



CDM EXTENSION AND EXPANSION IN T.O.

The Conservation and Demand Management Program in the 416 area code will continue for another year and target a wider audience

Building owners and operators in the 416 area code now have an additional year to apply for retrofitting incentive funding under the Conservation and Demand Management Program (CDM Program), which was introduced in 2007 and was originally supposed to end at the close of 2009. Meanwhile, the administrator of that program has introduced two new, related programs to help reduce energy consumption for commercial building owners and tenants.

In June the Building Owners and Managers Association of Toronto (BOMA Toronto) launched the BOMA Tenant Incentive Program (TIP) and the BOMA Energy Conservation Assessment Program (ECAP). Two months later, BOMA Toronto announced that its original CDM Program had delivered \$10 million in electricity conservation to more than 100 Toronto buildings. That leaves still nearly \$50 million in incentive funding up for grabs under the CDM program, which is managed by BOMA Toronto but entirely funded by the Ontario Power Authority. Under the CDM Program extension announced this summer, all applications for incentives for electricity-saving retrofits would have to be made by December 31, 2010, and projects must now be completed by June 30, 2011.

More about the new TIP and ECAP programs follows below, but first here's a recap of the original CDM Program's terms and history to date. Intended for commercial buildings that have an area

of 25,000 square feet or larger and are located within Toronto's 416 area code, the program's available incentives are capped at 40 per cent of an eligible project's costs. These incentives are for peak demand, consumption or cooling ton reduction, and they're offered at rates of \$400 per kW of on-peak summer demand reduction, or \$0.05 per kWh of annual energy savings, or, for geothermal cooling projects, \$250 per cooling tonne. The program is strictly performance-based; incentives are awarded based on verifiable measurements and calculations supporting claims that a project reduces peak demand or annual energy consumption. (A BOMA Go Green/BEST Assessment must be purchased for each application, but BOMA BEST certification is not required.) The program was designed to have a simple application process and to pay out the incentive 30 days after the completion and submittal of all required documentation.

In August BOMA Toronto announced that the CDM Program had resulted in reductions estimated at 123,500,000 kWh, or "enough to power 12,350 Ontario homes for one year." The types of retrofits that have received incentive funding under the program include lighting overhauls, HVAC redesign and replacement, deep-lake water cooling systems, and the installation of variable frequency drives.

NEW PROGRAMS

While the original CDM Program was open only to building owners, the new programs announced in June expand incentive provision to tenants and what are termed "channel partners." Under BOMA Toronto's definition, channel partners may include "engineering firms, energy service companies, energy management consultants [and] value-add original equipment providers or their authorized agents." TIP and ECAP

deadlines are the same as those for the newly extended CDM Program.

The BOMA Tenant Incentive Program (TIP) allows tenants in a commercial or industrial property to apply for BOMA Toronto CDM incentives; the above-mentioned rates of \$400 per kW and \$0.05 cents per kWh apply, as does a cap of 40 per cent of the tenant's eligible capital costs. "Over the last several years we've found that more tenants are saying, 'Hey look, Mr. Landlord, if you don't want to do something to the whole building, we're sub-metered or we'll get metered, and we'll do it on our own,'" said BOMA Toronto's CDM Program director, R. Wayne Proulx, explaining the reasons behind creating the new programs.

The BOMA Energy Conservation Assessment Program (ECAP) is a two-phase initiative. Phase 1 offers a \$3,000 incentive to channel partners for a "Scoping Study" – i.e., promoting and conducting a full-building energy study for property owners. Phase II ("Project Submission Support") provides a \$2,500 incentive to property owners to have their CDM Application (resulting from the Phase 1 – Scoping Study) "facilitated by a channel partner."

Successful Phase II ECAP applicants must have a property with an area of greater than 75,000 square feet and must have more than two retrofit requirements that are not lighting related. To qualify, the post-retrofit reduction must be at least 438,000 kWh or 50 kW. Terms of the program state that ECAP is available for complete building assessments only, but "may be combined with any other, non-OPA-funded study incentive program offered in Toronto."

For more CDM, TIP and ECAP information, contact R. Wayne Proulx, at 416-440-0101 or rwproulx@bomatoronto.org. | **CFM&D**