

Northern REACHE Program (Responsible Energy Approach for Community Heat and Electricity)

Information for Applicants

Purpose of this Document

This document outlines program objectives and eligibility requirements for the Northern REACHE program. This information will enable you to identify whether your proposed project or activity may be eligible for funding.

This document also highlights information that may be requested about your project or activity and the criteria that will be used to assess it.

If you have questions or would like to discuss your project further, please contact the program by email at NorthernREACHE@aadnc-aandc.gc.ca.

Overview

The Northern REACHE program¹, delivered by Indigenous and Northern Affairs Canada (INAC), will provide \$10.7 million over two years (starting in 2016-2017), and \$21.4 million over four years (starting in 2018-2019) for reducing Northern communities' reliance on diesel for heating and electricity.

This program provides funding for planning and construction of renewable energy and energy efficiency projects, and related capacity building and planning in the Yukon, Northwest Territories, Nunavut, Nunavik, and Nunatsiavut. Increasing energy efficiency and the use of renewable energy sources will result in environmental, social, and economic benefits to support developing healthier, more sustainable Northern communities.

Priority is given to projects that include strong Indigenous and/ or community leadership, engagement, or partnerships. The program works closely with regional stakeholders to identify, prioritize, and fund projects. There is no annual deadline or periodic call-for-proposals process.

Program Objectives

- To reduce diesel fuel use for electricity and heating by funding the planning and construction of renewable energy and energy efficiency projects that have a high likelihood of becoming operational² and that provide benefits to communities.
- To build capacity within northern communities, governments, and organizations (to support project planning, construction, operation, and maintenance) by funding community or regional energy planning and engagement, participation in skills development initiatives related to clean energy, or project specific on-site training.

¹ The Northern REACHE program builds on the former ecoENERGY for Aboriginal and Northern Communities program that was delivered by INAC between 2007 and 2016. The ecoENERGY program ended on March 31, 2016.

² Factors that impact on a project's likelihood of becoming operational are addressed in Table 2 below.

Eligibility Requirements for Projects and/ or Activities

In addition to the objectives stated above, please consider the following requirements when determining whether your proposed project or activity is eligible for funding.

Table 1. Eligibility Requirements	
Eligible Recipients	<p>The program will support projects in Yukon, Northwest Territories, Nunavut, Nunavik, and Nunatsiavut.</p> <p>Eligible recipients include:</p> <ul style="list-style-type: none"> • First Nation and Inuit communities • First Nation and Inuit development corporations • Municipalities • Indigenous organizations • Territorial governments and their organizations • Regional governments and their organizations • Not-for-profit organizations • Modern land claim organizations • First Nation self-governments
Eligible Projects and Activities	<p>Eligible projects include:</p> <ul style="list-style-type: none"> • Renewable energy projects focusing on proven technologies, including solar, wind, energy storage, hydro, biomass heating, etc. • Energy efficiency projects focusing on proven practices and technologies, including heat recovery, efficient lighting, efficient furnaces/ boilers, controls and sensors, building benchmarking and recommissioning, and building optimization, etc. <p>Eligible activities include:</p> <ul style="list-style-type: none"> • Project planning (resource assessments, feasibility studies, design/ engineering, environmental assessments, stakeholder engagement, energy audits, etc.) • Project construction (purchase, shipping, installation, monitoring) • Building, community, or regional energy planning • Participation in training and capacity building initiatives • Research supporting clean energy development in the North
Eligible Costs	<p>Eligible costs must be reasonable and necessary for the recipient to carry out an approved project or activity that will lead to the expected results. Eligible costs include:</p> <ul style="list-style-type: none"> • Professional services and fees • Salaries and wages • Equipment and materials • Travel expenses • Training • Other expenses directly related to the project or activity <p>Where possible and appropriate, the costs of an eligible activity will be shared with the recipient and/ or government and/ or the private sector. However, where the sharing of costs is not feasible, total government funding (federal, provincial/territorial and municipal funding for the same eligible expenditures) must not exceed 100% of eligible expenditures.</p> <p>Recipients are required to declare any and all prospective sources of funding for the project or activity, inclusive of all federal, provincial, territorial or municipal governments (total government assistance) and other sources that are expected to be received.</p>

Information Requirements for Projects and/ or Activities

Please provide the following information that will be used to assess your project and/ or activity. The level of detail required will vary by project or activity type. Information can be provided as a written proposal targeted to the program. Consideration will also be made to accept proposals developed for other organizations and purposes, provided that sufficient information and details are included. If approved, funding will be determined based on proposals submitted and validated based on the critical review of the amount requested. For more information please contact NorthernREACHE@aadnc-aandc.gc.ca.

Table 2. Information Requirements

Section	Questions for consideration	Examples of information to include
I. Community Challenges and Opportunities	<ul style="list-style-type: none"> • What is the current situation and need for the project? • What are the energy challenges or opportunities in the community that justify this project? 	<ul style="list-style-type: none"> • Frequency of blackouts • Existing energy infrastructure • Local emissions affecting health • Cost of power and heating, energy affordability • Community accessibility (all season road, winter road, sea/air)
II. Project Description and workplan	<ul style="list-style-type: none"> • What type and size of project is being pursued? • Is there a viable local renewable energy source? • What work has been completed or is currently underway? • What activities are planned to be completed this year to advance the project? What is the cost of these activities/of this work? Who will be hired to complete these activities/this work? • What are the expected deliverables of each of the activities? • What is the overall cost for the whole project? • What are the milestones/ timelines? How long will the planning stages of this project take? When will the project be constructed/ operational? • Who will provide funding for the project? 	<ul style="list-style-type: none"> • Technology, size, integration considerations • Location and resource potential • Previous studies and results/ history of related projects and activities • Current project stage, next steps • Workplan including detailed breakdown of items, costs, timeline, and deliverables • Budget template will be provided • Expected deliverables for each activity (be specific) • Tender documents, quotations from contractors/ sub-contractors, qualifications of contractors (CVs) • Overall project timeline • Contributions of cash or in-kind from other sources/ funders
III. Project Benefits	<ul style="list-style-type: none"> • What are the expected results and impacts? What are the key performance indicators? • What are the expected environmental, social, and economic benefits of the project? • Who will benefit directly and indirectly (the community, the utility, the government, others)? 	<ul style="list-style-type: none"> • Estimated reduction of diesel fuel (litres/year) • Estimated reduction in greenhouse gas emissions (tonnes/ year) • Quantifiable health benefits (e.g., improved air quality) • Number and types of jobs created and improved human resource capacity • Economic/ financial benefits (e.g., operating savings, lower energy costs) • Improvements to heat and electricity services to support growth connection

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		<ul style="list-style-type: none"> of new buildings Community independence and empowerment
IV. Stakeholder Engagement, Support, Partnerships, and Regulatory Considerations	<ul style="list-style-type: none"> Who has been engaged about the project and how? Are they supportive of the overall project and project stages? Are there any outstanding concerns? Have they provided a Memorandum of Understanding, letter of support? Will the project be owned solely or jointly? Does the proposed project comply with applicable laws and regulations? Does the project require permits or an environmental assessment? 	<ul style="list-style-type: none"> Long-term support from the community and alignment with community plans and values Engagement and support from northern and Indigenous communities and organizations (letters of support or Band Council Resolution) Alignment with priorities, plans and policies of territory or province and local utility (letters of support) Customer base Project ownership, general terms of the partnership Permits or environmental assessment Business plan
V. Capacity and Project Governance	<ul style="list-style-type: none"> Who is leading the project? Who will be on the project team and what is the project governance structure? Is there a local project champion and who is on the project team? Does the project team have the capacity to successfully complete the project? Has a developer/ builder been selected? Do they have the necessary qualifications and experience to complete the project? 	<ul style="list-style-type: none"> Current community capacity A suitable champion that will be responsible to see the project through to completion must be identified. It could be a leader in the community, part of the project team or other. Organizations/ individuals that are providing project management or other project support
VI. Operation and Maintenance	<ul style="list-style-type: none"> What skills are required to operate and maintain the project/ system/ infrastructure? Has local capacity training been included to ensure continuous maintenance during and after project completion? What capacity will be created to sustain the project into the future, including maintenance? Who will operate and maintain the system? Do they have the internal capacity to operate and maintain the system? If not, how will capacity be established to ensure the ongoing operation and maintenance of the equipment or system? 	<ul style="list-style-type: none"> Business entity that will provide the ongoing services and maintenance, record showing capacity to serve customers Training provided to local maintenance workers Operation and maintenance plan

Project Reporting

The Northern REACHE program will track the progression of funded projects through planning, construction, and operational stages. For projects that become operational, the program requires that projects include monitoring systems and maintenance plans to enable tracking system

performance and the continued reduction of diesel fuel. Energy generation data will be converted to litres of diesel fuel and greenhouse gas emission reductions based on standard conversion factors used by Environment and Climate Change Canada.

Funding recipients will be asked to report on the environmental, social, and economic benefits of their project or activity, including energy generated from their renewable energy project, or energy consumption reduced from their energy efficiency project. Standard reporting requirements on activities and expenditures and financial statements will also be required as per the contribution agreement.