

Agreement

Efficiency Manitoba (“EM”) offers an “Incentive(s)” to an eligible building owner or designated representative (the “Applicant”) who installs energy-efficient products and materials (the “Products”) that qualify under Ground Source Heat Pump for Business Program (the “Program”) on the terms and conditions set out below and as set out in Appendix A – Program Eligibility Criteria, which forms part of this Agreement.

The Ground Source Heat Pump for Business Financial Incentive Application (the “Application”) is conditional on APPROVAL by Efficiency Manitoba under the Program and forms a binding agreement on the Applicant. All information provided by the Applicant must be true and correct as at the application date. This Application must be APPROVED BY EFFICIENCY MANITOBA BEFORE the Products can be purchased or work can begin on the project. All Incentive amounts are estimates and will be finalized based on the Applicant meeting all terms and conditions of the Program and a review of all application materials including completion paperwork, invoicing, and any final inspections. The Incentive will be calculated in accordance with the Program’s incentive calculations set out in the Program Guide, which may be amended by EM in its discretion. See efficiencyMB.ca/GSHP for current incentive offers.

1.0 Warranties and agreements

- 1.1 The Applicant warrants that all Products fully qualify and comply with Appendix A - Program Eligibility Criteria.
- 1.2 The Applicant warrants that all information contained in the Application is true and correct. The Applicant undertakes to advise EM immediately should there be any change to information contained in the Application form during the Applicant’s participation in the Program. Changes to information contained in the Application may affect eligibility under the Program and Incentive amounts.
- 1.3 The Applicant warrants and agrees that: i) they have read Appendix A - Program Eligibility Criteria for this Program and the Applicant and that the project fully qualifies to participate in the Program; ii) the Application and all matters and materials relating thereto (including, without limitation, all Products installed by the Applicant) fully qualify and comply with the Program Eligibility Criteria; and iii) they have the full authority to provide to EM the Application and all information and documents in relation to this Agreement and that all information and documents are and shall be correct, current, and complete.
- 1.4 The Applicant agrees to the terms and conditions of this Agreement and shall comply with same, together with all Program requirements, unless specifically waived by EM in writing. If the Applicant fails to comply with this Agreement or any other requirement of EM made pursuant these terms and conditions, including without limitation if the Applicant ceases to be the Manitoba Hydro (“MH”) account holder for the building specified on the Application, then upon notice from EM, any Incentive then-unpaid to the Applicant shall be cancelled and any Incentives paid to an Applicant who was in violation of this Agreement as at the payment date of the Incentive shall immediately repay the Incentive to EM.
- 1.5 EM decisions relating to the Applicant, Application, the Product eligibility, energy savings of the Products, the amount of Incentives, or other issues relating to the Program will be final and binding on all parties and not subject to appeal.
- 1.6 The standard maximum eligible Incentive per upgrade is \$100,000 unless otherwise agreed to by EM in writing.
- 1.7 EM reserves the right to change or terminate the Program at any time in its discretion without notice. In-process applications may be subject to cancellation should the Program be terminated. Incentive amounts are subject to change without notice and are not confirmed until the time of issuance.
- 1.8 EM reserves the right to limit the number of Program participants in its discretion, including where an Applicant or Product would otherwise qualify under the Program.
- 1.9 This Application may be executed in any number of counterparts, including counterparts signed by fax, emailed scan-copy or, by electronic signature when submitted through an EM Applicant user account. Where signed in counterparts, each of which shall be deemed an original and all of which together shall constitute one in the same instrument. A photocopied and/or fax copy of this Agreement bearing the signature of each party or an electronic copy of this Agreement having been agreed to electronically through an EM Applicant user account and approved by EM shall be deemed an original execution version of this Agreement. Applicant is responsible for all activity through the EM Applicant user account.
- 1.10 This Agreement shall be governed by and construed in accordance with the laws of Manitoba and the applicable laws of Canada without regard to Manitoba or federal Canadian law governing conflicts of law, even if one or more of the parties to this Agreement is resident of or domiciled in any other province or country. The parties hereby irrevocably attorn to the exclusive jurisdiction of the Court of Queen’s Bench of Manitoba, Winnipeg Centre.

2.0 Installation requirements

The Applicant shall ensure that:

- 2.1 The Products must meet the requirements set forth in the Appendix A - Program Eligibility Criteria and be acceptable to the inspection authorities having jurisdiction.
- 2.2 The Products must be installed and operational in the building as specified on this Application within 12 months of the date EM has given the approval for work to proceed.
- 2.3 The Applicant agrees to keep Products in place in the building identified this Application and as installed for a period of at least 36 months following installation.
- 2.4 The Applicant agrees to allow periodic inspections of the premises in this Application by EM or its representatives/designates, during normal business hours, any time from the date of the Application until 36 months after Product installation.
- 2.5 Equipment removed, transferred, or installed elsewhere from the Building specified on this Application will not be resold, except for scrap purposes, without prior consent from EM.

3.0 Approvals and Supporting documentation

- 3.1 EM's approval for Incentives under this Program relates to the Applicant's Program participation only and should not be interpreted to constitute consents, permits or other approvals required for necessary installation or construction associated with Program participation. The Applicant shall obtain all necessary consents, permits, certificates and other such approvals required by applicable laws, building codes and standards to carry out the purchasing, installation, constructions, or use of Products under the Program.
- 3.2 EM reserves the right to, at any time, request and verify that the Products have been installed in accordance with this Agreement, including without limitation by way of the Applicant supplying EM with itemized invoices and documentation which must detail the following: contractor(s)/installer(s)/vendor(s)/manufacturer name, address(es), phone and invoice numbers; purchaser name and address where installed; date of purchase; manufacturer make(s), model number(s) and quantities; itemization of costs. permits, certificates, and invoice numbers; occupant name(s) and address(es), details on design and construction; and an itemization of costs and accuracy of cost information of the Products. When an engineered design is required by the authority having jurisdiction, supply a copy of the Certificate of Substantial/Final Completion or a letter stating that an engineered design is not required. The Applicant shall, as necessary, provide consents and authorizations, including without limitation, to its Contractor/Installer and Vendor or otherwise as necessary to provide for direct communication with EM for these purposes.
- 3.3 A Completion Declaration must be submitted before the Incentive can be paid.

4.0 Tax implication

- 4.1 Applicant is solely responsible for payment of any and all tax liability imposed on the Applicant as a result of the receipt of any Incentive payment; EM will not be responsible for any tax liability imposed on the Applicant as a result of any payment of the Incentive. GST Registrants: Incentives include GST.

5.0 Liability

- 5.1 EM will have no right, title or interest in the Products/building/facility by virtue of the Applicant's participation in the Program or the payment of any Incentive hereunder.
- 5.2 EM, not being the designer, manufacturer, nor installer of the Products, nor a designer, builder, or developer of buildings, makes no representation or warranty, express or implied, as to the fitness, quality of design practices or capability of the Products or its installation, workmanship, or use, nor warrants that the Products will satisfy the requirements of any law, rule, code, specification, or contract.
- 5.3 The Applicant hereby indemnifies and saves harmless EM, its directors, officers, agents, and employees from all damages, expenses, and costs for injury or death of any person, damage to or destruction of property, and all economic loss suffered by any person caused by installation or use of the Products.
- 5.4 The Applicant assumes all risk and responsibility for selection, installation and use of any Products and any construction associated therewith, as well as any damages, injury, or costs that may result from the installation or use of the Products.
- 5.5 EM does not endorse any particular consultant, manufacturer, product, system, design, contractor, supplier, designer, developer, builder, tool, or installer in promoting this Program.
- 5.6 The Applicant acknowledges and agrees that they are solely responsible for the disposal of all hazardous materials (including, without limitation, asbestos) that may be contained in the Products, and that they shall do so strictly in accordance with all applicable laws, government regulations and requirements, and agrees that EM has no responsibility or liability with respect to any such disposal.

Appendix A - Program Eligibility Criteria

To qualify under the Program, the following Program Eligibility Criteria must be met:

General eligibility

- (a) The Applicant must be the owner or designated representative (e.g., property manager) of the building to receive an upgrade under the Program of qualifying energy-efficient Products;
- (b) The Applicant must be a MH account holder eligible for MH commercial general service electricity rates and MH commercial service natural gas rates. Buildings must be heated primarily by electricity or natural gas supplied by MH in order to be eligible under the Program; buildings heated primarily by any other fuel source will not be eligible. Buildings with an indoor set temperature of less than 10°C (50°F) or partially heated buildings will have their Incentives pro-rated. Unheated buildings will not qualify for Incentives under the Program;
- (c) The Products shall be used by the Applicant in a commercial (including multi-unit residential), industrial, or agricultural capacity only and in accordance with the Applicant's application and this Agreement;
- (d) Incentives under the Program are for renovation projects only; incentives are not available for projects in-progress or already completed prior to approval of an Applicant's application;
- (e) Products which have received financial assistance under any other federal, provincial or MH or EM energy conservation program may not be eligible for this Program, unless otherwise agreed to by EM in writing. Applicant shall make full disclosure of same as part of the Application and shall provide further information and/or documentation to EM upon request for consideration by EM;
- (f) EM must be notified in writing of any changes to the building design that affects the original application otherwise the Products may be determined by EM to be ineligible for the Incentive. Changes to building design and/or Products after application submission and Program approval may affect Incentives and Program Eligibility Criteria as determined by EM;
- (g) Participating buildings must be heated for the entire heating season (September to May) and use the installed GSGP system as the building's primary heating source;
- (h) Products, equipment and their applications and installations, must be new and meet or exceed energy efficient regulatory requirements in Manitoba;
- (i) All Incentives are limited to not more than the product and installation cost paid for by the Applicant, including taxes; and
- (j) Direct Expansion (DX), standing-column well, air source and internal source heat pump systems are not eligible for participation in the Program.

Design requirements

- Ground loop design report generated by software must be provided.
- If the building falls under Part 3 of the Manitoba Building Code, include an engineer sealed drawing of the mechanical system and loop field design. If the building falls under Part 9 of the Manitoba Building Code, include a drawing of the loop field prepared by a Commercial Ground Loop Designer that has completed a recognized commercial ground loop design course (such as IGSPHA or CGC). As-built ground loop site drawings must be provided upon completion.
- Professional designers, i.e. Architects, Structural, Mechanical and Electrical Engineers skilled in the type of work involved with the project are required on most building construction and heating system retrofit projects. Exemption from this professional designer requirement can only be granted by the local authority having jurisdiction.
- If the authority having jurisdiction has exempted your project of the professional designer requirement, a copy of documentation from the authority to prove this must be submitted along with your Application submission.
- Part 9 buildings with water to air heat pumps must have the ducting system designed (at minimum) by a designer who has completed a recognized commercial air distribution design course (such as HRAI Small Commercial Air System Design course).
- Part 9 buildings with water to water heat pumps must have the hydronic system designed (at minimum) by a designer who has completed a recognized hydronic system design course (such as HRAI Radiant Hydronic Design course).
- Accessible thermo-wells complete with inserted thermometers with minimum -15°C to 40°C range and 1°C accuracy must be installed on the main return and supply loop(s) to allow for long term temperature monitoring of the ground loop and visual flow type meter(s) must be installed on the ground loop system so they can be used to establish the heat transfer fluid flow rate through the ground loop. Or alternatively, installations can be outfitted with a heat pump manufacturer's optional performance monitoring package that provides the owner with direct access to both live and historical trends of (as a minimum), loop flow rates, water and air flow temperatures.

Installer requirements

- GSHP installations must be done by a contractor/installer in good standing and recognized by the Manitoba Geothermal Energy Alliance (MGEA). The installer must obtain the necessary MGEA permits.
- Installing contractor must employ a licensed refrigeration mechanic (licensed by the Province of Manitoba).

Building code compliance

- All building alteration projects that are required by the authority having jurisdiction to comply with the current Manitoba Building Code shall be designed and constructed to do so.

Equipment eligibility criteria

- Installed forced air (water-to-air) heat pump units must be certified by CSA or ARI/ISO 13256-Installed Fluid-to-Fluid heat pumps must be manufacturer rated in accordance with ARI/ISO 13256-2.
- All systems must be designed and installed in accordance with the current edition of ANSI/CSA C448 Design and installation of ground source heat pump (GSHP) systems for commercial and residential buildings.
- A GSHP system sized to provide up to 100 per cent of the base building transmission and infiltration heating loads.
- Minimum entering design water temperature of $-1^{\circ}\text{C}/30^{\circ}\text{F}$ (heating)
- Maximum internal loads (electrical) of 20 watts per square meter for ground loop design length requirement (heating)
- Maximum ground loop circulating pump power of 22 watts/kW of heat pump heating output
- All pumps within the system must be automatically controlled to only operate when there is a demand for heating and/or cooling
- Circulating fan motors to be DC type motors
- A GSHP heating system's capacity in MBH (1 MBH = 1000 Btu/h), serving the unoccupied base building transmission and infiltration heating loads only will be eligible for incentive.
- Units capacity based on CAN/CSA - C13256-1-01 Standard rating test — Liquid entering heat exchanger:
 - Unit heating capacity @ 32°F EWT for closed loop ground heat exchangers OR 50°F for open loop ground heat exchangers.
- Incentives are available for retrofit project only.

Step 1 Read the Agreement and the Terms and Conditions.**Step 2 Apply for System Installation Incentive**

Note: This step must be completed PRIOR to commencing with purchasing or installing any portion of the GSHP system.

- i) On the Ground Source Heat Pump for Business Program Application (FORM A), print the Applicant Information, Project Site Information, MGEA Installer and Professional Designer.
- ii) Complete Conditional System Installation Incentive Calculation Summary (FORM B).
- iii) Attach a copy of the building heat loss calculation which includes a summary breakdown of the unoccupied base transmission and infiltration loads.
- iv) Attach the applicable drawing required of the mechanical system and loop field design as outlined in the design requirements in the terms and conditions.
- v) If applicable, attach written documentation (proof) from the local Code Authority having Jurisdiction that indicates the reason why the building project has been exempted from the Professional Designer Requirement of the Manitoba Building Code. (This exemption will not apply to most projects.)
- vi) Sign the APPLICANT ACKNOWLEDGMENT section.
- vii) Email the completed forms (FORMS A & B) to: hvac@efficiencyMB.ca
- viii) Efficiency Manitoba will review the Application, and if in agreement, will approve the System Installation Incentive. Efficiency Manitoba will advise the Applicant of the project incentive approval and give written permission to commence the installation of the GSHP system.

Step 3 Project completion and documentation

After written approval is received (Step 2), system installation can commence. Once installation of the GSHP system is complete, the Applicant and/or Installer/Engineer must perform an inspection and complete the Completion Declaration certifying that all the equipment for which a System Installation Incentive has been applied for have been installed and are fully operational.

The following documents must be completed and sent to Efficiency Manitoba at the completion of the project:

- **Applicant completed forms:**
 - Completion Declaration (FORM C)
- Installer and/or Designer completed forms:
 - Installed Equipment Summary (FORM D)
 - Project System Design Summary (FORM E)
- Start-up verification and manufacturer test data sheets (performance specs) in accordance with ARI/ISO 13256-1 (forced air)/13256-2 (water-to-water)
- Copies of:
 - Paid project invoices
 - Certificate of Approval (electrical inspection)
 - Occupancy Certificate (not required for existing retrofits where one is not issued)
 - Licence to Use Water for Heating/Cooling Purposes from Manitoba Water Stewardship (Open loop well-to-well systems only)
 - Dimensioned or scaled "as-built" site plan drawings of the ground loop heat exchanger, ground water wells, all headers and piping

All documentation requested above must be completed IN FULL, and forwarded to Efficiency Manitoba prior to final approval.

Step 4 Post installation site visit and final Incentive approval

Efficiency Manitoba may visit the site to confirm make, model and size of the equipment installed. The final System Installation Incentive may be adjusted accordingly.

If you have any questions:

email: hvac@efficiencyMB.ca or

call: 204-944-8181 or toll free 1-844-944-8181

Applicant Information

Business name (the "Applicant")		Contact name	
Mailing address	City/Town	Province	Postal Code
Phone no.	Email		

Project Site Information

Building use description		GST registration no.	
Installation address (if different than Applicant mailing address – not a PO Box)		City/Town	Province
Expected start date:	yyyy mm dd	Expected completion date:	yyyy mm dd
Manitoba Hydro account no.			

Manitoba Geothermal Energy Alliance (MGEA) recognized installer

Company (the "Contractor/Installer")		MGEA Installer member no.
Contact name	Phone no.	Email

Professional mechanical engineer designer of record (as required by the Building Code Authority)

Company (the "Design Consultant")		
Contact name	Phone no.	Email
If a professional designer is not required, provide information for the responsible GSHP system designer and attach written documentation from the Code Authority having Jurisdiction indicating the reason for the exemption.	Some reasons for professional designer exemption: <i>(check all that apply)</i> Farm Building Code applies Not an assembly occupancy Other: <i>(specify)</i> _____ Building does not exceed 600 sq.m. in building area (footprint) Not an assembly occupancy	

Applicant Acknowledgement (Required)

the Agreement and the Program Eligibility Criteria set out in Appendix A to this Application and I agree to the terms and conditions set out therein. I confirm to Efficiency Manitoba that I have fully and accurately completed this Application and warrant that I fully qualify and have complied with such terms and conditions. I understand that this Application is conditional on approval by EM in its discretion. I also understand this incentive amount is an ESTIMATE only and that this Application must be APPROVED by Efficiency Manitoba BEFORE ordering/purchasing materials or starting work on the project.

Signed by (Applicant)	yyyy mm dd
Print name	
Print title	

Information Sharing (Optional)

I, the Applicant, agree that Application details may be discussed by Efficiency Manitoba with the Contractor/Installer party and the Vendor/Other party listed on this Application for the purposes set out below and identified in the Agreement forming part of the Application.

Signed by (Applicant)	yyyy mm dd
-----------------------	------------

Voluntary Self-Declaration (Optional)

I, the Applicant, voluntarily choose to disclose that my business is an Indigenous Business. Refers to a business: a) which is at least 51 percent owned and controlled by Indigenous Person(s) or Band and, b) where, if the business has six or more full-time staff, at least one-third of the staff are Indigenous Persons.

I am self-declaring that my business is a First Nations Business Metis Business Inuit Business

Personal information is being collected on this form under the authority Program Activity and The Efficiency Manitoba Act. The purpose is to provide Incentives to commercial, industrial, and agricultural Applicants for installing energy-efficient products and to acquire specific related information to calculate energy and demand savings resulting from the Program. Other uses and disclosures may be to participating contractors, electronic system for program tracking, Public Utilities Board for statistical reporting, external auditors as part of a sample audit, government entities for reporting purposes and Efficiency Manitoba officials on a "need to know" basis. The personal information is protected by the Protection of Privacy provisions of The Freedom of Information and Protection of Privacy Act. If you have any questions about the collection, contact Efficiency Manitoba, PO Box 247 STN MAIN, Winnipeg, MB, R3C 2G9 or telephone 1-204-944-8181.

TOTAL ESTIMATED INCENTIVE (\$) ↓

from Box E on Form B

(subject to final inspection and submission of invoices)

--

EFFICIENCY MANITOBA USE ONLY		Payment Authorized by		yyyy mm dd
Project Approval Amount \$	Initialed by (Program Specialist)	Final Payment Amount \$	Initialed by (Program Specialist)	
Tech Review 1 by (Engineering Staff)	Verification	yyyy mm dd	Tech Review 2 by (Engineering Staff)	Verification
		yyyy mm dd		yyyy mm dd

Application no. _____

Instructions: Complete this form with your Project Engineer/Installation Contractor. This form will calculate conditional incentive payable for the GSHP system specified by the designer. Round figures to the nearest whole number/dollar. Final approved incentive will be determined by Efficiency Manitoba following review of installed equipment documentation and post installation site visit verification.

Building characteristics

What type of building will the GSHP be providing heat to? Commercial (includes apartments) Residential Agricultural	
What has been the primary heating fuel for the building for the previous 2 years? Electricity Natural gas Fuel oil Propane Wood Other (specify): _____	
Total building property area <i>(building site)</i>	ft. × ft. = ft. ²
Building footprint	ft. × ft. = ft. ²
Number of storeys	Average storey ceiling height
Year of construction	
Floor area heated by GSHP system (show calculations: e.g. 2,000 ft. ² main + 1,000 ft. ² 2nd + 500 ft. ² bsmt = 3,500 ft. ²)	

Proposed ground heat exchanger

Proposed ground heat exchanger configuration Vertical closed loop Horizontal closed loop Open loop (well-to-well) Closed lake loop
--

Use this total in **1. Floor Area Based Method** calculation below.

Conditional system installation incentive calculations

The maximum incentive payable shall be the lesser of the following three methods:

1. Floor area based method

Floor area heated by the GSHP system <i>(ft.²)</i>	Incentive factor <i>(\$ / ft.²)</i>	Incentive <i>(\$)</i>
ft. ²	× \$2.50	= \$

B

2. Equipment heating capacity based method

Attach equipment specification sheets as proof of all unit heating capacity ratings.

Proposed GSHP heating capacity <i>(MBH)</i>	Incentive factor <i>(\$ / MBH)</i>	Incentive <i>(\$)</i>
MBH	× \$120.00	= \$

C

3. Building heat loss based method

Attach a finalized copy of the building heat loss calculation which includes a summary breakdown of the unoccupied base transmission and infiltration loads.

Eligible building transmission & infiltration heating load <i>(MBH)</i>	Incentive factor <i>(\$ / MBH)</i>	Incentive <i>(\$)</i>
MBH	× \$120.00	= \$

D

CONDITIONAL SYSTEM INSTALLATION INCENTIVE (\$ THE LESSER OF B, C OR D)
\$

E