



SOUTHERN ONTARIO WATER CONSORTIUM

LE CONSORTIUM POUR L'EAU
DU SUD DE L'ONTARIO

Advancing Water Technologies (AWT) Program Guidelines

Program Objectives

The Advancing Water Technologies (AWT) program is a catalyst for business-led collaborations in the water sector. It was created to help Ontario small- to medium-sized enterprises (SMEs) leverage world-class research facilities and academic expertise to develop and demonstrate water technologies and introduce them to the market. AWT provides financial contributions to industry-led research and development projects in the water sector that will result in the successful commercialization of globally-competitive and market-ready products and services. AWT will support new and existing industry-academic partnerships.

About the Program

The Advancing Water Technologies (AWT) program is administered by the *Southern Ontario Water Consortium*, on behalf of its nine member institutions. *WaterTAP* (Water Technology Acceleration Project) is a strategic partner.

The AWT program has two key objectives:

1. Enhance the Ontario water cluster and continue to build Ontario's reputation for water excellence around the world.
2. Develop solutions by leveraging Ontario's advanced R&D expertise and testing facilities to advance commercialization of Ontario water companies' technologies and services.

The *Southern Ontario Water Consortium* is a platform that creates unique capacity for research, development, testing and demonstration of water and wastewater technologies and services for local, national, and global markets. Members include: Fleming College, McMaster University, Ryerson University, University of Guelph, University of Ontario Institute of Technology, University of Toronto, University of Waterloo, Western University and Wilfrid Laurier University. For more information, visit: sowc.ca.

Project Eligibility

Industry-led research and development projects that seek to develop globally competitive technologies, products or services in the water sector will be considered. Applicants seeking to develop a technology and to remove commercialization barriers associated with any aspect of the product's innovation chain are particularly encouraged to apply. Projects must be industry-led and involve collaboration with an academic researcher at a SOWC member institution. New partnerships are encouraged, although not required. The AWT Program is intended to support no more than one project per company. SOWC staff is available to assist companies with identifying relevant academic researchers.

The technology to be developed during the AWT project should, at a minimum, be at a stage where the prototype is ready for demonstration in an appropriate operational environment, this includes field testing, validation, and demonstration of the technology. The goal of AWT is to assist with overcoming the final challenges that pose a barrier to product commercialization and advancing the technology readiness of a product or service. From this stage it's expected that the technology will be launched to market in no more than 18 months. Technology that is at an earlier stage, where a model or prototype is in a near-desired final state, and is ready for testing or demonstration in simulated operational environment or



laboratory will be considered on a case-by-case basis if it can be justified that the technology will still be brought to market from this earlier stage within the same 18 month timeline.

The following R&D activities will be considered.

- Prototyping
- Demonstration projects *
- Advanced product development, and
- Applied research leading to a practical commercial application
- Certification/verification that is part of a larger project to support product and/or technology development may be eligible

* Projects that involve a product that is already fully developed are not eligible. For example, demonstration projects solely for the purposes of disseminating information, marketing, attracting new customers or any other business-development related activity are not eligible.

Eligible Industry Partner (For Profit Collaborator)

An Industry Partner must be a Canadian registered for-profit company operating under the laws of Ontario or Canada, with a minimum of two full-time employees or be in operation for a minimum of two years. The Industry Partner must be located in southern Ontario and must demonstrate that economic benefits (e.g., jobs) will accrue to southern Ontario as a result of the AWT Program contribution to the project. Please note that the AWT Program is intended to support no more than one project per company. The company must demonstrate good financial standing in its application by submitting either audited financial statements for the previous two years or a letter from its financial institution that attests good financial standing. Applicants are required to review and follow the AWT Conflict of Interest statement below.

Eligible Academic Partner

To be eligible, academic researchers must hold an academic appointment and be eligible to hold research funds at their respective SOWC member post-secondary institution. Applicants are required to review and follow the AWT Conflict of Interest statement below.

Eligible Academic Post-secondary Institution (Project Institutional Partner)

SOWC institutional members in good standing with the consortium are eligible to receive AWT project funding. Members currently include: Fleming College, McMaster University, Ryerson University, University of Guelph, University of Ontario Institute of Technology, University of Toronto, University of Waterloo, Western University and Wilfrid Laurier University.

Term

Projects are expected to be up to 12-months in duration. Projects of a longer duration (up to a maximum of 2 years) may be approved, with adequate justification. All eligible AWT Program project expenses must be incurred by December 31, 2018.

Deadlines

AWT is a three-year program. Applications will be accepted until December 31, 2017. All project spending must be completed by December 31, 2018. Applicants who are interested in applying for project funding, either in the current or in future years, are encouraged to contact the SOWC.

Funding

Industry-led projects may receive a reimbursement of up to \$100,000 CAD towards eligible project costs. Requests for contributions of more than \$100,000 CAD may be considered. Other conditions will apply; please consult SOWC for information. Project funds are awarded on a reimbursement basis to a SOWC member institution where the project's eligible academic partner is employed. Under no circumstance will funding be directed to an industry participant.



Industry Contribution

Industry Partners are required to provide a 1:1 matching contribution on the AWT Program funding to the project. Cash or cash-equivalent, or a combination of both, will be accepted. Matching contributions must be allocated towards eligible project activities and should adequately reflect the project's needs. Cash and in-kind contributions from the industry participant are eligible if they are directly associated with the project and meet the following requirements:

Cash: Cash contributions must be expended on eligible project costs and must be provided to the Project Institutional Partner.

Cash Equivalent: Contributions in kind such as labour (industry personnel time for individuals working on the project), company's expenditure of professional services, non-capital costs (see explanation below), and capital (provided that the contribution is calculated in accordance with the AWT Industry Contribution Guidelines).

Project Costs Eligible for Reimbursement

Only eligible expenses that are reasonable and directly associated with eligible project activities during the life of the project will be reimbursed. All purchasing must comply with the procurement and other relevant policies of the Project Institutional Partner. Applicants are strongly advised to contact the SOWC with questions and for clarification regarding eligible expenses.

Cost categories eligible for reimbursement include:

Labour: Personnel costs (salary and up to 20% non-discretionary benefits) incurred by Project Institutional Partner. For example, student personnel, technicians, project management support, technology transfer personnel and other customized personnel. Recipients are required to track and claim working hours and actual costs for reimbursement.

Expertise: Professional services that are not readily available at the participating institution are eligible. Such services may include analytical lab contract services, project design, performance measurement, report writing, and specialized technical support.

Non-Capital: Minor capital, such as for prototype development, safety equipment, measuring tools, software, sensors, testing materials, monitors, utility costs (water, electricity) that are directly attributed to eligible project activities and that are substantiated with documentation; transportation expenses (only parking, car rental, public transportation and mileage) that are necessary for the execution of the project; air fare for essential project activities is eligible, but must be preapproved by SOWC in advance of each trip; food (related to necessary project travel), and accommodation. Travel expenses are pursuant to the rates of either the Treasury Board of Canada Travel Directive or the project's Project Institutional Partner (whichever is lower). Funds requested for non-capital should not exceed 10% of the total AWT portion of project costs. Projects that require non-capital funds in excess of 10% are required to provide a strong justification for the request.

Capital: Equipment that is necessary for the project and well justified is eligible. Equipment such as terminal parts, pumping station maintenance, valves, control systems, actuators, sensors, PLCs, programming, and interfaces, electrical equipment (e.g., wiring, terminals), miscellaneous pipe fittings (e.g., reducers, flanges), and material handling equipment (e.g., rigging tackle) necessary for the execution of a project. For a value definition of capital, please refer to the policies of the Institutional Partner or contact the SOWC for more information. Funds requested for capital should not exceed 10% of the total AWT portion of project costs. Projects that require capital funds in excess of 10% are required to provide a strong justification for the request.

Note that specific costs related to use of a SOWC facility or other facility may be eligible as long as they can be directly attributed to the project and fit one of the above categories of eligibility (e.g., utility costs in non-capital). Please note that



general facility rental fees that are not attributable to specific project activities at the facility are ineligible for reimbursement under this program.

Ineligible Project Costs

The following expenses are not eligible. Please note that this is not an exhaustive list. Applicants are strongly encouraged to contact the SOWC for clarification regarding the eligibility of a project expense not identified in this document. Ineligible incurred costs will not be reimbursed and will be the responsibility of the Project Institutional Partner.

- Other facility rental fees (see Eligible Project Costs for details on eligible facility expenses)
- Hospitality costs (e.g., for hosting project meetings)
- Registration fees for conferences, workshops, etc.
- Marketing
- Business development expenses
- Overhead
- Opportunity costs
- Travel to conferences and workshops or for other non-project related activity
- Any other expense that is not directly associated with eligible project activities

Project Budgets

Only expenses that are reasonable, eligible and necessary for the completion of the project will qualify for reimbursement. Proposed project expenses should be necessary for the specific project. A detailed budget and adequate justification are required for each project expense for which applicants seek reimbursement. Project spending must be in accordance with the approved budget, which will serve as a component of the project agreement. Restrictions in the management of the global program budget require that spending limits apply to some cost categories. Deviation in budget allocation, and between cost categories, will not be permitted. Any expense that is deemed ineligible or that exceeds the budgeted amount in a cost category or the total awarded amount will not be reimbursed.

How to Apply

Step 1: Preliminary Intake Process

Interested applicants must first complete the *Project Preliminary Intake Form*. Intake forms will be reviewed internally against program guidelines. Full applications will be accepted by invitation only. Applicants are encouraged to contact Anna Ziolecki, Manager, Research Partnership Development (Anna@sowc.ca) early in the process. Following preliminary discussions to determine the project and applicant's fit with the AWT Program, program personnel will work with the applicant to identify a relevant academic partner (if one has not yet been identified).

Step 2: Application

All applicants will be required to submit a completed AWT Program application form. It is recommended that the Industry Applicant and the Academic Applicant jointly complete the application. The application includes:

- Application Form
- Budget
- Evidence of good financial standing (Industry Partner)
- Canadian Environmental Assessment Form
- Aboriginal Duty to Consult Form

Application Authorization

The Application requires authorization signatures from the Industry Partner (authorized company official, such as a CEO or President), the Academic Partner and the Project Institutional Partner (authorized official, such as V.P. Research or equivalent).



Application Submission

Completed applications, with the required authorizations, should be submitted via email to Anna Ziolecki at SOWC (Anna@sowc.ca). An acknowledgment message will be sent to the applicants and academic partner institution.

Review Process

Applications will be reviewed for completeness by program personnel. A notice will be sent to the applicants and partner institution when the application is deemed complete.

Complete applications will be reviewed against program guidelines by the AWT Program Project Oversight Committee. The Committee will comprise a combination of sector experts to ensure that projects are well-designed and that risks are mitigated. Members may include business leaders or experts with market awareness, knowledge of technology development, commercialization and applied research. Committee members are bound by confidentiality and conflict of interest requirements.

All applicants will receive feedback from the committee and a notification of the committee's decision within 4-6 weeks of the notice of complete submission. Feedback from the committee may include: comments concerning improving the project design (e.g., work plan, project's likelihood to meet market needs), methods to reduce technical risks associated with development or commercialization of specific technologies, confirmation of eligibility of project activities, budget and industry contribution.

Decisions on the application include: approved, declined, or pending – further information or revisions are required. The committee's decision on the application is final.

Exclusion of Reviewers

Applicants may request that specific companies, organizations, or individuals be excluded from reviewing their proposal. This information will be taken into account and remain confidential.

Intellectual Property

Title to any foreground intellectual property (FIP) developed as the result of an Industry-led sub-project must be owned by the host institution, owned by the Industry partner, or co-owned; subject to program requirements and the policy of the Project Institutional Partner (see IP Policy). This will be negotiated between the Project Institutional Partner and the Industry Partner.

Environmental Assessment Form

In accordance with the requirements of the Federal Government, the SOWC is required to report on whether the proposed project may trigger the *Canadian Environmental Assessment*. Applicants are required to complete the Canadian Environmental Assessment Form (see application, Section 5: Other Requirements).

Aboriginal Duty to Consult Assessment Form

In accordance with the requirements of the Federal Government, the SOWC is required to report on whether the proposed project may trigger a legal *Duty to Consult*. Applicants are required to complete the Aboriginal Duty to Consult Assessment Form (see application, Section 5: Other Requirements).

Agreement

Successful applicants (Industry Partner) will be required to enter into an agreement with the academic institution where the academic partner is appointed (Project Institutional Partner).



Reporting

Project participants (Industry and Academic Partner) will be required to report on project outcomes, economic impacts and other performance metrics using a template provided by the AWT Program. This will include a baseline, semi-annual and project completion progress report.

Conflict of Interest

Employees, faculty, or anyone associated with employees or faculty (e.g. family members) of a Project Institutional Partner may not receive project support through the AWT program if they own any share of the product being developed or the company involved. Academic Partners on a project (faculty of the Project Institutional Partner) cannot own any of the foreground intellectual property (FIP) that is generated during a project, nor personally benefit as a result of that FIP. Any potential royalty, revenues, or other financial benefit deriving from the FIP owned by the host institution may be held in an account by that faculty member's institution to be directed to other research.

Contact

Questions regarding the Advancing Water Technologies Program should be directed to:

Anna Ziolecki
Manager, Research Partnerships
Southern Ontario Water Consortium
Anna@ sowc.ca
519-888-4567 x31799

AWT Program Guidelines are subject to change without notice.

