

Catered Projects Component¹ of the Industrial Systems Program – Revision List

- ***Retrofit***
- ***New Plant, Expansion or Addition of Production Lines***

This version history is provided for reference only.

Effective date	Description of change
Jan. 4, 2011	<ul style="list-style-type: none"> ▪ Initial release of the terms and conditions for the six Industrial Systems Program components, including the Retrofit and New Plant, Expansion or Addition of Production Lines components, subject to Régie de l'énergie approval.
May 10, 2011	<ul style="list-style-type: none"> ▪ Following the Régie de l'énergie ruling on the 2011 budget for the new Industrial Systems Program, the Retrofit component was terminated.
Nov. 28, 2011	<p>Changes applicable solely to the New Plant, Expansion or Addition of Production Lines component</p> <ul style="list-style-type: none"> ▪ Exceptionally, buildings subject to Rate D contracts are eligible, provided they comply with the program's terms and conditions. This mainly affects sites that are primarily agricultural. ▪ To qualify, the project must: <ul style="list-style-type: none"> ▪ Result in a significant increase in the plant's average annual production capacity or ▪ Involve the manufacture of a new product that can be marketed in the participant's target market ▪ Certain types of design costs incurred up to 10 months prior to the date on which the proposal was received may be eligible, subject to Hydro-Québec's approval. ▪ The applicable rate is the rate in effect when the project proposal form is submitted. ▪ Section 6, Measuring Eligible Electricity Savings, was deleted and replaced by the document <i>Aide technique sur les méthodes de mesurage</i> [technical assistance for measurement methods].
Apr. 2, 2012	<p>Changes applicable solely to the Retrofit component</p> <ul style="list-style-type: none"> ▪ Following the Régie de l'énergie ruling on the 2012 budget for the Industrial Systems Program, the Retrofit component was reinstated. ▪ It was updated according to the changes made to the New Plant, Expansion or Addition of Production Lines component on November 28, 2011 (if applicable).

¹ The Retrofit and New Plant, Expansion or Addition of Production Lines components were merged on February 15, 2017.

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	<p>Changes applicable solely to the New Plant, Expansion or Addition of Production Lines component</p> <ul style="list-style-type: none"> ▪ Minor changes were made to the <i>Participant's Guide</i>.
June 18, 2012	<ul style="list-style-type: none"> ▪ If the measures to be implemented are included in PROSI, the project must be submitted under the Prescriptive Measures component. ▪ Power generation for commercial purposes (including for resale to a third party) is not eligible for the Program.
Nov. 5, 2012	<ul style="list-style-type: none"> ▪ The end-of-program terms and conditions were specified. ▪ Change applicable solely to the New Plant, Expansion or Addition of Production Lines component: Eligible project types also include installing solar walls or geothermal systems (as for the Retrofit component).
Apr. 22, 2013	<ul style="list-style-type: none"> ▪ Hydro-Québec may, at its sole discretion, opt to pay out the financial assistance in a single payment at the end of the project. ▪ Power generation projects are not eligible. ▪ The methods of calculating financial assistance were changed. <ul style="list-style-type: none"> ▪ The amount per eligible kilowatthour saved was set at 15¢ for all components, regardless of the electricity rate applicable to the building associated with the project. ▪ The eligible costs percentage was decreased from 75% to 50% for both components. ▪ The maximum financial assistance per project was reduced, and the Retrofit component caps were eliminated.
Nov. 1, 2013	<ul style="list-style-type: none"> ▪ The methods of calculating the actual amount of financial assistance when electricity savings exceed the levels indicated in the contract were specified. ▪ <u>The Participant's Guide was revised to bring it into line with the practice in effect since April 2013:</u> Financial assistance is paid in a single payment after receipt of all deliverables. ▪ A new tool, the <i>Formulaire simplifié Éclairage à DEL et à induction</i> [streamlined LED and induction lighting form], was introduced by Hydro-Québec for LED and induction lighting projects. From now on, these projects—formerly eligible under the Retrofit and New Plant, Expansion or Addition of Production Lines components—must be submitted under the Prescriptive Measures component. <p>Change applicable solely to the New Plant, Expansion or Addition of Production Lines component:</p> <ul style="list-style-type: none"> ▪ The project must involve: <ul style="list-style-type: none"> ▪ The manufacture of a new product that can be marketed in the client's target market

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	<p>or</p> <ul style="list-style-type: none"> ▪ The addition of a new manufacturing activity at the plant associated with the project
Feb. 26, 2014	<ul style="list-style-type: none"> ▪ The methods of calculating the actual amount of financial assistance when electricity savings exceed the levels indicated in the contract were specified. ▪ The detailed cost breakdowns were updated. Tab 2, "Autres appuis" was added.
Sept. 17, 2014	<ul style="list-style-type: none"> ▪ The End of Industrial Systems Program section was deleted because the Program was extended beyond December 31, 2015. ▪ If Hydro-Québec modifies or ends the Industrial Systems Program, it will analyze only (as of the date on which the modifications come into effect or the Program is ended, as the case may be) eligible projects for which: <ul style="list-style-type: none"> ▪ An initial contract to complete the work has been signed with a third party (copy of contract required) <p>or</p> <ul style="list-style-type: none"> ▪ A first equipment order has been placed (purchase order or invoice indicating order date required) ▪ The project and all deliverables must be submitted no later than 24 months after the submission of the complete and compliant project proposal.
May 1, 2015	<ul style="list-style-type: none"> ▪ Projects with an electricity savings payback period, before financial assistance, of more than 10 years are now eligible. ▪ Projects involving buildings with NAICS code 493120 – Refrigerated Warehousing and Storage must be submitted under the Industrial Systems Program. ▪ As a general rule, all projects to be executed in a building used to provide services but which concern an industrial activity conducted in that building must be submitted under the Industrial Systems Program. ▪ New versions of the <i>Proposition de projet</i> [project proposal] form and the <i>Grille détaillée des coûts totaux admissibles</i> [detailed breakdown of total eligible costs] were put online. They are identical for the Electricity Consumption Analysis, Retrofit and New Plant, Expansion or Addition of Production Lines components. <p>Change applicable solely to the New Plant, Expansion or Addition of Production Lines component:</p> <ul style="list-style-type: none"> ▪ One of the points in the method of calculating financial assistance was amended as follows: 10% of total eligible costs rather than 50% of eligible additional costs.
Aug. 24, 2015	<ul style="list-style-type: none"> ▪ Financial assistance received since 2003 under previous programs and from any investment assistance components of the program may henceforth total over \$8 million per industrial site or service contract.

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Nov. 19, 2015	<ul style="list-style-type: none"> ▪ A new and more user-friendly project proposal form in PDF format was put online. It is to be used for the following three components: Electricity Consumption Analysis, Retrofit and New Plant, Expansion or Addition of Production Lines.
Feb. 15, 2017	<ul style="list-style-type: none"> ▪ The <i>Participant's Guide</i> was restructured. The Retrofit and New Plant, Expansion or Addition of Production Lines components were merged into a single measure (Catered). ▪ Regardless of the type of project submitted and the applicable rate, the following calculation methods are the same: <ul style="list-style-type: none"> ▪ The amount required to reduce payback period to 1 year, when costs are recouped solely through eligible electricity savings ▪ Maximum financial assistance per project: \$2 million ▪ The participant must guarantee the operation of project components and the electricity savings for at least five years from the start-up date (rather than from the date of payment of the financial assistance). ▪ The project, as well as all required deliverables, must be submitted no later than 36 months (rather than 24 months) after the submissions of the complete and compliant project proposal. ▪ Any project carried out at a site used to provide services but located on a site or in a building with a goods-producing NAICS code must be submitted under the Industrial Systems program.