



Challenge Guide

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Challenge Overview

Background

Innovate BC is proud to launch a collaborative innovation challenge (Challenge) under Innovate BC's Integrated Marketplace (IM) platform with COAST Centre for Ocean Applied Sustainable Technologies (COAST) to address the challenge of reducing diesel consumption in remote, coastal, land-based locales. IM was launched in 2022 to test, deploy and scale made-in-B.C. innovation while de-risking adoption for key provincial industries.

In the maritime sector, the scale of the problem and the procurement process often pose a challenge to piloting new technologies and innovations. This challenge aims to enable testing technologies that can meet these needs sooner, rather than later and at a higher cost.

Innovate BC

Innovate BC is a Crown Agency of the Province of British Columbia with a mandate to accelerate the growth and success of BC companies by providing funding, resources and market opportunities for applied innovations that solve challenges, including decarbonization and increasing competitiveness.

Centre for Ocean Applied Sustainable Technologies (COAST)

COAST is Pacific Canada's hub for the blue economy. COAST's mission is to build British Columbia into a global leader in the world's rapidly growing ocean economy, paving the way for new sustainable and export-driven jobs and enterprises. COAST accomplishes this by supporting and amplifying innovative ocean ventures in British Columbia on their path toward commercialization through four key pillars: new venture support, access to facilities and equipment, training and workforce development, and ecosystem connection. COAST is an initiative of South Island Prosperity Partnership (SIPP), Greater Victoria's economic development alliance.

BC Marine Energy and Decarbonization Hub (the Hub)

The BC Marine Energy and Decarbonization Hub (the **Hub**), an initiative of COAST and the University of Victoria (through the Accelerating Community Energy Transformation -ACET initiative), supports the growth of the ocean energy sector in British Columbia by providing an avenue for the development of marine energy projects and the commercialization of component technologies and services utilizing existing infrastructure (physical and organizational).

Innovation Challenge

The Innovation Challenge invites innovators with technologies that can support the objectives of the Canadian Coast Guard (CCG) in transitioning remote, land-based operational sites (e.g. light stations) along the coast of British Columbia from dependence on diesel generator power to integrated energy systems and renewable energy. This challenge provides a unique opportunity to leverage the geography of BC to test and demonstrate a variety of renewable energy production technologies, and technologies to better manage power, in a maritime environment.

This Challenge seeks to demonstrate technological innovations, including:

- Energy generation from renewable sources (wave, tidal, wind on and off-shore, solar);
- Energy management and storage to support capacity increases / demand management and energy resilience;
- Rapidly deployable, modular and scalable (to meet the CCG's operational requirements in some remote locations along BC's coast).

The objectives of this Challenge are to:

- Demonstrate and validate technologies that have the potential to reduce diesel consumption at remote sites while maintaining consistent, reliable, and resilient operation;
- Demonstrate and validate the ability of these technologies to increase energy generation and usage capacity to support future operational needs; and,
- Demonstrate and evaluate the potential for improved energy system reliability and reduced maintenance requirements, recognizing that baseline conditions may vary across sites.

Successful applicants will deploy their technologies through the Hub's testing and demonstration site located in Victoria, BC to demonstrate the technology can meet the objectives of the challenge and the operational needs of off-grid, coastal locations (i.e. abilities to deploy, operate and maintain the technology). Demonstration results may inform applicable procurement processes and specifications for the future.

Applicants

Eligible Applicants

To be eligible, applicants must:

- be duly organized and validly existing under the provincial or federal laws of Canada;
- be in good standing with respect to all filings required by the governing authority having jurisdiction over the affairs of the Challenge Participant; and
- be actively doing business in British Columbia.*

The Challenge Participant must have met the foregoing criteria for at least 12 months prior to participating in the Challenge, unless a shorter timeframe has been agreed to by Innovate BC in writing.

*Actively doing business in British Columbia is defined as:

- All Challenge Participant staff are residents of BC and the Challenge Participant declares BC as its province of residence for tax purposes;
- 50% or more of the Challenge Participant's staff are in BC and claim BC as their province of residence for tax purposes; or
- the Challenge Participant is committed to establishing a physical location in BC and having staff located in BC who claim the province as their primary residence for tax purposes within the next 12 months.

Additionally, the Challenge Participant, to the best of their knowledge, is in compliance with all requirements under the *Employment Standards Act* and *Workers Compensation Act*, including but not limited to with respect to workers' compensation coverage.

The following applicant types are eligible for this Challenge:

1. Renewable energy generation enterprises.
2. Energy management and storage enterprises.

Ineligible Applicants

The following applicants are ineligible for this Challenge:

- Applicants operating outside of B.C.
- Unlicensed or unregistered enterprises
- Any other business that does not fall within the scope of eligible applicants in this Challenge Guide

Expenses and Activities

Eligible Expenses and Activities

Decarbonization Technologies

This Challenge supports companies moving towards commercialization by providing the opportunity to test and demonstrate their technology against a real-world problem: the decarbonization of land-based operations in coastal remote areas. These technologies or how they are being applied should be new to Canada, B.C., or a region. The goal is to enhance renewable energy generation and increase the resilience of energy management and storage, while still meeting the operational needs of these unique geographic locations.

This Challenge aims to support the development of technologies that can generate, manage, store, and deploy energy in remote, land-based operations along the coast through decarbonization technologies.

Decarbonization technologies for this Challenge means:

- Technology that generates energy through renewable sources;
- Technology used to store and manage energy; and
- Technology that improves the efficiency and/or resilience of energy systems.

Project Scope

Projects that are at a [Technological Readiness Level \(TRL\)](#) of 4-7 will be considered with the expectation that the technology will advance one TRL upon completion of project activities.

Eligible Technology Examples

Here are some examples of technology that may be eligible for funding if they are also either new to Canada, B.C., or a region, or if they are innovative in how they are being applied.

Energy generation from renewable sources

Technologies that generate energy from renewable sources, for example:

- Wave energy generation;
- Tidal energy generation;
- On- and off-shore wind generation; and
- Solar energy generation.

Energy management and storage technologies

Technologies that manage and store energy, for example:

- Batteries and battery storage systems;
- Energy dashboards; and
- Microgrid controllers.

Other technologies

- Existing technologies, such as those listed above, but with significantly novel features or functionalities; and
- Existing technologies, such as those listed above, but combined in a way that is novel.

Eligible Costs

The following costs are eligible:

- Salaries and benefits, including administrative labour related to the Eligible Project
- Professional and administrative fees related to obtaining and maintaining an Intellectual Property Right and drafting an Intellectual Property Strategy.
- Field testing services
- Licence fees and permits
- Supplies and equipment, including the costs to purchase, rent, fabricate and install supplies and equipment
- Purchase, installation, repair, upgrade, testing and commissioning of equipment, materials and products, including diagnostic and testing tools and instruments
- Laboratory and field supplies and materials
- Shipping costs, including customs costs
- Consumables (i.e., items used up completely during the project such as motor oil, lubricants, transmission fluids)
- Data collection services, including processing, analysis and management
- Statutory training, regulatory specified training (e.g., environment, health and safety) and associated certification costs as a result of a new product including training for the testbed PM/ product manager
- Capital items specifically required for the delivery of the Eligible Project, including data collection equipment, prototypes, pilot plants or demonstration facilities, if they have no residual value beyond the Period of Funding, as determined by Recognized Accounting Standards

Ineligible Expenses and Activities

Before you apply, check that the technology and costs you want reimbursed by the Challenge are not ineligible. The lists below are not exhaustive, and Applicants are encouraged to contact Innovate BC to confirm if a technology and/or expense is eligible. Contact: integratedmarkets@innovatebc.ca.

Ineligible Costs

The following costs are not eligible:

- Leasing costs
- BC Marine Energy and Decarbonization Hub participant fees
- General overhead costs, including operating costs related to general maintenance and repairs, utilities and telecommunications
- Costs to decommission a Funded Project
- Capital costs associated with ongoing scientific or technical activities
- Fees and expenses incurred in relation marketing, communications and business development work
- Contingency fees
- Legal, financing fees and costs
- Costs associated with the subsequent technology diffusion
- Travel
- Costs to apply for certifications; data collection in pursuit of these, in alignment with project objectives and KPI's, is eligible.
- Modifications or upgrades to existing infrastructure
- Insurance
- Existing digital collections and background IP, and the costs associated with their development or access
- Costs of ongoing activities
- Extended warranties on equipment, electronics, or technology purchases
- Purchases made before application is approved, or expenses after the project completion date unless consent is received from the Challenge
- GST on the technology purchase
- Government lobbying

Successful Applicants will be required to pay a \$10,000 fee to participate in the Hub, and this cost is ineligible under Innovate BC funding.

Common Sector Technologies

In addition to the technologies listed as ineligible above, common or 'off the shelf' technology products that would not be considered unique or new technology because they are already widely used in their specific sector will not be eligible, unless they are applied in a novel or innovative way as part of your technology system.

However, do apply if the technology you want to deploy offers significantly novel features or functionalities, or if it is being combined with other technologies in a novel way, that innovatively addresses the CCG's particular challenges and restrictions.

Applications

Application Process

Applicants for all technology categories will be required to submit a funding application through the SurveyMonkey Apply application portal (link [here](#)) during the call period (November 10 – December 31, 2025). All applicants will be required to provide:

- Details regarding their technology / innovation, how it applies to the challenge, its TRL, and its market audience;
- A project plan, including KPIs, metrics, and a timeline with identified milestones for completion;
- Budget estimate(s) to substantiate the funding request amount and project timeline(s);
- An estimate of the emissions that can be avoided by using the technology; and
- Confirmation of the proposed timeline(s) once an application is approved. The latest acceptable date for beginning of project is May 1, 2026. Projects should not exceed a 12-month period.

Adjudication and Assessment

Submitted applications will be received by Innovate BC and reviewed and adjudicated by a panel. All applications received will be evaluated based only on the information submitted and will not be considered if they do not meet application eligibility criteria or are incomplete.

Fully completed applications submitted by December 31, 2025, will be reviewed in January to ensure they meet basic eligibility criteria. Applications that meet basic eligibility criteria will be further assessed by a panel to allocate available cost share funding to projects best aligned with the Challenge objectives. Applications will be assessed based on:

- The fit of their technology or innovation with the Challenge requirements;
- Readiness to execute the project;
- Budget and financials;
- Potential impact of the project; and
- Potential benefits of the project.

If an application is approved, the Applicant will be informed of the details of the decision and any associated terms and conditions via email within a target six-to-eight-week period post-call close (e.g., January – February 2026). The Applicant will then be invited to enter into a Funding Agreement with Innovate BC which outlines the obligations of each party for the approved project.

If an application is not approved, the Applicant will be notified of the decision by email and will be provided an opportunity for additional feedback should they request it.

Project Award & Outcomes Reporting

Contracting and Awards

Applicants with an approved funding request will be invited to enter into a Contribution Agreement with Innovate BC; no funding will be released without the successful execution of a Contribution Agreement. After execution, amendments to a project, its corresponding activities, or budget are generally not possible. Innovate BC reserves the right to review Contribution Agreements on a case-by-case basis in extenuating circumstances without obligation to agree to proceed with modifications or amendments.

Funding is provided both in advance of project expenditures and upon milestone completion. **For this funding call, confirmation of expenses related to technology purchases or delivery (e.g. component purchase and delivery) will be required by no later than October 31, 2026.** Payments will be issued within three to four weeks following a complete project claim submission.

Award and Parameters

Up to the lesser of \$100,000 or 50% of Eligible Project Costs will be awarded to Applicants successful in the competition.

Hub Participation

Successful applicants participating in the challenge will conduct project activities out of the Hub based in Victoria, BC. The Hub will collect a \$10,000 participation fee for the Hub directly from successful applicants. This fee is not an eligible cost under Innovate BC's funding.

Successful Challenge Participants will be able to access the following at the Hub location:

- Shared office space;
- Light-industrial lab space;
- Testing and demonstration equipment (i.e. emulators, data acquisitions, HIL testing);
- Storage and laydown space; and
- Collaboration with UVic PhD students and researchers to further develop technology.

Outcomes Reporting

Applicants will be required to complete both a progress and final outcomes survey within 12 months of completing challenge activities. These surveys will gather important

information regarding technology performance, with specific interest around changes in emissions, efficiency, and/or resilience to help inform the sector about how and what technologies support energy emission reductions, efficiency, or resilience for remote, land-based operations in coastal B.C. Project outcomes reporting may be shared with the Challenge delivery partners.

Data Privacy

Innovate BC is committed to respecting your privacy. Innovate BC's Standard of Conduct identifies what information is collected about you and how it's used by Innovate BC when you visit innovatebc.ca (the "Site"), apply to one of our programs, or communicate with Innovate BC. Please visit [Innovate BC's Standards of Conduct](#) to learn more.