



DUAL FUEL – HYBRID RTU PROGRAM

Resilient, Low-Risk Decarbonization for Existing Buildings

The Challenge

Across Ontario, large portions of rooftop unit (RTU) fleets are reaching **end-of-life**. At the same time, building owners and operators have ambitions to reduce emissions – often while facing:

- Cold-climate reliability concerns
- Electrical capacity constraints
- Capital budgeting pressure
- Limited tolerance for operational risk

Hybrid Dual Fuel RTU replacements often solve these issues while adding reliability *AND* decarbonization.

The Practical Solution: Hybrid (Dual-Fuel) RTUs

Hybrid RTUs combine:

- **Clean, Efficient Heat pump heating** as the primary source of heating
- **Natural gas provides** automatic backup at your desired set point

This dual-fuel approach allows buildings to **prioritize electric operation** for emissions reduction, while **maintaining heating resiliency** during extreme cold or constrained grid conditions.

Economics & Incentives

When projects are structured correctly, hybrid RTUs often make strong financial sense.

Available support may include:

- Federal Clean Technology Investment Tax Credit (CT-ITC)
- Ontario utility programs (where applicable)

Why Hybrid RTUs Work

Resiliency & Redundancy

- Automatic fuel switching during cold weather – based on your preferences
- Maintains heating performance in Ontario winters
- Proven approach for occupied and mission-critical facilities

Decarbonization Without Major Risk

- Electric-first operation significantly reduces gas consumption – especially during shoulder seasons
- Typical outcomes: 20-55% GHG reduction versus gas-only RTUs
- Immediate emissions reduction – no need to wait for full electrification

Future-Proofing & Execution

- Leverage incentives and rebates before they are gone
- Gas AND Electric from Day 1
- Increasing electrification over time as infrastructure evolves
- Avoids stranded assets and premature system replacement

Observed results:

→ Approximately **30-35% net capital cost offset on** recent projects, while delivering material emissions reductions.

Modern Niagara Program Approach

We support hybrid RTUs as a **program**, not just a one-off project:

1. Portfolio-level RTU end-of-life planning
2. Hybrid feasibility, equipment selection, and controls integration
3. Incentive and tax credit navigation
4. Turn-key execution and commissioning

This allows owners and facility teams to phase replacements, manage risk, and align capital planning with decarbonization goals.

Who Is This For

- Asset owners and portfolio managers
- Facility management teams
- Commercial, industrial, and institutional buildings

Plan your RTU end-of-life, reduce risk, cut carbon, and use incentives & tax credits while they're still available.



Commercial
kitchens



Long-term care
facilities



Warehouses



Manufacturing
facilities



Wastewater
treatment plants



Affordable multi-
residential
housing



Fitness centres



Multi-residential
buildings

READY TO GET STARTED?

Have questions? We're here to help:

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