

2010: SB24

MEMORANDUM TO: School Business Officials
Superintendents of Plant

FROM: Nancy Whynot
Director

DATE: April 30, 2010

SUBJECT: Update to Energy Efficient Schools Funding

This memo provides important updates to **Memorandum 2009:B05 - Energy Efficient Schools Funding** dated April 24, 2009 and **Memorandum 2009: SB19 - Reporting Requirements: Energy Efficiency and Good Places to Learn** dated May 21, 2009.

This \$550M in Energy Efficient Schools Funding is intended to be used by boards to create environmentally friendly learning spaces, to reduce energy use, and to reduce greenhouse gas emissions. The initiative supports school boards in spending the investment in the 2008-09, 2009-10 and 2010-11 school years to provide stimulus to local economies in Ontario.

The Ministry is revising certain elements of the program related to the \$375M in funding for Investments in Operating Efficiency (Small Equipment) and Renewal of Major Building Components. These changes will have no impact on projects boards have already planned, underway or completed, but do give boards increased flexibility. The Ministry is also advising boards of new information regarding the program.

The key changes and updates are:

1. Increased flexibility in the Small Equipment funding category.
2. Additional eligible components
3. Clarification and reminder of reporting requirements for receiving 2010-11 allocations
4. Energy savings reporting

1. Increased flexibility in the Small Equipment funding category

The \$75 million - Investments in Operational Efficiency (Small Equipment) category is intended to support the installation of small equipment designed to improve a board's ability to monitor, control and reduce energy use in schools and strengthen multi-year energy management plans.

The purpose of this allocation remains the same. The eligibility parameters are now simply that projects must meet the capitalization criteria in accordance with the Tangible Capital Assets Guide. The Guide is available under <http://tpfr.edu.gov.on.ca/CAImplementation.htm>. Boards should note that the capitalization thresholds for equipment purchases are different from the thresholds for betterments to existing building assets. In the Small Equipment category, boards will have flexibility to invest in either as long as those investments support the purpose of the allocation.

These revisions are made because the types of projects envisioned for this category are often likely to be depreciated over the life of the building, as opposed to the useful life of the piece of equipment or component. The Ministry asks that boards respect the intention of this funding category, despite the increased flexibility.

We underscore that all projects funded through Investments in Operational Efficiency (Small Equipment) must be depreciated.

The criteria for projects funded by the \$300M for Renewal of Major Building Components remain the same.

The criteria for projects funded by the \$25M for Investments in Operational Efficiency (Operating) also remain the same, and it is the Ministry's expectation that those projects are now complete. Appendix A submissions from 69 school boards indicate that over 2,300 schools have benefited from this investment.

2. Additional eligible components

Based on consultation with school boards and on the priorities outlined in the *Green Energy Act*, the Ministry has added plumbing fixtures in ReCAPP as an eligible component for Energy Efficient Schools Funding. Reducing water use is beneficial and also reduces the amount of energy required to treat and distribute water in our community water systems.

We have also worked with Altus to add the following eligible components in ReCAPP:

04.2-080 Variable Frequency Drives
04.2-090 Electronic Main and Sub Metering system
04.6-040 Relays

Please see the revised attached eligible component list.

3. Clarification and reminder of reporting requirements for receiving 2010-11 allocations

To qualify for 2010-11 funding for Operational Efficiency (Small Equipment) and Renewal of Major Building Components, boards must:

- identify Energy Efficiency projects that are approved, active or complete for the entire amount of their 2009-10 funding allocation in these categories;
- complete projects whose costs represent at least 70% of the board's 2009-10 allocation;
- complete form Appendix A by January 31, 2010.

As of April 26, 2010, three boards have not yet submitted Appendix A attached to 2009:SB19 and they have been sent reminder notices.

Boards must complete these requirements by December 15, 2010 at the latest. Boards who meet the requirements earlier will receive payment earlier. The Ministry will be monitoring reporting in ReCAPP on the 15th day of each month. As of the end of March, no board had reported in ReCAPP that it had met these requirements.

Boards may report these requirements for each category individually, or for both categories combined. Please notify Lise Bolduc at lise.bolduc@ontario.ca when your board has reached one or both of these requirements, as supported by the board's data in ReCAPP. Please also indicate whether your board is reporting these requirements for each category individually, or for both categories combined.

4. Energy savings reporting

Memorandum 2009:B05 had indicated that we would consult with school boards regarding how best to demonstrate the impact of this investment on energy use. The Ministry has decided that the Utility Consumption Database will be the best tool for assessing the energy use at our schools, which will require no additional reporting from school boards.

Ministry Contact

If you have any questions regarding the information in this memo, please contact Amy Olmstead, Manager, Capital Programs Branch, at 416-326-9921 or at amy.olmstead@ontario.ca

Sincerely,

***Original copy signed by
Amy Olmstead for***

Nancy Whynot
Director,
Capital Programs Branch

Energy Eligible School Facility Components
Based on the ReCAPP Database Configuration Report
Updated April 2010

- 01. Architectural & Structural
 - 01.3 Exterior Closures
 - 01.3-010 Exterior Walls
 - 01.3-030 Exterior Doors
 - 01.3-035 Exterior Door Hardware
 - 01.3-040 Windows
 - 01.4 Roofing
 - 01.4-000 Roofing
- 02. Conveying Systems
 - 02.1 Vertical Movement
 - 02.1-000 Vertical Movement
- 03. Mechanical
 - 03.1 HVAC
 - 03.1-010 (HW/S) Boilers
 - 03.1-020 (HW/S) Boiler Oil Supply System
 - 03.1-030 (HW/S) Boiler Auxiliary System
 - 03.1-040 (HW/S) Heat Exchangers
 - 03.1-050 Furnaces
 - 03.1-060 Gas/Oil Space Heaters
 - 03.1-070 (CWC) Chillers
 - 03.1-080 (CWC) Cooling Towers
 - 03.1-090 Self-Contained AHU - Cool
 - 03.1-100 DX Split AHU - Cool
 - 03.1-110 Computer Cooling AHU
 - 03.1-120 Roof Top AHU – Heat & Cool
 - 03.1-130 Window Unit A/C – Heat & Cool
 - 03.1-140 Packaged Terminal A/C AHU
 - 03.1-150 Heat Pumps
 - 03.1-160 Central Station AHU
 - 03.1-170 Heating & Cooling Piping Systems
 - 03.1-180 HVAC Pumps
 - 03.1-190 Terminal Units
 - 03.1-200 Gas Piping System
 - 03.1-210 Chemical Feed System
 - 03.1-220 Duct Systems
 - 03.1-230 Humidifiers
 - 03.1-240 Make-Up AHU
 - 03.1-250 Ventilation Fans
 - 03.1-260 Stacks & Breaching
 - 03.2 Control Systems
 - 03.2-000 Control Systems

Energy Eligible School Facility Components
Based on the ReCAPP Database Configuration Report
Updated April 2010

03. Mechanical (continued)

03.3 Plumbing

03.3-010 Plumbing Fixtures

03.3-030 Domestic Water Heaters

03.3-040 Plumbing Pumps

03.3-050 Plumbing Piping Systems

03.3-060 Water Storage Tanks

03.3-080 Water Treatment Systems

03.4 Special Systems

03.4-020 Swimming Pool & Systems

03.4-030 Methane Venting System

03.4-040 Compressed Air Systems

03.4-050 Vacuum Systems

03.4-055 Medical Vacuum Systems

03.4-060 Ice Rink Systems

03.4-065 Medical Air Systems

03.4-070 Water Distillation Units

03.4-075 Sterilization System

03.4-080 Pneumatic Tube System

03.4-100 Diesel Exhaust Fan System

03.5 Fire Protection

03.5-060 Fire Pumps

03.5-070 Fire Protection Water Storage Tanks

04. Electrical

04.1 Primary Electrical

04.1-020 Primary Transformer

04.2 Secondary Electrical

04.2-020 Secondary Transformer

04.2-030 Electrical Power Meter

04.2-040 Inverters

04.2-050 Rectifiers

04.2-070 Capacitors

04.2-080 Variable Frequency Drives

04.2-090 Electronic Main and Sub Metering system

04.3 Lighting Fixtures

04.3-010 Interior Lighting

04.3-020 Exterior Lighting

04.3-030 Exit Lighting

04.3-040 Emergency Lighting

04.6 Special Systems

04.6-010 Clock Systems

04.6-020 Automatic Door Devices

04.6-030 Electrical Heating Systems

04.6-040 Relays

06. Functional

06.7 Other energy-related equipment