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Small Businesses, Big Impact:

Why SMEs are Key to Canada's Ambitions for Reliable, Affordable and Clean Electricity

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About BDC

BDC is a partner of choice for all entrepreneurs looking to access the financing and advice they need to build their businesses and tackle the big challenges of our time. Our investment arm, BDC Capital, offers a wide range of risk capital solutions to help grow the most innovative firms. BDC’s development role means we are in a state of perpetual evolution—wherever entrepreneurs go and whatever the Canadian economy needs—we will be there to help them defy the odds. 80 years later, that commitment remains very much alive. The financial value of BDC’s services is estimated to add $23.6 billion in GDP to Canada’s economy over the next five years.

Disclaimer

This paper is based on data and public information that has been analyzed and interpreted by BDC. Any error or omission is the sole responsibility of BDC. Reliance and use of the information herein is the reader’s responsibility.

Highlights

SMEs are essential to the energy transition

Small and medium-sized enterprises (SMEs) are the backbone of Canada's electricity infrastructure growth and to transforming buildings to make them more energy-efficient. SMEs bring flexibility, capacity, innovation, local expertise, resilience, and cost efficiency to the supply chains.

Massive investments are needed

Achieving Canada's clean electricity goals will require

- $1.4 trillion by 2050, or
- about $55 billion annually.

This includes building new capacity and upgrading existing infrastructure.

Significant supply chain challenges lie ahead

The growth in clean electricity infrastructure will pressure labour markets and supply chains, leading to potential supply chain gaps. It will also compete for resources with other areas of national importance for Canada (e.g. housing, infrastructure to access new critical mineral mines).

Indigenous participation is crucial

Indigenous communities are vital to the clean electricity transition, not only as owners but also as suppliers. The participation of Indigenous entrepreneurs can unlock economic potential, enhance capacity building and contribute to broader goals of reconciliation.

BDC is here to help

BDC's consulted with a broad range of electricity and building efficiency stakeholders to better understand the challenges and opportunities for SMEs. This outreach revealed that SMEs face significant challenges like a lack of information, strategic advice, labour shortages, and the need for technology adoption. In this paper, we detail our findings as well as potential solutions to better support SMEs.

Introduction

SMEs are the backbone of Canada's electricity infrastructure growth

Increasing demand. An aging grid. Net-zero greenhouse emissions by 2050. Achieving Canada's ambitions for reliable, affordable and clean electricity will require a massive effort over the next two decades and SMEs will be essential to that work.

This is an ambitious, "era-defining project"[1] that will call for diverse players, extensive collaboration and new ways of doing things.

Canada will need to increase clean power generation, transmission and distribution by building new capacity and upgrading the existing infrastructure.

Expanding electricity infrastructure to meet rising demand and modernize an aging grid is essential to ensuring a reliable and resilient energy system.

At the same time, we also need to reduce our GHG emissions to achieve our net-zero objectives by 2050. As a result, making use of more clean, non-emitting electricity for heating, cooling, and equipment operation is essential.

To ensure we have enough clean electricity to meet demand while cutting emissions, we must boost energy efficiency across the economy. A crucial part of this effort involves massively increasing the energy efficiency of Canada's buildings, which account for 13% of the country's greenhouse emissions[2] and and 27% of primary energy use.[3]

Taken together, the work to grow the electricity infrastructure and transform buildings will constitute the largest area of economic activity in the energy transition.

Investments of

$1.4 trillion

will be needed by 2050 to enable the necessary growth of the electricity system.[4]

At an average of $55 billion per year, this is roughly double the current rate of annual capital expenditure. Major additional investments will also be needed to reduce energy demand in all areas of the economy. For example, retrofitting the entire building stock in the country by 2050 will require an additional $20 to 32 billion annually.[5]

1. Canada Electricity Advisory Council, *Powering Canada*, 2024, p. 36
2. Natural Resources Canada, *The Green Building Strategy*, 2022
3. Canada Energy Regulator, Energy Production, consulted on February 13, 2025
4. Canada Electricity Advisory Council, *Powering Canada*, 2024, p. 55
5. Natural Resources Canada, *The Green Building Strategy*, 2022

SMEs are crucial for success

Canadians need access to a clean electricity supply that keeps pace with population and economic growth. Achieving this objective relies on SMEs' ability to grow, innovate and participate in the supply chains needed to expand the electricity infrastructure.

Growing the clean electricity infrastructure is also strongly dependent on the participation and leadership of Indigenous communities, not only as owners of installations but also as suppliers of goods and services, with significant procurement requirements.

According to our estimates, tens of thousands of Canadian SMEs operate in sectors that can supply the necessary materials, technology and services for the electricity transition. From engineering a power substation, to manufacturing switchgears and control panels, to wholesaling heat pumps and installing footings for transmission line towers, SMEs are active enablers of this new electricity super cycle.

Yet, many SMEs are not aware of the opportunities. And even among those who see the potential, many lack the people, capital or capacity to adequately scale up to seize this enormous market opportunity. The electricity sector has high barriers to entry, highly specialized procurement processes and policies that are often difficult to navigate for SMEs, particularly the smaller ones.

Massive opportunities and significant challenges lie ahead

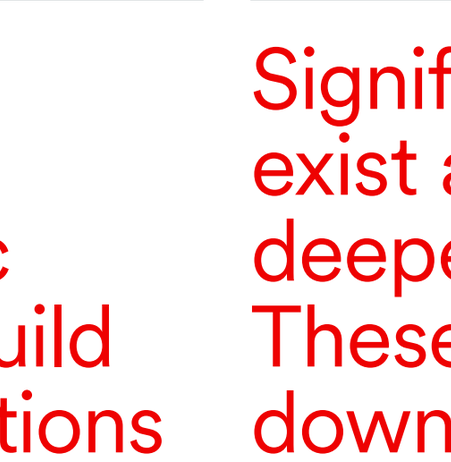
Pursuing Canada's electricity infrastructure objectives will supercharge business growth across a variety of sectors. It will also drive technology and process innovation throughout the supply chain. It will create opportunities and jobs and will give Canada a boost in terms of competitive advantage by reinforcing domestic capabilities and supply chains.

This supercharged growth will also bring significant challenges. It will put pressure on labour markets and supply chains through strong and continued demand for people, materials and equipment, construction and other services and innovation.

Additional large-scale economic drivers of similar importance to Canada's prosperity and economic resilience, such as housing, transportation infrastructure, as well as infrastructure in support of critical minerals mining, will further exacerbate the burden on already strained supply chains. At the same time, these economic drivers will also present even greater opportunities for SMEs. Canadian utilities' ability to respond is challenged because they are competing for supply chain resources with those in other countries that are providing unprecedented incentives and/or fast-tracked approvals for investment in clean electricity.[6]

As Canada's development bank, BDC can help SMEs capitalize on this economic opportunity. We want to build awareness, enable connections and support SMEs in preparing for a growing demand for their goods and services.

Significant supply chain gaps exist and are expected to deepen as work accelerates. These gaps can slow things down, increase costs and ultimately jeopardize Canada's ambitions for reliable, affordable and clean electricity.



6. Canada Electricity Advisory Council, *Powering Canada*, 2024, p. 113

Understanding SMEs challenges and opportunities

Throughout 2024, BDC consulted with a broad range of electricity sector and building efficiency stakeholders to better understand implications of the electricity infrastructure growth for SMEs. We also wanted to understand what BDC could do better to support SMEs participating in the supply chains to build and maintain these physical assets.

We sought a mix of views from electric utilities, project proponents, governments, SMEs, and industry associations through eight pan-Canadian round tables (300 participants) and over 30 bilateral meetings.

Discussions revolved around key questions, including:

- How can SMEs better respond to the needs of the utilities involved in growing Canada's electricity supply?
- Do SMEs have what they need in terms of market information, strategic advice, labour pools, supply chain networks and capital to access supply chain opportunities?

While the outreach revealed many insights, two findings were consistent across different stakeholder groups:

- Supply chain worries are real and front of mind. Achieving Canada's energy reliability objectives is dependent in large part on scaling up electric utility supply chains.
- SMEs need support to participate in one of Canada's most transformational economic projects.

This paper presents the results of BDC's research and outreach, and proposes solutions for moving forward.

The unbeatable SME advantage

SMEs add flexibility, capacity, innovation, local expertise, resilience and cost efficiency to electricity supply chains.

Growing the economy and creating a multiplier effect

SMEs' participation in the expansion of Canada's clean electricity supply will create jobs and accelerate broad-based economic and community development. Nearly 28,000 new employees will be needed nationwide by 2028 in the electricity sector—equivalent to a quarter of the current electricity sector workforce—to both replace retiring workers and meet expanding growing demand.[7]

Securing and strengthening national supply chains

Scaling up larger SMEs involved in manufacturing and highly specialized engineering will strengthen domestic supply chains while reducing delays and costs associated with international suppliers. Other SMEs—notably in construction and transportation—have deep knowledge of their respective markets and communities, and can fill critical gaps. They are agile, flexible and cost-effective. In remote regions, local SMEs are often the only providers for certain services.

Empowering Indigenous leadership

Much of the build-out of electricity generation and transmission will be done on Indigenous land. In addition to the need for Indigenous participation and leadership as project proponents, Indigenous entrepreneurs are key to the provision of goods and services for these projects.

Propelling Canadian innovation

Canadian start ups are developing groundbreaking technologies that can transform key areas such as energy efficiency, demand management, renewable energy and smart cities. When they scale up and commercialize their products and services, they deliver a positive impact on our innovation ecosystem, while creating exporting opportunities.

7. Canada Electricity Advisory Council, *Powering Canada*, 2024, p. 113

"Electricity Canada and its members have expressed concerns on long lead times and gaps in the supply chain. Whether they come from manufacturing, construction or technology providers, this challenge must be resolved. We, as an industry, are committed to providing line-of-sight on this issue and working with BDC and other stakeholders to grow and strengthen opportunities for Canadian SMEs who are willing and able to help the industry grow and sustain the grid for current and future generations."

Francis Bradley,
President and CEO, Electricity Canada

What drives Canada's clean electricity scale-up

Increasing demand and an aging grid

- Fast population growth, industrial expansion, the electrification of buildings and transport, as well as the need to upgrade an aging electrical grid are the main drivers for expanding Canada's clean electricity supply.
- Powering up large AI data centres is also driving demand for clean electricity. If all the data centre projects currently being reviewed by regulators proceed, they would account for 14% of Canada's total power needs by 2030 and result in $100 billion in capital expenditures.[8]

Additional economic drivers will put pressure on already strained electricity supply chains

- Beyond electricity infrastructure, growth is anticipated in areas such as housing construction, civic and transportation infrastructure, climate adaptation projects, critical minerals mining infrastructure (including roads, electricity, and housing).
- While this growth creates major economic opportunities, it also creates competition for many of the same supply chains essential to accelerating Canada's electrification, further exacerbating supply chain gaps and disruptions.

Decarbonization to meet net-zero targets

- Along with over 100 other countries, Canada has set ambitious targets to achieve net-zero greenhouse gas emissions by mid-century, which requires significant growth in the supply and use of clean electricity to meet energy needs.
- Canada starts from a position of strength. With 85%[9] of our country's electricity coming from renewable and non-emitting sources such as solar, hydro, nuclear, and wind power, we have one of the world's cleanest electricity systems. But despite significant progress, Alberta, Saskatchewan, Nova Scotia and Canada's North currently still have some reliance on fossil fuels for electricity generation.

85%

of Canada's electricity supply comes from clean energy sources.

8. RBC, *Power Struggle: How AI is Challenging Canada's electricity grid*, December 2024
9. Government of Canada, *Canada's Clean Electricity Future*, consulted on February 10, 2024

Increasing buildings' energy efficiency: key for affordability, cost mitigation and emissions reduction

A cost-effective electricity transition means optimizing, not maximizing.[10] In other words, reducing demand is key for an affordable and reliable electricity infrastructure.

Upgrading or replacing a building's systems—such as installing energy-efficient windows, improving insulation or heat or installing a high-efficiency ventilation and air conditioning (HVAC) system—can boost energy efficiency and reduce the buildings' GHG emissions while simultaneously reducing the need for expensive new electricity infrastructure.

Therefore, we consider the supply chain for building energy efficiency retrofits to be as important to the electricity transition as the supply chain for the electricity sector itself.

Indeed, a combination of incentives and regulations are driving the market for energy efficiency retrofits of buildings. For example, Hydro-Québec is spending $50 billion on building retrofits, while Ontario just announced a $10 billion program. The 2024 federal budget also announced $800 million for energy efficiency retrofits for households with low and medium incomes. At the same time, building performance standards will drive large building retrofit activity in major urban centres (Montreal, Vancouver, Toronto).

Also, a new, energy efficient approach to buildings would significantly improve outcomes for Indigenous peoples[11] and also create additional opportunities for Indigenous entrepreneurs to contribute as suppliers to the work needed to improve buildings' energy efficiency.

1CLICK HEATING & COOLING

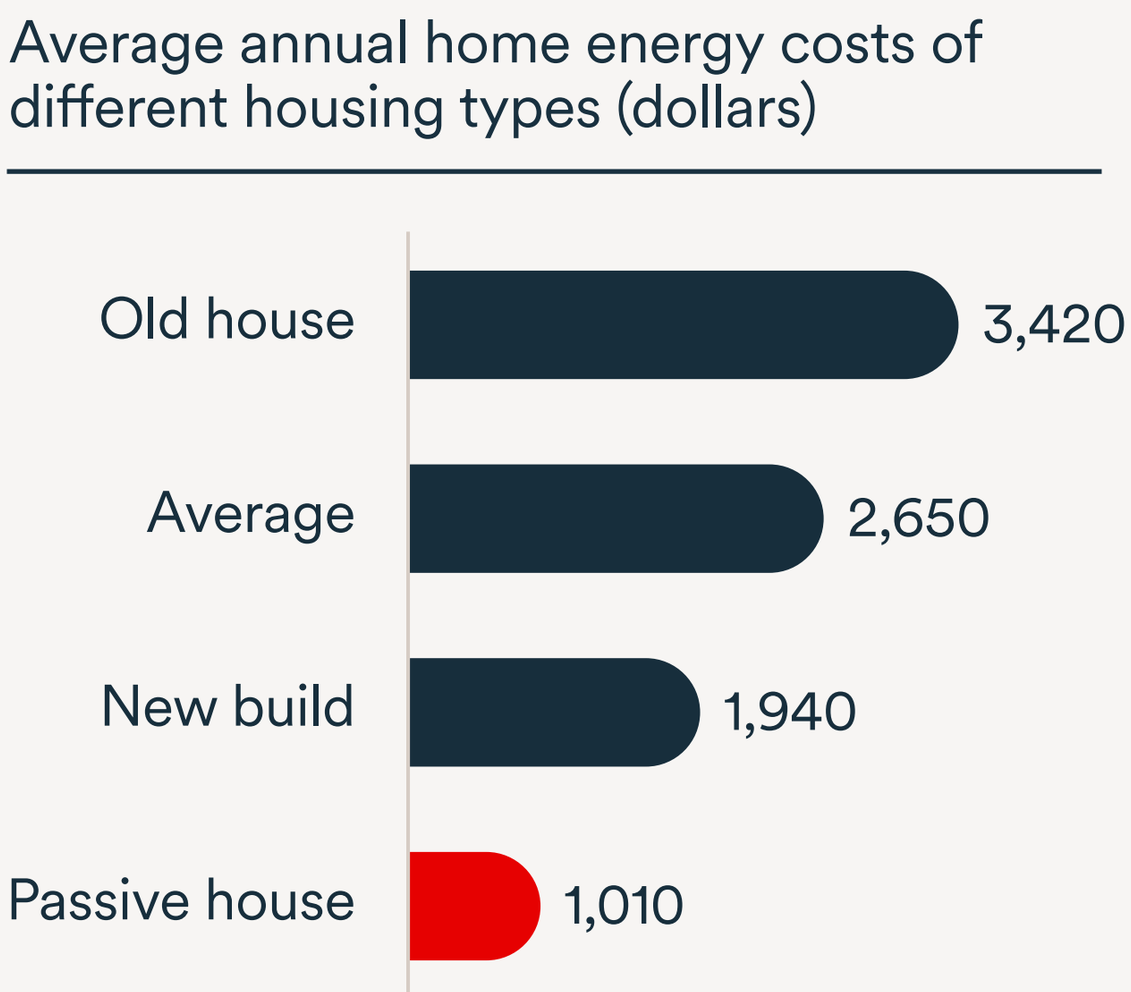
1Click is an Ontario-based company specialized in home electrification and energy efficiency. With millions of Canadians making the switch to clean and efficient heat pump systems, 1Click is on a mission to help Canadians reduce their monthly utility bills and contribute to a greener future by making it easy to upgrade to electric home comfort systems. The company is currently working on multiple deep energy retrofit residential projects across Canada, which aim to yield at least 50% in energy savings and 80% reduction in greenhouse gas emissions through targeted efficiency upgrades.

Driving down home energy costs through energy efficiency

The Canada Electricity Advisory Council compared the average annual energy costs of different housing types and noted that significant savings can be generated through energy efficiency. For example, renovating older houses to the level of an average house can reduce energy bills by nearly $800 per year.[12]

Costs are representative of a 1,500 square foot house. Includes heating and cooling, water heating, appliances and equipment, and lighting, but does not include transportation energy costs. "Old house" refers to homes built before 1946, while "New build" denotes homes constructed after 2019.

Average annual home energy costs of different housing types (dollars)



10. Canada Electricity Advisory Council, *Powering Canada*, 2024, p. 59
11. Canadian Climate Institute, *Beyond Sustainability: The Power of Indigenous Healthy Energy Homes*, July 2024
12. Canada Electricity Advisory Council, *Powering Canada*, 2024, p. 147

Clean electricity production accelerates across Canada

Demand for electricity across the country is set to double over the next 25 years,[13] driven mainly by economic expansion and population growth.

While the rapid growth of electricity demand opens up multiple business opportunities, it also makes it difficult to accurately estimate capital investments or project inventories. Growth in opportunities for SMEs is driven not just by large projects, but also by upgrades and projects to increase energy efficiency in existing infrastructure.

New electricity projects will range from small, community-scale distributed energy resources (DERs) to medium-configured infrastructure for industry and institutions, and finally to mega renewable and/or non-emitting energy projects such as wind, nuclear, hydro and even marine power.

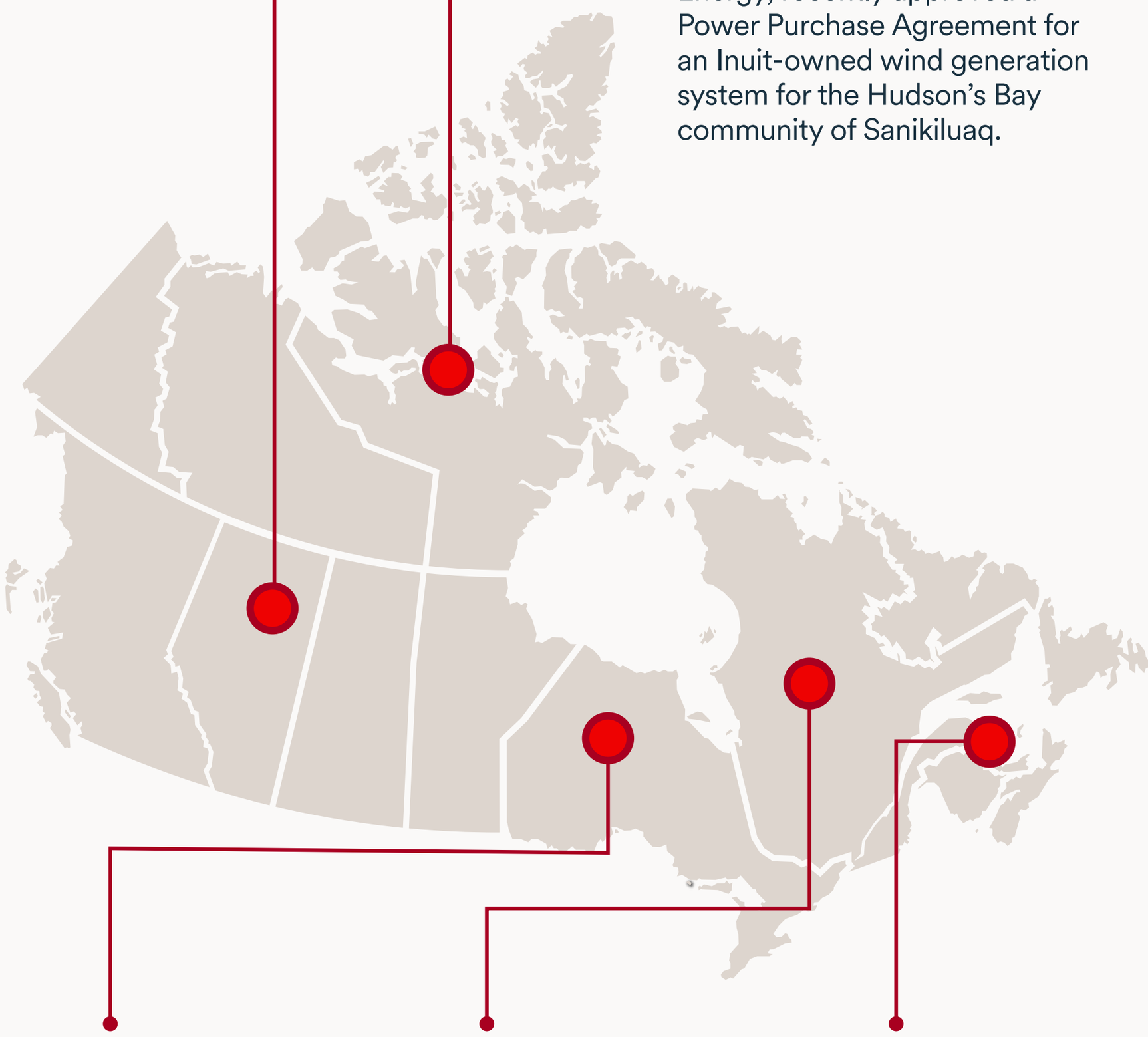
Major growth in transmission capacity will be needed to secure a clean electricity future through both large-scale, high-voltage lines and smaller, community-configured smart distribution grids for urban centres. These projects will require investments in digitization and innovation to manage electricity supply and demand, while balancing the power grids.

13. Public Policy Forum, *Project of the Century: A Blueprint for Growing Canada's Clean Electricity Supply – and Fast*, July 2023

"The energy transition and large-scale electrification present a unique opportunity to strengthen our local supply chains. By leveraging our talent, innovation capacity, and digital expertise, we can build resilient and globally competitive ecosystems while maximizing economic benefits for Quebec and Canada. SMEs are at the heart of the clean electricity supply chain. Their agility and local expertise make them strategic partners in building a resilient and sustainable energy infrastructure, essential to the success of the energy transition."

Marie Lapointe, President and General Manager,
Association de l'industrie électrique du Québec (AIEQ)

Powering the future: it's happening from coast to coast



The North

- 50-100 projects are underway to reduce reliance on diesel for power and heating, and increase energy security in remote communities.
- Nunavut's electricity utility, Qiliq Energy, recently approved a Power Purchase Agreement for an Inuit-owned wind generation system for the Hudson's Bay community of Sanikiluaq.

Western Canada

- Alberta's system operator has pegged the cost of its transition between $44.1 and $57.1 billion. The province has also released a strategy to attract AI data centre investment.
- Saskatchewan is currently updating its long-term supply plan with an objective to reach a net-zero electricity system by 2050. SaskPower also created a nuclear subsidiary called SaskNuclear to advance the potential for Small Modular Reactors in the province.
- BC Hydro has unveiled a new plan to upgrade its power system, with a spending plan of $36 billion over 10 years. BC Hydro has also received a strong response to its recent call for new renewable power generation, representing an additional $4 billion in wind development in partnership with Indigenous communities.
- In Manitoba, the government's Affordable Energy Plan seeks to drive the deployment of more Indigenous-led wind power projects.

Ontario

- The provincial government indicated that an investment of $400 billion is needed to support the electricity grid, while the cost of distribution growth is anticipated to reach $125 billion between now and 2050.
- The province recently announced a $10.9 billion, 12-year energy efficiency program, which includes incentives for residential and small business energy efficiency upgrades.
- A lot of work will be needed in remote regions, notably in Northern Ontario, to build infrastructure to support critical minerals development, including energy infrastructure.

Quebec

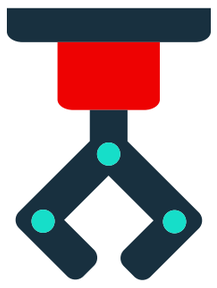
- Hydro-Québec has announced an action plan of $155 to $185 billion through 2035, while signalling its intention to develop a more robust network of suppliers and partner businesses across the entire supply chain, with a significant focus on wind.
- As a result of the Churchill Falls Agreement, Quebec will work with Newfoundland and Labrador to co-develop two projects of a combined value of $33 billion.

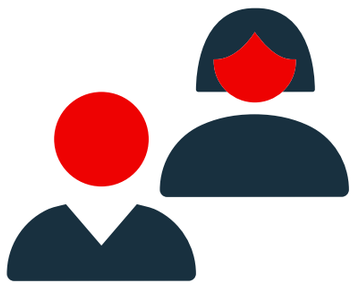
Atlantic Canada

- A significant and growing number of projects include renewable energy (biogas), green hydrogen and wind, including major wind projects in Nova Scotia.
- The Atlantic Loop—a series of high-capacity transmission lines connecting Hydro-Québec facilities with New Brunswick, together with upgraded capacity linking New Brunswick and Nova Scotia—will help replace fossil fuel generation in New Brunswick and Nova Scotia by 2030-35.
- The renegotiated Churchill Falls Agreement includes plans for continued hydropower production, which will have supply chain implications for SMEs in Newfoundland and Labrador.

Who's who in the electricity supply chain

Canadian SMEs that supply materials, equipment, technology and services to the electricity sector and to building owners and developers looking to improve energy efficiency.





Manufacturers and wholesalers

Materials to support the growth of the electricity grid (steel, electrical steel, cables, cement) and infrastructure equipment (transformers, poles, switchgear, breakers, batteries, turbines, storage equipment, pole line hardware, wires and cables.)

Materials to support building electrification and energy efficiency, such as metal windows, doors manufacturing, prefabricated and manufactured wood products and heat pumps.

➔ There are scaling opportunities for medium to large manufacturers and wholesalers.

➔ Many entrepreneurs are approaching retirement, and this opens doors for business transitions.

Service providers

Engineering, environmental assessment, management services, warehousing and distribution, trucking, specialized construction and energy operations services.

Electricians and heating and air conditioning installation contractors.

➔ National housing commitments will create additional demand and pressure on the same supply chain.

Technology innovators and providers

Technology to support distributed energy resource management, grid planning, grid integration and load management.

Technology SMEs developing innovations to maximize the use of existing grid assets and build more efficiently.

Tech and AI-driven design, building materials, construction, operations, project management and maintenance companies.

➔ Electrification presents a technology development opportunity. It can also pave the way for Canadian innovators to export their products and services.

Where are the most significant supply chain shortages?

Electricity infrastructure build-out

- Supply chain lead times and costs have increased significantly in manufactured parts, construction, and trucking.
- Sub-sectors are growing rapidly but not rapidly enough to help with supply chain gaps notably in specialized electrical manufacturing and construction.

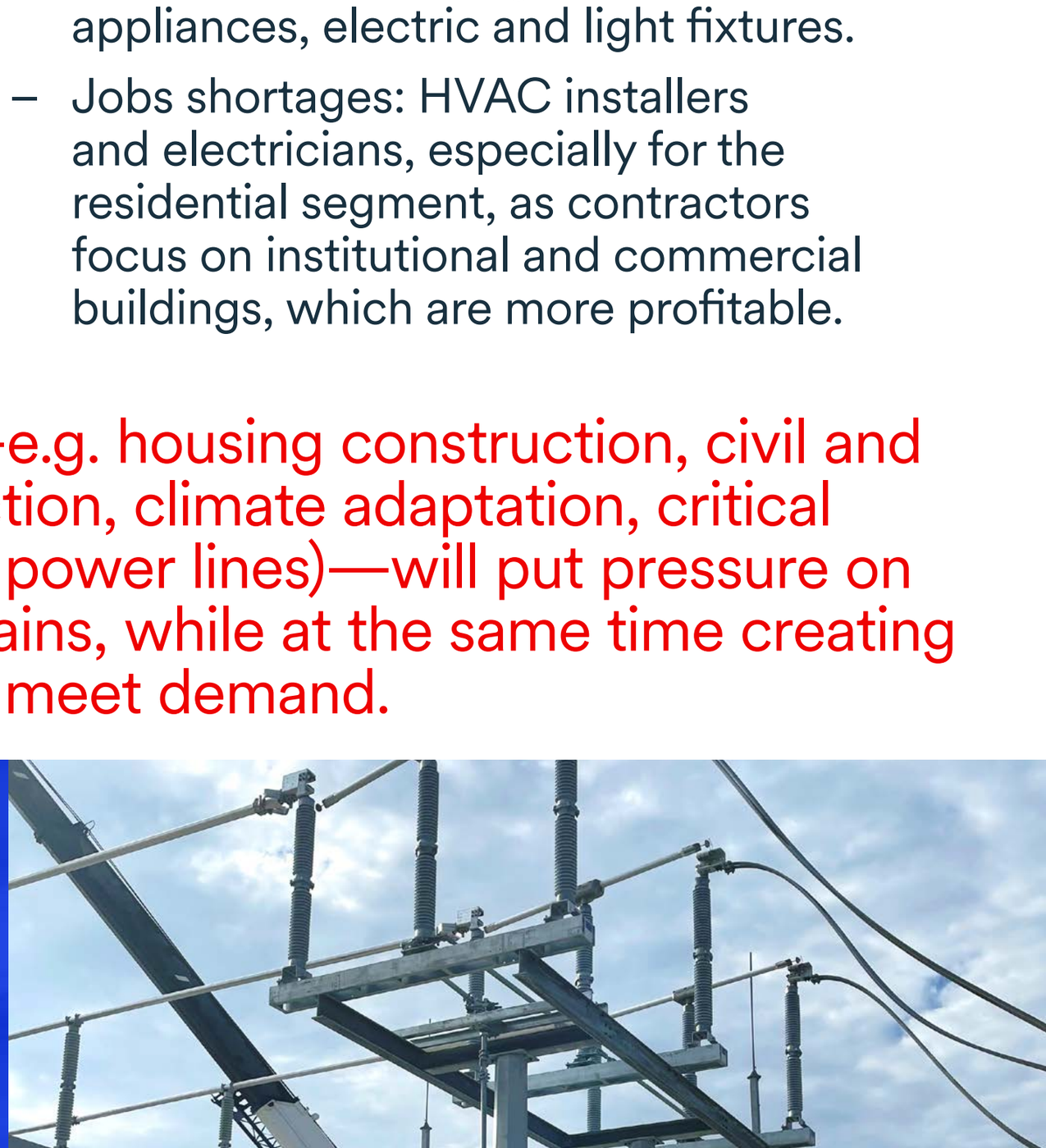
Buildings transformation for energy efficiency

- Supply chain shortages mostly in light manufacturing: windows, appliances, electric and light fixtures.
- Jobs shortages: HVAC installers and electricians, especially for the residential segment, as contractors focus on institutional and commercial buildings, which are more profitable.

Other large-scale economic drivers—e.g. housing construction, civil and transportation infrastructure construction, climate adaptation, critical minerals mining infrastructure (roads, power lines)—will put pressure on already stressed electricity supply chains, while at the same time creating even more opportunities for SMEs to meet demand.

"The demand for electrical products and systems for high-voltage networks is growing rapidly, driving strong business growth for our company. We have several ongoing projects with Canadian utilities to expand their electrical networks, and we are seeing increasing demand for our engineering and manufacturing services."

Philippe Corriveau, Founder, President, and Owner, MindCore Technologies Inc.



MindCore Technologies Inc. is a company with unparalleled engineering expertise, specializing in the design and manufacturing of disconnect switches up to 800 kV.

BDC's outreach: What we've learned

BDC's extensive outreach confirmed that there is an opportunity to fill significant market gaps by helping SMEs, including Indigenous-led businesses, as they prepare to participate in the clean electricity transition supply chains.

Here are our most important findings.

1. SMEs face significant challenges

Information and awareness

- Many SMEs don't understand the market opportunities and don't know how to access relevant information.
- There is a lack of awareness of request for proposal (RFP) opportunities and a poor understanding of the bidding process. Some entrepreneurs believe that 'incumbents' are 'favoured' and/or that the legal departments of the public power utilities are managing contractual risks too aggressively for present market circumstances.
- Utility companies recognize the need to do things differently and better. They are actively changing the way they procure and manage their relationships with SMEs, to give them more visibility and predictability over the bidding process, but some say that this could be done faster and more broadly.

Timing and readiness

- SMEs don't know when to scale up or diversify their operations to respond to the market needs.
- Many entrepreneurs are uncertain about the return on investment, or when is the right time to 'jump in' or how to access the opportunities.
- In parallel, utility companies sometimes perceive SMEs as complacent or risk-averse.
- Amid the current trade and economic uncertainties, many entrepreneurs are worried about the economy and the future of their business, and might be reluctant to invest and scale up.

"Canada's clean energy future depends on SMEs, but they need the right support. Efficiency Canada's contractor-engaged research shows businesses are already asking for what this report confirms: advisory services, flexible financing, and innovation capital. Tailored assistance is key to scaling retrofits, strengthening supply chains, and creating good jobs—with BDC as a crucial partner."

Corey Diamond, Executive Director,
Efficiency Canada

People

- Both SMEs and power utilities face significant labour shortages, especially for skilled, specialized jobs.
- Reduced immigration targets, coupled with the ongoing retirement of baby boomers, will further limit labour availability.
- Expanding the talent pools and investing in retention, training and upskilling are essential strategies for future growth.

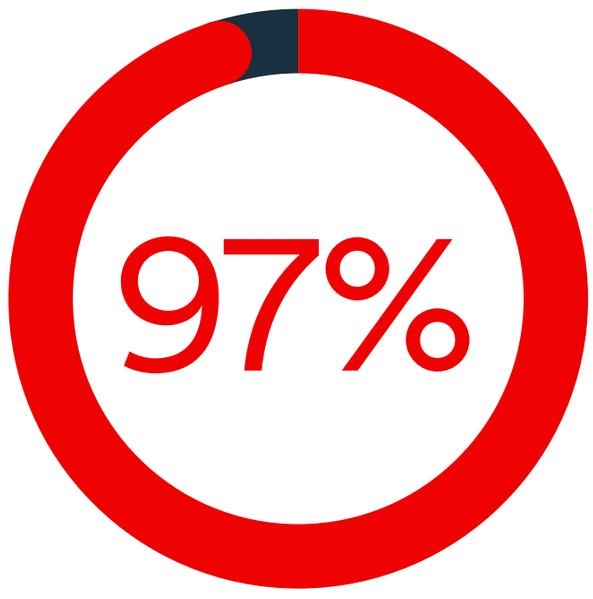
Technology adoption

- To mitigate labour shortages, SMEs need to ramp up investments in technology and automation to achieve productivity gains and increase their competitiveness. This applies in particular to the construction sector where wide scale adoption of digital and AI solutions for project management and Building Information Models will enhance productivity.
- According to BDC, investing in labour-saving technologies and artificial intelligence (AI) is the most effective tool against labour shortages.[14]

Capital, advice and networks

- SMEs need knowledgeable partners who can provide financing, advice and connections so that they can get ready to take advantage of growth opportunities.

Helping SMEs seize this growing market opportunity will require strong collaboration across the value chain.



of SMEs using AI reported tangible benefits for their business, including increased efficiency, reduced costs and higher sales[15]

14. BDC, *The Challenge of the Decade: How to Navigate Canada's Labour Shortages* (Montreal: BDC, 2023) eBook, 8.
15. BDC, *The AI Imperative for Canada's Entrepreneurs* (Montreal: BDC, 2024) eBook, 5.

2. SMEs need rapid support in strategic areas

Knowledge and advice

- Market assessment of supply chain opportunities generated by the build-out of the electricity sector and, the growth and transformation of other physical assets in Canada, including housing.
- More awareness-raising materials to help SMEs stay informed about contract opportunities.
- Advisory services to support SMEs with:
  - Responding to requests for proposals
  - Strategic planning
  - Financial and cash flow management
  - Change management
  - Hiring strategy and employer branding
  - Operational efficiency and quality control
  - Technology adoption (digital, AI, robotics and automation) in both manufacturing and construction.

Financing

- Flexible financing to help SMEs rapidly scale or pivot to take advantage of opportunities. This includes equipment loans and working capital to participate in construction projects. Or it can entail real estate loans and equipment loans to help scale up a manufacturing footprint.
- Business transition and acquisition financing will also help SMEs scale up to meet the opportunity while simultaneously improving their productivity through size.

Connections

- More outreach by utilities to SMEs
- More and better supplier days—regional and local information sessions for SMEs.

"There is a need for more Canadian-owned companies contracting to the utility sector. As a smaller operator, we've sometimes struggled to fit the right helicopter to certain projects. This is why we are now investing in equipment and capacity building. We are adding a heavy-class UH60A+ helicopter capable of lifting 4.5 tonnes to our fleet, which will help us support larger-scale utility infrastructure development. Our long-term plan is to continue to build our fleet so that we can support the growing demand in the electricity sector."

Ronn Palley, Owner,
Sierra Helicopters

Sierra Helicopters is a BC Indigenous-owned company serving as a primary Lidar (aerial mapping, light detection and ranging) provider for electric utilities, highways, wildfire suppression, and the forestry sector. The company specializes in heavy utility power line mapping across Canada and the five Western U.S. states, along with long-line aerial lift construction for telecommunication towers.

3. There are significant Indigenous economic development opportunities

Much of the build-out of the grid—notably generation and transmission—will be undertaken on the traditional territories of First Nations, Métis and Inuit communities. Indigenous communities are actively involved as proponents and have significant opportunities to further contribute as suppliers in securing Canada's electricity growth, particularly through key Indigenous procurement requirements set by utilities.

For the electrical utilities, this means:

- Ensuring visibility of opportunities and consultative, meaningful engagement with Indigenous peoples.
- Promoting a mutually supportive climate for economic partnership and resource development.

For the financing and advice providers, collaboration and consultation are also key:

- Increasing collaboration with Indigenous capacity-building organizations.
- BDC offers tailored financing and support for Indigenous entrepreneurs and we will continue to consult and collaborate for increased reach and impact.

VERSAPILE
HELICAL PILE CONTRACTORS

VersaPile is a Manitoba-based contractor that offers expert helical pile services to support vital Canadian infrastructure. A Certified Indigenous Business, VersaPile is revolutionizing the industry by integrating ground exchange loops and helical piles. This innovative approach supports buildings and provides efficient heating and cooling. Recently, VersaPile worked with Manitoba Hydro to install helical pile foundations for transmission lines, resulting in meaningful (90%) GHG reductions and cost savings compared to traditional concrete pile foundations.

4. Technology development is a key enabler for growth and innovation

Technology companies play an important role in developing digital solutions that help maximize the use of the electricity infrastructure through grid optimization or load management in increasingly distributed systems. Digital solutions are also an inherent part of ‘behind the meter’ energy management systems.

While Building Information Modelling (BIM) to support construction productivity is a relatively well-developed technology, more can be done when it comes to tech adoption. More broadly, further development and adoption of digital solutions such as AI-driven construction and operations, project management, and supply chain management are required.

Venture capital is needed to support the development of technology and bring innovation to market.

Ramping up our support for SMEs: What is BDC doing to help

Providing advice, financing and capital

- **Advisory services**
  to support companies with a variety of business needs, such as scaling up, improving efficiency, technology adoption and strategic planning.
- **Flexible financing**
  to support various aspects of the implementation of a growth journey, notably working capital and equipment financing.
- **Venture capital**
  for tech development and innovation such as the ongoing deployment of BDC's Industrial Innovation Fund and our Sustainability Venture Fund.
- **Tailored advice and financing**
  for Indigenous entrepreneurs, so that they can fully contribute to and benefit from the work needed to build out the electricity infrastructure.

Exploring additional tracks

Our approach is driven by the urgency to act quickly, ensuring that SMEs are prepared to seize these opportunities. At the same time, we recognize that this is a long-term journey—already underway since about 2020—that requires sustained commitment and adaptability.

1. **Reaching out**
   more to SMEs and industry associations in the relevant sub-sectors of the supply chain, such as engineering services, manufacturing, wholesaling, warehousing, transportation and construction.
2. **Enhancing our market presence**
   in all regions, including Indigenous senior advisors being deployed across Canada to better respond to Indigenous entrepreneurs' needs.
3. **Working closer**
   with utilities/original equipment manufacturers to understand supply chain needs and for referrals, possibly by collaborating on a program.

Conclusion:
A call to action

Achieving Canada’s ambitions for a much greater supply of reliable, affordable and clean electricity is a massive undertaking. There is an all-hands-on-deck opportunity for stakeholders in the clean electricity and building energy efficiency sectors to collaborate to support SME engagement, awareness and capacity building.

At BDC, we are ramping up our support and exploring additional support for SMEs. We are providing advice, financing and capital. We are reaching out to more entrepreneurs, electricity utilities, governments and industry associations.

But the task is big, we can’t do it alone. Our outreach identified several potential next steps for all actors involved in the important endeavor of ensuring Canada has all the reliable, affordable, clean electricity we need.

Next steps for SMEs

- Increase technology adoption and automation to improve productivity and mitigate skilled labour shortages.
- Expand domestic manufacturing capabilities.
- Focus on attracting, recruiting and retaining skilled workers.
- Reach out to local associations and chambers of commerce to learn, network and better prepare for business opportunities.
- Reach out to BDC if you think that we can help.

Next steps for electric utilities, building sector, governments and industry associations

- All stakeholders:
  Create a conversation forum and a coordinated communication strategy to encourage SME awareness of the size of the market opportunity, including for Indigenous entrepreneurs, and the importance of our domestic supply chain.

  The size and growth of this market will provide significant financing opportunities for all Canadian financial institutions.

- Utilities:
  Continue to increase outreach to SMEs to inform and engage them in the conversation and the procurement process, including meaningful engagement with Indigenous peoples and entrepreneurs.

  Where possible, streamline the bidding/RFP process to ensure more predictability for SMEs. Address SMEs' perceptions when it comes to barriers to access clean electricity opportunities.

Get your business ready for Canada's large-scale electrification and energy transition business opportunities

- Talk to our specialists about expert advice on growth, technology adoption, efficiency improvements and strategic planning.
- Explore our flexible financing solutions to help finance your projects.
- Have a look at our venture capital funds to help turn your innovations into reality.

For more information

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