

Program Name: saveONenergy Audit Funding

## **1. Program Description**

The Audit Funding Program provides funding of up to half of the cost of certain Energy Audits that are undertaken to identify opportunities to reduce electricity consumption at industrial, commercial, institutional and multi-family residential buildings.

The Participants in the Audit Funding Program are building owners or lessees or their respective managers.

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

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

## **2. Program Offer / Participant Incentives**

### **2.1 Standard (Provincially Consistent) Incentives**

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

- (a) Electricity Survey and Analysis;
- (b) Building Systems Audit; and
- (c) Detailed Analysis of Capital Intensive Modifications.

#### **2.1.1 Electricity Survey and Analysis**

The Participant Incentive will be calculated as follows:

- (a) where the Participant is an Owner or Owner Manager:
  - (i) where the Facility is less than or equal to 30,000 square feet in size, the lesser of:
    - A. \$0.10 per square foot of the Facility, less the Participant Incentive payable for Building System Audits at the Facility, as specified in Section 2.1.2; and
    - B. 50% of the actual cost of the Electricity Survey and Analysis, less any third party contributions; and

- (ii) where the Facility is greater than 30,000 square feet in size, the lesser of:
  - A. \$3,000 for the first 30,000 square feet plus \$0.05 per square foot for each incremental square foot, where the total is not to exceed \$25,000, less the Participant Incentive payable for Building System Audits at the Facility, as specified in Section 2.1.2; and
  - B. 50% of the actual cost of the Electricity Survey and Analysis, less any third party contributions; and
- (b) where the Participant is a Lessee or Lessee Manager:
  - (i) \$0.03 per square foot of the Facility, not to exceed the lesser of:
    - A. 50% of the actual cost of the Electricity Survey and Analysis, less any third party contributions; and
    - B. \$7,500;
  - (ii) 50% of Energy Auditor eligible travel expenses, not to exceed \$1,000.

### **2.1.2 Building Systems Audit**

The Participant Incentive will be calculated as follows:

- (a) for each Building System Audit at a Facility, the lesser of:
  - (i) 50% of the actual cost of the Building Systems Audit, less any third party contributions; and
  - (ii) \$5,000;
- (b) where the total Building Systems Audits at a Facility are not to exceed \$50,000.

### **2.1.3 Detailed Analysis of Capital Intensive Modifications**

The Participant Incentive will be calculated as the lesser of:

- (a) \$0.05 per square foot of the Facility, less the Participant Incentive payable for Building System Audits, as specified in Section 2.1.2;
- (b) 50% of the actual cost of the Detailed Analysis of Capital Intensive Modifications, less any third party contributions; and

- (c) \$35,000, less the Participant Incentive payable for an Electricity Survey and Analysis at the Facility, less the Participant Incentive payable for Building System Audits at the Facility.

## **2.2 Exceptions**

None applicable.

## **3. Program Eligibility Criteria**

### **3.1 Participant Eligibility**

Participants must be Non-Residential Distribution Customers or Recognized Farm Operations that own or lease their Facilities (or manage such Facilities on behalf of the owner or lessee) and have not previously entered into a binding commitment to acquire an Energy Audit or services required to perform an Energy Audit, subject to the Participant evidencing the intent to apply, as determined by the LDC in its sole discretion.

Lessees, Lessee Managers, and Owner Managers are only eligible for Participant Incentives in respect of Energy Audits conducted on electricity consumption systems within their exclusive control.

### **3.2 Facility Eligibility**

A Facility must:

- (a) be connected to, or behind the meter of another electricity consumer connected to, the LDC's Distribution System and be located in LDC's service area;
- (b) for the Detailed Analysis of Capital Intensive Modifications:
  - (i) be at least 50,000 square feet;
  - (ii) have completed an Electricity Survey and Analysis, or have submitted an application to conduct an Electricity Survey and Analysis concurrently;
- (c) not be the subject of the same type of Energy Audit as will be conducted, except that more than one Building System Audits for alternative non-capital intensive modification at the same Facility will be permitted; and
- (d) not have received incentives for the same audit within the last two years from an IESO-funded program.

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

- (a) The Energy Audit must be performed by an Energy Auditor who meets at least one of the following qualifications:
- i. is a professional engineer (“P.Eng.”) licensed to practice in Ontario, a certified engineering technologist (“CET”), a certified energy manager or a certified measurement and verification professional; who has at least three years of relevant experience evaluating energy systems in buildings; **or**
  - ii. an engineer-in-training under the supervision of a P.Eng. or a CET only if a qualified and experienced person as described in (i) above certifies and signs the Energy Audit Report; **or**
  - iii. a certified member of the Associated Air Balance Council (AABC) or National Environmental Balancing Bureau (NEBB), where a Building Systems Audit involves balancing water systems or balancing air systems; **or**
  - iv. a Building Assessment Professional, as designated by the American Society of Heating, Refrigerating and Air Conditioning Engineers, Inc.; **or**
  - v. a Certified Energy Manger as designated by the Association of Energy Engineers; **or**
  - vi. for an individual who conducts a Building System Audit for a compressed air system, has completed the following courses sponsored by the Compressed Air Challenge: (A) Fundamentals of Compressed Air Systems (Level 1), and (B) Advanced Management of Compressed Air Systems (Level 2); and
- (b) The Energy Audit must be a third party to the Participant
- (c) The Energy Audit must be completed on the earlier of (i) December 31, 2020 and (ii) the last day the LDC delivers the Energy Audit Program per the LDC’s approved CDM Plan, unless otherwise terminated by the LDC or Participant.
- (d) To enable the LDC to determine the applicable Participant Incentive, the Participant’s application must include a statement of square footage of the Facility, including supporting calculations.

### 3.4 Eligible Costs

Where applicable, eligible travel expenses include mileage and hotels, but exclude meals, beverages and entertainment, provided that included expenses are:

- (a) necessary, practical, economical and supported by Energy Auditor invoices;

- (b) paid by the Participant to the Energy Auditor, with supporting documentation submitted to the LDC; and
- (c) not previously paid for an Energy Audit at the Facility.

#### **4. Participant Agreement**

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

- (a) The Participant must complete Energy Audits as specified in the Application by the end of the term of this Audit Funding Program.
- (b) Energy Audit Reports must be prepared and must meet the Energy Audit Report Minimum Requirements.
- (c) Where the Facility is a Multi-Family Building, the Participant must provide to the residents of the Multi-Family Building: (i) advance notice of the Energy Audit, and (ii) a completion notice summarizing results of the Energy Audit.
- (d) The Participant must pay at least 50% of the Energy Audit costs, as evidenced on the Energy Auditor invoice.
- (e) The Participant must reimburse the Energy Auditor for travel expenses.
- (f) Participant must complete a Post-Energy Audit Report Submission Form, including: (i) the Energy Audit Report, and (ii) the Energy Auditor invoice evidencing all fees, including travel expenses.
- (g) 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*.
- (h) Any other provision required to give effect to these Program Rules.

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

None applicable.

#### **6. Minimum Record-Keeping Requirements**

At a minimum, and subject to the Energy Conservation Agreement, the LDC will retain all Participants' Post-Energy Audit Report Submission Form (including attachments).

## 7. Other

Not applicable.

## 8. Program Specific Definitions

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

***Building Assessment Professional*** means an individual certified as a Building Assessment Professional by the American Society of Heating, Refrigeration and Air-Conditioning Engineers.

***Building Systems Audit*** means a detailed analysis of non-capital intensive modifications (such as balancing and optimizing auxiliary fans, pumps, compressors, domestic water and all associated distribution systems), but not lighting modifications.

***Certified Energy Manager*** means an individual certified as a Certified Energy Manager by the Association of Energy Engineers.

***Certified Engineering Technologist*** means an individual certified as a C.E.T. (Certified Engineering Technologist) by the Ontario Association of Certified Engineering Technicians and Technologists.

***Certified Measurement and Verification Professional*** means an individual certified as a Certified Measurement and Verification Professional by the Association of Energy Engineers.

***Detailed Analysis of Capital Intensive Modifications*** means an analysis performed in accordance with the requirements specified in Section 9 of the Energy Audit Report Minimum Requirements in the form made available by the IESO, as updated from time to time, and which may only be commenced following completion of an Electricity Survey and Analysis.

***Electricity Survey and Analysis*** means a survey and analysis performed in accordance with the requirements specified in Section 7 of the Energy Audit Report Minimum Requirements in the form made available by the IESO, as updated from time to time.

***Energy Audit*** means a Building Systems Audit, Detailed Analysis of Capital Intensive Modifications, or Electricity Survey and Analysis.

**Energy Audit Report** means a report of the Energy Auditor's findings and recommendations upon completion of the Energy Audit that includes the applicable minimum requirements set out in the Energy Audit Minimum Requirements in the form made available by IESO, as updated from time to time.

**Energy Audit Report Minimum Requirements** means the minimum requirements for Energy Audits made available by the IESO, as updated from time to time.

**Energy Auditor** means an arm's length service provider authorized to perform Energy Audits in accordance with Section 3.3.

**Facility** means the eligible building structure where the Energy Audit is performed, as specified in Section 3.2.

**Lessee** means a person that leases the Facility and has the right to have the proposed Energy Audit performed either as a condition of the lease or with the consent of the owner or operator of the Facility.

**Lessee Manager** means a building manager, facility manager or analogous person with the written authority of the Lessee of a Facility to have the proposed Energy Audit performed.

**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.

**Owner Manager** means a building manager, facility manager or analogous person with the written authority of the Owner of a Facility to have the proposed Energy Audit performed.

**Owner** means the owner of the Facility where the proposed Energy Audit would be performed.

**Post-Energy Audit Report Submission Form** means the report submitted by the Participant to the LDC upon completion of the Energy Audit, in the form made available by 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.

## **9. Pay for Performance**

The pay-for-performance rate for this Audit Funding Program is \$0.