

SaskEnergy Commercial HVAC Program Terms & Conditions

1.0 Overview

- 1.1 The Commercial HVAC Program (the "Program") administered by SaskEnergy Incorporated ("SaskEnergy") is designed to stimulate investment in energy-efficient rooftop units, furnaces and boilers ("unit(s)") that will reduce natural gas and electrical usage and associated operating costs. The Program is targeted to both new construction and the commercial replacement market.
- 1.2 The Program begins December 1, 2011 and ends November 30, 2013.
- 1.3 The Program offers an incentive payment to partially offset the higher purchase price of higher efficiency units.
- 1.4 The Program is only available through participating SaskEnergy Residential and Commercial Network Members.

2.0 Participant eligibility criteria

- 2.1 A person or entity applying under the Program (the "Applicant") must be a building owner or the owner's designated representative.
- 2.2 The building or property where the unit is installed must be located in Saskatchewan and the unit must use natural gas.
- 2.3 Only eligible units under the Program qualify for the Program incentive (see section 4.0).
- 2.4 The unit must be purchased from, and installed by, a participating Network Member.
- 2.5 Applications must be received by SaskEnergy on or before December 30, 2013.
- 2.6 Units must be purchased and installed between December 1, 2011 and November 30, 2013.
- 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).
- 2.8 Applicants who receive an incentive through the Program agree not to apply for or receive any rebate or incentive through any other provincial energy efficiency incentive program (e.g. SaskEnergy Commercial Boiler Program; Saskatchewan EnerGuide for Houses Program) in relation to the same unit(s).

3.0 Program process

Program process is as follows:

- 3.1 Applicant's contractor or qualified professional determines the capacity and number of units required to meet the heating and cooling requirements of the building.
- 3.2 Eligible units purchased from, and installed by, a participating Network Member.
- 3.3 Participating Network Member completes the Commercial HVAC Program application form and submits it to SaskEnergy (at the address listed in 8.0) along with required documentation to SaskEnergy (See Section 7.0 for required documentation) within 30 days of the completed installation. The Applicant reviews the information on the form and signs the Customer Confirmation.
- 3.4 SaskEnergy processes the application.

- 3.4.1 If all documents are in order and the Applicant has met all the requirements of the Program, SaskEnergy issues an incentive to the customer by applying a credit on the Applicant's valid SaskEnergy account. SaskEnergy may issue incentive cheques, in its sole discretion, where applicable (e.g. where an account is not available). SaskEnergy sends a letter to the Applicant either indicating that the application has been approved and the incentive will be credited to the customer within 8 weeks of the date of the letter, or enclosing a cheque.
- 3.4.2 If the documents are not in order, SaskEnergy may ask for additional documentation or information.
- 3.4.3 If the application is invalid or can otherwise not be processed, SaskEnergy will advise the Applicant.

4.0 Eligible Equipment

All Equipment - furnaces, boilers, & rooftop units

- 4.1 All units installed must use natural gas.
- 4.2 The unit must be new. Used or rebuilt units do not qualify for the incentive.
- 4.3 All units must be installed in accordance with the manufacturer's specification and must comply with applicable laws, codes, standards and ordinances.
- 4.4 Eligible furnaces under the Program must be an ENERGY STAR® qualified high efficiency natural gas furnace (95% + AFUE (annual fuel utilization efficiency)) with a brushless DC motor identified on the Natural Resources Canada website located at <http://oee.nrcan.gc.ca/residential/business/manufacturers/search/gas-furnace-search.cfm>
- 4.5 Eligible boilers under the Program must:
 - 4.5.1 Be a qualified high efficiency natural gas condensing boiler (90% + AFUE).
 - 4.5.2 Have a maximum boiler input rating less than 400,000 Btu/hr.
 - 4.5.3 Have a maximum boiler plant input rating less than 400,000 Btu/hr.
Note: A boiler plant can be made up of 1 or more boilers.
- 4.6 Eligible rooftops units under the Program must:
 - 4.6.1 Not exceed 20 tons.
 - 4.6.2 Provide at least two stages of natural gas heating.
 - 4.6.3 Provide at least SEER 15.0 cooling for units up to and including 5 tons. Provide at least EER 12 cooling for units larger than 5 tons.
 - 4.6.4 Be installed with an economizer.
- 4.7 SaskEnergy will publish a list of eligible boilers & rooftop units that will be available on SaskEnergy's website at 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 contain all eligible equipment.

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5.0 Incentives

All market participants

- 5.1 Furnace incentives will be calculated as follows:
- 5.1.1 \$650 for each eligible furnace in the replacement market.
 - 5.1.2 \$300 for each eligible furnace in new construction.
- 5.2 Boiler incentives will be calculated as follows:
- 5.2.1 \$500 for the eligible boiler plant plus \$5 per MBH (1000 Btu/hr) of total boiler plant input.
- Note: A boiler plant can be made up of 1 or more boilers.
- 5.3 Rooftop unit incentives will be calculated as follows:
- 5.3.1 \$500 for each eligible rooftop unit plus \$100 per ton.
- 5.4 Incentives cannot be assigned or transferred.

6.0 Additional terms & conditions

- 6.1 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.
- 6.2 SaskEnergy, in its sole discretion, reserves the right to limit the number of incentives, and/or the amount of an incentive, payable to any one Applicant or in respect of any one building.
- 6.3 If SaskEnergy amends or modifies the Program after an application is received and approved by SaskEnergy, the Applicant cannot resubmit an application for the same unit under the amended or modified Program.
- 6.4 Applicant acknowledges their unit(s) may use less natural gas and electricity and produce fewer emissions. Applicant agrees to permit SaskEnergy and SaskPower to view the utility bill(s) for the building containing the eligible unit(s) to monitor and publicly report on changes in energy consumption as a result of the eligible unit(s). All information regarding energy consumption used in promotional material will be aggregated with other buildings in the Program.
- 6.5 SaskEnergy and SaskPower reserve the right to audit incentives paid through the Program including the right of a SaskEnergy or SaskPower representative to inspect, before or after installation, a building that was the subject of an application to confirm the indicated equipment was installed. SaskEnergy, SaskPower, or an authorized third party may contact Applicants to conduct survey(s) regarding the Program or to follow-up with the Applicant with respect to the Program and/or the units(s) installed.
- 6.6 Applicant agrees to transfer ownership of credit for greenhouse gas reduction associated with unit upgrades to SaskEnergy.
- 6.7 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 and related documents. In the event of a conflict, the terms and conditions stated herein will prevail.

Representation and warranties

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

event there is a material change in its application or information attached thereto.

Default

- 6.10 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. In the event the Applicant fails to adhere to these terms and conditions, is or becomes ineligible for any reason to receive an incentive paid to it, or receives an incentive in error, SaskEnergy reserves the right to collect any incentive paid as a debt owed to SaskEnergy.

Liability

- 6.11 SaskEnergy will have no ownership interest in the unit(s).
- 6.12 SaskEnergy, not being the designer or manufacturer of the unit(s), makes no representation or warranty, express or implied, as to the fitness, design or capability of the material, equipment or workmanship in the unit, nor any warranty that the unit will satisfy the requirements of any law, specification, or contract.
- 6.13 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 in relation to 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.
- 6.14 SaskEnergy does not endorse any particular manufacturer, product, system, design, supplier or installer in relation to the Program.

Tax implication

- 6.15 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.

7.0 Documentation

All market participants

- 7.1 SaskEnergy is not responsible for lost, delayed, damaged, illegible or incomplete applications.
- 7.2 The following documents must be submitted to SaskEnergy:
- ✓ completed application form
 - ✓ Sales invoice that shows customer and contactor name(s), unit/equipment makes(s), model(s), and serial numbers(s), and date of installation.
 - ✓ copy of the rooftop start up report by the manufacturer or an authorized factory representative.

8.0 Contact Information

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