



New Building Canada Fund: National Infrastructure Component

Business Case Guide

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National Infrastructure Component

**PROJECT BUSINESS CASE GUIDE FOR
PROPOSED PROJECTS**

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PURPOSE

The **New Building Canada Fund – National Infrastructure Component (NIC)** will provide contribution funding on a merit basis for public infrastructure projects of national significance, particularly those that contribute to federal objectives of economic growth and productivity. In order to ensure these program objectives are achieved, all projects presented for funding consideration under the NIC must be supported by a project business case demonstrating how the project meets both the common project criteria, as well category specific outcomes and project criteria.

This guide has been prepared to assist proponents in completing and submitting a project business case. Should a business case be selected for a detailed federal review, Infrastructure Canada officials will be in contact with project proponents and may seek clarification or additional information. A detailed federal review of the business case forms the basis of a departmental recommendation regarding conditional approval-in-principle of the project. Should a project be approved-in-principle, proponents will receive a letter from the Minister of Infrastructure, Communities and Intergovernmental Affairs that outlines, among other details, the conditions of federal funding. Notably, eligible project costs can be incurred as of the date of the approval-in-principle letter. Final project approval and the reimbursement of eligible costs are subject to the signing of a project contribution agreement.

There will be a “soft” threshold for a minimum project size of \$100 million in total eligible costs. However, projects with costs below this threshold that can demonstrate national significance could be considered, as determined by the Minister of Infrastructure, Communities and Intergovernmental Affairs.

BUSINESS CASE GUIDE: REQUIRED INFORMATION

Please provide detailed information about the project which includes the following information:

PROJECT DESCRIPTION

- The name of your project and the eligible category and subcategory under which the proposed project falls.
Please refer to Annex A for a full list of eligible investment categories and related subcategories.
- A detailed description of the project design, all project components and the work to be carried out (new construction, renewal, rehabilitation or material enhancement), including maps and diagrams showing the location, and phases (if the project is part of a larger master plan or project).
- A description of how the proposed project will achieve, in a significant way, one or more of the following federal objectives:
 - Generating or facilitating incremental economic activity;
 - Reducing potential economic disruptions or foregone economic activity;
 - Generating productivity gains for the Canadian economy; or,
 - Providing benefits that extend beyond the provinces or territories where the project would be located.
- An indication if land has been or will be secured for the project.
- A project timeline, including the estimated start date and completion date, from design through to substantial completion and commissioning, of all project components, and including timelines for contract tendering, where possible.

Recognizing that funding for infrastructure on-reserve will continue to be delivered through Aboriginal Affairs and Northern Development Canada, any Aboriginal community or organization, including a First Nation, may submit proposals under the \$4 billion New Building Canada Fund – National Infrastructure Component for projects aligned with the parameters of the program, and with benefits extending beyond the reserve community.

MINIMUM FEDERAL REQUIREMENTS

- A description of how the project meets the category-specific minimum federal requirements as outlined in ***Annex A***.
- If your project involves newly constructed or materially rehabilitated infrastructure intended for use by the public, please confirm that the project provides appropriate access for persons with disabilities, including meeting the requirements of the Canadian Standards Association Technical Standard Accessible Design for the Built Environment (CAN/CSA B651-04) or, subject to the Minister's approval, any acceptable or similar provincial or territorial standards (please describe any variances to this requirement and plans to achieve compliance).

- If your project involves a newly constructed or materially rehabilitated building, please confirm that the building meets or exceeds the energy efficiency requirements of the Model National Energy Code for Buildings, where applicable (please describe any variances to this requirement and plans to achieve compliance).

PROJECT OUTCOMES AND BENEFITS

- A description to demonstrate, and quantified where possible, that the project meets one or more of the category-specific outcomes and benefits as outlined in **Annex A**.

Recipients will be required to report on these outcomes and benefits at substantial completion.

ELIGIBLE RECIPIENT(S)

- Please provide information that clearly identifies the eligible recipient, including evidence substantiating the incorporation of their legal entity, where appropriate, and identify any partners involved in the project (such as a province, territory, municipal or regional government, band council, public sector body or private sector). Please also confirm who will own, operate and maintain the infrastructure asset once completed. **Please refer to Annex B for information about eligible recipients.**

PROJECT GOVERNANCE

- A description of the governance and oversight structure for the project, including roles, responsibilities and accountabilities for project implementation from planning and design through to the construction phases of the project.

FINANCIAL REQUIREMENTS

Please provide project financial details including the following:

- An outline of all project components and their *total* estimated expenditures.
 - This should include a financial breakdown, by component, of capital and soft costs (i.e. planning and assessment costs), eligible and ineligible expenditures, and the contingency amount that has been planned. **Please refer to Annex C for a detailed list of eligible and ineligible expenditures, and Annex E for an example of a financial table.**
- An indication as to the level of confidence, degree of accuracy and appropriate level of contingency of the proposed cost estimates.
 - Project expenditure estimates should be current. Please specify when they were prepared, and by whom.
- An identification of all proposed funding sources as well as an assurance that funding to undertake and complete the project has been secured.

- Funding assurance may include, but is not limited to a letter from a Chief Financial Officer/Chief Administrative Officer/Treasurer, a letter from a financial institution, or a Council Resolution of budget allocations.
- An estimated expenditure profile reflecting total eligible expenditures, by fiscal year and by funding source. ***An example of an expenditure profile has been provided in Annex E.***
- Assurance of capacity to operate and maintain the service or investment on a sustainable, long-term basis, where appropriate for complex projects and when the recipient is a not-for-profit organization or from the private sector.

Cost-sharing, Stacking and Limits to Federal Contribution

For projects located in the provinces, or ITS projects located in the U.S., the maximum federal contribution from all sources will be one-third (33.33%) of the total eligible costs for each project funded, with the following exceptions:

- For traditionally-procured projects in the Highways and Major Roads category where the asset is provincially-owned, and those in the Public Transit category, the maximum federal contribution from all federal sources will be fifty percent (50%) of the total eligible costs; and
- For all projects that are delivered as public-private partnerships or where the recipient is from the for-profit private sector, the maximum federal contribution from all federal sources will be twenty-five percent (25%) of the total eligible costs.

For projects located in the territories, the maximum federal contribution from all federal sources will be three-quarters (75%) of the total eligible costs of a project, with the following exception:

- For all projects where the recipient is from the for-profit private sector, the maximum federal contribution from all federal sources will be twenty-five percent (25%) of the total eligible costs.

Contributions to for-profit, private sector bodies through the NIC will be considered only when these projects will be for public use or benefit. Recipients will be required to demonstrate the broader public benefits of the project.

For projects advanced by a First Nations recipient, with regard to financial support that the First Nation receives from Aboriginal Affairs and Northern Development Canada (AANDC), only funding received from the First Nations Infrastructure Fund would be counted towards the federal stacking limits for NIC. All other sources of funds the First Nation receives from AANDC would not count towards the stacking limits.

LEGAL REQUIREMENTS

The recipient is required to confirm the following legal requirements:

- That the project will adhere to all applicable legislation and that all necessary permits and authorizations required for the project will be obtained (please describe any delays or variances to this requirement and plans to achieve compliance);
- The status of and plan to complete an environmental assessment or review and Aboriginal consultations, where required. **Please refer to Annex D for additional information and for the Environmental, Aboriginal Consultation and Project Location Questionnaire;** and,
- Assurance that the contract award process for eligible expenditures to be funded under the project is in accordance with the recipient's policies and procedures and will be transparent, competitive, fair, consistent with value for money principles, or in a manner otherwise acceptable to Canada, and if applicable, in accordance and consistent with the Agreement on Internal Trade and international trade agreements (please describe any variances to this requirement and plans to achieve compliance).

PROJECT RISKS AND MITIGATION MEASURES

- Please describe any key challenges or risks that you have identified associated with implementing the project, and outline the measures and/or your capacity to mitigate these risks, including but not limited to:
 - Expenditure increases (e.g. the price of steel rises sharply);
 - Project delays;
 - Risk of scope change (due to, for example, results of environmental assessment);
 - Public sensitivity; and,
 - Risks related to natural hazards and/or climate change that could have an impact on the project during construction or once completed.

P3 REQUIREMENTS

Projects with total eligible costs of over \$100 million are subject to the P3 Screen. As a first step, project proponents will have to complete the required P3 Suitability Assessment Questionnaire included in this Guide as part of the Initial Review process. Projects which are determined to be potentially suitable for procurement as a P3 will then require completion of a Procurement Options Analysis (POA).

- With the exception of projects where the private sector is the sole proponent, all projects with *total eligible costs* of \$100 million or more will be required to undertake an analysis to determine the suitability for procurement as a P3. As a first step, the

P3 Suitability Assessment Questionnaire (***attached as Annex F***) should be completed and submitted as part of the project business case.

- The Suitability Assessment Questionnaire will be submitted by Infrastructure Canada to PPP Canada Inc. for review. Officials from Infrastructure Canada and PPP Canada Inc. may seek clarification on the information provided for a given project submission and/or seek additional information, as required during this process.
- If it is determined that a project could be successfully delivered as a P3, a more detailed Procurement Options Analysis (POA) will be required. The POA will examine whether the proposed project would generate better Value for Money (VfM) than traditional procurement options. ***The POA Guide may be found at <http://www.p3canada.ca/en/screening-and-advisory-services/the-building-canada-fund/procurement-options-analysis/>***. PPP Canada officials will offer support and advice as required throughout the POA process.
- If PPP Canada finds that the project could be successfully delivered as a P3 and that a P3 will generate better Value for Money than traditional procurement, federal funding will be made contingent on the project being procured as a P3. This recommendation will form part of Infrastructure Canada's recommendation in seeking the approval in principle of the project by the Minister of Infrastructure, Communities and Intergovernmental Affairs.

ANNEX A – OVERVIEW OF NIC CATEGORY-SPECIFIC REQUIREMENTS

HIGHWAYS AND MAJOR ROADS

I. Objective

To invest in highways and major roads that are nationally significant, have broad public benefits, and that contribute to long-term economic growth and prosperity.

II. Subcategories

New construction, additional capacity, or rehabilitation of highways and major roads, including bridges and tunnels that are:

- Key interprovincial or international corridors, or new construction projected to carry significant volumes (defined below) of freight and/or passenger traffic; or
- Highways or roads that provide access to border crossings or to facilities such as ports, airports, railway intermodal yards, or intermodal/multi-modal/transfer facilities or logistics parks;
- Highways or roads related to major natural resource development opportunities; or
- A road-rail grade separation on one of the above highways or major roads.

Notes:

- a. *Projects under this category could include Intelligent Transportation Systems (ITS) components as part of the overall project.*
- b. *'Significant volumes' will be normally defined as projects for which at least one segment meets the following:*
 - i. *a highway outside a census metropolitan area (CMA) that has an average annual daily traffic (AADT) value of at least 5,000; or*
 - ii. *an urban road corridor within a CMA with a minimum of 50,000 AADT.*
- c. *Rehabilitation projects must meet the definition of 'rehabilitation' as agreed upon by the Council of Ministers in 2005.*

III. Outcomes and Benefits for Canadians

These projects support one or more of the following outcomes:

- Increasing efficiency and mobility by supporting efforts to reduce congestion, effectively manage traffic volume, reduce travel time and improve productivity;
- Improving safety;
- Improving access for remote areas affected by resource development-related activity, and/or improved social and economic outcomes in affected communities;
- Extending the life of the existing asset

IV. Minimum Federal Requirements

- Proponent must demonstrate the economic advantages and the broader public benefits of the project.
- Proponents must demonstrate that projects are compatible with official transportation plans or other strategies.
- Proponents must demonstrate that their proposal is based on current demand (e.g., significant volumes of traffic and/or trucks), and if projects are intended to expand existing assets or build new assets, the intended results must be substantiated.
- If the project includes an ITS component or system, that the ITS component or system is compliant with the ITS Architecture for Canada and the Border Information Flow Architecture, or expand in new areas of national interest.

PUBLIC TRANSIT

I. Objective

To invest in public transit, specifically rapid transit systems, that are nationally significant, have broad public benefits, and that contribute to long-term economic growth and prosperity.

II. Subcategories

New construction, expansion, rehabilitation or material enhancement of rapid transit systems including bus rapid transit (BRT), light rail transit (LRT), and heavy rail transit (e.g., subways and regional commuter rail).

Notes:

a. Projects under this category could include supporting transit capital infrastructure and rolling stock. Intelligent Transportation System (ITS) technologies may only be included as a component of a broader rapid transit system project.

III. Outcomes and Benefits for Canadians

The project must demonstrate how it provides benefits to Canadians in support of one or more of the following outcomes:

- Increase efficiency and mobility by supporting efforts to reduce urban congestion, reduce travel time and improve productivity;
- Increasing transit ridership;
- Improving safety; or
- Improving mobility (e.g. improved access, reduced travel times).

IV. Minimum Federal Requirements

- Proponents must demonstrate the economic advantages and the broader public benefits of the project.
- Rapid transit system projects must be part of an official, integrated land-use and transportation development plan or strategy. Where applicable, projects must be consistent with the approved plans of regional transportation bodies.
- Proponents must demonstrate that their proposal is based on current or projected demand and the intended results must be substantiated.
- If the project includes an ITS component or system, that the ITS component or system is compliant with the ITS Architecture for Canada.

RAIL INFRASTRUCTURE

I. Objective

To invest in rail freight infrastructure that is nationally significant, has broad public benefits, and contributes to long-term economic growth and prosperity.

II. Subcategories

New construction, additional capacity or rehabilitation of the following capitalized and fixed rail infrastructure, excluding regular or deferred maintenance:

- Major rail bridges and tunnels

Notes:

- a. Projects under this category could include Intelligent Transportation Systems (ITS) components as part of the overall project.*
- b. Road/rail grade separations would also be an eligible subcategory of investment under the National Infrastructure Component - Highways and Major Roads category.*

III. Outcomes and Benefits for Canadians

The project must demonstrate how it provides national benefits in support of one or more of the following outcomes:

- Increasing efficiency and mobility by supporting efforts to reduce congestion and effectively manage traffic volume (e.g., reduce travel time on key interprovincial and international trade corridors)
- Improving safety

IV. Minimum Federal Requirements

- Proponent must demonstrate the economic advantages and the broader public benefits of the project.
- Proponent must demonstrate that they do not stand to benefit unfairly from a significant market privilege upon the project's completion.
- Proponents must demonstrate that their proposal is based on current demand (e.g., significant volumes of rail traffic), and if projects are intended to expand existing assets or build new assets, the intended results must be substantiated.
- If the project includes an ITS component or system, that the ITS component or system is compliant with the ITS Architecture for Canada and the Border Information Flow Architecture, or expand in new areas of national interest.

LOCAL AND REGIONAL AIRPORTS

I. Objective

To invest in airports that are nationally significant, have broad public benefits, and contribute to long-term economic growth and prosperity.

II. Subcategories

New construction, additional capacity, and/or rehabilitation of the following capitalized and fixed airport infrastructure assets supporting freight and/or passenger movements:

- Runways;
- Taxiways;
- Aprons; and
- Air terminal buildings

Notes:

- Projects under this category could include Intelligent Transportation Systems (ITS) components as part of the overall project.*
- Federally-owned airports and federal assets are not eligible for funding.*
- Safety and security projects that are eligible for funding under Priorities 1 and 2 categories of Transport Canada's Airports Capital Assistance Program (ACAP) are funded under that program, and are not eligible for funding unless they are part of a larger project.*

ACAP priorities 1 and 2 may be described as:

Priority 1: Safety-related airside projects required to accommodate the aircraft providing year-round, regularly scheduled passenger service such as rehabilitation of runways, taxiways, aprons, associated lighting, visual aids, sand storage sheds, utilities to service eligible items, related site preparation costs including directly associated environmental costs, aircraft firefighting equipment and equipment shelters which are necessary to maintain the airport's level of protection as required by regulation.

Priority 2: Heavy airside mobile equipment (safety-related) such as runway snow blowers, runway snowplows, runway sweepers, spreaders, winter friction testing devices, and heavy airside mobile equipment shelters.

III. Outcomes and Benefits for Canadians

The project must demonstrate it provides benefits to Canadians in support of one or more of the following outcomes:

- Improving efficiency (e.g. increased traffic volumes, passenger volumes, cargo); or
- Improving safety.

IV. Minimum Federal Requirements

- Proponents must demonstrate the economic advantages and the broader public benefits of the project.
- Proponents must demonstrate financial support from provincial and/or regional/local governments by meeting the following criteria:
 - For all projects, the provincial government contribution must be no less than the federal government contribution;
 - For local and/or regional assets, local/regional government interests must furnish at least one-third (33.33 percent) of the total project costs;
 - For projects in the territories, with the exception of for-profit private sector projects, the federal government will cost-share up to 75 percent of total eligible costs.
- For non-provincial assets, a municipal council resolution in support of Airport projects must be submitted.
- Proponents must demonstrate that projects are consistent with long-term regional development plans and provide significant economic benefits across the region.
- Proponents must demonstrate that projects do not negatively impact other airports in their vicinity and the overall provision of airport and air transportation services in the region, and demonstrate broad public benefits.
- If the project includes an ITS component or system, that the ITS component or system is compliant with the ITS Architecture for Canada and the Border Information Flow Architecture, or expand in new areas of national interest.

PORT INFRASTRUCTURE

I. Objective

To invest in marine ports that are nationally significant, have broad public benefits, and contribute to long-term economic growth and prosperity.

II. Subcategories

- i. New construction, additional capacity, and rehabilitation of the following capitalized and fixed infrastructure assets located at ports;
 - Wharves and associated infrastructure;
 - Road and rail infrastructure;
 - Intermodal, multimodal, and/or transfer facilities.

- ii. New construction, additional capacity, and rehabilitation of the following capitalized and fixed infrastructure assets located at inland ports (logistics parks), defined below:
 - Road and rail infrastructure;
 - Intermodal, multimodal, and/or transfer facilities.

Notes:

- a. *Projects under this category could include Intelligent Transportation Systems (ITS) components and/or capital dredging as a part of the overall project.*
- b. *Infrastructure that supports passenger-only ferry services, the maintenance of existing facilities, or maintenance activities (including dredging), are not eligible for funding.*
- c. *Inland ports are to be generally defined as specialized intermodal sites that facilitate the transfer of freight between different modes of transportation, and the processing of national or international trade, creating a more central distribution point. Infrastructure that supports facilities for storage and consolidation of goods, and maintenance for road or rail cargo carriers are not eligible for funding.*

III. Outcomes and Benefits for Canadians

The project must demonstrate how it provides benefits to Canadians in support of the following outcomes:

- Improving efficiency and capacity (e.g. increased traffic volumes and freight capacity, trade flows, new shippers);
- Improving safety.

IV. Minimum Federal Requirements

- Proponent must demonstrate the economic advantages as well as the broader public benefits of the project.
- Project must be supported by any federal departments that would be implicated by the proposed project.
- Proponents must demonstrate that their proposal is based on current demand (e.g., trade volumes of national significance), and if projects are intended to expand facilities/capacity or build new assets, they must substantiate the intended results.
- If the project includes an ITS component or system, that the ITS component or system is compliant with the ITS Architecture for Canada and the Border Information Flow Architecture, or expand in new areas of national interest.

INTELLIGENT TRANSPORTATION SYSTEMS (ITS)

I. Objective

Support the deployment of Intelligent Transportation Systems (ITS) technologies that have broad public benefits and that contribute to long-term economic growth and prosperity.

II. Subcategories

- Intelligent Transportation Systems (ITS) projects for all modes of transportation including but not limited to smart card technology, traffic management technology and transponder technology
- Associated equipment, integrated systems and capitalized facilities and structures

Note:

- a. Projects must be compliant with the Intelligent Transportation System Architecture for Canada and the Border Information Flow Architecture.*

III. Outcomes and Benefits for Canadians

The project must demonstrate how it provides national benefits in support of one or more of the following outcomes:

- Increasing efficiency and capacity of the national transportation system by supporting efforts to reduce congestion, effectively manage traffic volume, and reduce travel time
- Improving safety

IV. Minimum Federal Requirements

- Proponent must demonstrate the economic advantages and the broader public benefits of the project.
- The ITS component or system must be compliant with the ITS Architecture for Canada and/or the Border Information Flow Architecture.

DISASTER MITIGATION INFRASTRUCTURE

I. Objective

To invest in disaster mitigation infrastructure that is nationally significant, has broad public benefits, and that contributes to long-term economic growth and prosperity.

II. Subcategories

- Construction, modification, reinforcement or relocation of public infrastructure that protects from, prevents, reduces the impact and/or likelihood of, or mitigates the potential damage resulting from natural hazards, including impacts or events related to climate change.

Note:

a. Construction, modification or reinforcement of public infrastructure excludes normal routine, maintenance and operational work (e.g., dredging of sediment, gravel removal, debris traps, etc.). The relocation of entire communities is also excluded.

III. Outcomes and Benefits for Canadians

The project must demonstrate how it provides benefits to Canadians in support of one or more of the following outcomes:

- Reducing the social, physical and/or economic risks associated with natural hazards and/or adverse effects related to climate change
- Improving the resiliency of public infrastructure to natural hazards and/or adverse effects related to climate change
- Supporting an all-hazard risk assessment and related mitigation plan to address disaster risks

IV. Minimum Federal Requirements

- Proponent must demonstrate the economic advantages and the broader public benefits of the project.
- The project proponent must have conducted a risk assessment that supports the proposed mitigation project. The risk assessment shall include: the likelihood of a natural hazard occurring and the potential impacts of such an event (including social, economic and environmental impacts).
- The proponent must demonstrate that the project is the most cost-effective mitigation approach, including other structural and non-structural mitigation options.
- The proponent must demonstrate that project design has taken into consideration the increasing magnitude of natural hazards and any “down-stream” negative consequences of the structural mitigation project.

ANNEX B – ELIGIBLE RECIPIENTS

To be eligible under NBCF – NIC, the funding recipient must be one of the following:

- a) A province or territory, or a municipal or regional government established by or under provincial or territorial statute;
- b) A band council within the meaning of section 2 of the Indian Act; or a government or authority established pursuant to a Self-Government Agreement or a Comprehensive Land Claim Agreement between Her Majesty the Queen in right of Canada and an Aboriginal people of Canada, that has been approved, given effect and declared valid by federal legislation;
- c) A public sector body that is established by or under provincial or territorial statute or by regulation or is wholly owned by a province, territory, municipal or regional government;
- d) A private sector body, including for-profit organizations and not-for-profit organizations. In the case of for-profit organizations, they will need to be in partnership with one or more of the entities referred to above; and,
- e) A Canada Port Authority, International Bridge and/or Tunnel Authority (unless a federal Crown Corporation) or U.S. federal and state-level transportation authorities.

ANNEX C - ELIGIBLE AND INELIGIBLE EXPENDITURES

Eligible expenditures are limited to the following:

- a) The capital costs of acquiring, constructing or renovating a tangible asset, as defined and determined according to accounting principles generally accepted in Canada;
- b) Expenditures directly associated with joint federal communication activities (press releases, press conferences, translation, etc.) and with federal project signage recognition set out in the Communication Protocol that will form part of the federal-provincial/territorial contribution agreement;
- c) All planning (including plans and specifications) and assessment costs specified in the agreement such as the costs of environmental planning, surveying, engineering, architectural supervision, testing and management consulting services. Canada will contribute no more than 15% of its contribution to this cost;
- d) The costs of engineering and environmental reviews, including environmental assessments and follow-up programs as defined in the *Canadian Environmental Assessment Act 2012* and the costs of remedial activities, mitigation measures and follow-up identified in any environmental assessment;
- e) Costs of project –related signage, lighting, project markings and utility adjustments;
- f) Costs of Aboriginal consultation;
- g) Recipient audit and evaluation costs as specified in the agreement;
- h) The incremental costs of the recipient's employees may be included as eligible expenditures under the following conditions:
 - i. The recipient is able to demonstrate that it is not economically feasible to tender a contract and clearly demonstrate that there is value for money in using internal employees;
 - ii. The employee or equipment is engaged directly in respect of the work that would have been the subject of the contract and
 - iii. The arrangement is approved in advance and in writing by the Minister.
- i) Leasing of equipment related to the construction of the project; and,
- j) Other costs that, in the opinion of Canada, are considered to be direct and necessary for the successful implementation of the Project and have been approved in writing prior to being incurred.

Note: while eligible expenditures become eligible as of the date of approval- in-principle, eligible expenditures can only be reimbursed to a recipient following the signing of a contribution agreement.

The following are deemed ineligible expenditures:

- a) Expenditures incurred prior to the date of approval-in-principle as indicated in a letter to the recipient, as well as any and all expenditures related to contracts signed prior to the approval-in-principle date; unless otherwise approved by Canada for joint federal-recipient communications.
- b) Expenditures incurred after the project completion date with the exception of expenditures related to audit and evaluation requirements pursuant to the contribution agreement;
- c) The expenditures related to developing a business case or proposal for funding;
- d) The expenditures related to purchasing land, buildings and associated real estate and other fees;
- e) Financing charges and interest payments on loans;
- f) Leasing land, buildings, equipment and other facilities;
- g) Furnishing and non-fixed assets which are not essential for the operation of the asset/project;
- h) General repairs and maintenance of a project and related structures, unless they are part of a larger capital expansion project;
- i) Services or works normally provided by the recipient, incurred in the course of implementation of the project, except those specified as eligible expenditures;
- j) The expenditures related to any goods and services which are received through donations or in kind;
- k) Any overhead costs, including salaries and other employment benefits of any employees of the recipient, its direct or indirect operating or administrative costs of recipients, and more specifically its costs related to planning, engineering, architecture, supervision, management and other activities normally carried out by its staff, except in accordance with section c) and h) of the list of eligible expenditures above;
- l) Taxes for which the recipient or ultimate recipient is eligible for a tax rebate and all other costs eligible for rebates; and
- m) Legal fees.

ANNEX D– FEDERAL ENVIRONMENTAL REVIEW AND ABORIGINAL CONSULTATION REQUIREMENTS

As part of the overall analysis of your project proposal, Infrastructure Canada (INFC) is required to obtain some key project information to determine its requirements for Aboriginal consultation and environmental review.

In order to complete our analysis, Infrastructure Canada has developed an Environmental, Aboriginal Consultation and Project Location questionnaire to be completed by each prospective project proponent and it is attached below. INFC is available to answer any questions and will provide further support and guidance to assist proponents in completing the questionnaire.

Should you have any questions or require further information, please send your enquiry to: +INFCERA/EEA@infc.gc.ca

Environmental, Aboriginal Consultation and Project Location Questionnaire

Please note that if you are completing this questionnaire due to a proposed project amendment for a project already submitted to Infrastructure Canada (INFC), please only include the amended project information.

Part A.1: General information

Project Name:

Project Proponent:

Contact person and their contact information for any question Infrastructure Canada could have regarding the environmental assessment and/or aboriginal consultation:

Name:

Address:

Phone:

Email:

Part A.2: Project and existing environment description

Project Description:

Description of the existing environment:

Instructions to respondent: For **Parts B and C of the Environmental Assessment Questionnaire**, select only “Yes” if applicable to the proposed project. When “Yes” is not selected, “No” will be assumed.

Part B.1: Projects identified on the <i>Regulations Designating Physical Activities</i> - Does any part of your project involve the construction, operation, decommissioning or abandonment of the following infrastructure?	
Yes <input type="checkbox"/>	Electrical transmission lines
Yes <input type="checkbox"/>	Electrical generating facility
Yes <input type="checkbox"/>	Structure for the diversion of water including dam, dyke or reservoir
Yes <input type="checkbox"/>	Canal, lock or structure to control water level
Yes <input type="checkbox"/>	Oil and gas pipeline
Yes <input type="checkbox"/>	Marine terminal
Yes <input type="checkbox"/>	Railway line and / or Railway yard
Yes <input type="checkbox"/>	All season public highway
Yes <input type="checkbox"/>	Aerodrome, airport or all-season runway
Yes <input type="checkbox"/>	Hazardous waste facility
Yes <input type="checkbox"/>	Waste management facility
Yes <input type="checkbox"/>	Industrial facility
Yes <input type="checkbox"/>	Offshore exploratory wells
Yes <input type="checkbox"/>	Off-shore floating or fixed platform, vessel or artificial island
Yes <input type="checkbox"/>	International or interprovincial bridge or tunnel
Yes <input type="checkbox"/>	Bridge over the St. Lawrence Seaway

Part B.2: Are any part of the project or activities proposed to be located within:	
Yes <input type="checkbox"/>	A wildlife area
Yes <input type="checkbox"/>	A migratory birds sanctuary

Part B.3: Is the project a designated project according to the <i>Regulations Designating Physical Activities</i> ?		
Yes <input type="checkbox"/>	No <input type="checkbox"/>	Unknown <input type="checkbox"/>
If “Yes” to the question above, have you provided the Canadian Environmental Assessment Agency with a project description as per Section 8(1) of the <i>Canadian Environmental Assessment Act</i> ?		
Yes <input type="checkbox"/>	No <input type="checkbox"/>	

Comments (if any):

Part B.4: Federal Lands

Would any part of the project or activities be located on:

Yes <input type="checkbox"/>	Federal land
Yes <input type="checkbox"/>	Indian Reserve land

Part B.5: Would any part of the project or activities be located in:

Yes <input type="checkbox"/>	Internal waters of Canada, in any area of the sea not within a province
Yes <input type="checkbox"/>	The territorial sea of Canada, in any area of the sea not within a province
Yes <input type="checkbox"/>	The exclusive economic zone of Canada
Yes <input type="checkbox"/>	The continental shelf of Canada

If you answered “yes” to any of the above (B.4 and B.5), please provide the information regarding the federal land administrator and a description of federal lands (a map should be included if available).

Also indicate if the entire project footprint is located on federal lands. If not, please indicate the portions that will take place on federal lands.

Are important environmental issues expected as a result of this project? If “yes”, please elaborate.

Are important public concerns expected as a result of this project? If “yes”, please elaborate.

Part B.6: Is any part of the project located in whole or in part on land potentially contaminated by previous activities:

Yes <input type="checkbox"/>	No <input type="checkbox"/>	
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Comments (if any):

Part B.7: Is an environmental site assessment available for this project regarding contaminated site(s):

Yes <input type="checkbox"/>	No <input type="checkbox"/>	Phase I
Yes <input type="checkbox"/>	No <input type="checkbox"/>	Phase II
Yes <input type="checkbox"/>	No <input type="checkbox"/>	Phase III

If you answered “yes” to any of the above, please provide any report(s) that are related to the project if not already done. If the report(s) is/are at the development stage, please, provide the following information: which phase(s), when it/they will be completed and when it/they will be sent to INFC.

Part B.8: Does the project (either in full or in part) require a provincial environmental assessment or an environmental assessment under a northern regime or other regime?

Yes <input type="checkbox"/>	No <input type="checkbox"/>	
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If you answered “yes”, please provide any report(s) that are related to the project if not already done. If the report(s) is/are at the development stage, please, provide the following information: when it/they will be completed and when it/they will be sent to INFC.

Part C: Aboriginal Consultation Questionnaire

Part C.1: Involvement of the Crown - Other Federal or Provincial Departments or Agencies who may have a duty to consult Aboriginal peoples due to their involvement in the project (e.g.: permit and/or authorization), such as, but not limited to:			
Yes <input type="checkbox"/>	No <input type="checkbox"/>	Unknown <input type="checkbox"/>	Fisheries and Oceans Canada (e.g. <i>Fisheries Act</i>)
Yes <input type="checkbox"/>	No <input type="checkbox"/>	Unknown <input type="checkbox"/>	Transport Canada (e.g. <i>Navigable Waters Protection Act</i>)
Yes <input type="checkbox"/>	No <input type="checkbox"/>	Unknown <input type="checkbox"/>	Environment Canada (e.g. <i>Species at Risk Act, Migratory Birds Convention Act, Canadian Environmental Protection Act</i>)
Yes <input type="checkbox"/>	No <input type="checkbox"/>	Unknown <input type="checkbox"/>	Natural Resources Canada (e.g. <i>Explosives Act</i>)
Yes <input type="checkbox"/>	No <input type="checkbox"/>	Unknown <input type="checkbox"/>	Canadian Environmental Assessment Agency
Yes <input type="checkbox"/>	No <input type="checkbox"/>	Unknown <input type="checkbox"/>	Parks Canada Agency
Yes <input type="checkbox"/>	No <input type="checkbox"/>	Unknown <input type="checkbox"/>	Health Canada
Yes <input type="checkbox"/>	No <input type="checkbox"/>	Unknown <input type="checkbox"/>	Other departments (e.g. federal department, provincial department, funding department, ...) If applicable, please identify the federal department or agency and approval required _____)

If you answered “yes” to any of the above, please describe the involvement of the identified department(s)/agency(s) in detail.

Part C.2: Activities Related to the Project		
Yes <input type="checkbox"/>	No <input type="checkbox"/>	Does the project involve works or activities on, under, over, through or across a water body such as a wetland, stream, river or lake?
Yes <input type="checkbox"/>	No <input type="checkbox"/>	Are there any land use changes that may affect traditional activities such as, but not limited to, deforestation or clearing of vegetation?
Yes <input type="checkbox"/>	No <input type="checkbox"/>	Is any component of the proposed project located outside the existing project footprint?
Yes <input type="checkbox"/>	No <input type="checkbox"/>	Will ownership of land change as a result of the project?
Yes <input type="checkbox"/>	No <input type="checkbox"/>	Is the project occurring on land that has yet to be developed / disturbed? ¹
Yes <input type="checkbox"/>	No <input type="checkbox"/>	Are there any relevant project activities that might affect other aspects of the environment (e.g. sound and/or noise level increased, barrier limiting the access for harvesting, runoff in a watercourse excavating activity)?

¹ If you answered yes, please, provide details regarding how much land will be affected by the project in the description below.

If you answered “yes” to any of the above, please provide a description of the activities described in part C.2.

Have you been in contact or do you plan to contact any Aboriginal groups regarding this project? If “yes”, please provide some details regarding the nature of your communication and include in an attachment any information that may be useful (e.g. contact information, letters, emails, public notices, and any other types of communications).

Are any potential issues expected as a result of this project? If “yes”, please elaborate.

Part D: Project Location Questionnaire

In order to facilitate and accelerate the assessment of your request for funding, Infrastructure Canada needs to geographically locate your project accurately. The information provided will ensure the proper location of the project for future reference. You are therefore asked to complete this questionnaire to the best of your knowledge and with as much precision as possible.

Part D.1: Project Location			
Project with fixed address	Address of the project	Location 1	Location 2
	Civic Number: _____ Unit/Suite/Apt: _____ Street Name: _____ Municipality: _____ County: _____ Province: _____ Postal Code: _____	_____	_____
	Project Longitude: _____	_____	
	Project Latitude: _____		
Project with no fixed address or multiple components	Additional Project Location Details:		
	<i>Please indicate, for each project component, any points of interest, intersections, major highways or streets, or other physical characteristics located in the vicinity of the project (i.e. near airport, adjacent to Lions Gate Bridge, 3 km east from Centennial Park, at intersection of Fifth and Queen, etc.)</i>		
	Component A: _____		
	Component B: _____		
	Component C: _____		
Component D: _____			
Component E: _____			
Component F: _____			
Project Location Documents:			
As a minimum, please include in an attachment (hard copy or electronic file) a project location map. If available, please include any further project location documents that may be useful in locating the project, such as: a site plan, hand drawings on a printed map, print of maps from Google Maps/Google Earth/MapQuest/Yahoo Maps etc., location plan, aerial photo, legal or written description of project location, survey plan, engineering plan, or any other plans or drawings from reports, studies or analysis.			

Part E: Declaration of Information

Part E.1: Declaration of Information:

I certify that the information provided is accurate to my knowledge and understand that inaccurate information may result in the requirement for additional environmental and/or aboriginal review.

Questionnaire completed by: _____

Signature: _____

Date: _____

ANNEX E - EXAMPLE OF PROJECT FINANCIAL TABLES

Note: All figures should be rounded to the dollar (no decimals).

Example – Detailed Project Cost Table (in dollars)

	Description of Activities	Eligible Costs	Ineligible Costs	Total Project Costs
Component 1		\$XXX	\$XXX	\$XXX
Component 2				
Component 3				
Subtotals		\$XXX	\$XXX	\$XXX
Contingency Amount (X%)		\$XXX	\$XXX	\$XXX
Total Estimated Costs		\$XXX	\$XXX	\$XXX

*add more columns as necessary

Example - Sources of Funding (in dollars)

Funding Source	Funding Request
Government of Canada	\$XXX
Proponent X	
Province/Territory	
Municipality	
Other – Please specify	
Total Eligible Project Costs	\$XXX
Total Project Costs	\$XXX

Example – Estimated Project Cash Flow (Based on Total Eligible Costs, in dollars)

Funding Source	20XX-20XX	20XX-20XX	20XX-20XX	20XX-20XX	Total
Government of Canada	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
Proponent X					
Other – Please Specify					
TOTALS					

ANNEX F – P3 SUITABILITY ASSESSMENT QUESTIONNAIRE

Projects with total eligible costs of over \$100 million are subject to the P3 Screen to assess their viability for P3 procurement. As a first step, all project proponents will have to complete the required P3 Suitability Assessment Questionnaire included in this Guide as part of the Initial Review process. Project proponents, with assistance from Infrastructure Canada officials, will need to work in consultation with PPP Canada Inc. to complete the Questionnaire. **More information about the Questionnaire and the Suitability Assessment process can be found on PPP Canada Inc.'s website <http://www.p3canada.ca/en/screening-and-advisory-services/the-building-canada-fund/screening-for-p3-viability/>.** Once completed, the Questionnaire will be submitted by Infrastructure Canada to PPP Canada Inc. for review.

NO.	CRITERIA	EXPLANATION	SCORE	RESPONSE INDICATORS				
				5	4	3	2	1
1	Asset Life: What is the anticipated useful life (i.e. service life) of this asset?	The duration of P3 contracts tends to be tied to the useful life of the asset and, in general, longer-lived assets tend to be better suited to a P3.		Asset life is greater than 25 years.	Asset life is 20-24 years.	Asset life is 15 – 19 years.	Asset life is 10 – 14 years.	Asset life is less than 10 years.
	Scoring Rationale-							
2	Asset Complexity: How complex is the asset both with respect to construction and operations & maintenance?	P3s lend themselves to complex investments. Complexity can arise as a result of the nature of the asset, the site on which it will be constructed, or the number of distinct asset classes involved in the investment.		Combines three or more asset classes or varying complexity (i.e. building + road + outbuildings)	The planned investment by its nature is very complex.	Combines two asset classes of medium complexity (i.e. rail line and station).	Combines two asset classes of low complexity (i.e. road and toll booths, or one asset of higher complexity, water treatment plant).	Single asset of low complexity
	Scoring Rationale-							

NO.	CRITERIA	EXPLANATION	SCORE	RESPONSE INDICATORS				
				5	4	3	2	1
3	Outputs and Performance Specifications (Construction): What is the availability of output specifications for the construction of the asset?	P3s are characterized by the public sector setting their desired outcomes or outputs in the form of measurable technical output/service/performance specifications that provide the basis for performance based contracts.		Output specifications for the construction of same type of asset(s) exist and are available.	Output specifications for the construction of similar asset are available.	Existing conventional specifications can easily be converted into output or performance specifications for construction.	Existing conventional specifications can be converted into output or performance specifications for construction.	New technical outputs and specifications for construction will have to be developed.
	<i>Scoring Rationale-</i>							
4	Stability of Operational Requirements: Are the long term operational requirements of the planned asset relatively stable and predictable?	Assets with stable and predictable performance and maintenance requirements lend themselves to P3 delivery.		Operational and maintenance requirements are predictable and stable.	Operational and maintenance requirements are predictable, but have some instability based on known factors.	Operational requirements are unstable, but maintenance requirements are predictable.	Operations requirements are not stable and maintenance requirements are somewhat predictable.	Operations and maintenance requirements cannot be predicted and are unstable over the useful life of the asset.
	<i>Scoring Rationale-</i>							

NO.	CRITERIA	EXPLANATION	SCORE	RESPONSE INDICATORS				
				5	4	3	2	1
5	Performance Specifications and Indicators (Operations Period): What is the availability of operations- and maintenance-related performance specifications and indicators?	Establishing and monitoring performance in relation to key performance indicators (KPIs) is an important element of performance based contracts, a foundational element of P3s.		Performance outputs and indicators for operations and maintenance are available.	Performance outputs and indicators for operations and maintenance exist, but are not readily available.	Performance outputs and indicators for operations and maintenance of comparable assets exist and are available.	Performance outputs and indicators for operations and maintenance of comparable assets exist, but are not readily available.	Performance outputs and indicators for operations and maintenance will have to be developed.
	<i>Scoring Rationale-</i>							
6	Life-Cycle Costs: Can most of the full life-cycle costs of the asset, mainly related to construction and fit-up (i.e. project costs) and long-term operations, including maintenance, be quantified upfront with reasonable assumptions and/or availability of historic data?	Life cycle costs are very important factor in success of a P3. The public authority will pay for maintenance and/or operation through the P3 agreement and expects the asset to be well-maintained and efficiently operated at the lowest cost possible.		The total asset life-cycle costs are well understood and accurate estimates can be developed by the public authority.	The total asset life-cycle costs are understood but estimates, while accurate are incomplete to some extent.	The total asset life-cycle costs are well understood, and can somewhat be accurately estimated by the public authority	There is limited understanding of life-cycle costs but costs cannot be accurately estimated by the public authority.	The total asset life-cycle costs are not well understood and cannot be estimated by the public authority
	<i>Scoring Rationale-</i>							

NO.	CRITERIA	EXPLANATION	SCORE	RESPONSE INDICATORS				
				5	4	3	2	1
7	Revenue Generation: Does the planned investment have inherent scope to generate any revenue?	Revenue generation is not a requirement for a successful P3. However, where an asset could potentially generate revenue and reduce the burden on public funds, the P3 model is ideally suited to leveraging that potential.		The planned investment will generate revenues and the private sector may be willing to assume associated revenue risk.	The planned investment could generate revenues and private sector may be willing to share revenue risk.	The planned investment could generate revenues and the private sector's willingness to accept revenue risk is unknown.	The planned investment could generate minimal revenues and the private sector is unlikely to accept any revenue risk.	It is unlikely that the planned investment will generate any revenues.
	<i>Scoring Rationale-</i>							
8	Private Sector Expertise: How many private sector firms have the capacity to deliver and maintain this type of asset?	The availability of private sector expertise is critical for two reasons: (1) ensuring a competitive bidding environment; and (2) ensuring that there is private sector capacity to perform the functions and manage the risks envisioned in the P3.		There are more than 5 private sector firms capable of forming teams with the expertise to design, construct and maintain/operate this type of asset.	There are more than 5 private sector firms capable of designing, constructing and maintaining this type of asset. Operations capability is not yet determined.	There are 3 to 5 private sector firms capable of forming teams with the expertise to design, construct and maintain/operate this type of asset.	There are 3-5 private sector firms capable of designing, constructing and maintaining this type of asset. Operations capability is not yet determined.	There are fewer than 3 private sector firms capable of forming teams with the expertise to design, construct and maintain/operate this type of asset.
	<i>Scoring Rationale-</i>							

NO.	CRITERIA	EXPLANATION	SCORE	RESPONSE INDICATORS				
				5	4	3	2	1
9	Market Precedents: Have investments with similar requirements and of similar size and scale been delivered through the P3 model?	The existence of P3s for similar assets is a key indicator regarding the viability of a P3.		Investments of similar size and scope have been delivered as P3s in Canada.	Smaller investments of similar scope or, of similar size but smaller scope have been delivered as P3s in Canada.	Investments of similar size and scope have been delivered as P3s internationally.	Smaller investments of similar scope or, of similar size but smaller scope have been delivered as P3s internationally.	Investments of similar size and scope have not been previously delivered as P3s.
	<i>Scoring Rationale-</i>							
10	Nature of Development Site: What is the nature of the development site (greenfield vs. brownfield) and what proportion of this investment involves the expansion/renovation of existing facilities/assets?	In general, investments involving all new construction on previously undeveloped sites lend themselves to maximizing risk transfer to the private sector.		Asset is new construction on an undeveloped site.	Asset is new construction on an already developed site.	The planned investment involves at least 50% new construction and also significant renovations to the existing asset.	The planned investment involves expansion and/or refurbishment of an existing asset.	The planned investment mainly involves refurbishment, modernization, minor renovation, or involves integration of new facilities with existing facilities.
	<i>Scoring Rationale –</i>							

NO.	CRITERIA	EXPLANATION	SCORE	RESPONSE INDICATORS				
				5	4	3	2	1
11	Scope for Private Sector Innovation Gains: To what extent will the public sector be able to rely on output /performance-based requirements / specifications?	The scope for private sector innovation is inversely related to the public sector's need to be prescriptive.		The public sector is able to use output specifications for all phases of the investment life-cycle.	There are very few areas where the public sector feels it must be prescriptive/use input-based specifications.	The planned investment requirements will be a mix of input-based and output-based requirements	The planned investment's design and construction will be based on input specifications.	The public sector must define specific input requirements for the majority of the asset.
	<i>Scoring Rationale –</i>							
12	Potential for Contract Integration: Which elements of the potential P3 (i.e., design, build, finance, maintain, operate) can be integrated into one contract?	One of the mechanism by which P3s generate value is the integration of various elements of the potential P3 (i.e., design, build, finance, operate/maintain). The greater the potential for integration, the more likely a P3 will be viable.		All elements of a potential P3 (i.e. design-build-finance-maintain-operate) could be integrated into one contract.	Design-build-finance-maintenance and some operations could be integrated into one contract	Design-build-finance and some maintenance could be integrated into one contract	At least design-build-finance could be integrated into one contract	Only two elements could be integrated into one contract
	<i>Scoring Rationale-</i>							