

Program Name: Save on Energy Retrofit

1. Program Description

This Retrofit Program provides Participant Incentives to upgrade Facilities with Measures to reduce electricity consumption.

The Participants in the Retrofit Program are owners and operators of industrial, commercial, institutional and multi-family residential buildings, or persons with the rights and authority to have the Measures installed. Certain Participant Incentives are specific to Social Housing Providers.

This Retrofit Program is offered under, and is subject to the terms of, the Energy Conservation Agreement.

All capitalized terms not defined in these Retrofit Program Rules have the definitions given to them in the Energy Conservation Agreement between the LDC and the IESO.

2. Program Offer / Participant Incentives

These Participant Incentives will apply only to those Projects for which a complete Application has been submitted before April 30, 2018, which date may be extended by the IESO at its sole discretion.

2.1 Standard (Provincially Consistent) Incentives

As detailed below, the following Participant Incentives are offered, subject to the eligibility requirements set out in Section 3:

- (a) Custom Incentives;
- (b) Prescriptive Incentives;
- (c) Participant Incentives for combinations of Measures;
- (d) Social Housing Adder;
- (e) M&T Advance Incentive;
- (f) SHP Advance Incentive; and
- (g) TSM Advance Incentive.

2.1.1 Custom Incentive

The Custom Incentive will be calculated as the lesser of A or B:

Where

A = (i) for Lighting Systems and Occupancy Lighting Control Systems, the greater of \$400/kW of Demand Savings or \$0.05 / kWh of Energy Savings; OR (ii) for Non-Lighting Systems and Non-Occupancy Lighting Control Systems the greater of \$800/kW of Demand Savings or \$0.10 / kWh of Energy Savings.

B = 50% of the Eligible Costs for the Custom Project, up to a maximum of 55% of the Estimated Eligible Costs in the Application approved by the LDC.

2.1.2 Prescriptive Incentive

The Prescriptive Incentive will be calculated as specified in Prescriptive Worksheet(s), subject to a maximum of the Eligible Costs for the Measure.

2.1.3 Combinations of Measures

Where a Project includes a combination of Custom Measures or Prescriptive Measures, the Participant Incentive will be the lesser of:

- (a) the Participant Incentives calculated as specified in Subsections 2.1.1 and 2.1.2; and
- (b) 50% of the Eligible Costs for the Project, up to a maximum of 55% of the Estimated Eligible Costs in the Application approved by the LDC.

2.1.4 Social Housing Adder

The Social Housing Adder will be calculated as the positive difference, if any, of:

- (a) the Participant Incentive that would otherwise be payable for such Project had the applicant not been a Social Housing Provider, multiplied by two (2), up to a maximum of 50% of the Eligible Costs for such Project or a maximum of 55% of the Estimated Eligible Costs in the Application approved by the LDC; and
- (b) the Participant Incentive that would otherwise be payable for such Project had the applicant not been a Social Housing Provider.

The Social Housing Adder will be payable, subject to available LDC funds.

2.1.5 M&T Advance Incentive

The LDC may, at its discretion, provide an M&T Advance Incentive, The amount of the M&T Advance Incentive will be determined by the LDC at its discretion up to a maximum of 35% of the estimated Custom Incentive payable for the M&T Measure.

Any Advance M&T Incentive paid will be subtracted from the Participant Incentive payable under Section 2.1.1, 2.1.2 or 2.1.3. Any Demand Savings or Energy Savings attributed to other Measures that are recorded by the M&T Measure during the monitoring period, will be subtracted from the Demand Savings or Energy Savings attributable to the Project.

2.1.6 SHP Advance Incentive

The LDC may, at its discretion, provide a SHP Advance Incentive. The amount of the SHP Advance Incentive will be determined by the LDC at its discretion up to a maximum of 50% of the total estimated Custom Incentive and Prescriptive Incentive and the Social Housing Adder, if any, payable to the Social Housing Provider upon request.

Any SHP Advance Incentive paid will be subtracted from the Participant Incentive payable under Section 2.1.1, 2.1.2 or 2.1.3, as applicable.

2.1.7 TSM Advance Incentive

The LDC may, at its discretion, provide a TSM Advance Incentive equal to 5% of One Month Metered Load, multiplied by 12 (to reflect annualized equivalent), payable as a lump sum to the Participant 20 business days after the LDC confirms the One Month Metered Load.

Any TSM Advance Incentive paid will be subtracted from the Participant Incentive payable under Section 2.1.1, 2.1.2 or 2.1.3, as applicable.

Any Energy Savings attributed to other Measures that are recorded by the TSM Measure during the minimum six month monitoring period, will be subtracted from the total Demand Savings or Energy Savings attributable to the TSM Measure.

2.2 Project Incentives for Multi-Site Applications

For clarity, where the Participant has submitted a MSA, the Participant Incentives payable to the Lead LDC will be equal to the Participant Incentives for all Projects located in its service area and in each Satellite LDC's service area. With respect to Projects located in the Satellite LDC's service area, the IESO will set off from the Participant Incentive amount from the applicable Satellite LDC's CDM Plan Budget pursuant to Section 4.7 of the Energy Conservation Agreement.

2.3 Exceptions

None applicable.

3. Program Eligibility Criteria

3.1 Participant Eligibility

Participants must be Non-Residential Distribution Customers or Recognized Farm Operations that have not previously entered into a binding commitment to acquire the Measures or services required to install the Measures, provided that the LDC may waive this requirement where (A) the circumstances in Section 3.3(c) apply, or (B) where the Participant can demonstrate to the LDC's satisfaction, at the LDC's sole discretion, that the Participant intended to apply to the Program prior to entering into a binding commitment.

To qualify for the Social Housing Adder or SHP Advance Incentive, the Participant must be a Social Housing Provider.

An LDC may approve a Micro Project under the Fast Track Application Process in its sole discretion.

3.2 Facility Eligibility

A Facility:

- (a) must be a single Facility, connected to, or behind the meter of, an electricity consumer connected to the LDC's distribution system that is a Non-Residential Distribution Customer or Recognized Farm Operation; and
- (b) may be located within or upon a building, but may also be a structure other than a building, such as a freestanding billboard.

3.3 Project and Measures Eligibility

A Project must:

- (a) be comprised of Measures;
- (b) for Prescriptive Measures only, result in a minimum Participant Incentive of \$100;
- (c) for the unplanned replacement of recently failed existing equipment with a Prescriptive Measure listed on the Unitary AC Eligible Measures Worksheet or the VFD or VD Compressor Eligible Measures Worksheet that comprises a Small Project, have the following:
 - (i) an Estimated Participant Incentive less than \$10,000; and
 - (ii) an Application submitted within 45 days following the completion of such Small Project;
- (d) for Custom Measures, have Demand Savings of 1 kW and/or annual Energy Savings of at least 2,000 kWh;

- (e) in the case of a Project with Custom Measures, must be projected to deliver such Demand Savings and/or Energy Savings for a minimum period of 48 months from the in-service date of the Project;
- (f) be located in a Facility that is connected to the Distribution System and is not classified as residential;
- (g) not comprise the following:
 - (i) an Application for Custom Measures that proposes measures that are not generally commercially available, are pilot or demonstration projects, or are otherwise unproven;
 - (ii) an Application for Prescriptive Measures that proposes the replacement of existing equipment that were previously incented (must use Custom Measure for any incremental benefit); or
 - (iii) a project that participated in a previous IESO or former Ontario Power Authority-funded program for the same Measures, unless evidence supports the installation of Measures in a different area of the Facility;
- (h) be based on Worksheets that correspond to the Application and are used without amendment;
- (i) be based on a reasonable estimate of Demand Savings and Energy Savings for Custom Measures;
- (j) completed on the earlier of (i) December 31, 2020 and (ii) the last day the LDC delivers the Retrofit Program per the LDC's approved CDM Plan, unless otherwise terminated by the LDC or Participant.

3.4 Eligible Costs

Eligible Costs must:

- (a) for Prescriptive Measures, be directly related to procurement and implementation, and be limited to the costs of the equipment purchased and installed;
- (b) for Custom Measures, be directly related to procurement and implementation, and be limited to:
 - (i) costs of the equipment purchased and installed by a third party;
 - (ii) costs of labour for equipment installed by a third party;
 - (iii) costs of energy audits not funded by the IESO;

- (iv) costs of design, engineering and/or architecture;
- (v) third party project management costs;
- (vi) shipping, delivery, duties and other costs applicable to equipment delivery to the Facility;
- (vii) costs to prepare and implement the Project M&V Plan;
- (viii) costs to dispose or decommission the replaced equipment;
- (ix) costs of inspections, as may be required by laws and regulations; and
- (x) Performance-Based Optimization Activities for Monitoring and Targeting measures for up to a 12-month period following Project completion.

Section 3.4(b)(x) shall take effect on April 11, 2016 as section 3.4(b)(v) of version 1 of these Program Rules.

- (c) not comprise:
 - (i) costs of the Participant's labour, service, administration or overhead that are not incurred by a third party;
 - (ii) 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;
 - (iii) insurance costs;
 - (iv) costs associated with post-installation work related to equipment maintenance or repair;
 - (v) costs of spare parts, spare equipment or other inventories;
 - (vi) costs of purchase or lease of tools for equipment installation;
 - (vii) HST; and
 - (viii) Any costs already covered by funding or grants from the energy ratepayers or taxpayers in the Province of Ontario, (unless funding principally directed to Social Housing Providers and if such funding, when combined with the Participant Incentive, does not exceed the Project cost) or rebates from manufacturers, wholesalers or other supply chain participants.

4. Participant Agreement

The Participant Agreement will include the terms and conditions specified in the Energy Conservation Agreement. In addition, it must include the following:

- (a) The Participant must evidence that equipment removed or replaced is disposed of or decommissioned in compliance with laws and regulations, and commercially reasonable environmental practices, and shall evidence such activities by appropriate disposal certificates or similar documentation. The Participant may retain and use air compressor(s) that have been removed or replaced as part of the Project, if necessary for emergency back-up and/or scheduled maintenance purposes, provided that the Participant agrees to the following requirements:
 - (i) The Participant may utilize the removed or replaced air compressor during emergency back-up situations and/or for scheduled maintenance purposes only;
 - (ii) the Participant's use of the removed or replaced air compressor shall not exceed 4% of total operating hours;
 - (iii) the Participant shall record the number of hours the removed or replaced air compressor is utilized; and
 - (iv) the Participant shall provide the log of recorded emergency and/or scheduled maintenance use to the LDC upon request.
- (b) Where the Facility is a Multi-Family Building, the Participant must evidence ownership or operation of a facility that permits tenants to occupy rental units subject to the *Residential Tenancies Act, 2006*, or any successor legislation, and will agree not use Participant Incentives to apply to the Landlord and Tenant Board for an increase in the annual rent amounts paid by tenants that exceed the annual rent-increase guideline permitted under the *Residential Tenancies Act, 2006*.
- (c) The Participant must carry out the minimum requirements for QA/QC and the Project M&V Procedure, as specified in Section 5, provided that the Participant Incentive will be recalculated to the extent required to ensure that:
 - (i) the Participant Incentive will not be more than 10% greater than the Estimated Participant Incentive; and
 - (ii) no additional Participant Incentive is paid for Eligible Measures that were not included in the Application.
- (d) The amount of any Advance Incentive will be deducted from the amount of the Participant Incentive, and where the Participant Incentive is less than the total

Advance Incentive, the difference will be payable by the Participant to the LDC or recovered by set-off from any Participant Incentive that becomes payable.

- (e) Any other provision required to give effect to these Program Rules.

Where the Participant Agreement is for a MSA, then the Participant Agreement will also contain the following terms:

- (f) subject to the terms and conditions of the Participant Agreement, the Participant will only receive payment of the Participant Incentive from the Lead LDC after all Projects included in the MSA are complete. For clarity no TSM Advance Incentives, SHP Advance Incentive or M&T Advance Incentive will be payable in connection with an MSA ;
- (g) the Participant has the ability to perform all required obligations in respect of each Project included in the MSA;
- (h) the Participant will co-operate with the Lead LDC and have its personnel at the Facilities in the service areas of the Satellite LDCs co-operate with the Lead and Satellite LDCs;
- (i) the Participant consents to the Lead LDC and the Satellite LDCs sharing any information provided to any of the parties in relation to the MSA; and
- (j) the Lead LDC may remove a Project from the MSA Participant Agreement for any reason. The Participant may resubmit a new Application for that Project;

5. QA/QC and Project M&V – Minimum Requirements

The LDC will do the following:

- (a) when approving Applications:
 - (i) for Large Projects, validate existing equipment at the Facility listed in the Application;
 - (ii) for a Large Custom Project or a Large Project with Custom Measures, where Participant Incentives are greater than \$10,000 and equal to or less than \$40,000, confirm: (A) the base case assumptions; (B) the operating hours of the Facility; (C) the reasonableness of Estimated Eligible Costs; and (D) Project Evaluator approval of the Project M&V Plan;
 - (iii) for a Small Project, apply the Sampling Protocol annually to Facilities selected for QA/QC inspections; and
- (b) when approving Participant Incentives:

- (i) for a Large Project, confirm: (A) the Eligible Measures installed correspond with invoices and supporting documentation; (B) the equipment replaced is disposed of or decommissioned; (C) adjustments to Participant Incentives, if any, as specified in Subsection 5(c) below; and (D) run time is recorded for air compressors(s) retained for emergency back-up and/or scheduled maintenance purposes;
 - (ii) for a Large Project with Custom Measures, where the Participant Incentives are greater than \$10,000 and equal to or less than \$40,000, confirm all requirements specified in Subsection 5(b)(i) above;
 - (iii) for a Large Custom Project, confirm: (A) all requirements specified in Subsection 5(b)(ii); and (B) implementation of Project M&V Plan; and
 - (iv) for a Small Project, confirm: (A) the Eligibility Criteria are met; (B) the Eligible Measures are installed as specified in the Application; (C) the Eligible Measures installed correspond with invoices and supporting documentation; (D) the equipment replaced is disposed of or decommissioned; and (E) compliance with the executed Participant Agreement; and
 - (v) for a Micro Project, confirm: (A) the Eligibility Criteria are met; (B) the Eligible Measures are installed as specified in the Application; (C) the Eligible Measures installed correspond with invoices and supporting documentation; (D) the equipment replaced is disposed of or decommissioned; and (E) compliance with the executed Participant Agreement.
- (c) where a Participant is unable or fails to remedy any discrepancies in results from Section 5(b), the LDC will adjust the Participant Incentive accordingly.

6. Minimum Record-Keeping Requirements

At a minimum, and subject to the Energy Conservation Agreement, the LDC will retain the following records:

- (a) Worksheet data;
- (b) Participant Incentive invoices; and
- (c) data related to QA/QC and Project M&V, as specified in Section 5;

7. MSA Model

7.1 Lead LDC Obligations

Where an Applicant has submitted an MSA, and where the LDC is the Lead LDC, the LDC will:

- (a) appoint a contact person for the Satellite LDCs;
- (b) manage and administer the Application and Participant Agreement as if all Projects were located in its service area, including, but not limited to, reviewing and approving the Participant Eligibility, Facility Eligibility and Project and Measures Eligibility criteria, provided that the Lead LDC may rely on information provided to it by the Satellite LDC;
- (c) provide an MSA Project overview to all Satellite LDCs prior to approving the Application to solicit feedback on potential issues including Measures, project evaluation, QA/QC, and M&V protocol to be followed for Custom Measures;
- (d) will keep the Satellite LDC(s) informed of MSA Project developments on a regular basis and solicit feedback on the technology being proposed and appropriate best practices;
- (e) ensure that the Participant of an MSA agrees to the terms and conditions of the Lead LDC's Participant Agreement;
- (f) be responsible for conducting M&V and QA/QC for all MSA Projects. For clarity, the Lead LDC may require Satellite LDCs to carry out M&V and QA/QC;
- (g) upon completion of all MSA Projects, the Lead LDC will pay the Participant Incentive to the Participant for all MSA Projects;
- (h) In the event that a Satellite LDC advises the Lead LDC that it does not wish MSA projects in its service area to be subject to the Lead LDC's Participant Agreement, the Lead LDC will use reasonable efforts to work with the Satellite LDC to accommodate the Satellite LDC's concerns, while considering the interests of the MSA Participant.

7.2 Satellite LDC Obligations

Where an Applicant has submitted a MSA and where the LDC is a Satellite LDC, the Satellite LDC will:

- (a) appoint a contact person for the Lead LDC;
- (b) at all times adhere to the M&V process and methodology and QA/QC implemented by the Lead LDC;
- (c) upon request of the Lead LDC, conduct QA/QC and M&V;

- (d) provide the Lead LDC with confirmation of the Participant’s name and account for facilities within its service area, within 10 Business Days after a request from the Lead LDC;
- (e) agree and acknowledge that the Participant will need to agree to and comply with the terms and conditions of the Lead LDC’s Participant Agreement;
- (f) agree and acknowledge that all Participant Incentives for all MSA Projects will be paid to the Lead LDC;
- (g) agree that the following fee will be owed by the Satellite LDC to the Lead LDC for each Project in the Satellite LDC’s service area (the “MSA Fee”):

MSA Fee Schedule			
Project Size	Prescriptive Track	Custom Track (or Engineered Track prior to v2 of these Program Rules taking effect)	Combination Prescriptive/Custom Track/ Engineered Track prior to v2 of these Program Rules taking effect
Small	\$420	\$525	\$625
> Small	\$495	\$700	\$800

7.3 IESO Obligations

Where an Applicant has submitted a MSA, the IESO will Pay the Lead LDC any MSA Fees owing by the Satellite LDC, and will reduce the Satellite LDC’s CDM Plan Budget accordingly.

7.4 Date of Effect

This Section 7 shall have effect as of January 1, 2016, and, prior to version 2 of these Program Rules coming into effect, shall be considered as new section 6.1 of version 1.

8. Program Specific Definitions

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

Advance Incentive means the M&T Advance Incentive, SHP Advance Incentive, or TSM Advance Incentive, in each case payable prior to completion of the Project.

Application means an application for a proposed Project submitted by a Participant to the LDC for approval.

Custom Incentive means the Participant Incentive payable for the installation of Custom Measures, in the amount specified in Section 2.1.1.

Custom Measure means a Measure not comprising a Prescriptive Measure that involves one or more of the following:

- (a) replacement of existing equipment with equipment that is more efficient;
- (b) purchase and installation of new equipment that is more efficient than what would have been installed if the Participant had not participated in the program, where none previously existed;
- (c) replacement of oversized existing equipment with appropriate sized equipment that is more efficient;
- (d) implementation of new operating procedures, including the purchase and installation of equipment (such as an energy management system, building automation system, sensors, control equipment, metering equipment, or related communication systems) necessary either to obtain or to increase the effectiveness of an energy management system or building automation system; or
- (e) improvement of thermal performance of a building envelope through Measures such as increased insulation, installation of high performance windows and frames, low emissive window glazing or low emissive roof barriers.

Custom Worksheet means the worksheet describing Custom Measures in the form made available by the IESO, as updated from time to time.

Demand Savings means the estimated, determined or actual kilowatt reduction in electricity demand (as the context may require), attributable to the installation of a Custom Measure or Engineered Measure. For certainty, Demand Savings will not be counted towards the LDC's CDM Target.

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 that are eligible to be included in the determination of the Participant Incentive payable, as specified in Section 3.4.

Energy Savings means the estimated, determined or actual kilowatt hour reduction in energy consumption (as the context may require), attributable to the installation of a Custom Measure during the first year after completion of the Project.

Engineering Worksheet means the worksheets describing Custom Measures in the form made available by the IESO, as updated from time to time.

Estimated Eligible Costs means an estimation of the anticipated Eligible Costs, as specified in the Application approved by the LDC.

Estimated Participant Incentive means an estimation of the anticipated Participant Incentive, as specified in the Application approved by the LDC.

Estimated Savings Target has the meaning specified in the Project M&V Procedure in the form made available by the IESO, as updated from time to time.

Facility means the eligible building structure where Measures are installed, as specified in Section 3.2.

Fast Track Application means a streamlined approval process for Micro Projects, which cannot be included in a Multi-Site Application.

HST means the harmonized sales tax payable pursuant to the *Excise Tax Act*, R.S.C. 1985, c. E-15.

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 by the IESO or its successor.

Large Custom Project means a Project with Custom Measures with an Estimated Participant Incentive greater than \$40,000.

Large Project means a Project that (a) includes Prescriptive Measures with Estimated Participant Incentives greater than \$20,000, or (b) includes Custom Measures with Estimated Participant Incentives greater than \$10,000 and equal to or less than \$40,000.

Lead LDC means the LDC designated as the “Lead LDC” on an MSA.

LDC means the local distribution company delivering this Retrofit Program.

Lighting System means light bulbs, lighting fixtures, exit signs and LED strips.

Micro Project means a Project that includes only Prescriptive Measures with an estimated Participant Incentive of less than \$3,000, approved by an LDC under the Fast Track Application Process.

Monitoring and Targeting (M&T) Advance Incentive means an Advance Incentive payable for an M&T Measure in the amount corresponding to the applicable monitoring period specified in Section 2.1.5.

Monitoring and Targeting (M&T) Measure means a equipment to monitor the energy and/or demand performance of a system, relative to production by such system, for the purpose of setting targets for future energy performance and assisting with the implementation of savings targets through continuous feedback.

Multi-Family Building means a Facility that houses multiple residential tenants and is captured by the: (a) general service less than 50 kW account, (b) general service greater than 50 kW account, or (c) the large user account, as applicable.

Multi-Site Application (MSA) means an application from a single-non-residential Distribution Consumer or Recognized Farm Operations that designates a Lead LDC and includes proposed Projects in Facilities across two or more LDC services areas.

Multi-Site Customer is an Eligible Participant with Facilities across more than two LDC services areas who has submitted a MSA.

Non-Lighting System means any Measure that is not a Lighting System.

Non-Occupancy Lighting Control System means an advanced lighting control system that is capable of network controls, programming, measurement and verification, data collection, central reporting and multiple lighting control strategies.

Non-Residential Distribution Customer means electricity customers in Ontario that: (a) are not classified as residential in the most recent *Yearbook of Electricity Distributors* published by the Ontario Energy Board, and (b) have a general service <50 kW account, general service >50 kW account, or a large user account.

Occupancy Lighting Control System means a standalone lighting control system consisting of occupancy sensors, vacancy sensors and/or day lighting sensors.

One Month Metered Load means the actual metered electrical load aggregated for the Facility where a TSM Measure is installed, as measured for one month following the implementation of the TSM Measure.

Performance-Based Optimization Activities for M&T Measure means the diagnosis of building system performance issues, identification of problems, solution development, and quantification of benefits over a period of time relative to a normalized base-line condition.

Prescriptive Incentive means a Participant Incentive payable for a Prescriptive Measure, as specified in Section 2.1.2.

Prescriptive Measure means Measures that replace existing equipment with efficient equipment listed on a Prescriptive Worksheet.

Prescriptive Worksheet means the worksheets describing Prescriptive Measures in the form made available by the IESO, as updated from time to time.

Project means one or more Measures that are expected to be undertaken pursuant to this Retrofit Program.

Project Evaluator means a person that is an employee of the LDC or a third party service provider to the LDC who is licensed or certified to practice in Ontario and is: (a) a professional engineer, (b) a certified engineering technologist, (c) a certified energy manager, or (d) an engineer-in-training under the supervision of a professional engineer or certified engineering technologist.

Project M&V Plan means a plan to conduct measurements and verification of the Energy Savings and Demand Savings in respect of a Project in accordance with the Project M&V Procedure.

Project M&V Procedure means the Project Measurement and Verification Procedure in the form made available by the IESO, as updated from time to time.

Recognized Farm Operation means a farm property that possesses a farm business registration number, being the six to seven digit number administered by Agricorp, an agency of the Government of Ontario, and housed by Agricorp, the Ontario Ministry of Food, Agriculture and Rural Affairs, the Municipal Assessment Corporation and the municipalities.

Sampling Protocol means the protocol to create a randomly selected sample of Projects, where:

- (a) Projects are geographically spread over LDC's service area; and
- (b) number of Projects sampled in a calendar year, based on an estimate, is (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%, or (ii) equal to 10% of all estimated Projects, whichever of (i) and (ii) is less.

Satellite LDC means all LDCs participating in a part of a MSA with proposed Projects in their respective service area that are not the Lead LDC.

SHP Advance Incentive means an Advance Incentive for Social Housing Providers calculated in accordance with Section 2.1.6.

Small Project means a Project comprised of (a) Prescriptive Measures Measures with Estimated Participant Incentives less than or equal to \$20,000, or (b) Custom Measures with Estimated Participant Incentives of less than or equal to \$10,000.

Social Housing Adder means an incremental amount added to a Participant Incentive payable to a Social Housing Provider for a Project, as specified in Section 2.1.4.

Social Housing Provider means a non-profit provider of assisted or social housing under a federal, provincial or municipally funded program, and includes, without limitation, non-profit corporations governed by the *Social Housing Reform Act, 2000*; public housing corporations owned by municipalities directly or through local housing

corporations; non-profit housing co-operatives as defined in the *Co-operative Corporations Act*; non-profit housing corporations that manage or own residential buildings developed under the “Affordable Housing Program”; and, non-profit organizations, or municipal or provincial governments that manage or own residential supportive housing, shelters and hostels.

Tenant Sub-Meter (TSM) Advance Incentive means an Advance Incentive for a TSM Measure calculated in accordance with Section 2.1.7.

Tenant Sub-Meter (TSM) Measure means sub-meter equipment to bill tenants in Multi-Family Buildings for actual electricity use.

Unitary AC Eligible Measures Worksheet means the prescriptive worksheet for the unitary air-conditioning eligible measures, in the form made available by the IESO, as updated from time to time.

VFD or VD Compressor Eligible Measures Worksheet means the prescriptive worksheet for the variable frequency drive or variable drive compressor eligible measures, in the form made available by the IESO, as updated from time to time.

Worksheet means a Custom Worksheet, Engineering Worksheet, or Prescriptive Worksheet, in the form made available by the IESO, as updated from time to time.

9. Pay for Performance

The pay-for-performance rate for this Retrofit Program is \$0.25 per kWh.