

**Program Name: Save on Energy Business Refrigeration Incentive (BRI) Program****1. Program Description**

The Business Refrigeration Incentive Program (the “**BRI Program**”) provides for Facility assessments to identify potential electricity savings opportunities and installation of commercial refrigeration upgrades aimed at reducing electricity consumption. Participants in the BRI Program are non-residential electricity customers that utilize commercial product refrigeration and have an average annual peak demand of less than 250 kilowatts (kW).

The BRI Program is aimed at promoting energy efficiency and giving small business owners an opportunity to implement refrigeration equipment upgrades. The program is designed to address and overcome barriers to the implementation of these measures by small business owners, including limited awareness of energy use and time of use rates, electricity operating costs of refrigeration equipment, limited availability of refrigeration equipment from distributors, and limited access to capital to upgrade refrigeration equipment.

The BRI Program is offered under, and is subject to the terms of, the Energy Conservation Agreement.

All capitalized terms not defined in these BRI Program Rules in Section 9 have the meaning given to them in the Energy Conservation Agreement.

**2. Program Offer / Participant Incentives****2.1 Standard (Provincially Consistent) Incentives**

The BRI Program offers Participants a service which provides:

- an assessment of their Facility at no charge to the Participant;
- up to \$2,500 of Eligible Measures provided and installed; and
- an opportunity for the Participant to contribute their own capital for any measures in excess of \$2,500.

Incentives will be equal to the cost of the direct installation of Eligible Measures for a Project, up to a maximum total of \$2,500 (excluding applicable taxes) (the “**Maximum Incentive Amount**”), and provided that, for each type of Eligible Measure, the Eligible Measure Average Price Cap shall not be exceeded.

Appendix A herein sets out the Eligible Measures offered under the BRI Program. All amounts are in Canadian dollars.

### **3. Program Eligibility Criteria**

#### **3.1 Participant Eligibility**

To be eligible to participate in the BRI Program, a Participant must:

- (i) have a General Service Account with the LDC (i.e., Participants with only residential LDC accounts will not be eligible);
- (ii) own or occupy the Facility; however, if the Facility is leased, the Participant must have the required rights and authority to have the Eligible Measures installed;
- (iii) have not received, is not receiving and has not applied for or otherwise intends to receive, any financial incentives funded by energy ratepayers or taxpayers of the Province of Ontario with respect to Eligible Measures to be implemented;
- (iv) have not been a previous BRI Program participant in respect of the Facility where the Eligible Measures are to be installed;
- (v) agree to all terms and conditions in the Participant Agreement; and
- (vi) sign a Work Order.

#### **3.2 Facility Eligibility**

To be eligible to participate in the BRI Program, the Facility must:

- (i) be within the LDC's service area;
- (ii) have in use commercial-grade refrigeration equipment used to cool products (i.e., a Facility with only residential refrigeration equipment will not be eligible); and
- (iii) meet the following criteria for the average demand of the Facility:
  - a. where the Facility is individually metered by the LDC, the average annual peak demand of the Facility must be less than 250 kW; or
  - b. where the Facility is not individually metered by the LDC,
    - i. the average annual peak demand of all units connected to that meter (over a twelve month period immediately preceding the date of the Participant's application) must be less than 250 kW based on the bulk-metered data; or
    - ii. the estimated average annual peak demand of the Facility must be less than 250 kW based on Table 14 of the Ontario Electrical Safety Code which provides typical 'watts per square meter' for different types of businesses.

### **3.3 Project and Measures Eligibility**

The LDC may offer any or all of the Eligible Measures that are listed in Appendix A herein.

The LDC may determine in its sole discretion that a proposed Project is not eligible if there are undue risks or safety concerns to the LDC or its third party service providers associated with working on the existing refrigeration equipment.

### **3.4 Eligible Costs**

For each Eligible Measure, the average per-unit cost for that measure across all Projects may not exceed the amount set out in Appendix A herein for such measure.

All selected Eligible Measures for a Project shall be subject to the Maximum Incentive Amount, and any costs in excess of the Maximum Incentive Amount shall comprise the Participant Contribution.

## **4. Project Documentation**

Each Project under the BRI Program must:

- (a) be comprised of Eligible Measures and cannot be fractions or parts of Eligible Measures;
- (b) be based on a Work Order presented to and signed by the Participant; and
- (c) be documented by a Participant Agreement between the Participant and the LDC.

## **5. QA/QC – Minimum Requirements**

- (a) QA/QC Inspections:

From time-to-time throughout the Term, the LDC may undertake quality assurance/quality control inspections (“**QA/QC Inspections**”) at Facilities for which Work Orders have been submitted and approved by the LDC. QA/QC Inspections may be conducted by a physical inspection of the Facility or otherwise, at the LDC’s discretion. Facilities will be selected for QA/QC Inspections in accordance with the Sampling Protocol. The LDC may carry out

the QA/QC Inspections through LDC employees or third party service providers, provided that the firm or person conducting the QA/QC Inspection is not also an Installer.

(b) QA/QC Inspection Procedure:

For each QA/QC Inspection, the LDC shall determine whether:

- i. the Participant and Facility eligibility criteria were met;
- ii. the work done was an Eligible Measure, and was installed in accordance with the Work Order;
- iii. the Participant signed the Work Order and the Participant Agreement prior to commencing work;
- iv. the invoices submitted by the Installer to the LDC in connection with the Work Order accurately set forth the model numbers or descriptions and quantities of purchased Eligible Measures;
- v. the Incentive and the Participant Contribution were calculated correctly;
- vi. all other requirements of the Work Order and Participant Agreement were complied with.

## **6. Minimum Reporting Requirements**

At a minimum, and subject to the Energy Conservation Agreement, the LDC will submit to the IESO all required information as set out in the Data and Reporting Requirements Rules, on at least a quarterly basis, which, without limiting the generality of the foregoing, may include the following:

- (a) all data from Work Orders;
- (b) data from any invoices provided by the Installers to the Participants where Participant Contributions are being made;
- (c) data from invoices from the Installers to the LDC; and
- (d) data related to QA/QC Inspections.

## **7. Program Delivery**

An LDC may elect to have the IESO act as its delivery agent for the purposes of delivering the BRI Program. If the LDC elects to use the IESO as the delivery agent for the BRI Program, the IESO agrees to undertake some or all of the activities and responsibilities of the LDC stipulated under these BRI Program Rules, and the LDC will be required to pay to

the IESO a fee in respect of the IESO Value Added Services (the “**Value Added Services Fee**”), as such fee is determined by the IESO through competitive procurement of any associated third party service providers, in accordance with the Energy Conservation Agreement. For clarity, the IESO will not add an additional fee or mark-up to any pre-determined Value Added Services Fee. For further clarity, where an LDC elects to use the IESO as its delivery agent per this Section 7, (i) any savings associated with the delivery of the BRI Program in the LDC’s service area will be attributed to the LDC’s CDM Plan Target and (ii) the LDC shall be required to provide the IESO with a list of customers that meet the Program Eligibility Criteria specified in Section 3 of these Program Rules, such list to be updated from time to time. The LDC will indicate this delivery method as per an approved CDM Plan.

The Value Added Services Fee will be calculated and charged to the LDC’s CDM Plan Budget on a monthly basis as follows, based on the following costs:

LDC Administration:

- \$2000 per month for program administration
- \$150 per completed project for the facility assessment

Participant Incentives:

- The Eligible Measure Average Price Cap for each Eligible Measure installed at a facility, up to a maximum of \$2,500 per project

## **8. Other**

To implement the BRI Program, the LDC may directly employ one or more Installers or may contract with one or more Installers on reasonable commercial terms to fulfill, on behalf of the LDC, any or all of the LDC’s obligations under the BRI Program, including:

- (i) performing Facility assessments,
- (ii) creating Facility energy action plans,
- (iii) installing Eligible Measures, and
- (iv) disposing of existing equipment and waste products.

Any such contracting with third-party Installers shall be done in accordance with: (a) laws and regulations (including, in the case of an Installer that is an Affiliate of the LDC, the Ontario Energy Board’s Affiliate Relationships Code for Electricity Distributors and Transmitters), (b) Good Industry Practice, and (c) the requirements of the *Electricity Act, 1998* (Ontario) and any related regulations, codes and bulletins, such as Ontario Electrical Safety Code Bulletin 2-25-0 (Retrofitted electrical products). For clarity, where Installers are employees of the LDC, the Incentive may only include their salary without fee or mark-up.

The LDC shall ensure that:

- (a) each Installer possesses a valid letter of clearance from the Ontario Workplace Safety & Insurance Board (unless the Installer is a sole proprietor);
- (b) each Installer receives training and direction to participate in the BRI Program, including, without limitation, to ensure that the Installer has received training in respect of all of the terms and conditions of the BRI Program;
- (c) each such Installer shall assume responsibility and liability for the quality of all work and materials (including without limitation in relation to Eligible Measures);
- (d) each Installer has sufficient insurance coverage consistent with Good Industry Practice; and
- (e) all materials and equipment used have warranties and are purchased on terms and conditions consistent with Good Industry Practice.

The LDC shall use commercially reasonable efforts to ensure that the installation of any Eligible Measures and other services associated with such installation complies with all applicable laws, regulations, codes and bulletins (including, without limitation, the *Electricity Act, 1998* (Ontario) and all applicable requirements under Ontario Electrical Safety Code Bulletin 2-25-0 (Retrofitted electrical products)).

## 9. Program Specific Definitions

The following terms have the meanings stated below when used in these BRI Program Rules:

“**Affiliate**” has the meaning given to it in the *Business Corporations Act* (Ontario).

“**BRI Program**” has the meaning given to it in Section 1.

“**Eligible Measure**” means those measures listed in Table 1 of Appendix A herein under the heading “Eligible Measure”.

“**Eligible Measure Average Price Cap**” means the average per-unit cost for that measure across all Projects may not exceed the amount set out in Table 1 of Appendix A herein under the heading “Eligible Measure Average Price Cap”.

“**Good Industry Practice**” means, in respect of any aspect of any Eligible Measure or other activity conducted in furtherance of the BRI Program, care and disposal of materials, or other actions or obligations contemplated in these BRI Program Rules, in each case, that have been or ought to have been performed by an Installer, and subject always to laws and regulations, the exercise of the degree of skill, diligence, prudence and foresight which could reasonably and ordinarily be expected from a skilled and experienced Installer engaged in the same or similar type of undertaking under the same or similar circumstances.

“**Energy Conservation Agreement**” means the energy conservation agreement between the LDC and the IESO.

“**Facility**” means the building, premises, or part thereof owned or occupied by the Participant at which a Project will be implemented.

“**General Service Account**” means a non-residential account with an average annual peak demand of zero to 250 kW.

“**IESO**” means the Independent Electricity System Operator established under Part II of the *Electricity Act, 1998* (Ontario), or its successor.

“**Installer**” means an employee of the LDC or a third party service provider (and their subcontractors) to the LDC who may be engaged to install Eligible Measures at a Facility. For certainty, depending on the type of Eligible Measures to be installed, the Installer will be (a) a refrigeration and air conditioning mechanic (either holding a Certificate of Qualification or be a Registered Apprentice) or (b) an electrician licensed to practice in the Province of Ontario.

“**LDC**” means the local distribution company offering and administering the BRI Program.

“**Maximum Incentive Amount**” has the meaning given to it in Section 2.1.

“**Participant**” means, in respect of the BRI Program, an eligible person under Section 3.1 of these BRI Program Rules who is a party to a Participant Agreement and who is receiving an incentive under Section 2 of these BRI Program Rules, and that has met all applicable requirements for participation in the BRI Program as set out in these BRI Program Rules.

“**Participant Contribution**” means any amount payable by the Participant to the Installer or otherwise for costs associated with the installation of Eligible Measures in excess of the Maximum Incentive Amount.

“**Project**” means the Facility assessment, energy action plan and installation of Eligible Measures provided to each Participant.

“**QA/QC Inspection**” has the meaning given to it in Section 5(a).

“**Sampling Protocol**” means the protocol implemented by the LDC to create a randomly selected sample of Work Orders for purposes of conducting QA/QC Inspections, such that:

- (a) the Facilities are geographically spread over the LDC’s service area;

- (b) each Installer is represented in the sample;
- (c) the number of Work Orders sampled in a calendar year, based on an estimate of the number of Work Orders in that calendar year, is the lesser of (i) sufficient to provide a confidence level that is at least 95% with a margin of error no greater than 5%, assuming a response distribution of 3%; and (ii) equal to 10% of all estimated Work Orders.

“**Term**” means the duration that the BRI Program is approved pursuant to the Energy Conservation Agreement, being no later than December 31, 2020.

“**Work Order**” means the completed work order in the form made available by the LDC.

“**Value Added Services Fee**” has the meaning given to it in Section 7.



## Appendix A

### ELIGIBLE MEASURES LIST and ELIGIBLE MEASURE AVERAGE PRICE CAP

Eligible Measures will include some or all of the below measures, to be selected at the sole discretion of the LDC.

Eligible costs for selected Eligible Measures will be subject to the Eligible Measure Average Price Cap set out in Table 1 below.

**Table 1: Eligible Measure Average Price Caps**

Eligible Measure	Eligible Measure Average Price Cap
<b>Anti-sweat heater controls for coolers</b>	\$610
<b>Anti-sweat heater controls for freezers</b>	\$610
<b>Strip curtains for walk-in coolers</b>	\$195
<b>Strip curtains for walk-in freezers</b>	\$195
<b>Night curtains on display cases for coolers</b>	\$170
<b>Night curtains on display cases for freezers</b>	\$170
<b>Cleaning condenser coils – cooler</b>	\$20
<b>Cleaning condenser coils - freezer</b>	\$27
<b>LED display case lighting</b>	\$140
<b>LED A19 bulb (inside a walk-in cooler)</b>	\$25
<b>LED A19 bulb (inside a walk-in freezer)</b>	\$25
<b>Junction box</b>	\$15
<b>Door gaskets for walk-in coolers</b>	\$5 per linear foot
<b>Door gaskets for walk-in freezers</b>	\$5 per linear foot
<b>Door closers for walk-in coolers</b>	\$50
<b>Door closers for walk-in freezers</b>	\$50
<b>Evaporator Fan Controls</b>	\$100/per connected motor Capped at \$600 per control
<b>Chilled Unit Energy Saver (CUES) thermostat upgrade</b>	\$115

<i>Electrically Commutated Motors</i>	<b>Eligible Measure Average Price Cap</b>	
	<i>Two Speed ECM Motor, Installed Price Cap</i>	<i>Standard ECM Motor, Installed Price Cap</i>
<b>9 Watt ECM Fan Motor Upgrade</b>	\$155	\$135
<b>9 Watt Fan Motor- Square Frame</b>	N/A	\$175
<b>12 Watt ECM Fan Motor Upgrade</b>	\$155	\$135
<b>16 Watt Fan Motor</b>	\$155	\$135
<b>24 Watt ECM Fan Motor Upgrade</b>	\$155	\$135
<b>34 Watt 115 volt ECM Fan Motor Upgrade</b>	\$190	\$166
<b>1/15 HP Fan Motor</b>	\$215	\$185
<b>1/20 HP Fan Motor</b>	\$215	\$185
<b>1/25 HP ECM Fan Motor Upgrade</b>	\$215	\$185
<b>1/5 HP Fan Motor</b>	\$395	\$345
<b>1/4 HP Fan Motor</b>	\$365	\$318
<b>1/3 HP Fan Motor</b>	\$365	\$318
<b>1/2 HP Fan Motor</b>	\$365	\$318