

HOMEENERGYSAVER PROGRAM REQUIREMENTS

1. PROGRAM DESCRIPTION

The HomeEnergySaver Program (the “**Program**”) provides financial incentives to Participants with qualified electrically heated homes towards the purchase of high-efficiency heat pumps (each an “**HP**”) to help manage their energy use more effectively. Participants also have the option of receiving an additional financial incentive for a smart thermostat with their HP, in order to maximize its operation, enable participation in Peak Perks (if eligible), and provide greater controllability of the HP.

The Participants in the Program will be residential electricity consumers within targeted resource-constrained areas, as outlined in **Appendix 1**, that meet certain eligibility criteria.

The Program is offered and administered in the Province of Ontario by the Independent Electricity System Operator (the “**IESO**”) and its Program Delivery Agent(s).

2. PROGRAM OFFER

Subject to the eligibility requirements set out in Section 3, the Program provides the following incentives for Eligible Measures in accordance with the Eligible Measure Rebate amount that is set out in the Eligible Measures List:

- a) A rebate for the purchase and installation of an eligible HP that is a central, mini-split, or multi-split air source heat pump (ASHP) or Ground Source Heat Pump (GSHP) listed in the Eligible Measures List.
- b) An optional rebate for the purchase and installation of an eligible smart thermostat listed in the Eligible Smart Thermostat List, available with the installation of an eligible HP.

2.1 APPLICATION PROCESS

2.1.1 PRE-APPROVAL

Participants must submit certain documentation and information to assess eligibility for incentives under this Program prior to purchasing the HP and smart thermostat (“**Pre-**

Approval”). As part of the Pre-Approval, the Participant will (1) accept the Participant Agreement, (2) identify the type of HP, as well as the AHRI number, brand name, and model number, (3) include a copy of the Work Order prepared by a licensed HVAC Contractor, (4) for ccASHPs, also include a completed NRCan ASHP Sizing and Selection Tool workbook published on the [Natural Resources Canada website](#) , as further described in section 3.3.3, or at the IESO’s discretion, an alternative sizing methodology acceptable to the IESO, and (6) indicate whether they intend to install a smart thermostat at the same time as the HP, and if so, the smart thermostat make and model. For certainty, the Pre-Approval must be submitted and approved by the Program Delivery Agent on behalf of the IESO prior to the purchase and installation of the HP and if applicable, the smart thermostat.

2.1.2 POST-INSTALLATION APPROVAL

Participants must submit certain documentation within 90 days of the installation date of the Eligible Measures or the termination date of the Program, whichever is earlier, in order to confirm approval of incentives payable under the Program (“**Post-Installation**”). The Post-Installation will include copies of the final invoices and photographs of the installed HP system and if applicable, photographs of the installed smart thermostat for review by the Program Delivery Agent, and any other documentation that is requested by the Program Delivery Agent or the IESO. The invoice date must be after the date that the Pre-Approval is approved by the IESO. If the Post-Installation is approved by the IESO or its Program Delivery Agent, the applicable incentive amount will be paid to the Participant.

3. PROGRAM ELIGIBILITY CRITERIA

3.1 PARTICIPANT ELIGIBILITY

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

- a) be an individual that is at least 18 years old;
- b) be a Residential consumer residing in an Eligible Home;
- c) own the Eligible Home where the HP, and if applicable, the smart thermostat, will be installed;
- d) be the individual responsible for paying for the purchase and installation of the HP and if applicable, the smart thermostat; and
- e) submit an Application and enter into a Participant Agreement with the IESO no later than December 31, 2024.

3.2 RESIDENCE ELIGIBILITY

To be eligible to participate in the Program, the residence where the HP will be installed must:

- a) not have been built less than 6 months before the Program Effective Date;
- b) be located within a FSA listed in **Appendix 1**;
- c) be connected to a local distribution company's Distribution System;
- d) have an electric resistance heating system as the primary heating equipment (which can include, but is not limited to, an electric furnace, electric baseboards, electric boilers, etc.);
- e) be a single-family residence or a multi-unit residential building (MURB), provided that for a MURB, (i) it has 3 or fewer storeys above ground and a building area of less than 600 square metres, and (ii) the unit within the MURB has its own in-unit heating equipment; and
- f) be used for residential occupancy.

3.3 PROJECT, CONTRACTOR AND MEASURES ELIGIBILITY

3.3.1 PROJECT ELIGIBILITY

3.3.1.1. In respect of a Project, Participants are limited to one HP rebate and one smart thermostat rebate per Eligible Home.

3.3.1.2. To be eligible for an HP rebate under the Program:

- a) the Participant must purchase and install one of the following HP system types:
 - i. Central cold climate air source heat pumps (ccASHPs) meeting full heating load identified for the Eligible Home with existing ductwork;
 - ii. Ductless or partially ducted mini-split ccASHPs meeting full heating load. These include "single-head" (one indoor air handler per outdoor compressor) and "multi-split" or "multi-head" (more than one indoor air handler per outdoor compressor units). Multi-split systems can have a maximum of four (4) indoor units per home; or
 - iii. Ground source heat pumps (GSHPs) meeting full heating load, provided that they are not water-to-water, brine-to-water, or direct exchange systems;
- b) the installed HP and any connected ductwork must (i) be properly sized to meet the building heat load requirements, ensure occupant comfort and satisfaction, and

optimize system performance and energy savings, and (ii) comply with applicable laws, building codes and guidelines, and any additional permitting requirements;

- c) the installed HP system must be capable of operating year-round (i.e., providing heating and cooling). Existing electric resistance heating, including electric baseboards or electric furnaces, may be retained as backup heating;
- d) all HP Equipment must be purchased in Canada, and online purchases will only be eligible if made through an online distributor that is located in Canada; and
- e) the installation of the HP system must be completed by December 31, 2025 in accordance with the approved Pre-Approval, by a licensed and trained HVAC Contractor that is selected by the Participant.

3.3.1.3. To be eligible for a smart thermostat rebate under the Program, the Participant must have:

- a) received a Pre-Approval;
- b) purchased and installed an eligible HP in accordance with the eligibility requirements in Sections 3.3.1.2 and 3.3.3;
- c) purchased and installed by December 31, 2025, a smart thermostat that meets the eligibility requirements in Section 3.3.3.4;
- d) purchased the smart thermostat in Canada or through an online distributor that is located in Canada; and
- e) have wi-fi service within the Eligible Home.

3.3.2 HVAC CONTRACTOR ELIGIBILITY

An eligible HVAC Contractor must be selected by the Participant and the HVAC Contractor or installation technician, as appropriate, must:

- hold a valid residential Air Conditioning Systems Mechanic License 313D or 313A to install ccASHP Eligible Measures;
- hold a valid Technical Standards and Safety Authority (TSSA) registration certificate;
- hold a valid Ozone Depletion Prevention certificate;
- have appropriate insurance coverage (general liability insurance); and
- have completed technical training which may include, but is not limited to, participation/attendance in educational courses on sizing and design for ccASHP Eligible

Measures, and/or completion of manufacturer training for applicable ccASHP Eligible Measures.

3.3.3 MEASURES ELIGIBILITY

- 3.3.3.1 The installed HP must be a ccASHP model that is listed on the [NRCAN Eligible Product Lists for Air Source Heat Pumps and Cold Climate Heat Pumps](#) or a GSHP model that is listed on the [NRCAN Eligible Product Lists for Ground Source Heat Pumps](#), published on the NRCAN website as of the Program Effective Date.
- 3.3.3.2 **ccASHPs:** All components of the HP Equipment (indoor and outdoor units, and furnace or air handling unit) must be compatible and listed together as an eligible product. Participants must review and use Option 4C or Option 4D of the NRCAN's Air-Source Heat Pump Sizing and Selection Guide for system sizing and equipment selection. Additional details can be found in the NRCAN guide¹. The IESO reserves the right to request additional justification or documentation for HP sizing.
- 3.3.3.3 **GSHPs:** GSHP installations must comply with all applicable Ontario legislation, regulations, and municipal requirements for vertical and horizontal loops.
- 3.3.3.4 **Smart Thermostats:** The installed smart thermostat must be Wi-Fi enabled and be capable of controlling the installed HP.

3.4 ELIGIBLE COSTS

Eligible Costs must:

- a) be directly related to the equipment and labour costs of the HP Equipment or smart thermostat that is purchased and installed; and
- b) not include:
 - i. financing costs including, but not limited to, costs associated with financing, leasing and lease-to-own procurement arrangements and such other financing costs associated with leasing or borrowing capital;
 - ii. insurance costs;
 - iii. costs associated with post-installation work related to equipment maintenance or repair;
 - iv. costs of spare parts, spare equipment or other inventories;

¹ <https://natural-resources.canada.ca/maps-tools-and-publications/tools/modelling-tools/toolkit-for-air-source-heat-pump-sizing-and-selection/23558>

- v. costs of purchase or lease of tools for equipment installation;
- vi. HST; and
- vii. any costs already covered by or that will be covered by funding or grants funded by a Governmental Authority, whether administered by the IESO, a local electricity or gas distributor or any other party, or rebates from manufacturers, wholesalers or other supply chain participants.

4. PROGRAM SPECIFIC DEFINITIONS

The following terms have the meaning stated below when used in these Program Requirements:

“**Application**” means an application that must be completed and submitted by an eligible Person in order to participate in and be eligible to receive any incentives under the Program, and includes the Pre-Approval, Post-Installation and any required supporting documentation submitted to the IESO.

“**Distribution System**” means a system connected to the IESO-Controlled Grid for distributing electricity at voltages of 50 kV or less and includes any structures, equipment or other thing used for that purpose.

“**Eligible Costs**” means the costs associated with an Eligible Measure that may be eligible to be included in the Application, as described in Section 3.4.

“**Eligible Home**” means a home that meets the residence eligibility criteria set out in Section 3.2.

“**Eligible Measure**” means a measure that meets the measure eligibility criteria set out in Section 3.3.

“**Eligible Measure Rebate**” means the incentive amount that the IESO will pay to the Participant for each installed Eligible Measure pursuant to the corresponding “Eligible Measure Rebate” amount referenced in the Eligible Measures List.

“**Eligible Measures List**” means the list of Eligible Measures, as set out in Appendix 2.

“**Governmental Authority**” means any federal, provincial, or municipal government, parliament or legislature, or any regulatory authority, agency, tribunal, commission, board or department of any such government, parliament or legislature, or any court or other law, regulation or rule-making entity, having jurisdiction in the relevant circumstances, including, without limitation, the IESO in its capacity as the operator of the IESO-Controlled Grid, the Ontario Energy Board, the Electrical Safety Authority, the Office of the Auditor General of Ontario, and any Person acting under the authority of any of the foregoing, but excluding the IESO.

“**HP Equipment**” means all materials and parts included in the cost of the HP, including, but not limited to, the air handling unit, additional electrical wiring and piping required.

“**HVAC Contractor**” means the licensed contractor who is responsible for installing the HP Equipment and smart thermostat within an Eligible Home.

“**IESO-Controlled Grid**” has the meaning given to it in the IESO Market Rules.

“**IESO Market Rules**” means the rules made under section 32 of the *Electricity Act, 1998* (Ontario), together with all market manuals, policies and guidelines issued, amended or replaced from time to time by the IESO or its successor.

“**Participant**” means, in respect of the Program, a Person who (i) satisfies the eligibility requirements in Section 3.1, (ii) whose Application has been accepted by the Program Delivery Agent on behalf of the IESO, and (iii) who has entered into a Participant Agreement.

“**Participant Agreement**” means in respect of the Program, any one or more agreements or terms and conditions that an eligible Person entitled to receive an incentive must enter into or agree to be bound by in order to participate in the Program or to receive such incentive.

“**Person**” means any individual, sole proprietorship, partnership, firm, entity, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate or Governmental Authority, and where the context requires, any of the foregoing when they are acting as trustee, executor, administrator or other legal representative.

“**Post-Installation**” has the meaning provided in Section 2.1.2.

“**Pre-Approval**” has the meaning provided in Section 2.1.1.

“**Project**” means the Eligible Measures that are expected to be undertaken in accordance with the eligibility requirements in Section 3.

“**Program Delivery Agent**” means one or more service providers under contract with the IESO to provide program delivery services for the Program.

“**Program Effective Date**” means the date on which the Program is launched and ready to accept Applications.

“**Program Requirements**” means the terms and conditions contained herein governing the Program.

“**Residential**” means electricity consumers in Ontario that are classified as residential in the most recent Yearbook of Electricity Distributors published by the Ontario Energy Board.

“**Target Heating Capacity**” means the methodology to identify the “best fit” ASHP equipment as defined by NRCAN in NRCAN’s Air-source Heat Pump Sizing and Selection Guide.

“Work Order” means the quote, estimate or other document that outlines the work to be undertaken by the HVAC Contractor in connection with the installation or implementation of the Eligible Measures, and includes details on the type of HP (i.e., brand name, AHRI number, and model number) and where applicable, the smart thermostat, that will be purchased and installed.

**APPENDIX 1
TARGETED ZONES**

Region	Forward Sortation Area (FSA)
Barrie/Muskoka	L0M, L3V, L4M, L4N, P0A, P0B, P0C, P0E, P0G, P0K, P1H, P1L, P1P, P2A
Elmira	N0B, N3B
Kenora	P0X, P9N
Kingston Area	K7G, K7K, K7L, K7M, K7N, K7P
Niagara Region	L0S, L2A, L2E, L2G, L2H, L2J, L2M, L2N, L2P, L2R, L2S, L2T, L2V, L2W, L3B, L3C, L3K, L3M, N1A, portions of L0R
Pembroke Area	K8A, K8B, K8H
Peterborough/Belleville	K0J, K0L, K0M, K8N, K8P, K8V
Southern Huron Perth	N0K, N0L, N0M, N4X
Waubauskene	L0K, L0L, L4R, L9M
Windsor Essex	N0P, N0R, N8H, N8M, N8N, N8P, N8R, N8S, N8T, N8V, N8W, N8X, N8Y, N9A, N9B, N9C, N9E, N9G, N9H, N9J, N9K, N9V, N9Y
Ottawa	K1A, K1B, K1C, K1E, K1G, K1H, K1J, K1K, K1L, K1M, K1N, K1P, K1R, K1S, K1T, K1V, K1W, K1X, K1Y, K1Z, K2A, K2B, K2C, K2E, K2G, K2H, K2J, K2K, K2L, K2M, K2P, K2R, K2S, K2T, K2V, K2W, K4A, K4B, K4M, K4P
Toronto	M5E, M5H, M5J, M5K, M5L, M5M, M5N, M5P, M5T, M5V, M6A, M6B, M6C, M6E, M6G, M6H, M6J, M6K, M6L, M6M, M6N, M6P, M6S, M8V, M8W, M8X, M8Y, M8Z, M9A, M9B, M9C, M1P, M4M, M4A, M4C, M1V, M2M, M1B, M1G, M4N, M4R, M9L, M4G, M1X, M2H, M3H, M1L, M5A, M5G, M9R, M9V, M9W, M4Y, M4V, M1C, M1E, M1H, M1J, M1K, M1M, M1N, M1R, M1S, M1T, M1W, M2J, M2K, M2L, M2N, M2P, M2R, M3A, M3B, M3C, M3J, M3K, M3L, M3M, M3N, M4B, M4E, M4H, M4J, M4K, M4L, M4P, M4S, M4T, M4W, M4X, M5B, M5C, M5R, M5S, M5W, M5X, M6R, M7A, M7Y, M9M, M9N, M9P
Mississauga / Brampton	L5C, L5E, L6Z
York Region	L3R, L3T, L4B, L4C, L4S, L6B, L6C, L6E, L3P, L4E, L7B, L4H, L4K, L0J, L4L, L4C, L7B, L6A, L3L, L4G, L4J, L6G

**APPENDIX 2
ELIGIBLE MEASURES LIST**

Table 1: Heat Pump (HP) Measures

HP Measures*	Eligible Measure Rebate
Mini-Split ccASHP Equipment	\$2,500
Multi-Split ccASHP Equipment (2 heads)	\$2,500
Multi-Split ccASHP Equipment (3-4 heads)	\$5,000
Central ccASHP Full Equipment	\$5,000
Ground Source Heat Pump (GSHP)	\$10,000

* A ccASHP model that is listed on the [NRCAN Eligible Product Lists for Air Source Heat Pumps and Cold Climate Heat Pumps](#) or a GSHP model that is listed on the [NRCAN Eligible Product Lists for Ground Source Heat Pumps](#)

Table 2: Smart Thermostat Measure

Measure	Eligible Measure Rebate
Smart thermostat (only available with the installation of an HP listed in Table 1)	\$75