



Application Form & Participant Agreement (Version 2.0)

All required worksheets, project appendices and supporting documentation must be attached to this Application. Incomplete Applications will not be processed and will be returned to the Applicant. The Applicant must signify its acceptance of the Terms and Conditions of this Application (together with all Worksheets, project appendices and supporting documentation, in each case, as amended, this “**Application**”) and the accompanying Participant Agreement, including all Schedules thereto (together with the Application, in each case, as amended, the “**Agreement**”) before forwarding to (the “**LDC**”).

Please check each box to confirm the required documentation is submitted to the LDC prior to your Prescriptive Project(s) and/or Custom Project(s) commencing:

- Completed and signed **Application**
- Completed and signed **APPENDIX A: PRE-PROJECT SPECIFIC SUBMISSION FORM** for each facility
- Signed Participant Agreement
- Signed Design Decision-Maker Agreement (as applicable)

THIS APPLICATION MAY BE REJECTED BY YOUR LDC FOR ANY REASON.

PRIOR TO commencing your Project(s):

- Ensure that the LDC has accepted this Application and your Participant Agreement

AFTER completing your project(s):

- You must complete and sign **APPENDIX B: POST-PROJECT SUBMISSION FORM** and mail it to your LDC in order to receive your Participant Incentive.

To the Applicant: ALL REQUIRED fields must be completed in order for the Application to be accepted for review by the LDC. See Schedule 1 attached to the Participant Agreement for defined terms.

1. Applicant Information (required): (Participant Incentive payment will be made to Applicant ONLY.)

LEGAL NAME OF APPLICANT

ADDRESS

CITY

ON

PROVINCE

POSTAL CODE

LDC ACCOUNT #

CONTACT NAME AND TITLE

DAY PHONE

FAX

EMAIL

HST REGISTRANT #:

OWNERSHIP TYPE (check one):

OWNER

TENANT/LEASEHOLDER



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2. Applicant Representative Information (optional): (To be completed only if you want a vendor or other third party to be the main point of contact.)

NAME AND TITLE OF CONTACT

ADDRESS	CITY	ON PROVINCE	POSTAL CODE
DAY PHONE	FAX	EMAIL	

3. Head Office Application Election (optional)

Does this Application include more than one proposed Custom Project and/or Prescriptive Project located in multiple local distribution company service areas? YES NO

The Applicant elects the local distribution company listed below as the Lead LDC.

[LDC] Shall be the Lead LDC

4. Applicant's Certification Statement (required):

I have authority to bind the company,

*NAME	*TITLE
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APPLICANT/LEGAL COMPANY NAME	AUTHORIZED SIGNATURE	DATE (DD/MM/YYYY)
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*NAME	*TITLE
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APPLICANT/LEGAL COMPANY NAME	AUTHORIZED SIGNATURE	DATE (DD/MM/YYYY)
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* please print and send an original copy with signatures to **[the LDC/Lead LDC/Satellite LDC]**

PARTICIPANT AGREEMENT

The Participant (being the "Applicant" in the Application) has applied for Participant Incentives, in respect of Eligible Costs, pursuant to the Application submitted to the LDC under the New Construction Initiative (the "Initiative").

1. DEFINED TERMS: All capitalized terms not herein defined will have the meanings given in Schedule 1.
2. PARTICIPANT INCENTIVE(S): The LDC will, subject to the terms and conditions of this Participant Agreement and the Application, pay to the Participant a Participant Incentive for the implementation of the Project(s) described in the approved Application. In addition to the other provisions hereof, payment of the Participant Incentive(s) is subject to and conditional upon the following terms and conditions:

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Used under sublicense.
™Official Mark of the Ontario Power Authority. Used under licence.



- (a) the Participant will implement the Project(s) described in the Application by each Project's project completion date and in no event after December 31, 2014;
 - (b) the Participant will provide the LDC with evidence of the implementation and completion of such Project(s) and, if required, that it has passed the formal occupancy inspection conducted by the applicable municipality and meets the minimum occupancy requirements of the Applicable Building Code and/or occupancy permit has been issued by the applicable municipality and a copy has been provided to the LDC;
 - (c) the Participant will provide the LDC with specification sheets or detailed manufacturers' data and/or mechanical and electrical schedules and drawings for each proposed Eligible Measure demonstrating that such measure satisfies the requirements to be an Eligible Measure;
 - (d) the Participant will provide the LDC, where applicable, for Custom Projects (A) copies of mechanical zoning diagrams, documentation of control sequences for building equipment, documented percent of outside air on air return systems, manufacturer's specifications for any plant equipment including boiler system hot water, chiller, cooling tower, air handling and rooftop units; and (B) bona fide and reasonable supporting evidence, including at least one of third party quotes, advertisements, price lists, or catalogues, supporting the Eligible Costs for the Base Case and the Energy Efficient Case;
 - (e) the Participant providing such additional documentation and information if and as requested by the LDC;
 - (f) the LDC will have the right in its absolute discretion to decide whether or not to accept or approve the evidence provided pursuant to this Section 2; and
 - (g) the Participant will provide an invoice to the LDC for the Participant Incentive no later than 90 days following project completion.
3. **AMOUNT AND FORM OF PARTICIPANT INCENTIVE(S):** The Participant acknowledges that the total amount of the Participant Incentives set forth in the Application is based upon estimated demand savings, energy savings or estimated Eligible Costs, based on the Application and Worksheets and will be the maximum amount payable hereunder. A Participant may however submit an Application to amend the scope of a Project, prior to the completion of that Project. Upon the completion and verification of each Project, the LDC will recalculate the amount of the Participant Incentive based upon the best available information at such time. The total amount of the Participant Incentives determined by the LDC will be paid by the LDC as a lump sum payment, on the later of:
- (a) for projects that do not require the completion and approval of a New Construction/Major Renovation Final Evaluation and Incentive Report, within 90 days of the completion of the last of such projects, and any post-project site visits and inspections required in respect thereof; and
 - (b) for projects that require the completion and approval of a New Construction/Major Renovation Final Evaluation and Incentive Report, within 90 days of the completion of the last of such projects and of the last of such New Construction/Major Renovation Final Evaluation and Incentive Reports.
- The Participant acknowledges and agrees that it is in the LDC's discretion to determine which projects require the completion and approval of a New Construction/Major Renovation Final Evaluation and Incentive Report.
4. **MODELLING INCENTIVE:** Where the Participant has applied to receive a Modelling Incentive for a Custom Project and the LDC has approved the Application, the LDC will calculate the Modelling Incentive which will be the lowest of the following amounts:
- (a) \$10,000;
 - (b) 100% of third party costs of preparing the Simulation Summary Report, Modelling Results Report and Energy and Demand Savings Summary excluding taxes, financing costs, insurance costs, or costs of purchasing or leasing equipment, parts or tools; and
 - (c) the Estimated Custom Incentive; provided, however, that if the Estimated Custom Incentive is greater than the Custom Incentive, and the Modelling Incentive is based on the Estimated Custom Incentive, the Modelling Incentive will be reduced accordingly. The difference shall be a debt owed by the Participant to the LDC, and the LDC has the right to set off the difference from any amounts payable to the Participant.
5. **DESIGN DECISION-MAKER INCENTIVE:** The Participant acknowledges and agrees that the LDC will not be obligated to pay a Design Decision-Maker Incentive to a Design Decision-Maker unless the Design Decision-Maker has entered into a separate agreement with the LDC.
6. **OPERATION OF PROJECT:** The Participant will maintain all of the Prescriptive Measures and Custom Measures implemented through each Custom Project and Prescriptive Project in good working order and will operate and maintain such equipment and improvements without any modification for a continuous period of at least 48 months (the "**Period**") starting on the first day of the month immediately following the month in which the LDC pays the Participant Incentive hereunder.
7. **EVENTS OF DEFAULT:** Each of the following is an "**Event of Default**" hereunder:
- (a) if the Prescriptive Measures and Custom Measures implemented through a Custom Project or Prescriptive Project requires any modification during the Period and the Participant does not obtain the LDC's written consent prior to carrying out any such modification, which consent may be withheld in the LDC's sole discretion;



- (b) if the Prescriptive Measures and Custom Measures implemented through a Custom Project or Prescriptive Project ceases operation before the end of the Period; or
- (c) if the Participant does not perform or comply with any term or condition of this Agreement or if any representation, warranty or certification made by the Participant is untrue, incomplete or inaccurate.
8. **REPAYMENT AND MULTIPLE EVENTS OF DEFAULT:** If an Event of Default occurs then, on written notice by the LDC, the Participant will repay to the LDC a portion of the Participant Incentive, calculated as follows:
- Participant Incentive paid (in relation to each defaulting project) x months remaining in Period ÷ 48
- For the purposes of this calculation, an Event of Default occurring at any time during a month will be deemed as an Event of Default for the full month.
- If the Participant is in default under two or more Participant Agreements, the LDC may, upon written notice, not be obligated to provide Participant Incentives for all projects completed by the Participant under any agreement.
9. **PROJECT DETAILED INFORMATION:** The LDC and the OPA will have the right to publicize the features or equipment described in the Application to potential participants who are considering the Initiative and may refer any interested party to the Participant, unless the Participant clearly indicates which sections of the Application are to remain confidential or otherwise provides a written request to the LDC that this information remain confidential.
10. **HEAD OFFICE APPLICATIONS:** This Section will apply if the Participant has Custom Project(s) and/or Prescriptive Project(s) in the service areas of more than one local electricity distribution company. If the Participant elected to proceed by way of a Head Office Application in the Application and selected one local electricity distribution company (the "**Lead LDC**") to coordinate the activities of all other local electricity distribution companies (the "**Satellite LDCs**"), then the Participant agrees and acknowledges that:
- (a) if the Participant does not have such Custom Project(s) and/or Prescriptive Project(s) in the Lead LDC's service area that meets the applicable Eligibility Criteria, the Application will be rejected and the Participant may re-apply for the Initiative; and
- (b) if each of such Custom Project(s) and/or Prescriptive Project(s) meet such applicable Eligibility Criteria:
- (i) subject to the terms and conditions of this Agreement, it will receive payment of the incentive from the Lead LDC only after all such Custom Project(s) and/or Prescriptive Project(s) included in the Application are complete;
- (ii) it has the ability to perform its obligations in respect of such Custom Project(s) and/or Prescriptive Project(s);
- (iii) it will co-operate with the Lead LDC and have its personnel at the Facilities in the service areas of the Satellite LDCs co-operate with the Satellite LDCs;
- (iv) the Lead LDC may provide to, and receive from, each Satellite LDC information from the Applicant that may be required in respect of this Agreement; and
- (v) if a Satellite LDC is not participating in the Initiative, the Application will not be accepted and the Custom Project(s) and/or Prescriptive Project(s) in that Satellite LDC's service area may be removed from the Application and such Application may be subsequently resubmitted.
11. **REPRESENTATIONS AND WARRANTIES:** The Participant represents, warrants and agrees that (a) except as set out in the Application, no Custom Project(s) and/or Prescriptive Project(s) set out in the Application has received, is receiving or will receive any financial incentives generally funded by energy ratepayers or taxpayers in the Province of Ontario or rebates from manufacturers or wholesalers or other supply chain participants; (b) it owns all equipment in respect of which the Participant Incentive is requested, provided that if the Participant is a tenant of the Facility or Facilities and does not own such equipment, it has obtained prior written consent from the owner of the Facility or Facilities for the implementation of such Custom Project(s) and/or Prescriptive Project(s); (c) all information in the Application, including any attached documentation, is true, accurate and complete; (d) it would not otherwise have undertaken the Project(s) without the financial support and participation of the LDC; (e) all of the applicable Eligibility Criteria have been satisfied; and (f) it has the authority and capacity to enter into this Agreement. The Participant further acknowledges that it is an independent contractor, and that there is no joint venture, partnership or agency created or implied by this Agreement.
12. **EVALUATION, MEASUREMENT AND VERIFICATION; AUDIT:** The Participant will participate in any surveys, studies, audits, evaluations or verifications conducted by the LDC or the OPA or their respective agents and other service providers (collectively, the "**Program Operators**") in connection with the Initiative, including for the purpose of proper administration, monitoring and verification of this Agreement or evaluation of the Initiative, and will provide to the Program Operators reasonable access to the Participant's records and Facilities for such purposes.
13. **ENVIRONMENTAL ATTRIBUTES:** All right, title and interest in and to all benefits or entitlements associated with decreased environmental impacts now or in the future, direct or indirect, arising as a result of, relating to or in connection with the electricity savings or demand savings for which the Participant Incentive has been paid, and the right to quantify and register these, including without limitation, any energy efficiency certificate, renewable energy certificate, credit, reduction right, offset, allocated pollution right, emission reduction allowance (collectively, the "**Environmental Attributes**") are hereby transferred and assigned, or to the extent transfer or assignment is not permitted, held in trust for, by the Participant to the LDC and its successors and assigns. The LDC shall be entitled, unilaterally and without the consent of the Participant, to deal with such Environmental Attributes in any manner it determines. The Participant acknowledges that the LDC has further transferred and



assigned to the OPA or may further transfer and assign to the OPA, such Environmental Attributes and that the OPA may direct the Participant in the same manner as the LDC and that the OPA or the LDC may direct the Participant to take such actions and do all such things necessary to certify, obtain, qualify and register with the relevant authorities or agencies such Environmental Attributes for the purpose of transferring such Environmental Attributes to the OPA and the Participant shall comply with such directions.

14. **NO WARRANTY:** Except as specifically set forth or referenced in this Agreement, there are no representations, warranties, or conditions of either party to this Agreement, express, implied, statutory or otherwise, regarding any matter, including any implied warranties or conditions of quality, workmanship, safety, legal compliance or fitness for a particular purpose. Without limiting the generality of the foregoing, the Participant acknowledges that its participation in the Initiative is based upon its own assessment of the Initiative and not on any reliance on anticipated or projected results, and that such participation may not result in the achievement of any electricity savings, which are expressly disclaimed by the Participant.
15. **SUBCONTRACTING BY THE LDC:** The LDC may subcontract any of its responsibilities under this Agreement to an affiliate or a third party.
16. **MISCELLANEOUS:** Except as otherwise provided, this Agreement constitutes the entire agreement between the parties hereto in connection with its subject matter and supersedes all prior representations, communications, negotiations and understandings, whether oral, written, express or implied, concerning the subject matter of this Agreement. This Agreement may not be varied, amended or supplemented except by an agreement in writing executed by both of the parties hereto. The Agreement will be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. Each of the parties hereto will, from time to time, on written request of the other party, do all such further acts and execute and deliver or cause to be done, executed and delivered all such further things as may be reasonably required in order to fully perform and to more effectively implement the terms of this Agreement. The invalidity, unenforceability or illegality of any provision in this Agreement will not, to the extent permitted by applicable law, affect the validity, enforceability or legality of any other provision of this Agreement, which will remain in full force and effect. The insertion of headings is for convenience of reference only and will not affect the interpretation of this Agreement. Any reference in this Participant Agreement to the terms "hereof", "hereunder" and similar expressions refer to this Participant Agreement and not to any particular Section or other part of this Participant Agreement. Unless otherwise indicated, any reference in this Participant Agreement to a Section or Schedule refers to the specified section of or schedule to this Participant Agreement. The word "including" means "including without limitation", and the words "include" and "includes" have a corresponding meaning.
17. **TERM AND TERMINATION:** Except as otherwise specified herein, this Agreement will terminate upon the expiration of the Period, upon notice from the LDC following any Event of Default herein, or as otherwise determined by the LDC in its reasonable discretion. Sections 7, 8, 12, 13, 14, 15, 16, 17, 18, and 19 of this Participant Agreement will survive the termination of this Agreement.
18. **THIRD PARTY BENEFICIARIES:** Except as provided in Sections 12, 13, 17, 18 and 19 of this Participant Agreement, this Agreement is solely for the benefit of:
- (a) the LDC, and its successors and assigns, with respect to the obligations of the Participant under this Agreement, and
 - (b) the Participant, and its successors and permitted assigns, with respect to the obligations of the LDC under this Agreement;
- and this Agreement will not be deemed to confer upon or give to any other person any claim or other right or remedy.
19. **COLLECTION OF PARTICIPANT INFORMATION AND INDEMNITY:** The Participant understands and agrees that by submitting the Application, whether or not this Application is accepted: (a) it hereby consents to the collection, use, disclosure and other handling of any information it provides to the Program Operators, including personal information and records showing historical energy use and consumption (the "**Participant Information**") by the Program Operators for purposes relating to the operation, administration or assessment of the Initiative or the Application or the Agreement, and in connection with any reporting activities relating to the Initiative, which shall include, without limitation: (i) sharing of Participant Information among the Program Operators; (ii) use by the Program Operators of the Participant Information provided by the Participant to conduct, analyze and report on the results of surveys and modify the Initiative based on such surveys; and (iii) disclosure to the Ontario Energy Board, the Independent Electricity System Operator, the Ontario Ministry of Energy or the Ontario Environmental Commissioner or their respective successors; (b) it hereby consents to the disclosure by the OPA to the LDC of information regarding the Participant's past participation in other OPA funded conservation and demand management programs for the purpose of processing the Participant's Application; and (c) it will indemnify and save harmless each of the Program Operators and their respective directors, officers and employees from any and all liability and all claims, losses, damages (including indirect or consequential damages), expenses and proceedings for personal injury (including death) or property damage of any person relating to, in connection with, resulting from, or arising out of the Initiative, including by reason of the actual or alleged implementation of any Project and its operation or any other matter contemplated by this Application or the Agreement.
20. **COMPLIANCE WITH LAWS:** Each party to this Agreement will comply, in all material respects, with all laws and regulations required to be complied with in the performance of its obligations hereunder.
21. **ASSIGNMENT:** This Agreement will enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns. This Agreement will not be assigned by the Participant to another person other than an affiliate except with the prior written consent of the LDC, which consent may not be unreasonably withheld or delayed.
22. **FACSIMILE/ELECTRONIC SIGNATURES:** This Agreement may be executed and delivered by facsimile transmission or by any other method of electronic execution and the parties hereto may rely upon all such signatures as though such signatures were original signatures.



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I, the Participant, certify that I understand and agree to the terms and conditions as set forth above in this Agreement.

PARTICIPANT/LEGAL COMPANY NAME

AUTHORIZED SIGNATURE

DATE (DD/MM/YYYY)

**SCHEDULE 1****DEFINITIONS**

Capitalized terms not otherwise defined in the Agreement will have the following meaning:

“Applicable Building Code” means (a) the “building code” as defined in the *Building Code Act, 1992* (Ontario), as may be amended; and (b) any other applicable building code imposed by a municipality, if any, to the extent that it supplements the building code referred to in (a) or any part thereof.

“Applicant” has the meaning given to it in the opening line of the Application Agreement.

“Application” means the application completed by the Applicant for a Custom Project and/or Prescriptive Project and includes all Worksheets and supporting documentation submitted and to which this Participant Agreement relates.

“Approved Modelling Software” means any of the following software:

- (a) EE4 version 1.7 or higher;
- (b) DOE 2 version 2.1 or higher;
- (c) eQUEST version 3.64 or higher;
- (d) EnergyPro version 5.1.6.2 or higher
- (e) CAN-QUEST

the output of which is the Modelling Results Report which is used to determine Demand Savings and/or Energy Savings associated with a Custom Project.

“Base Case” means the case based on the assumption that the new construction or major renovation that is the subject of the Application would be completed without a Participant Incentive under this Initiative and at least meeting the minimum requirements of the Applicable Building Code.

“Custom Incentive” means the Participant Incentive payable by the LDC for Custom Project(s).

“Custom Measure” means a measure that satisfies the applicable Custom Measure Eligibility Criteria set out in Section 1.6 of Schedule 2.

“Custom Project” means, in respect of a new construction or major renovation, a project that satisfies the Custom Project Eligibility Criteria set out in Section 1.4 of Schedule 2.

“Custom Worksheet” means the worksheet in respect of a Custom Project containing the output of the Approved Modelling Software and the Energy and Demand Savings Summary that calculates the Custom Incentive and is in the required form.

“Demand Savings” means the estimated, determined or actual (as the context may require) reduction in electricity demand, expressed in kW, obtained as a result of one or more Custom Measures and as determined pursuant to the Energy and Demand Savings Summary.

“Design Decision-Maker” means a person who satisfies the applicable Design Decision-Maker Eligibility Criteria in Section 1.8 of Schedule 2.

“Eligibility Criteria” means the eligibility criteria that must be satisfied to qualify as an Eligible Person, an Eligible Project, an Eligible Custom Project, an Eligible Prescriptive Project, a Custom Measure or Eligible Costs (for Custom Projects), as the case may be, as provided in Schedule 2.

“Eligible Costs” has the meaning given to it in Section 1.7 of Schedule 2.

“Eligible Measures” means, collectively, the Prescriptive Measures and the Custom Measures.

“Eligible Person” means a person who satisfies the applicable Eligibility Criteria provided in Section 1.1 of Schedule 2.

“Eligible Project” means, in respect of a new construction or major renovation project, a project that satisfies the Project Eligibility Criteria provided in Section 1.2 of Schedule 2 and that is not an Ineligible Project.

“Energy and Demand Savings Summary” means a summary in the required form and contains the Energy Savings and Demand Savings.

“Energy Efficient Case” means the case based on using the Eligible Measures specified in the Application.

“Energy Savings” means the estimated, determined or actual (as the context may require) electricity savings achieved over the course of the first year after the completion of a Custom Project, expressed in kWh, obtained as a result of one or more Custom Measures and as determined pursuant to the output of the Energy and Demand Savings Summary.

“Environmental Attributes” has the meaning given to it in Section 13 of this Participant Agreement.



“**Estimated Custom Incentive**” means the estimated Custom Incentive calculated by the LDC based on the information in the Application.

“**Estimated Prescriptive Incentive**” means the estimated Prescriptive Incentive calculated by the LDC based on the information in the Application.

“**Event of Default**” has the meaning given to it in Section 7.

“**Facility**” means the facility where the Prescriptive Project or Custom Project will be implemented.

“**Head Office Application**” means an Application from a single non-residential distribution consumer that designates a Lead LDC and includes proposed Eligible Projects in more than one local distribution company’s service area.

“**Ineligible Project**” has the meaning given to it in Section 1.5 of Schedule 2.

“**Initiative**” means the Commercial and Institutional New Construction and Major Renovation Initiative 2011 - 2014.

“**kW**” means kilowatt.

“**kWh**” means kilowatt hour.

“**LDC**” means the electricity distribution company to which the Application was submitted.

“**Lead LDC**” has the meaning given to it in Section 10.

“**Modelling Incentive**” means the Participant Incentive payable to a Participant for the preparation of the Simulation Summary Report, Modelling Results Report and Energy and Demand Savings Summary in connection with a Custom Project.

“**Modelling Results Report**” means a computer simulation file submitted by the Participant that is the model of the Eligible Project and which provides information, among other things, about a Custom Project, including the specification and quantities of Eligible Measures, resulting from the use of Approved Modelling Software.

“**New Construction/Major Renovation Final Evaluation and Incentive Report**” means a report, prepared by a Project Evaluator in compliance with the required form, for the purpose of reporting to the LDC and the Participant an updated estimate of Energy Savings and/or Demand Savings following the completion of a Custom Project.

“**OPA**” means the Ontario Power Authority or its successor.

“**Participant**” means a person who has (a) submitted an Application which was approved by the LDC; (b) agreed to the terms and conditions in the Participant Agreement and the Agreement; and (c) satisfied the applicable Eligibility Criteria.

“**Participant Agreement**” means this Participant Agreement, including all Schedules, as it or they may be amended, restated or supplemented from time to time.

“**Participant Information**” has the meaning given to it in Section 19.

“**Period**” has the meaning given to it in Section 6.

“**Prescriptive Incentive**” means the Participant Incentive payable by the LDC for Prescriptive Project(s).

“**Prescriptive Measures**” means measures listed on the Prescriptive Worksheets.

“**Prescriptive Project**” means, in respect of a new construction or major renovation project, a project that satisfies the Prescriptive Project Eligibility Criteria set out in Section 1.3 of Schedule 2.

“**Prescriptive Worksheets**” means the prescribed worksheets listing Prescriptive Measures and, in some cases, assumed Base Case equipment and the associated amount of the Prescriptive Incentive for each Prescriptive Measure.

“**Program Operators**” has the meaning given to it in Section 12.

“**Project**” means either a Prescriptive Project or a Custom Project.

“**Project Evaluator**” means an individual who is an employee of the LDC or of a third party service provider to the LDC and who will review materials relating to Custom Projects.

“**Satellite LDCs**” has the meaning given to it in Section 10.

“**Simulation Summary Report**” means a report to be submitted by a Participant to the LDC summarizing the assumptions used with the Approved Modelling Software, in accordance with the required form.

“**Worksheet**” means any Prescriptive Worksheet or Custom Worksheet.

**SCHEDULE 2****ELIGIBILITY CRITERIA****1.1 Eligible Person Eligibility Criteria**

To be an Eligible Person under the Initiative, a person must be:

- (a) a distribution consumer that is not a residential consumer or would not be a residential consumer once the new building is completed; and
- (b) an owner of a new construction or major renovation that represents an Eligible Project. Where there is more than one owner, each owner must satisfy all of the criteria for Eligible Persons set out in this Section 1.1. The owners must appoint one owner to represent them.

1.2 Project Eligibility Criteria

To be an Eligible Project under the Initiative:

- (a) the proposed Project must be in respect of a single facility;
- (b) the facility must, when completed, be connected to, or behind the meter of another electricity consumer connected to, the LDC's distribution system, and be the subject of an account that is not classified as a residential account;
- (c) the facility, when completed, must conform to Part 3 of the "building code" as defined in the *Building Code Act, 1992* (Ontario) and be intended for industrial, commercial, institutional or multi-residential occupancy, however, agricultural facilities that are not required to conform to Part 3 of the Ontario Building Code may still be eligible;
- (d) The proposed Project must be in relation to the construction of a new facility, a new addition to an existing facility, a major renovation that converts the building to another use, or a major renovation which results in the facility being unfit for occupation for a minimum of 30 days and in the replacement of at least two building systems;
- (e) the project must have a building permit for it issued on or after January 1, 2011;
- (f) the project must be completed by the Participant (that is, be in-service) and delivering kW and/or kWh savings on or before December 31, 2014; and
- (g) not be an Ineligible Project.

1.3 Prescriptive Project Eligibility Criteria

To be an Eligible Project, a Prescriptive Project must:

- (h) meet all the Project Eligibility Criteria;
- (i) include only Prescriptive Measures;
- (j) involve at least one completed Prescriptive Worksheet; and
- (k) have a minimum Estimated Prescriptive Incentive of \$1,000;

1.4 Custom Project Eligibility Criteria

To be an Eligible Project, a Custom Project must:

- (a) meet all the Project Eligibility Criteria;
- (b) involve at least one completed Custom Worksheet;
- (c) not include any Prescriptive Worksheets other than the Multi-Residential In-Suite Appliance Eligible Measures Worksheet or Alternative Measures for Space Cooling Eligible Measures Worksheet;
- (d) have a minimum Estimated Custom Incentive (and where applicable, including the Estimated Prescriptive Incentives) of \$5,000;
- (e) not be an agricultural facility; and
- (f) be projected to be in-service for a minimum period of 48 months from the in-service date of the project.

1.5 Ineligible Projects

None of the following types of projects qualify as an Eligible Project (each, an "Ineligible Project"):

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- (l) projects based on the Custom Worksheet proposing measures that are not generally commercially available, are pilot or demonstration projects, or are otherwise unproven;
- (m) projects where any anticipated Energy Savings and/or Demand Savings are the result of an electrical (fuel) substitution (unless incorporating a defined alternative energy measure for space cooling);
- (n) projects where prior to submitting an Application the applicant has entered into a binding commitment to acquire the measures or services required to install the measures. A binding commitment means the execution of a construction contract, purchase order or similar documentation with respect to the project;
- (o) projects that relate to the commissioning of a Chilled Water Plant (as defined in the Building Commissioning Initiative);
- (p) a project that has previously participated in an OPA funded New Construction/Major Renovation electricity conservation and demand management program, specifically, the City of Toronto – Better Buildings Partnership New Construction Program and the Enbridge High Performance New Construction Program;
- (q) any project in respect of which a Participant receives funding, directly or indirectly from the OPA, other than from the Initiative or certain OPA funded capability building initiatives;
- (r) in respect of which Participants have already applied for either Prescriptive Measures or Custom Measures for the same project, with the exception of non-electric space cooling (see Alternative Energy Measures for Space Cooling Prescriptive List) and energy efficient appliances in a custom multi-residential building (see Multi-Residential In-Suite Appliance Prescriptive List);
- (s) a project that qualifies as an “Eligible Project” under the new construction and major renovation initiative being offered by the OPA and LDC for residential homes; or
- (t) a project that is eligible in any other initiative under the Commercial and Institutional CDM Program.

1.6 Custom Measure Eligibility Criteria

To be eligible as a Custom Measure under the Initiative, the measure must involve one or more of the following, all being relative to the Participant's proposed Base Case:

- (u) the purchase and installation of new energy-efficient equipment for space heating, water heating and/or space cooling or lighting;
- (v) the purchase and installation of new energy-efficient equipment, or replacement of inefficient/oversized equipment; or
- (w) the improvement of thermal performance of a building envelope through increased insulation, installation of new energy-efficient windows and frames, low emissive window glazing or low emissive roof barriers.

For certainty, Custom Measures may include measures that are listed on the Prescriptive Worksheet(s), which measures will be treated as Custom Measures in the context of a Custom Project.

1.7 Eligible Costs for Custom Projects

- (x) The below-listed costs may be “Eligible Costs”, provided they are reasonable, and incurred directly in connection with the Eligible Project. The costs must be actually incurred and payable, in the case of the Energy Efficient Case, or supported by bona fide third party estimates in the Base Case.
 - (i) The costs of equipment purchased from and installed by a third party;
 - (ii) costs of labour for the installation of the equipment by a third party;
 - (iii) costs of energy assessments not funded by the OPA or LDC;
 - (iv) design, engineering and/or architecture fees that are not compensated with a Modelling Incentive;
 - (v) project management costs provided by third parties;
 - (vi) shipping, delivery, duties and other costs applicable to the delivery of equipment; and
 - (vii) costs to obtain the information and supporting documentation to prepare the New Construction/Major Renovation Final Evaluation and Incentive Report.
- (y) For certainty, costs which are not eligible to be included in Eligible Costs include:
 - (i) any costs that are not third party costs or that are internal costs of the Participant, including costs of the Participant's labour, service, administration or overhead;
 - (ii) financing costs of the Participant;



- (iii) related insurance costs of the Participant;
- (iv) costs associated with post-installation maintenance or service contracts;
- (v) costs of spare parts, spare equipment or other inventories;
- (vi) purchase or lease of tools for installation of equipment;
- (vii) taxes payable under Part IX of the *Excise Tax Act* (Canada); or
- (viii) a portion of the costs of Eligible Measures that have been or will be received from financial incentives generally funded by energy ratepayers or taxpayers in the Province of Ontario or rebates from manufacturers or wholesalers or other supply chain participants.

1.8 Design Decision-Maker Eligibility Criteria

To be a Design Decision-Maker under the Initiative, a person must:

- (a) be an architect or professional engineer (as an individual or as a firm), and be licensed to practice in the Province of Ontario;
- (b) not be an employee of the Eligible Person;
- (c) be designated as the Design Decision Maker by the Applicant in the Application; and
- (d) have signed off on the plans for Eligible Project.