

**Merit-based Low Carbon Economy Fund
(LCEF)
Program Overview**

Climate and Green Plan Implementation Office
Department of Environment and Climate



Funded in part by:
Financé en partie par :



Merit-based Low Carbon Economy Fund (LCEF) Program Overview

Description: The Merit-based program is intended to support building and process improvements that reduce greenhouse gas (GHG) emissions and use of fossil fuels. This program will not fund projects that qualify for or are already supported by Efficiency Manitoba, nor will it fund transportation projects such as zero emission vehicles or charging infrastructure. Grant applications must be approved before January 30, 2024 to be considered for eligibility. Expressions of Interest will be reviewed on an as received basis and those that appear eligible for funding will be requested to complete a more detailed application. Applicants may apply for more than one project using individual Expression of Interest forms.

Applicants are encouraged to apply early to ensure funding availability – once available funding has been distributed, the fund will close.

Funding/Administration: The \$31.25M Manitoba Merit-based program is funded through Canada's Low Carbon Economy Fund (LCEF) and the Province of Manitoba (\$25M CAN and \$6.25M MB). The Manitoba Climate and Green Plan Implementation Office (CGPIO), department of Environment and Climate will administer the program.

Eligible recipients: include municipalities, government entities, industry, Indigenous communities or organizations and not-for-profits. Applications considered on an as received basis.

Objectives: the purpose of the Manitoba Merit-based program is to:

- Cost-effectively reduce GHG emissions
- Improve energy efficiency and reduce energy costs.
- Support industry competitiveness.
- Promote clean growth and green job creation.
- Support the transition to a low carbon economy

Eligibility: Projects will be considered based on the cost per tonne value ("cost" refers to project cost; "tonne" refers to number of tonnes of carbon dioxide equivalent reduced). As a general concept, projects that exceed \$2,500/tonne for reduced emissions are unlikely to be recommended for funding without significant mitigating factors. Projects that are less than \$500/tonne have a higher probability of receiving funding. Priority will be given to well defined projects that can meet the timelines, with a

\$500 or less cost per tonne. Projects that achieve one or more of the following priority areas are potentially eligible for funding:

1. Fuel-switching to lower GHG emissions (e.g., switching from fossil fuels like propane, heating oil, natural gas, or diesel to grid-supplied electricity or biomass);
2. Energy efficiency upgrades (excluding natural gas and grid supplied electricity applications);
3. Landfill gas capture and use;
4. Self-generated clean energy to offset the need for fossil fuels (e.g.) ground source heat pump systems;

Note: Projects that are qualified under the natural gas and electricity efficiency programming of Efficiency Manitoba will not be eligible for the Merit-based program. Projects that fuel switch from natural gas to a non-fossil fuel source like biomass or grid supplied electricity may be eligible. Please contact [Efficiency Manitoba](#) for natural gas and electricity efficiency programming.

Incentives: Available funding incentives percentages by type:

- Indigenous recipient, including Indigenous for-profit organizations **(75%)**
- Provincial Government and/or entity i.e. School, Crown Corporation, Health Authority **(50%)**
- Municipality and/or municipal entity, regional or local government and/or their entity **(40%)**
- Incorporated not-for-profit organization, operating primarily in Manitoba **(40%)**
- Manitoba for-profit organization **(35%):**

*note – municipal projects may be eligible to also receive funding from CFM (Canadian Federation of Municipalities) programs up to a maximum of 100% project cost depending on grant criteria)

- See Appendix 1 for Terms and conditions (below)
- For more information email ccinfo@gov.mb.ca or to apply, visit Manitoba's online grants portal after June 1, 2023 <https://www.gov.mb.ca/grants/index.html>

APPENDIX 1 – Expression of Interest Terms and Conditions

1) Eligible Project Costs

Costs directly related to developing and executing the project are eligible, excluding those identified under ineligible costs. For example, staffing/salary costs directly related to the proposed project are eligible whereas regular ongoing staffing/salary costs are not.

2) Ineligible Costs

- Costs not directly attributable to the proposed project.
- Costs incurred prior to April 1, 2023.
- Costs associated with drafting and submitting the grant proposal.
- Debt reduction costs, legal fees, financing charges and interest payments on loans.
- Insurance coverage costs.
- Expenditures for provincial sales tax, goods and services tax if the recipient is eligible for a rebate, and any other costs eligible for rebates.
- Costs for purchasing equipment and furnishings that do not remain with the project at the project end.
- General repairs, unless the repairs are directly related to emission reductions and contributing to assets of the project.
- Costs incurred associated with the receipt of donations, in-kind contributions, or gifts.
- Overhead and administration costs that are not directly related to the approved project budget, including regular ongoing staffing/salary costs, office equipment, regular scheduled maintenance work, supplies and professional fees, and ongoing website hosting/maintenance required as part of the ongoing operation of the organization.
- Hospitality and travel expenditures beyond Manitoba government guidelines.
- Costs incurred for cancelled projects.
- Costs covered by other funding sources.

3) Funding Decision

- The Climate and Green Plan Implementation Office will notify the Applicant to advise whether the Applicant will be requested to complete a detailed application.
- Successful Project Applications will be required, as a condition of funding, to enter into a Funding Agreement with the Government of Manitoba.
- If the Applicant commences a project and incurs eligible expenses before the Funding Agreement and all other documents required in connection with the Applicant's participation in the program are fully and properly completed, the Applicant does so at their own risk. A project may not be approved for funding and/or may not be approved to receive all of the funding applied for.

4) Collection, Use and Disclosure of Personal Information and Protection of Privacy

- The Applicant's organization information is being collected under the authority of clause 36(1) (b) of The Freedom of Information and Protection of Privacy Act (FIPPA), as it is directly related to and necessary for the purpose of determining and verifying Applicant eligibility for the program.

- The Applicant's personal information is protected under the privacy provisions of FIPPA. Personal information cannot be used or disclosed for any other purpose, unless consent is provided or the disclosure is authorized or required under FIPPA. If you have questions concerning the collection, use or disclosure of Applicant information, please contact the Access and Privacy Co-ordinator at 204-945-0913.
- The collection of personal information is limited to only as much personal information as is reasonably necessary to accomplish the purpose for which it is collected. Only those employees and agents who need to know the information to carry out the purpose for which it was collected, can use or access personal information.
- The Applicant's personal information will be used to verify eligibility for Manitoba's Low Carbon Economy Fund (LCEF), to contact you for further information or clarification, or to communicate any future programs that may be of interest.

5) Ministerial Discretion

- Notwithstanding these Terms and Conditions, the Minister has the absolute discretion to determine any matter related to the program, including, without limitation, selection of projects for follow up applications and which projects are ultimately selected for funding and amount of payments under the program. The decision of the Minister under this section is final and there is no review or appeal therefrom.

6) Termination of the Program

- The Minister has the absolute discretion to terminate the program at any time.