

**NOVA SCOTIA
CLEAN FUELS FUND (CFF)
Guidance Document 2024-25
Dated: August 9, 2024**

1. ABOUT THE PROGRAM

1.1 Overview

Nova Scotia is committed to transitioning our economy to net-zero greenhouse gas emissions by 2050. Clean fuels will play an important role, especially in sectors where transitioning from fossil fuels to electricity is challenging and/or expensive. Overcoming barriers to adoption of clean fuels in Nova Scotia is critical to meeting our climate and clean economy goals.

The creation of the Department of Natural Resources and Renewable's (NRR) Clean Fuels Fund (CFF) is Action #60 under the *Our Climate, Our Future: Nova Scotia's Climate Change Plan for Clean Growth*.

#60. Create a clean fuels fund to support industries and businesses in adopting low-carbon and renewable fuels such as green hydrogen, renewable natural gas, biofuels, and sustainable biomass.

The CFF will help increase Nova Scotia's capacity to produce, adopt and transition to clean fuels (e.g. hydrogen, renewable natural gas, biofuels, clean wood energy).

The **Clean Fuels Fund - Quick Start Stream** was launched in 2023-2024 with the aim to support shovel-ready clean fuels projects up to \$3 million. The Quick Start Stream will also inform future clean fuel program and policy development. Successful projects will form the foundation of an ecosystem to support adoption and transition to clean fuels in Nova Scotia. Seven (7) ready-to-go projects received funding under the Quick Start Stream.

The Clean Fuels Fund is opening a new round of applications in August 2024 with up to \$3 million in funding available for eligible projects.

1.2 Outcomes and Objectives

The CFF objectives are:

- Provide opportunities for Nova Scotia as we move to a clean economy;
- Increase Nova Scotia's capacity to produce clean fuels (hydrogen, renewable natural gas, biofuels, clean wood energy)
- Reduce our second largest source of greenhouse gas emissions, gasoline and diesel used in our vehicles and burning heating oil, natural gas and propane to heat our homes and businesses; and
- Reduce pressure on the electrical grid, lower emissions, create jobs and contribute to a green economy, increase our competitiveness and help reach our climate goals.

1.3 Timelines and Deadlines

Application intake: The intake for applications is open August 13, 2024, to October 8, 2024. Applications must be submitted by 11:59 pm on October 8, 2024. These applications can be submitted electronically to CFF@novascotia.ca (See Section 4.1 for more details).

Approvals: Successful applicants will be notified about their applications by November 8, 2024.

1.4 Contacts

For any questions as you prepare your funding application, please contact us at CFF@novascotia.ca.

2. GENERAL ELIGIBILITY

2.1 Eligible Applicants

This program welcomes applications from private business, municipalities, universities/colleges, First Nations communities and non/not-profit organizations that have community connected projects.

Non/not-profits must be registered entities under the Nova Scotia Registry of Joint Stock Companies.

Applicants demonstrating connections and/or partnerships with surrounding communities, local organizations, utilities, and private sector businesses, as well as applicants that support the pursuit of Equity, Diversity, Inclusion and Accessibility (EDIA) will be viewed more favourably.

2.2 Eligible Projects

- The lead proponent must be incorporated, registered, or based in Nova Scotia. Partner organizations may be registered or based elsewhere in Canada or internationally.
- Projects must ultimately benefit the adoption of clean fuels in Nova Scotia. While aspects of projects may take place outside of Nova Scotia, CFF funding will only be applied to eligible expenses within the province.

Multiple submissions from an applicant are allowed; however, the priority level of each submission should be identified.

2.3 Ineligible Projects

- Projects that do not materially advance the objectives of the Our Climate, Our Future: Nova Scotia's Climate Change Plan for Clean Growth, or the CFF Objectives are ineligible for funding.

2.4 Project Categories

- Studies
 - that inform and support future project decision making and investigate the feasibility of infrastructure development and the adoption and/or novel application of clean fuels;
 - that can support identification and reduction of regulatory barriers associated with clean fuel adoption;
- Existing facilities and operations
 - ready to implement solutions or evaluate (i.e. via pilots or demonstrations) how clean fuels can support their industrial applications and/or processes (inclusive of transportation); and
- New infrastructure
 - yet to be constructed but necessary to facilitate clean fuel adoption (inclusive – but not limited to – infrastructure supporting small scale production, storage, distribution, adoption and end use).

3. APPLICATION REQUIREMENTS

3.1. General Requirements

At a minimum, a proposal must provide the following information in seven (7) separate, clearly identified sections:

3.1.1 Organizational Information:

- Name of the proponent (organization or company). If the project is assessed and selected for funding, the proponent will be the legal entity that will enter a Contribution Agreement with Natural Resources and Renewables. Proof of Business Incorporation, Articles of Incorporation, or Registration must be provided as supporting documentation.
- Indicate all project partners and explain the nature of partnerships.

- Indicate the full name, title, email address and telephone number of the main contact for the proposed project. The main contact does not need to be the signing authority for the Contribution Agreement.

3.1.2 Project Description:

- Provide an overview of the project, including the project title and location.
- Indicate which type of clean fuel(s) will be explored through the project.
- Clearly state project objectives and the rationale for the project.

3.1.3 Outcomes, Environmental, Economic and Social Benefits:

- Describe the objectives, outputs and outcomes of the project.
- Confirm that the primary objective of the project is to increase Nova Scotia's capacity to produce, adopt and transition to clean fuels (e.g. hydrogen, renewable natural gas, biofuels, clean wood energy).
- Highlight any co-benefits of the project and socio-economic benefits of the proposed project, which may include, environmental benefits such as greenhouse gas emissions reduction, job creation, revenue generation and competitiveness, and/or engagement/benefits to Indigenous groups and/or local community.

3.1.4 Plan for Information Sharing:

- Indicate what information/results/findings will be shared with government and/ or broader industry and/ or the public, and the methods of communication as well.
- Any consideration for IP or sharing technology lessons learned?

3.1.5 Project Plan:

- Provide an overview of the project team and project plan that will be implemented to ensure the success of the project.
- Indicate the start and commissioning date of the proposed project (if applicable).
- Highlight the key milestones, deliverables and outcomes along the full timeline of the project in a table or Gantt chart, including reporting deadlines as outlined in the sample contribution agreement.
- Please describe any perceived risk to project success, such as risks in securing funding, risks to project timing, and risks to health, safety or the environment. Please describe how you will mitigate and/or manage these risks.

3.1.6 Detailed Project Budget and Funding Information:

- Indicate any funding secured or anticipated from other provincial or federal programs, including any pending applications to those programs.
- The project budget must include all expenditures on an annual basis, where each year starts April 1 and ends March 31.
- A detailed project cost breakdown report must be provided, including division of costs amongst project partners.

3.1.7 Equity, Diversity, Inclusion and Accessibility Framework:

- Indicate how EDIA has been considered in developing the project team and/or project partners. Please describe how you have ensured that you have taken relevant EDIA concerns (i.e. potential impacts of a project on equity-seeking communities) into account in the project plan.

3.2 Funding Guidelines

Funding to successful projects will be administered through a standard-form Contribution Agreement (to be made available) between the lead proponent and the Department of Natural Resources and Renewables.

- Funding will not exceed \$1 million per project.
- Projects with a total value up to and including \$500,000 exclusive of taxes are eligible for funding up to 75% of project costs.
- Projects with a total value over \$500,000 are eligible for 50% of project costs.
- Up to 75% of eligible project costs may be supported by stacked federal or provincial funding, including the CFF. The proponent is required to disclose funding from other provincial or federal programs for the project submitted under the CFF, including any pending applications to those programs.
- In-kind contributions may not constitute more than 10% of project costs.
- Proponents are responsible for the costs of preparing a project proposal. The Province of Nova Scotia will not reimburse you for any costs incurred before execution of a Contribution Agreement (CA).

4. SELECTION PROCESS AND ASSESSMENT CRITERIA

4.1 APPLICATION PROCESS

Step 1: Review Program

Read the program description for eligibility requirements and guidelines to determine if your project fits the CFF program. Contact us if you have any ideas you want to discuss.

Step 2: Open Call

Application window is open from Tuesday, August 13, 2024, to Tuesday, October 8, 2024.

Step 3: Submitting the Application

Applications will be accepted at cff@novascotia.ca in searchable electronic format (.pdf, or .doc) until 11:59 PM, Monday, October 8, 2024.

The application document will be limited to 25 pages. Supporting documents may be attached and in other file formats. Proposals that do not provide the required information (Section 3) or are submitted after the deadline will not be evaluated.

NOTE: Staff will confirm the receipt of your submission via email.

4.2 Application Assessment

- Proposals will be evaluated by Nova Scotia (NS) Government staff. Projects are scored on the extent to which it meets each criterion listed in the application form.
- Applicant and application must meet all eligibility requirements outlined in this Guidance Document.

Disclaimer: The “Guidance” listed below are to support applicants bringing forward strong submissions.

Criteria		Weighting	Guidance
Project Appropriateness		20	
	Project is innovative, novel and addresses a barrier to clean fuel adoption.	10	Project proposal is clear in goals, and what barrier is being addressed. Project is innovative to Nova Scotia – this could include advanced technologies, or technologies new to Nova Scotia.
	Proposed Infrastructure and/or physical assets are necessary and scaled. Studies and other non-infrastructure proposals provide broader clean fuels sector benefits.	10	Where infrastructure is part of a project proposal, this infrastructure is necessary and scaled appropriately to support the clean fuels sector in Nova Scotia. Proposals for studies demonstrate broad sector benefits (e.g. what barriers are being addressed, and how; potential for sector growth; compatibility with other industry)
Approach and Methodology		15	
	Proponent has outlined a clear and effective workplan that will achieve the stated objectives, and a sound approach in undertaking this project		Proposal is well-written and clear. Workplan is achievable in the timeframes outlined.
Qualifications, Capabilities and Management		20	
	Experience and capabilities of the lead Proponent and delivery team	5	Team has demonstrated experience in delivery of similar projects (including clean fuel experience, related industry experience, or community leadership experience).
	Collaboration, team organisation and scale are appropriate for this project	5	Resources assigned are sufficient to achieve project goals.
	Risks have been sufficiently assessed and managed	10	Risks are identified in the proposal, with appropriate mitigations. This could include timeline risks, cost risks, market risks, health, safety or environmental risks.

Budget, Leverage and Value		10	
	The Budget is clear and complete and well described	5	
	The proponent has financial wherewithal to carry out the project in the timelines prescribed.	5	Proponent demonstrates the financial capability to undertake a project with the proposed budget.
Outcomes Dissemination		25	
	Proponent can demonstrate the broader benefits beyond their organization.	15	Sector benefits are clearly demonstrated and help the path for further clean fuel investment and barrier reduction beyond the project proposal.
	Proponent has a plan to transfer knowledge and results for future sector development and learnings	10	Knowledge transfer plans are clear, and achievable.

Equity, Diversity, Inclusion and Accessibility		10	
	Please describe how EDIA considerations have been incorporated in the development of the project team and partners.	5	EDIA has been clearly considered in the project team
	Please describe how you have ensured that you have taken relevant EDIA concerns (i.e. potential impacts of a project on equity-seeking communities) into account in the project plan.	5	EDIA has been clearly considered in the project design and outcome.
	Total	100	