



INDUSTRIAL TRANSFORMATION CHALLENGE

Up to **\$50 million** for game-changing
technology in existing and new industries

Online Submission:
ERAadmin.ca

Deadline:
January 19, 2023 at 5:00PM MDT

FREQUENTLY ASKED QUESTIONS

Introduction

This document is intended to provide answers to common questions from prospective applicants to ERA's funding programs. In the event of discrepancy between this document and the official Call guidelines/template, the latter shall govern.

Applicants are encouraged to contact ERA (applications@eralberta.ca) with specific questions regarding their project(s) or to clarify any of the information provided.

Frequently Asked Questions

1. Who is ERA?

ERA is Emissions Reduction Alberta. We previously operated as the Climate Change and Emissions Management (CCEMC) Corporation. ERA is a key partner in implementing Alberta's climate change strategy. Our funding, which comes from the Government of Alberta's Technology Innovation and Emissions Reduction (TIER) Fund, is helping to shape a province with a diverse economy, a healthy environment and a robust innovation ecosystem.

For more information, visit the [About ERA](#) web page.

2. How can I stay apprised of ERA funding opportunities?

The best way to stay apprised of our activities is by subscribing to the [ERA Update Newsletter](#).

3. How does ERA find projects to fund?

ERA regularly selects projects to fund through a competitive call for proposals process. Visit our [Apply For Funding](#) page to learn more about our process.

4. How can I get funding for my project from ERA?

To receive funding from ERA, your project must meet the eligibility requirements set out in an active funding opportunity and must succeed in a criteria-driven competitive proposal adjudication process. The eligibility requirements and funding criteria are in the Guidelines documents that are published on our website for each opportunity. The guidelines vary for each round of funding, so it is important to review the specific Call for Expressions of Interest document for the opportunity that you are responding to.

5. How do I apply? How can I access the EOI template? Can I submit an EOI without using the online system?

Applicants must complete an Expression of Interest (EOI). The EOI template can be downloaded on ERA's application portal (<http://www.eraadmin.ca>) after you have created an account and started a submission. All submissions must be completed through the ERIMS; no submissions will be accepted via other means.

6. How do I determine if my project qualifies for funding? What sectors are eligible for this call? What are some examples of technologies you are looking for?

This Call for Proposals is targeted at solutions that will contribute to achieving net-zero GHG emissions in Alberta’s major industries. This Call is not technology-prescriptive (any technology solution is theoretically eligible) but applicants must make a strong case for why their technology represents a potential step-change improvement in the GHG footprint of the given facility or industry.

A non-exhaustive list of example technology areas of interest can be found in the official Call guidelines document. When in doubt, applicants are encouraged to contact ERA’s technical team (applications@eralberta.ca) to discuss the eligibility and fit of their technology.

7. How does ERA define “step-change” or “transformative” opportunities?

This call is looking for game-changing solutions that have the potential to fundamentally shift the emissions profile of industry. With this in mind, solutions must present a significant departure from current practice and/or the reasonable future “business as usual” case. A few principles guide our approach to considering what constitutes a transformative opportunity:

- The solution should have considerable GHG emissions reduction potential in an absolute sense. In other words, the solution should have the potential to reduce the GHG emissions from a given facility (and/or sector) in Alberta by a meaningful amount relative to current emissions levels.
- The solution should have a clear role to play in helping a facility or industry reach net zero. With that in mind, solutions that merely improve the efficiency of GHG-emitting processes (e.g. improved combustion efficiency) or switch from an emissions-intensive fuel to one with lower but nonzero emissions (e.g. switching from coal to natural gas) are not likely to be successful in this program.
- Inherently low-emissions products or low-emissions greenfield developments may also qualify as transformative. ERA recommends that applicants in this category clearly articulate how their solution will be compatible with a net-zero future in Alberta, including if possible a comparison to the current GHG intensity of Alberta’s economy on a tCO₂e/\$GDP basis. (See Question 19)

8. Are GHG detection projects or other projects with indirect emissions reductions eligible?

Technologies with *indirect* or *enabled* emissions reductions are eligible, provided a strong case can be made for how the technology will support emissions benefits. Applicants must justify why a project without direct reductions represents a compelling opportunity compared to those with direct impacts.

9. If I have already received funding from ERA, can I still apply?

Past recipients are eligible for funding for new projects or technologies, or for follow-on projects. Projects that have received funding or funding approval from ERA/CCEMC are not eligible to receive further ERA funding. The scope of proposals submitted to this Call must be distinct from work previously funded by ERA.

10. How does ERA define “novel,” “innovative,” or “first-of-kind” technologies?

ERA’s funding is intended to support advancement of new technologies towards commercialization within Alberta. Applicants must justify how their proposed project represents a departure from “business as usual” activity and how the technology involved is differentiated from current options used in the province. In general, projects must feature an element of technical risk. This can include:

- Entirely new technologies or unique combinations of technologies
- Application of existing technology to a new end use, new sector, new product, etc.
- Testing and/or implementation of technology that is in use elsewhere but has not previously been deployed in Alberta.

The Call guidelines include further guidance on how applicants can make a strong case for the novelty of their project. Applicants are encouraged to contact ERA to discuss questions regarding alignment.

11. How strict are the stage of development requirements? What Technology Readiness Level (TRL) is required at the start/end of the project?

ERA is targeting projects spanning a range of TRLs. Regardless of the current stage of development, all projects must reach the stage of a field pilot/field testing or higher TRL by the end of their ERA-funded scope of work.

12. Does the applicant need to be incorporated in Alberta? Do all project partners need to be from Alberta?

No. The applicant, technology, and consortium partners can come from anywhere. However, the technology must be piloted, demonstrated, or implemented in Alberta. All projects supported through this Call must demonstrate a clear and justified value proposition for reducing GHG emissions in Alberta. Technologies whose emissions reductions are solely realized on a lifecycle basis outside of Alberta are not eligible.

13. Can a portion of project activity occur outside of Alberta?

Yes, projects may involve activities or incur expenses outside of Alberta. However, the focus of the project must involve piloting, demonstration, or implementation of the technology within Alberta. Applicants must justify the balance of in-province and out-of-province activities associated with their project.

14. Can one applicant submit multiple applications?

Yes. There is no limit on the number of submissions from any party. Due to the large volume of proposals expected and the competitive nature of the process we encourage applicants to present only their highest quality opportunities. It is unlikely that ERA will invite more than one full project proposal from a given lead applicant.

15. Would a portfolio of projects qualify or is it preferable to submit as individual projects?

ERA funds "projects" with clear timelines, objectives, deliverables, and milestones. Proposals may include multiple technologies and multiple sites; however, ERA recommends that each proposal be kept as focused as possible, with a clear objective. Having a large portfolio of technologies within a single project risks diluting the value of the most compelling elements of the portfolio and/or creating an overly complex project.

16. Can ERA funding be used as provincial support for other programs? Are projects that have received other government funding eligible?

Yes, ERA can fund projects that have received or will receive other government funding. ERA does not have a strict "stacking" limit for government funds if ERA's contribution is matched at least 1:1 by industry dollars. However, other funding organizations may restrict stacking of government funds.

If the intent is to apply to other grant programs with the same project, ERA recommends that this is noted when completing the financing table in the ERA application. Having other grant proposals in progress can improve ERA's assessment of the project's financial viability. ERA reserves the right to award less funding than the amount requested, so it is necessary for applicants to justify the amount requested from ERA, taking into consideration the likelihood of securing other grant funding.

17. Why does ERA request permission to share my application with Trusted Partners? What does this mean?

ERA collaborates with other funding organizations to share application materials and, in some cases, jointly consider proposals for funding. This provides applicants with greater exposure to other funding organizations and programs. Applicants are encouraged to submit applications to other programs in parallel to ERA where appropriate. ERA proposal sharing does not guarantee consideration by partner organizations.

18. How does the amount of ERA funding requested impact the decision whether to fund a project?

The amount of funding requested does not change how projects are evaluated. Projects are not sorted or grouped based on funding amount or project size; all projects must stand on their own merits regardless of the funding amount requested. It is necessary for applicants to justify the amount requested. Funding requests should be commensurate with the scale of the project and potential associated outcomes. For this Call, ERA has indicated that

project funding may be capped at an amount less than the \$10 million maximum except for projects with clearly justified potential for significant benefits.

19. For calculating GHG reductions, what timeline and baseline should we consider?

ERA will base assessments on annual emissions reductions for the life of the project, and will consider the overall GHG impact by 2025, 2030, and 2040. Further information is available in the Call for Expressions of Interest Guidelines.

ERA encourages applicants to make their case for GHG emissions reductions relative to a realistic forecasted (forward-looking) baseline for what would happen in a “business as usual” scenario in the absence of the project. For new industries and/or inherently-low-emissions products with no Alberta baseline, ERA encourages applicants to consider using Alberta’s average economic emissions intensity (tCO₂e/\$ of GDP) when developing their emissions benefits section. See the next question for more information.

20. Is emissions reduction potential assessed for the project only or on a market basis?

ERA considers both the project- level emissions reductions as well as the potential for reductions from market adoption. The size of opportunity and potential for widespread GHG and economic benefits will be taken into consideration during ERA’s project selection. Lifecycle benefits (i.e.: extended Scope 2 benefits that are realized elsewhere in the value chain upstream and downstream of the technology itself) may be included in the benefits calculation, however ERA is predominantly focused on those emissions reductions that occur within Alberta’s boundaries. Applicants must justify the assumptions used in all GHG reduction estimates.

21. If a project is accepted, does the IP become public? What information does ERA share for funded projects?

Under normal circumstances all IP remains with the original owner. ERA does require public reporting of the project outcomes and learnings, but business/competitive confidentiality is maintained.

Application details are kept confidential on a permanent basis. When funding is announced, ERA will publicly share a non-confidential summary of the projects selected for funding. Once the funded project is complete, public reporting of outcomes and learnings is required.

22. What criteria are used for decision making? Does ERA have Key Performance Indicators or targets for successful projects, for example: a specific \$/tCO₂e target?

Proposals are assessed based on the criteria described in the Call guidelines document that is posted on ERA's website. Specific quantitative targets for key performance indicators are not used due to the diversity of proposals expected and the need for all proposals to stand on their own merits.

23. What constitutes 1:1 matching? Can use of IP, facilities, etc. be considered an eligible matching contribution? Can debt financing be used to match ERA funds?

ERA will only match contributions related to actual eligible expenses related to the project incurred during the term of the project. Use of patents or existing infrastructure would not be eligible for matching, however certain other in-kind contributions such as use of internal personnel can be eligible. Applicants may use debt or equity financing to provide their share of funds, among other options.

Please refer to the eligible expense guidelines on the ERA website for more details on eligible in-kind and cash matching contributions.

24. If a pilot location has not been finalized for the project can an Expression of Interest (EOI) still be submitted for consideration?

Proposals may be submitted without a host site finalized, however applicants should be aware that having a site confirmed will be viewed positively during the review process. Potential sites and plans to finalize the project site should be indicated in the proposal.

25. Do all project team members, partners, and consultants need to be finalized prior to the application?

No, ERA recognizes that some project elements may not be finalized at the time of Expression of Interest (EOI) submission. Applicants are encouraged to provide as much detail as possible about the core project team, plans to acquire expertise where needed, and planned subcontracting to provide ERA's review team with confidence that the right expertise is available to successfully execute the project.

26. If changes/developments to the project occur after my EOI is submitted, is there an opportunity to revise?

After the Expression of Interest (EOI) deadline no changes can be made to EOI submissions. Applicants that are shortlisted to advance to the next stage of the process will have the opportunity to make changes when preparing their Full Project Proposal (FPP), although the core project scope cannot change between EOI and FPP.

27. Does ERA provide a “matchmaking” service to connect technology developers with host sites, financing sources, or other consortium members?

No, ERA does not provide this type of service. Interested parties are encouraged to make use of industry associations, technology accelerators, and other resources when assembling a consortium.

28. How long does ERA monitor the project? What ongoing verification and validation is required?

ERA monitors the progress of each project throughout its scope. All projects must provide a work plan outlining key milestones tied to progress reports. Upon project commencement, applicants are also required to submit a monitoring, measurement, and validation (MMV) plan outlining data collection during and after the project to support GHG quantification

activities. ERA requires that a third-party verification report be submitted one year after commissioning of the project technology/installation to verify the emissions reductions. In addition, ERA requires that funding recipients provide brief annual updates for a period after the project is complete (typically three years). Details of the post-completion reporting requirements will be detailed in the contribution agreement between ERA and successful recipients.

29. Does ERA provide examples of previously submitted strong proposals?

ERA cannot share previous proposals due to the need to respect the confidentiality of past applicants.

30. Who can I contact for help with my proposal? Does ERA provide feedback on proposals before submission?

General inquiries can be sent to applications@eralberta.ca, and questions about the online submission system can be sent to IMS@eralberta.ca.

Email inquiries are preferred over phone inquiries.

ERA does not provide feedback on proposals prior to submission. However, ERA personnel are happy to help with questions about eligibility, fit, or how to best address the criteria.