The Global ESCO Network
Super ESCO
The Canadian experience
Canada as a rich country promoted the use of energy efficiency for many years

- Regulatory framework that allows the use of Performance contracting
- Presence of important subsidies in most provinces
- Vast energy efficiency technical experience
- Strong presence of experiences ESCOs, mainly working in the public sector (95%)
- 40 years of experience in the use of EPC (federal and provincial programs)
The context

- No presence of adapted financing mechanisms for EE projects
- No real EPC market in the private sector
- Private sector clients focus on short term payback projects (less than 3 years)
- Difficulties for the ESCO market to penetrate the private sector
Creation of the first Super ESCO in Canada in 2021 with the mission of:

- **Promote an effective energy transition** to the benefit of businesses, the government, and the economy.
- **Increase the profitability and competitiveness of businesses** by reducing energy consumption costs.
- **Fight against climate change** by reducing greenhouse gas emissions.
An innovative investment solution that accelerates the energy transition and decarbonization of Canadian businesses

Equity partners
- Desjardins Global Asset Management
- Fondaction

Debt partners
- CANADA INFRASTRUCTURE BANK
- Fiera Private Debt

Managed jointly by
- Econoler
- Fondaction

With the financial support of
- Canada
- Québec
SOFIAC develops, invests in, and manages deep energy retrofit and decarbonization projects to the benefit of Canadian businesses.
The offer

- **No investment** needed
- **Turnkey projects**
- Technically and financially **risk free**
- **10-to-15-year** contractual arrangements
- Structured as a non recourse **subordinated debt**
- Available **across Canada**

Enabling the achievement of ESG goals
An innovative structure

- No upfront investment from client
- No impact on client borrowing capacity
- Contractual agreement of 10-15 years
- Technical, financial and operational risks taken by SOFIAC
Partner with renowned and experienced ESCOs committed to delivering excellence and results
Agnostic to all technical solutions

Potential technical solutions

- Lighting retrofit
- Efficient motors and pumps
- Variable drives
- Heat recovery
- Chiller plant retrofit
- Thermal storage
- Aerothermal and geothermal energy
- Control system
- Electrical peak management
- CO2 refrigeration
- Passive solar technologies
- Fuel switching to cleaner sources
Positive financial impacts for clients

- **Optimization** of all available subsidies

- **No impact** on corporate financing operations
  - Non-recourse, long-term junior debt

- **Reduced future CAPEX needs**
  - Acceleration of replaced assets without any investments

Positive cash flows from day one and for the whole contract duration
Additionnal positive impacts

$ Finances
- Improve competitiveness
- Reduced operating costs
- Increased property value

Certifications
- ISO 50 001
- LEED EB
- BOMA Best

ESG
- Important Decarbonization
- Net-zero objective
- Other potential benefits (HFC and ODS reduction)
Projects under implementation: 6

Example:

Total implemented project value: 64M$

GHG emission reduction:
- 13 700 tCO2/year
- Over 50% of decarbonation of clients sites

Current pipeline: over 150M$