

SaskEnergy Commercial Boiler Program Terms & Conditions

1.0 Overview

- 1.1 The Commercial Boiler Program (the "Program") from SaskEnergy Incorporated ("SaskEnergy") is designed to stimulate investment in eligible appropriately sized energy-efficient boilers and pumps (see section 4.0 for the boiler and pump eligibility criteria) ("Equipment") that will reduce natural gas and electrical usage and associated operating costs. The Program is targeted to both new construction and replacement markets.
- 1.2 The Program begins December 1, 2011 and ends November 30, 2013.
- 1.3 The Program offers all market participants an incentive payment to partially offset the higher purchase price of higher efficiency boilers and, where applicable, pumps.
- 1.4 In new construction, the Program partially offsets the higher purchase price incurred by a developer, builder or owner for high efficiency equipment.
- 1.5 In the replacement market, the Program reduces the building owner's higher purchase price when replacing existing equipment.
- 1.6 This Program is available through SaskEnergy Commercial Network Members only.

2.0 Participant eligibility criteria

- 2.1 The entity applying under the Program (the "Applicant") must be a building developer, builder, building owner or owner's designated representative.
- 2.2 The facility or property where the Equipment is installed must be located in Saskatchewan and the boiler must use natural gas.
- 2.3 Only the Equipment qualifies for an incentive under the Program (See section 4.0 for the boiler and pump eligibility criteria).
- 2.4 All Equipment must be purchased from and installed by a SaskEnergy Commercial Network Member.
- 2.5 Applications must be received by SaskEnergy on or before November 30, 2013.
- 2.6 Equipment must be purchased and installed within 12 months of receiving a letter of approval for incentives from SaskEnergy.
- 2.7 Applicants that, directly or indirectly, are operated or owned by, or receive their primary funding from, the Province of Saskatchewan are not eligible to receive incentives under the Program (e.g. hospitals, schools, government departments and ministries, and Crown Corporations).

3.0 Program process

- 3.1 Applicant's contractor or qualified professional determines the capacity of the boiler plant, type of boiler (i.e. condensing or near-condensing), capacity and number of boilers required to meet the space and water heating requirements of the building.
- 3.2 Where applicable, applicant's contractor or qualified professional selects appropriate high efficiency pumps.
- 3.3 Applicant completes Commercial Boiler application form and submits it to SaskEnergy. Valid application forms are only available from SaskEnergy Commercial Network Members.
- 3.4 SaskEnergy reviews application for completeness.
3.4.1 If application is complete, SaskEnergy estimates the incentive payable to the Applicant.
3.4.2 If application is incomplete, SaskEnergy will ask the Applicant for additional information.
- 3.5 Applicant receives a letter from SaskEnergy stating whether the application is approved or rejected and the total approved costs. If approved, an estimate of the incentive(s) payable to the applicant will be attached to the letter.
- 3.6 Applicant submits required documentation to SaskEnergy (See Section 7.0 for documentation requirements).
- 3.7 SaskEnergy reviews documents for completeness.
3.7.1 If all documents are in order and the Applicant has met all the requirements of the Program and there are no material changes from the original application, SaskEnergy issues an incentive cheque to the indicated choice of either the Applicant or the contractor.
3.7.2 If all documents are in order and the Applicant has met all the requirements of the Program, but the installed boiler capacity and/or boiler purchase price has changed since the application was first submitted, SaskEnergy recalculates the incentive and issues a cheque for the revised boiler incentive to the indicated choice of either the Applicant or the contractor.

4.0 Eligible Equipment

- 4.1 Must be a natural gas hot water heating boiler system. Multiple boiler modules housed in a single jacket constitute one boiler.

- 4.2 The minimum total installed boiler plant input rating is 400,000 Btu/hr and the minimum qualifying boiler input rating is 200,000 Btu/hr.
- 4.3 The maximum total installed boiler plant input rating is 10,000,000 Btu/hr, and the maximum qualifying boiler input rating is 5,000,000 Btu/hr.

Note: A boiler plant can be made up of 1 or more boilers.
- 4.4 Only space heating boiler plants qualify under the Program.
- 4.5 In order to be eligible for an incentive under the Program, high efficiency pumps must be installed in a continuous yet variable flow application with the primary function being distribution of space heating for the building.
- 4.6 Only space-heating boilers are eligible. If the boiler is used for space-heating as well as other applications such as domestic hot water and/or pool heating, the domestic hot water load and the pool-heating load will be eligible as well.
- 4.7 Qualifying pumps will utilize brushless DC technology and automatically vary output to heating requirements (redundant, staged, domestic hot water or on/off pump applications do not qualify).
- 4.8 All Equipment must be installed in accordance with the manufacturer's specification and must comply with applicable laws, codes, standards and ordinances.
- 4.9 All Equipment must be new. Used or rebuilt boilers or pumps do not qualify for the incentive.
- 4.10 Eligible boilers are determined by Natural Resources Canada and FortisBC. Eligible pumps are determined by SaskPower. SaskEnergy will publish a list of eligible boilers and pumps that will be available on SaskEnergy's website – saskenergy.com. These lists may be modified during the course of the Program and are only to be used as a guide and no representations or warranties are made that the lists contains all eligible Equipment. Please contact SaskEnergy Customer Solutions if you have questions about Equipment eligibility.

5.0 Incentives

- 5.1 Boiler incentives for condensing boilers will be calculated as follows:
5.1.1 \$14 per 1,000 BTU/hr for the first 600,000 BTU/hr
5.1.2 \$3 per 1,000 BTU/hr above 600,000 BTU/hr
- 5.2 Boiler incentives for near condensing boilers will only be offered if used in a hybrid system with at least one condensing boiler. In this case, near condensing boilers are eligible for the following incentive:
5.2.1 \$3 per 1,000 BTU/hr.
- 5.3 Pump incentives will be calculated as shown in the eligible pump list described in section 4.8.
- 5.4 In no case will the Applicant receive an incentive that is more than 35 percent of the total approved costs (see 3.5) of the Equipment.
- 5.5 The boiler system price is the applicant's purchase price of the boiler system including installation labour, venting, pumps, accessories, permits and consultants fees, less any vendor rebates.

6.0 Additional terms & conditions

- 6.1 Funding for this Program is limited. SaskEnergy may, in its sole discretion, determine how the funding will be shared between the new construction market and the replacement market. This may mean that SaskEnergy may continue to accept new construction market applications after the Program has been terminated for the replacement market or the converse.
- 6.2 SaskEnergy reserves the right to amend, modify or terminate the Program at any time with or without notice, and is not obligated to make any payments whatsoever.
- 6.3 SaskEnergy, in its sole discretion, reserves the right to limit the number of boilers an applicant may receive an incentive in relation to under the Program.
- 6.4 If SaskEnergy amends or modifies the Program after an application is received and pre-approved by SaskEnergy, the Applicant cannot resubmit an application for the same boiler plant under the amended or modified Program.
- 6.5 In order to be eligible for the Program, applications must be submitted to and approved by SaskEnergy prior to the purchase and installation of Equipment.
- 6.6 Applicant agrees it will notify SaskEnergy immediately in writing (refer to 8.0) if there is any material change to the information contained in the original application as approved by SaskEnergy.
- 6.7 Applications for funding from the program are co-applications by the SaskEnergy Network Member and the Applicant. In the event a building owner chooses to award the work to a different SaskEnergy Network Member, a new application to the program will be required.

- 6.8 Applicant acknowledges that by taking part in the Program, the installed Equipment may use less natural gas and electricity, producing fewer emissions. Applicant agrees to permit SaskEnergy and SaskPower to view the SaskEnergy and SaskPower bill(s) for the facility or property containing the Equipment to monitor and publicly report on changes in energy consumption as a result of the eligible Equipment. All information regarding energy consumption shared with others or used in promotional material will be aggregated with other properties participating in the Program.
- 6.9 Applicant agrees to transfer ownership of credit for greenhouse gas reduction associated with boiler plant replacement(s) to SaskEnergy.
- 6.10 In addition to these terms and conditions, the Program, and any incentive payments made under the Program, are subject to terms and conditions contained in the application form, the Customer Satisfaction Acknowledgement, and related documents. In the event of a conflict, the terms and conditions stated herein will prevail.

Representation and warranties

- 6.11 Applicant represents and warrants that it complies, and will continue to comply, with the Program eligibility criteria contained herein.
- 6.12 Applicant represents and warrants that all information provided in relation to the Program is complete, true and correct.

Default

- 6.13 In the event the Applicant fails to adhere to the terms and conditions contained herein, SaskEnergy reserves the right to void the application documents and SaskEnergy will be released from any and all obligations under the Program.

Liability

- 6.14 SaskEnergy will have no ownership interest in the Equipment.
- 6.15 SaskEnergy, not being the designer or manufacturer of the Equipment, makes no representation or warranty, express or implied, as to the fitness, design or capability of the material, equipment or workmanship in the Equipment, nor any warranty that the Equipment will satisfy the requirements of any law, specification, or contract.
- 6.16 Applicant will be solely responsible for and shall indemnify and save harmless SaskEnergy and its subsidiaries, and its respective employees, directors, agents, contractors, sub-contractors and representatives from all claims, demands, causes of action, suits, judgments and penalties whatsoever and wheresoever arising out of or by the reason of the performance, or purported performance, or non-performance, by your employees, directors, agents, contractors, sub-contractors or representatives of the Program including, without limitation, those made or sustained in respect of property damage, personal injury (including death), infringement of copyright or trademark, builders or other liens.

- 6.17 SaskEnergy does not endorse any particular manufacturer, product, system, design, supplier or installer in promoting the Program.

Tax implication

- 6.18 SaskEnergy will not be responsible for any tax liability imposed on the Applicant as a result of payments of the incentive. For GST Registrants, incentives received by the Applicant include GST which must be remitted by the Applicant to the Receiver General of Canada.

Eligibility for other incentive programs

- 6.19 Customers are eligible to receive funding through additional incentive programs other than the Commercial HVAC Program. However, the Applicant must declare its participation in other incentive program when applying for the Commercial Boiler Program incentive.

7.0 Documentation

- 7.1 SaskEnergy is not responsible for lost, delayed, damaged, illegible or incomplete applications.
- 7.2 The following documents must be submitted to SaskEnergy:
7.2.1 Prior to approval
 ✓ completed application form
7.2.2 After installation
 ✓ Customer Satisfaction Agreement
 ✓ Copy of gas and electrical permit
 ✓ copy of boiler installation permit (if for any reason, a boiler permit is not required by the governing body, the details of why the permit is not required must be submitted to SaskEnergy)
 ✓ copy of the boiler start up report by the manufacturer or an authorized factory representative
 ✓ sales invoice that shows customer and contractor name(s), boiler & pump make(s), model(s), serial number(s), and boiler input rating(s) (MBH)

8.0 Contact Information

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