

Commercial Efficient Small Boiler Retrofit Program Terms and Conditions



1. OVERVIEW

The Commercial Efficient Small Boiler Retrofit Program (the "Program") offered by Pacific Northern Gas Ltd. and Pacific Northern Gas (N.E.) Ltd. (collectively "PNG") is designed to stimulate investment in high-efficiency natural gas fired hot water boiler plants that reduce natural gas consumption, greenhouse gas ("GHG") emissions and associated operating costs in commercial, institutional and industrial buildings and/or facilities.

The Program is applicable to onsite boiler installations in the boiler replacement market. A rebate is provided to qualifying participants (each a "Participant") to offset a portion of the higher cost of purchasing and installing high, versus standard, efficiency boilers. If you are installing, replacing or upgrading a boiler plant in your building or facility, you may qualify for a cash rebate of up to \$2,700 by installing an eligible high-efficiency natural gas fired hot water boiler having a capacity of less than 300 thousand British Thermal Units per hour ("300 mbh") (an "Eligible Small Boiler").

THE PROGRAM BEGINS APRIL 15TH, 2017 AND ENDS ON THE EARLIER OF NOVEMBER 30TH, 2017 OR THE DATE ON WHICH FUNDING AVAILABLE FOR THE PROGRAM HAS BEEN FULLY ALLOCATED.

2. DEFINITIONS

- 2.1. **Program** means the Commercial Efficient Small Boiler Retrofit Program offered by PNG.
- 2.2. **Participant** means a PNG customer who has applied to the Program.
- 2.3. **Eligible Participant** means a Participant who meets all the requirements of section 3.1.
- 2.4. **Eligible Small Boiler** means a boiler that meets all the requirements of section 3.3.
- 2.5. **Purchase Date** means the date the Participant paid for the Eligible Small Boiler(s) as indicated on the proof of purchase.
- 2.6. **Installation Date** means the date the Eligible Small Boiler(s) was placed in service as indicated on the Gas Notification of Completion, Installation, or Alteration.
- 2.7. **Pre-Approval Date** means the date PNG approves the Participant's application into the Program.
- 2.8. **Completion Documents Submission Date** means the date PNG receives the Completion Documents from the Participant.
- 2.9. **Final Approval Date** means the date PNG approves the final incentive amount based on the make and model of the Eligible Small Boiler(s) purchased and installed by the Participant as indicated on the proof of purchase.
- 2.10. **Completion Documents** mean (collectively):
 - 2.10.1. The Completion Document Submission Form; and
 - 2.10.2. the "Gas Notification of Completion, Installation or Alteration" (indicating the contractor's license number, gas fitter number, and date the Eligible Small Boiler(s) were put into service); and
- 2.10.3. the proof of purchase of the Eligible Small Boiler(s), which includes the fully paid invoice indicating the make, model number and serial number of the Eligible Small Boiler(s) purchased and installed; and
- 2.11. **Property Owner** means a legal person who holds registered title to the building or facility that is the subject of an application to the Program. PNG, in its sole discretion may request the Property Owner to provide proof of such registered title.
- 2.12. **Long-term Lease Holder** means a legal person who occupies the building or facility that is subject of an application to the Program, under a commercial lease with a term of 120 months or more, with an option to renew for at least a further 60 months, which lease will continue for at least 36 months prior to expiry at the time of the Application. NOTE: Upon request, the Long-term Lease Holder will provide, in a form satisfactory to PNG in its sole discretion, landlord details and confirmation of a long-term lease with respect to the proposed building or facility, including permission granted by the landlord to the Long-term Lease Holder to install, repair and/or upgrade the boiler plant.
- 2.13. **Property Manager** means a legal person who manages the building or facility that is the subject of an application to the Program on behalf of the Property Owner or Long-term Lease Holder. The Property Manager must have legal authority and permission to bind the Property Owner or Long-term Lease Holder to these terms and conditions. PNG, in its sole discretion, may request the Property Manager to provide proof of such legal authority in any form satisfactory to PNG. If the Property Manager is unable to provide proof satisfying PNG of said legal authority, as determined by PNG in its sole and absolute discretion, PNG may refuse to grant entry to the Program. The Property Manager acknowledges that by entering into the Program the Property Manager agrees to be bound to these terms and conditions of the Program as if the Property Manager were the Property Owner or Long-term Lease Holder, including, but not limited to, the right of recovery of the full rebate provided under this Program. The rebate(s) under this Program will only be provided to the Property Owner or Long-term Lease Holder..
- 2.14. **Thermal Energy Service Provider (TESP)** means an owner and/or operator of a thermal energy plant.

3. ELIGIBILITY CRITERIA

3.1. Eligible Participants

- 3.1.1. To be eligible to receive a rebate, Participants:
 - 3.1.1.1. must receive natural gas or piped propane service from PNG under any rate schedule EXCEPT RS1.
 - 3.1.1.2. must be a Property Owner or Long-term Lease Holder. NOTE: Property Managers are not eligible Participants. Subject to PNG's sole discretion, a Property Manager may sign an application to the Program on behalf of a Property Owner or Long-term Lease Holder, but rebates will only be provided to the Eligible Participant.
- 3.1.2. Participants replacing existing non-natural gas boilers (i.e. conversion customers) with Eligible Small Boilers can apply for a rebate through the Program if they conform in all other

respects to the Program's eligibility criteria. The rebates are offered regardless of the previous fuel type.

- 3.1.3. TESP's are NOT eligible or entitled to receive a rebate for an Eligible Small Boiler installation carried out under their direction regardless of whether or not they have the permission of the Property Owner, Builder/Developer or Long-term Lease Holder to install, repair, and/or upgrade the boiler plant of the building(s) or facility of one of the aforementioned.
- 3.1.4. Customers of TESP's are NOT eligible or entitled to receive a rebate for the installation of Eligible Small Boilers within a building or facility even if they are the Property Owner, Builder/Developer or Long-term Lease Holder.
- 3.1.5. PNG customers are NOT eligible to apply for installation of Eligible Small Boilers within a building or facility even if they are the Property Owner, Builder/Developer or Long-term Lease Holder, unless all amounts owing by such customer to PNG are paid in full and there are no past due balances outstanding.

3.2. Eligible buildings/facilities

- 3.2.1. The building or facility where the Eligible Small Boiler(s) are to be installed must:
 - 3.2.1.1. be located within the PNG service territories; and
 - 3.2.1.2. be an existing building with an existing boiler or boilers.
- 3.2.2. New construction buildings are NOT eligible.

3.3. Eligible Small Boilers

- 3.3.1. To qualify for a rebate under the Program, boilers must:
 - 3.3.1.1. be natural gas or propane fired (in PNG's piped propane service territory) hot water boilers. Steam boilers are not eligible; and
 - 3.3.1.2. replace existing boiler(s) in an existing building; and
 - 3.3.1.3. have an input rating less than or equal to 299,000 BTU/hr; and
 - 3.3.1.4. be designated as an ENERGY STAR® certified boiler by Natural Resources Canada AT THE TIME OF PURCHASE as determined by the date on the proof of purchase. Applications for boilers which are certified as ENERGY STAR® after the date of purchase ARE NOT eligible for a rebate; and
 - 3.3.1.5. be used to provide thermal energy to a single premise, Property Owner or Long-term Lease Holder; and
 - 3.3.1.6. be used for space heating, pool heating, or space heating in combination with domestic water heating and/or pool heating for the purpose of providing human comfort and sanitation. **NOTE:** Upon request, in a form satisfactory to PNG in its sole discretion, the Participant may be required to provide information on Eligible Small Boiler(s) usage to help PNG determine if the Participant meets the Eligible Small Boiler(s) usage eligibility; and
 - 3.3.1.7. serve as the primary source of thermal input for the building or facility's space heating and/or pool heating; and

- 3.3.1.8. not be used as secondary, peaking, standby or backup heating equipment. Boilers used as such do not qualify for a rebate under the Program; and
- 3.3.1.9. be installed by a BC Safety Authority licensed contractor in accordance with the manufacturer's specification and must comply with all applicable laws, orders, regulations, ordinances standard, codes and other rules, licenses and permits of all lawful authorities; and
- 3.3.1.10. be new. Used or rebuilt boilers are not Eligible Small Boilers and do not qualify for a rebate.

4. PROGRAM REBATES

- 4.1. The Program does not provide any additional rebate or incentive for labour, vent modifications, piping changes, design calculations or other equipment. Rebates are available for multiple Eligible Small Boilers in a single building or facility and will be calculated per Eligible Small Boiler as follows:
 - 4.1.1. The rebate payable per Eligible Small Boiler is limited to the lesser of:
 - 4.1.1.1. 35 percent of the cost of the Eligible Small Boiler; or
 - 4.1.1.2. \$2,700.
 - 4.2. The maximum rebate payable to an Eligible Participant in any calendar year period is \$5,400.
 - 4.3. Rebates will only be paid to an Eligible Participant.
 - 4.4. A single rebate will be provided per application. Only one (1) Eligible Participant is entitled to receive a rebate per installation of Eligible Small Boilers.
 - 4.5. Rebates will be only be issued when all required documentation is received and deemed acceptable by PNG in its sole discretion.
 - 4.6. Rebates will be issued to successful Participants by a cheque.

5. APPLICATION PROCESS

- 5.1. **THE PARTICIPANT MUST RECEIVE APPROVAL FROM PNG FOR ADMISSION INTO THE PROGRAM PRIOR TO THEIR PURCHASE AND INSTALLATION OF THE ELIGIBLE SMALL BOILER(S).**
- 5.2. **APPLICATIONS MUST BE RECEIVED PRIOR TO NOVEMBER 30, 2017.**
- 5.3. To be eligible for any rebates under the Program, the Participant or Participant's authorized agent must follow the following steps:
 - 5.3.1. Return a copy of the completed application form prior to the purchase or installation of the Eligible Small Boiler(s). **NOTE:** The Participant (or the Participant's Property Manager) must sign the application form.
 - 5.3.2. Once the Participant has received a letter from PNG stating that PNG has approved the application, the Participant may purchase and install the Eligible Small Boiler(s).
 - 5.3.3. The Participant must purchase and install the Eligible Small Boiler(s), and submit the Completion Documents to PNG within 9 months after the Pre-Approval Date.

Commercial Efficient Small Boiler Retrofit Program Terms and Conditions



- 5.3.4. PNG reviews documents for completeness.
- 5.3.4.1. If all documents are in order and the Participant has met all the requirements of the Program and there are no material changes from the original application, PNG will issue a rebate to the Eligible Participant.
- 5.3.4.2. If all documents are in order and the Participant 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, PNG will recalculate and issue a rebate based on the revised capacity and/or boiler purchase price.
- 5.4. PNG is not responsible for lost, delayed, damaged, illegible or incomplete applications.
- 5.5. PNG reserves the right to refuse applications which it determines, in its sole discretion, are incomplete, inaccurate or otherwise do not meet Program requirements.

6. REPRESENTATION AND WARRANTIES

- 6.1. The Participant represents, warrants, acknowledges and agrees that:
- 6.1.1. The Participant or the Participant's authorized representative has read all the eligibility requirements as set forth in these terms and conditions (the "Eligibility Requirements") and the Participant fully meets all such requirements to participate in the Program set out;
- 6.1.2. All products, equipment and materials installed by the Participant pursuant to this Program will fully qualify and comply with the Eligibility Requirements; and
- 6.1.3. All information submitted by the Participant to PNG pursuant to application to the Program and otherwise communicated to PNG with respect to the Program are true and correct.

7. REPAYMENT OF FUNDING

- 7.1. The Participant acknowledges and agrees that PNG may, at its sole discretion, require the Participant to repay all or part of the rebate(s) provided by PNG under the Program within 90 days of receipt by the Participant of a notice from PNG in the event of any of the following:
- 7.1.1. PNG determines, in its sole discretion, that any information provided by the Participant is incorrect or untrue, including but not limited to failure to install the Eligible Small Boiler(s) and any misrepresentation as to the specifications, energy efficiency or installation particulars of the Eligible Small Boiler(s);
- 7.1.2. PNG determines, in its sole discretion that the Participant has failed to comply with the Commercial Efficient Small Boiler Retrofit Program Terms and Conditions (these "Terms and Conditions").
- 7.2. The decision by PNG to provide any rebates under this Program to the Participant is based on the information provided by the Participant to PNG. In the event there is any change to such information, the Participant will notify PNG immediately, and PNG may, in its sole discretion, recalculate the amount of rebate that the

Participant is eligible for, void the application and terminate any obligation to pay any rebate to the Participant, or demand repayment of any funds already disbursed to the Participant.

8. ADDITIONAL TERMS AND CONDITIONS

- 8.1. PNG may amend, modify or terminate this Program and these Terms and Conditions at any time based on funding limitations or for any other reason, without notice. PNG will honour any rebates earned to the date of termination.
- 8.2. The Participant acknowledges that PNG is a "public utility" as defined in the Utilities Commission Act, R.S.B.C 1996, c. 473, and further acknowledges and agrees that payment of rebates is subject to the approval of the British Columbia Utilities Commission ("BCUC") on terms satisfactory to PNG, acting in its sole discretion. In the event that the BCUC withdraws approval or changes the terms and conditions of such approval either with respect to this Program or energy efficiency funding generally, on terms and conditions not satisfactory to PNG, in its sole discretion, PNG may terminate the Program and the Participant acknowledges and agrees that PNG shall be under no obligation to pay any rebate to the Participant.
- 8.3. Provision of a rebate under this Program does not constitute PNG assuming any ownership interest, either in whole or in part, of Eligible Small Boiler(s) that is the subject of the rebate.
- 8.4. PNG, NOT BEING THE DESIGNER OR MANUFACTURER OF THE ELIGIBLE SMALL BOILER(S), MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED AS TO THE FITNESS, DESIGN OR CAPABILITY OF THE MATERIAL, EQUIPMENT OR WORKMANSHIP OF THE ELIGIBLE SMALL BOILER(S), NOR ANY WARRANTY THAT THE ELIGIBLE SMALL BOILER(S) WILL SATISFY THE REQUIREMENTS OF THE PARTICIPANT OR ANY LAW, SPECIFICATION, OR CONTRACT.
- 8.5. THE PARTICIPANT DOES HEREBY INDEMNIFY AND SAVE HARMLESS PNG AND ITS DIRECTORS, OFFICERS, AGENTS AND EMPLOYEES FROM ALL LIABILITY, DAMAGES, CLAIMS, DEMANDS, EXPENSES AND COSTS FOR CLAIMS, COSTS FOR INJURY OR DEATH OF ANY PERSON, DAMAGE TO OR DESTRUCTION OF PROPERTY, AND ALL ECONOMIC LOSS SUFFERED BY ANY PERSON ARISING FROM OR OCCURRING BY REASON OF THE PROGRAM, RECEIPT OF REBATE(S) OR ACTUAL OR ALLEGED PREPARATION OR INSTALLATION OR USE OF THE ELIGIBLE SMALL BOILER(S), INCLUDING ANY ACTIONS OR OMISSIONS BY THIRD PARTY CONSULTANTS OR CONTRACTORS IN THE PREPARATION OR INSTALLATION OF THE ELIGIBLE SMALL BOILER(S).
- 8.6. PNG does not endorse any particular consultant, manufacturer, product, system, design, contractor, supplier or installer in promoting this Program.
- 8.7. The Participant acknowledges and agrees that the Participant is responsible for the disposal of all hazardous materials that may result from the installation of the Eligible Small Boiler(s), and such disposal will be conducted in accordance with all applicable government regulations and the Participant agrees that PNG has no responsibility with respect to same.

Commercial Efficient Small Boiler Retrofit Program Terms and Conditions



- 8.8. The Participant is solely responsible for any tax liability imposed as a result of payment of the rebate.
- 8.9. The Participant is responsible for complying with all applicable laws, regulations and bylaws regarding permits, codes, restrictions and inspections in relation to any product or equipment installed for this Program.
- 8.10. The Program is independent of other incentives and rebates by PNG and/or other utilities, manufacturers, or government incentive programs or grants.
- 8.11. Rebates cannot be assigned or transferred. Rebates will be payable to the Participant only.
- 8.12. PNG reserves the right to limit the number of rebates it provides under the Program; rebates will be paid on a first come first serve basis.
- 8.13. The Participant does hereby agree to allow PNG to publish the Participant's business name, a general description of the project and resulting energy performance and payback period for the purpose of promoting the Program. The Participant further agrees not to use the PNG name or any of its trademarks or logos without the express written consent of same, such approval not to be unreasonably withheld.
- 8.14. The Participant agrees to acknowledge the assistance provided by PNG in all publications, publicity material and other forms of release or communication pertaining to the installation of the Eligible Small Boiler(s). All such communications mentioning PNG must first be submitted to and approved in writing by PNG before publication.
- 8.15. PNG's decisions relating to the Program, including without limitation product acceptability, customer eligibility and amount of any rebates, shall be final and binding and not subject to appeal.
- 8.16. For the purposes of this Program and these Terms and Conditions, "Participant Information" means all information disclosed by the Participant in any Program application materials, as well as any data respecting billing, energy use and consumption, and, if applicable, relevant data and/or sub-metered gas data, at the building or facility which is the subject of application to the Program. By applying for this Program, the Participant acknowledges that and hereby consents to allow PNG to:
- 8.16.1. Collect and use the Participant Information for the purposes of processing, administering, and evaluating the Program and developing other PNG energy-efficiency programs;
- 8.16.2. Contact the Participant in the future to review the effectiveness of the Program, which may include surveys;
- 8.16.3. Retrieve the Participant's billing, energy use and consumption information from the PNG customer account database for a period beginning one year prior to the Participant's application to the Program, and ending one year after the Final Approval Date, for the purposes of analyzing consumption behavior and energy savings attributable to the Program;
- 8.16.4. Disclose the Participant Information, Program application, all supporting documentation, and any other information pertaining to the Program application in the possession of PNG to an agent or service provider who will review and approve or decline the Program application on behalf of PNG; and
- 8.16.5. Disclose Participant Information amongst PNG and evaluation service contractors for the purposes of administering and evaluating this Program as described herein and developing other PNG energy-efficiency programs.
- 8.17. Subject to sections 8.13 and 8.16 PNG will keep confidential any confidential business, technical, financial or personal information or records made available to PNG by the Participant in connection with matters arising under the Program, and will not disclose such information except as may be required by the law.
- 8.18. Any installations found eligible to receive a rebate may be inspected by PNG or one of its authorized agents prior to the rebate being issued. The Participant shall provide PNG and its authorized employees, contractors and agents with full access to the building, facility or premises in which the Eligible Small Boiler(s) have been installed, and all relevant equipment within, for the purposes of performing an on-site inspection of the installed Eligible Small Boiler(s). The Eligible Small Boiler(s) must be complete, operational and accessible at the time of the inspection. PNG agrees to provide 48 hours prior notice to the Participant in order to make arrangements for access to the building, facility or premises for such inspection purposes. The Participant will take all reasonable measures and actions to ensure that such building, facility or premise is safe for PNG and its authorized employees, contractors and agents to enter for inspection purposes.
- 8.19. IN NO EVENT WILL PNG BE LIABLE WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, WARRANTY OR OTHERWISE FOR SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES CONNECTED WITH OR RESULTING FROM PARTICIPATION IN THE PROGRAM.
- 8.20. THE PARTICIPANT AGREES TO WAIVE ANY RIGHT THE PARTICIPANT MAY HAVE TO COMMENCE OR PARTICIPATE IN ANY CLASS ACTION AGAINST PNG RELATED TO ANY CLAIM WHERE SUCH WAIVER IS PERMITTED. WHERE APPLICABLE, THE PARTICIPANT ALSO AGREES TO OPT OUT OF ANY CLASS PROCEEDINGS AGAINST PNG.
- 8.21. If any provision of these Terms and Conditions is held by a court of competent jurisdiction to be invalid or unenforceable, that provision shall be deemed severable and not invalidate or render unenforceable the remainder of these Terms and Conditions. In this event, such provision shall be changed and interpreted so as to best accomplish the objectives of such invalid or unenforceable provision within the limits of applicable law.
- 8.22. The validity, interpretation, construction and performance of these Terms and Conditions shall be governed by the laws in force in the Province of British Columbia (without reference to any conflict of law principles that might result in the application of the laws of another jurisdiction). The competent courts in the Province of British Columbia shall have the exclusive jurisdiction over all disputes relating to these Terms and Conditions. Each of the parties hereto irrevocably attorns and consents to the jurisdiction of the such courts.

Commercial Efficient Small Boiler Retrofit Program Terms and Conditions



9. CONTACT INFORMATION

Any questions? Please contact us at the email and phone number below.

Email: savingenergy@png.ca

Toll-free: 1-800-667-2297

Please send completed applications to:

CommercialRebates@png.ca

Note: If you cannot forward your application documents via email please contact PNG at the phone number above to arrange an alternate method of delivery.