

COMMERCIAL CUSTOM MEASURES PROGRAM FEASIBILITY STUDY AGREEMENT

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PROGRAM OVERVIEW

The Commercial Custom Measures Program allows commercial customers to reduce operating costs and improve system performance through electric and natural gas improvements throughout their facilities.

The program works with energy efficient projects that are not included in any of the existing Power Smart programs. Typical projects include measures that will:

- Use more efficient equipment or systems
- Recover and reuse energy that is currently lost
- Reduce the rate of energy consumption by systems or equipment in low occupancy periods
- Eliminate unnecessary energy usage by shutting off idling or unneeded equipment
- Capture and use solar energy for heating air or water

PROGRAM ELIGIBILITY CRITERIA

- Only applications that offer potential to save electricity supplied by Manitoba Hydro and/or save natural gas delivered through Manitoba Hydro distribution piping are eligible for the program.
- Measures which are eligible for product/prescriptive incentives under any other Power Smart Program will not be eligible.
- Program applicants must be a Manitoba Hydro Customer eligible for the General Service electricity or natural gas rates excluding residential dwellings.
- This incentive is conditional upon the customer remaining a Customer of Manitoba Hydro for a minimum period of 36 months from the date of payment. In the event that the Customer ceases to be a Manitoba Hydro Customer prior to the expiry of the said 36 month period, the Customer shall forthwith repay to Manitoba Hydro a pro rata payment equivalent to 1/36th of the total incentive, multiplied by the number of months or partial months remaining in the 36 month period. The Customer agrees that such repayment amount be added to the Customer's energy account with Manitoba Hydro and be collected as such.
- The Program only applies to new construction, renovation and retrofit projects for commercial, institutional and agricultural customers billed at the general service rates.
- Projects that achieve electricity or natural gas energy savings by switching to other energy sources are not eligible.
- Projects commencing installation work prior to receiving written conditional approval of this Application are not eligible under this program.
- Products and equipment must be new, CSA approved or certified by a recognized accredited independent organization.
- Products, equipment and their applications and installations, must meet or exceed energy efficient regulatory requirements in Manitoba, as Manitoba Hydro, in its sole discretion, may determine.
- Manitoba Hydro decisions relating to product or customer eligibility, energy savings potential of the proposed project, amount of incentives, or other related issues will be final and binding on all parties.
- **IN ORDER TO QUALIFY FOR THE CUSTOM MEASURES INCENTIVE, THIS ENTIRE APPLICATION MUST BE APPROVED IN WRITING BY AN AUTHORIZED MANITOBA HYDRO CUSTOM MEASURES PROGRAM REPRESENTATIVE BEFORE INSTALLATION WORK CAN BEGIN ON THE PROJECT(S).**

PROJECT ELIGIBILITY

- Minimum project electrical energy savings of 15,000 kWh or 7,500 m³ per year of natural gas savings as estimated by a Registered Professional Engineer or Architect as reviewed, adjusted and approved by a Manitoba Hydro Program Engineer.
- The maximum eligible incentive is \$250,000 for all electrical measures, and \$100,000 for all natural gas measures included in the project.
- Utilize proven technology with an expected equipment operating life of 10 years or greater. Research and Development projects are not eligible.
- Energy savings may be verified by a Manitoba Hydro representative or its Agent. This may require metering for retrofit projects before and after implementation.
- Savings shall be calculated in comparison to an Engineer or Architect defined and Manitoba Hydro approved "Base Case System". The Base Case System is defined as the system which would normally be installed in the absence of Power Smart incentive programs. Manitoba Hydro's decisions with respect to the Base Case System definition shall be final.

**COMMERCIAL CUSTOM MEASURES PROGRAM
GENERAL TERMS AND CONDITIONS**

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1.0 WARRANTIES AND AGREEMENTS

- 1.1 The Customer warrants and agrees that:
- i) he/she has read the Program Eligibility Criteria for this Program and fully qualifies to participate in the Program;
 - ii) all products, equipment and materials installed by the Customer pursuant to this Program fully qualify and comply with the Program Eligibility Criteria; and
 - iii) all information contained in this Agreement or submitted by the Customer in relation to this Agreement is and shall be true and correct.
- 1.2 The Customer agrees to the terms and conditions of this Agreement. If the Customer fails to comply with these terms and conditions or has supplied false or misleading information to Manitoba Hydro, then, upon notice from Manitoba Hydro, the Customer shall reimburse Manitoba Hydro for the full amount of the Incentive awarded to the Customer or the Customer's Design Consultant, Vendor or Installer, as applicable, at Manitoba Hydro's direction and such amount shall constitute a debt due to Manitoba Hydro.
- 1.3 The Customer agrees that Manitoba Hydro has the right to claim any emission reduction (greenhouse gas) credits that may result from the Program or installation of the Equipment.
- 1.4 Manitoba Hydro reserves the right to change or terminate this Program at any time, but will continue to process this agreement in accordance with its terms and conditions, unless otherwise agreed to by the Customer and Manitoba Hydro.
- 1.5 This Agreement shall be governed by and construed in accordance with the laws of Manitoba.
- 1.6 Incentives will first be applied to the Customer's Manitoba Hydro energy accounts against any outstanding account balances or loans.
- 1.7 All decisions of Manitoba Hydro with respect to approval of this Agreement, approval of the Feasibility Study, as well as approval and calculation of all Incentives under the Program shall be final and binding on the Customer.

2.0 INSTALLATION REQUIREMENTS

- 2.1 The Equipment must be installed and operational in Manitoba Hydro's service area within 24 months of the date Manitoba Hydro has given the approval for work to proceed.
- 2.2 The Customer agrees to operate the Equipment for a period of at least 36 months following installation.
- 2.3 The Customer agrees to allow periodic inspections of the Customers premises by Manitoba Hydro or its representatives, during normal business hours, anytime from the date of the Application until 36 months after Equipment installation.

3.0 SUPPORTING DOCUMENTATION

- 3.1 At Manitoba Hydro's request, the Customer will supply evidence that the Equipment has been installed, in accordance with this Agreement, including supporting itemized invoices and documentation which must detail the following: Contractor/Vendor name, address, phone and invoice numbers; purchaser name and address where installed; date of purchase; manufacturer makes(s) and model no.(s) and quantities; itemization of costs.
- 3.2 Approval of an Incentive does not constitute Manitoba Hydro electrical or natural gas inspection approval, which may be required.

4.0 TAX IMPLICATION

- 4.1 Manitoba Hydro will not be responsible for any tax liability imposed on the Customer as a result of any payment of the Incentive. GST Registrants: Incentives include GST.

5.0 LIABILITY

- 5.1 Manitoba Hydro will have no right, title or interest in the Equipment.
- 5.2 Manitoba Hydro; not being the designer, manufacturer or installer of the Equipment; or a designer of buildings; makes no representation or warranty whatsoever, express or implied, as to the fitness, quality of design practices or capability of the Equipment or its installation, workmanship, or use, nor warrants that the Equipment will satisfy the requirements of any law, rule, specification or contract.
- 5.3 The Customer does hereby indemnify and save harmless Manitoba Hydro, its 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 Equipment.
- 5.4 Manitoba Hydro does not endorse any particular consultant, manufacturer, product, system, design, contractor, supplier or installer in promoting this Program.
- 5.5 The Customer accepts responsibility to dispose of all hazardous materials (including PCBs) that may be contained in the Equipment, in accordance with all applicable government regulations and agrees that Manitoba Hydro has no responsibility with respect to same.

6.0 ASSIGNMENT OF INCENTIVE

- 6.1 The Customer may assign the Incentive to the Design Consultant, Vendor, or Installer of the Equipment, by signing the box marked Assignment on the Completion Declaration, and completing the information in the box titled Cheque Payment Information. This will constitute the Customers irrevocable assignment of the Incentive.
- 6.2 No other assignment is permitted without Manitoba Hydro's written consent.
- 6.3 Manitoba Hydro reserves the right to apply the Incentive first to any outstanding account balances or loans of the Customer and to pay the balance, if any, to the vendor or installer to whom the Customer has assigned the Incentive.