

## Agreement

Efficiency Manitoba (“EM”) offers the Ground Source Heat Pump Program - Residential (the “Program”) to an eligible homeowner (the “Owner”) of a residential building (the “Building”) who installs energy-efficient products and materials (the “Products”) that qualify under the Program on the terms and conditions set out below and as set out in Program Eligibility Criteria, which forms part of this agreement.

**The Ground Source Heat Pump Program Application (the “Application”) is conditional on APPROVAL by Efficiency Manitoba under the Program and forms a binding agreement on the Owner. All information provided by the Owner 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 Offer amounts are estimates and will be finalized based on the Owner meeting all terms and conditions of the Program and a review of all application materials including completion paperwork, invoicing, and any final inspections. The Offer will be calculated in accordance with the Program’s Offer calculations set out in the Program Guide, which may be amended by EM in its discretion. See [efficiencyMB.ca/gshp-home](http://efficiencyMB.ca/gshp-home) for the current Offer.**

### 1.0 Warranties and agreements

- 1.1 The Owner warrants that all Products fully qualify and comply with Program Eligibility Criteria.
- 1.2 The Owner warrants that all information contained in the Application is true and correct. The Owner undertakes to advise EM immediately should there be any change to information contained in the Application form during the Owner’s participation in the Program. Changes to information contained in the Application may affect eligibility under the Program and Offer amounts.
- 1.3 The Owner warrants and agrees that: i) they have read Program Eligibility Criteria for this Program and the Owner 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 Owner) 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 Owner 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.
- 1.5 Without restricting any other rights or remedies available in contract, law, equity or otherwise that EM may have, EM may disqualify a Owner and terminate this Agreement immediately, at any time by written notice to the Owner, if: (a) the Owner fails to perform or comply with, or breaches, any criterion or requirement of this Agreement, or if any other requirement of EM is not complied with to EM’s satisfaction; (b) any of the Owner’s account(s) with Manitoba Hydro is terminated or the Owner otherwise discontinues as Manitoba Hydro energy Owner, (c) the Owner or the Contractor becomes or has initiated action to become bankrupt or insolvent before funding is paid by EM; or (d) the Owner or the Contractor is negligent. In any such event, all funding shall be cancelled immediately. If any funding is already paid to the Contractor, the Owner must immediately pay to Manitoba Hydro all outstanding repayments (including any and all loan arrears).
- 1.6 All decisions of EM relating to eligibility of the work and/or Products, or the acceptability of any completed work to EM solely in respect of payment of funding to the Contractor, and the payment of any funding, shall be final and binding. In the absence of obvious error, records kept by EM and Manitoba Hydro in regard to this Agreement, including records of repayments, will be conclusive evidence of the matters recorded, provided that the failure of EM and Manitoba Hydro to record or correctly record any amount or date will not affect the obligation of the Owner to pay Repayments to Manitoba Hydro in accordance with this Agreement.
- 1.7 The Owner understands and agrees that: (a) EM make no representation, warranty, condition, undertaking, or term, expressed or implied, written or oral, as to any Products or to any work of the Contractor; and (b) EM has no liability of any kind concerning: (i) the quality or workmanship of any Products or of any work of the Contractor, (ii) energy savings resulting from any Products or any work of the Contractor, or their operation, performance, or fitness, for the Owner’s requirements or purposes; and (iii) the condition or safety of the building before and after the work, or otherwise in connection with any Products or any work.
- 1.8 The standard maximum eligible payment per project is \$38,000, including taxes. The Owner will be responsible for providing an initial payment to the Contractor for any Products that exceed \$38,000 or any costs that are not directly related to the ground source heat pump installation. This transaction is exclusively between the Owner and the Contractor.

1.9 Upon receipt of an invoice and any required forms and documents from the Contractor and Owner and to EM satisfaction, EM will pay the Contractor funding set by EM for Products installed at the Building. No funding will be payable to the Owner.

EM will pay correct invoices within 30 days of receiving an invoice and any required forms and documents from the Contractor and Owner. Any incorrect invoices will be sent back to the Contractor for correction and the net-30 payment timeline will re-start based on the date the correct invoice is received.

1.10 After the Products are installed and operational and the Application has been completed, the Owner will pay to Manitoba Hydro equal consecutive payments of \$75.00 per month for 180 months (equal to 15 years) at 0% interest to the Owner, to a total of \$13,500.

Amount(s) payable by the Owner to Manitoba Hydro are referred to "Repayment(s)" and Manitoba Hydro is collecting such Repayments for EM pursuant to Subsection 10(2) of the Efficiency Manitoba Act. Statements for Repayment(s) due may be included with the monthly bill for energy supplied by Manitoba Hydro to the Owner, or otherwise delivered to the Owner, but any failure to include or deliver any such statement will not release the Owner from the obligation to pay any Repayment(s) as they fall due.

If the Owner (a) sells or otherwise disposes of the Building, (b) discontinues as Manitoba Hydro energy Owner, or (c) makes default in payment of any installment when due, all remaining unpaid installments will immediately become due and payable on demand. Overdue payments shall bear interest at the true annual rate of 16.08% per annum or 1.25% month until paid.

1.11 EM will cover the cost of one (1) follow-up inspection and maintenance service for the Products installed through the Program, to occur one (1) year after the installation has been completed. It is the Owner's responsibility to coordinate the follow-up inspection and maintenance service with the Contractor.

1.12 All Owners of the Building must sign this Agreement. Each owner hereby certifies that they are the rightful owner of the Building in which the Products and work are to be provided. EM will verify the ownership of the Building and check for any outstanding financial obligations against the property through a land title search.

1.13 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. Offer amounts are subject to change without notice and are not confirmed until the time of issuance.

1.14 EM reserves the right to limit the number of Program participants in its discretion, including where a Owner or Product would otherwise qualify under the Program.

1.15 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 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 Owner user account and approved by EM shall be deemed an original execution version of this Agreement. Owner is responsible for all activity through the EM user account.

1.16 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 King's Bench of Manitoba, Winnipeg Centre.

## **2.0 Installation requirements**

The Owner 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 Owner 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 Owner 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 Rebates under this Program relates to the Owner'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 Owner 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 Owner 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 Owner 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 After Product installation, the Contractor must complete and sign their Completion Declaration. If the Owner is fully satisfied with all aspects of the Product installation, the Owner must then complete and sign their Completion Declaration. If the Owner is not satisfied with any part of Product installation, the Owner must not complete or sign their Completion Declaration until the Contractor has made good the Product installation to the Owner's satisfaction.

### **4.0 Liability**

- 4.1 EM will have no right, title or interest in the Products/building/facility by virtue of the Owner's participation in the Program or the payment of any Offer hereunder.
- 4.2 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.
- 4.3 The Owner 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.
- 4.4 The Owner will be responsible for all matters relating to the Products, such as their operation, maintenance, repair, warranty, and disposal, as these will not be EM's responsibilities.
- 4.5 The Owner will be solely responsible for securing and insuring the Building and all personal items within the Building.
- 4.6 The Owner 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.
- 4.7 EM does not endorse any particular consultant, manufacturer, product, system, design, contractor, supplier, designer, developer, builder, tool, or installer in promoting this Program.
- 4.8 The Owner 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.
- 4.9 The Owner agrees that: (a) EM is not party to any contract(s) between the Owner and Contractor; (b) EM will not act as a mediator or otherwise if disputes arise between the Owner and the Contractor or any third party; and (c) the only dealing that EM has with the Contractor is payment of funding under this Program upon receiving the completed Completion Declarations; and (d) EM will not have any liability to the Owner, the Contractor, or any third party, with respect to any Products or any work by the Contractor or otherwise.
- 4.10 EM is not responsible for any late, lost, incomplete, illegible, misdirected, stolen, delayed, damaged, destroyed applications or other failures or circumstance affecting, or disrupting the submission of any applications.

## Appendix A - Program Eligibility Criteria

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

### General eligibility

- (a) The Owner must be the owner of the building;
- (b) The Owner must be Manitoba Hydro Owner eligible for Manitoba Hydro electricity rates. Homes primarily heated by electricity, natural gas, propane are eligible. Unheated buildings will not qualify under the Program;
- (c) The Owner must have been deemed eligible in writing by EM prior to participating in this Program according to the Program requirements. All obligations of the Owner regarding the Application and Products must be completed to EM's satisfaction.
- (d) Projects in-progress or already completed prior to approval of an Application are not eligible for the Program;
- (e) Products which have received financial assistance under any other federal, provincial or Manitoba Hydro or EM energy conservation program may not be eligible for this Program, unless otherwise agreed to by EM in writing. Owner 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) Only one Application per Residence will be accepted;
- (g) EM must be notified in writing of any changes to the building design or ownership that affects the original application otherwise the Products may be determined by EM to be ineligible for the Offer. Changes to building design and/or Products after application submission and Program approval may affect Rebates and Program Eligibility Criteria as determined by EM;
- (h) 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;
- (i) The Owner must occupy the building as a principal residence on a year-round basis. If the building is a rental property, then the Owner must rent the building to a tenant(s) on a year-round basis. Vacant properties are not eligible;
- (j) Products, equipment and their applications and installations, must be new and meet or exceed energy efficient regulatory requirements in Manitoba;
- (k) All payments are limited to the product and installation cost as provided on the invoice, including taxes;
- (l) Direct expansion (DX), standing-column well, air source and internal source heat pump systems are not eligible for participation in the Program; and
- (m) The Owner is solely responsible for selecting, contracting, managing, evaluating, and releasing, the Contractor for any and all work, and for the selection, installation, ownership, warranty, and maintenance, of Products.

### 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  $-15^{\circ}\text{C}$  to  $40^{\circ}\text{C}$  range and  $1^{\circ}\text{C}$  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**

- Ground source heat pump installations must be done by an 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).
- Contractor must provide one (1) year.

## **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.
- The Owner and the Contractor must at all times comply with all applicable laws, regulations, by-laws, and codes. Without limitation, the Owner and the Contractor must obtain all required building, electrical and/or natural gas permits and must ensure compliance with the Manitoba Building Code and applicable bylaws, and any other requirements of inspection authorities.

## **Equipment eligibility criteria**

- Installed water source heat pump units must be certified by CSA or ARI/ISO 13256 Water - Source Heat pumps - Testing and Rating for Performance Part 1 or Part 2 as applicable for type of unit.
- 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 systems for commercial and residential buildings.
- A ground source heat pump 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 ground source heat pump 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 Offer.
- Units capacity based on CAN/CSA - C13256-1-01 Standard rating test — Liquid entering heat exchanger:
  - Unit heating capacity @  $32^{\circ}\text{F}$  EWT for closed loop ground heat exchangers OR  $50^{\circ}\text{F}$  for open loop ground heat exchangers.