to Act Now

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**\$\$\$:** Low carbon infrastructure is “on sale”

**More Value:** Technology integrations can unlock new functionality and better economics than ever before

**A solution for every obstacle:** commercial/financial products and project structures can overcome financial hurdles and technology/operations risks



## **GRE is..**

an energy transition project developer and owner focused on electrifying fleets, decarbonizing facilities and investing in community energy projects.

## **Our Mission**

Contribute to the health and prosperity of the communities in which we operate by accelerating access to low-carbon energy infrastructure.



A large, stylized graphic featuring the word "QUESTIONS" in bold, white, 3D block letters. The text is centered and surrounded by a dense, colorful collage of question marks and geometric shapes (circles, squares, triangles) in various colors including blue, yellow, orange, red, green, purple, and pink. The background is white with a faint blue geometric pattern in the top-left corner.

# QUESTIONS