

April 23, 2018

BY EMAIL, COURIER & RESS

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
Suite 2700, 2300 Yonge Street  
Toronto, Ontario  
M4P 1E4

**RE: EB-2017-0255 – Union Gas Limited 2018 Cap-and-Trade Compliance Plan –  
Public Filing of JT1.35 Technical Conference Undertaking**

Dear Ms. Walli,

On April 16, 2018, Union Gas Limited (“Union”) filed its responses to the undertakings received during the 2018 Cap-and-Trade Compliance Plan technical conference held on April 9, 2018.

In undertaking JT1.35, Union was requested to file a copy of the attribution agreement between Union and the Government.

In Union’s response to undertaking JT1.35, Union stated that before filing this agreement, Union would need permission from the counterparty, the Ministry of Energy (“MOE”). Union stated it had requested this permission, and if permission was granted, Union would update its response to the Undertaking to provide a copy of the requested agreement as Exhibit JT1.35, Attachment A. An unredacted copy of the requested agreement was provided to the Board in confidence under separate cover.

Union has now received the permissions necessary to publicly file the attribution agreement, which is attached as Exhibit JT1.35, Attachment A.<sup>1</sup> Exhibit JT1.35, Attachment A is provided in three parts.

If you have any questions with respect to this submission please contact me at 519-436-4558.

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<sup>1</sup> EB-2017-0255, Transcript Volume 1, p. 14, lines 21 - 24

Yours truly,

*[Original signed by]*

Adam Stiers

Manager, Regulatory Initiatives

c.c.: EB-2017-0255 Parties (*by email*)  
Myriam Seers, Torys (*by email*)  
Valerie Bennett, OEB (*by email*)  
Ljuba Djurdjevic, OEB (*by email*)  
Lawren Murray, OEB (*by email*)  
Josh Wasylyk, OEB (*by email*)

## ONTARIO TRANSFER PAYMENT AGREEMENT

THE AGREEMENT, effective as of the 31<sup>st</sup> day of March, 2016\_ (the “Effective Date”)

BETWEEN :

Her Majesty the Queen in right of Ontario  
as represented by the Minister of Energy

(the “Province”)

- and -

Union Gas Limited.

(the “Recipient”)

### BACKGROUND

The Recipient intends to carry out the Program.

The Province wishes to provide Funds to the Recipient for the Program.

### CONSIDERATION

In consideration of the mutual covenants and agreements contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which is expressly acknowledged, the Province and the Recipient (the “Parties”) agree as follows:

### ENTIRE AGREEMENT

This agreement (the “Agreement”), including:

- Schedule “A” - General Terms and Conditions
- Schedule “B” - Program Specific Information and Additional Provisions
- Schedule “C” - Program Description and Timelines
- Schedule “D” - Budget
- Schedule “E” - Payment Plan
- Schedule “F” - Reporting,
- Schedule “G” - Travel, Meal and Hospitality Expenses Directive,
- Schedule “H” - Provincial Split Between the Recipient and Enbridge Gas Distribution, and any amending agreement entered into as provided for below,

constitutes the entire agreement between the Parties with respect to the subject matter contained in this Agreement and supersedes all prior oral or written representations and agreements.

### COUNTERPARTS

The Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

## AMENDING THE AGREEMENT

The Agreement may only be amended by a written agreement duly executed by the Parties.

## ACKNOWLEDGEMENT

The Recipient:

- (a) acknowledges that it has read and understands the provisions contained in the entire Agreement; and
- (b) agrees to be bound by the terms and conditions contained in the entire Agreement.

IN WITNESS WHEREOF, the Parties have executed the Agreement on the dates set out below.

**HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO as  
represented by the Minister of Energy**

June 23, 2016  
Date

by:   
\_\_\_\_\_  
Name: Serge Imbrogno  
Title: Deputy Minister  
Ministry of Energy  
Authorized Signing Officer

**Union Gas Limited**

June 29<sup>th</sup>, 2016  
Date

by:   
\_\_\_\_\_  
Name: Mark Isherwood  
Title: VP, Infranchise Sales, Marketing and Customer Care

I have authority to bind the Recipient.

## SCHEDULE "A"

### GENERAL TERMS AND CONDITIONS

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#### 1.0 INTERPRETATION AND DEFINITIONS

##### 1.1 Interpretation. For the purposes of interpretation:

- (a) words in the singular include the plural and vice-versa;
- (b) words in one gender include all genders;
- (c) the headings do not form part of the Agreement; they are for reference only and will not affect the interpretation of the Agreement;
- (d) any reference to dollars or currency will be in Canadian dollars and currency; and
- (e) "include", "includes" and "including" denote that the subsequent list is not exhaustive.

##### 1.2 Definitions. In the Agreement, the following terms will have the following meanings:

**"BPSAA"** means the *Broader Public Sector Accountability Act, 2010* (Ontario).

**"Budget"** means the budget attached to the Agreement as Schedule "D".

**"Business Day"** means any working day, Monday to Friday inclusive, excluding statutory and other holidays, namely: New Year's Day; Family Day; Good Friday; Easter Monday; Victoria Day; Canada Day; Civic Holiday; Labour Day; Thanksgiving Day; Remembrance Day; Christmas Day; Boxing Day and any other day on which the Province has elected to be closed for business.

**"Eligible Expenditures"** has the meaning ascribed to it in Schedule "D".

**"Event of Default"** has the meaning ascribed to it in section 15.1.

**"Expiration Date"** means the date on which this Agreement will expire and is the date set out in Schedule "B", as such date may be amended from time to time with the mutual consent of the Parties.

**"Funding Year"** means:

- (a) in the case of the first Funding Year, the period commencing on the Effective Date and ending on the following March 31; and
- (b) in the case of Funding Years subsequent to the first Funding Year, the period commencing on April 1 following the end of the previous Funding Year and ending on the following March 31.

**"Funds"** means the money the Province provides to the Recipient pursuant to the Agreement.

**"Indemnified Parties"** means Her Majesty the Queen in right of Ontario, Her ministers, agents, appointees and employees.

**“Maximum Funds”** means the maximum amount the Province will provide to the Recipient under the Agreement as set out in Schedule “B”.

**“Notice”** means any communication given or required to be given pursuant to the Agreement.

**“Notice Period”** means the period of time within which the Recipient is required to remedy an Event of Default, and includes any such period or periods of time by which the Province considers it reasonable to extend that time.

**“Party”** means either the Province or the Recipient.

**“Program”** means the undertaking described in Schedule “C”.

**“Program participant”** means a person or entity who participates in the Program offered by the Recipient;

**“PSSDA”** means the *Public Sector Salary Disclosure Act, 1996* (Ontario).

**“Reports”** means the reports described in Schedule “F”.

**“Timelines”** means the Program schedule set out in Schedule “C”.

## **2.0 REPRESENTATIONS, WARRANTIES AND COVENANTS**

### **2.1 General.** The Recipient represents, warrants and covenants that:

- (a) it is, and will continue to be for the term of the Agreement, a validly existing legal entity with full power to fulfill its obligations under the Agreement;
- (b) it has, and will continue to have for the term of the Agreement, the experience and expertise necessary to carry out the Program;
- (c) it is in compliance with all federal and provincial laws and regulations, all municipal by-laws, and any other orders, rules and by-laws related to any aspect of the Program, the Funds or both;
- (d) unless otherwise provided for in the Agreement, any information the Recipient provided to the Province in support of its request for funds (including information relating to any eligibility requirements) was true and complete at the time the Recipient provided it and will continue to be true and complete for the term of the Agreement;
- (e) subject to the BPSAA, the Recipient agrees that it will have in place and follow travel, meal and hospitality guidelines that are consistent with the principles and requirements of the Province of Ontario's *Travel, Meal and Hospitality Expenses Directive* (the “Directive”), a copy of which is attached as Schedule “G” and as it may be amended from time to time and, at a minimum, ensure that expenditures for travel, meal and hospitality do not exceed the maximum rates set out in the Directive; and
- (f) it shall provide all services to the public under the Program in accordance with the *French Language Services Act* (Ontario), by taking appropriate measures in that regard, including among other things, providing signs, notices and other information on such

services and communicating with the public to make it known to members of the public that such services are available in French at the choice of a member of the public. In this regard, subject to the Province's satisfaction, the Recipient shall, among other things that the Province may require from time to time, ensure that:

- i. the portions of the Recipient's website relating to the Program are available in French;
- ii. all public documents relating to the Program are available in French;
- iii. bilingual (English/French) signs are posted as needed;
- iv. it has developed a protocol for providing francophone clients with services in French; and,
- v. by no later than May 1 of every year during the Term, except for the first funding year where the time shall be by no later than September 1<sup>st</sup>, it shall submit a written report to the Province regarding its provision of French language services and how it is meeting the requirements of this section. The report shall be in a form and content satisfactory to the Province.

2.2 **Execution of Agreement.** The Recipient represents and warrants that it has:

- (a) the full power and authority to enter into the Agreement; and
- (b) taken all necessary actions to authorize the execution of the Agreement.

2.3 **Governance.** The Recipient represents, warrants and covenants that it has, and will maintain, in writing for the period during which the Agreement is in effect:

- (a) a code of conduct and ethical responsibilities for all persons at all levels of the Recipient's organization;
- (b) procedures to ensure the ongoing effective functioning of the Recipient;
- (c) decision-making mechanisms for the Recipient;
- (d) procedures to enable the Recipient to manage Funds prudently and effectively;
- (e) procedures to enable the Recipient to complete the Program successfully;
- (f) procedures to enable the Recipient, in a timely manner, to identify risks to the completion of the Program, and strategies to address the identified risks;
- (g) procedures to enable the preparation and delivery of all Reports required pursuant to Article 7.0; and
- (h) procedures to enable the Recipient to deal with such other matters as the Recipient considers necessary to ensure that the Recipient carries out its obligations under the Agreement.

2.4 **Supporting Documentation.** Upon request, the Recipient will provide the Province with proof of the matters referred to in this Article 2.0.

### 3.0 TERM OF THE AGREEMENT



- 3.1 **Term.** The term of the Agreement will commence on the Effective Date and will expire on the Expiration Date unless terminated earlier pursuant to Article 13.0, Article 14.0 or Article 15.0.

#### 4.0 FUNDS AND CARRYING OUT THE PROGRAM

- 4.1 **Funds Provided.** The Province will:

- (a) provide the Recipient up to the Maximum Funds for the purpose of carrying out the Program;
- (b) provide the Funds to the Recipient in accordance with the Payment Plan attached to the Agreement as Schedule "E"; and
- (c) deposit the Funds into an account designated by the Recipient provided that the account:
  - (i) resides at a Canadian financial institution; and
  - (ii) is in the name of the Recipient.

- 4.2 **Limitation on Payment of Funds.** Despite section 4.1:

- (a) the Province is not obligated to provide any Funds to the Recipient until the Recipient provides the insurance certificate or other proof as the Province may request pursuant to section 12.2;
- (b) the Province is not obligated to provide instalments of Funds until it is satisfied with the progress of the Program;
- (c) the Province may adjust the amount of Funds it provides to the Recipient in any Funding Year based upon the Province's assessment of the information provided by the Recipient pursuant to section 7.1; and
- (d) if, pursuant to the *Financial Administration Act* (Ontario), the Province does not receive the necessary appropriation from the Ontario Legislature for payment under the Agreement, the Province is not obligated to make any such payment, and, as a consequence, the Province may:
  - (i) reduce the amount of Funds and, in consultation with the Recipient, change the Program; or
  - (ii) terminate the Agreement pursuant to section 14.1.

- 4.3 **Use of Funds and Program.** The Recipient will:

- (a) carry out the Program in accordance with the terms and conditions of the Agreement;
- (b) use the Funds only for the purpose of carrying out the Program;
- (c) spend the Funds only on Eligible Expenditures and in accordance with the Budget;
- (d) ensure that any Funds distributed to third parties by the Recipient are covered by an



agreement that includes:

- i. reporting back to the Recipient on how the distributed Funds and interest earned are used;
    - ii. the ability to demand the return of those Funds and an amount equal to the interest earned if not spent in accordance with the agreement between the Recipient and the third party;
  - (e) ensure the Funds are deposited by the third party into a separate account at a Canadian financial institution that is in the name of the third party and
  - (f) not use the Funds to cover any specific cost that has or will be funded or reimbursed by any third party, including other ministries, agencies and organizations of the Government of Ontario and including through the processes of the Ontario Energy Board;
  - (g) not use any more than 10% of the Maximum Funds to pay for administration expenses and not use any more than 2% of the Maximum Funds to pay for marketing expenses related to the Program, with all of the remaining Funds to be disbursed to program participants under the Program; and,
  - (h) use any and all of the interest or other income earned on the Funds, that the Province permits the Recipient to retain, only for purposes of disbursing such amounts to the Program participants under the Program and for no other purpose, including administration expenses related to the Program.
- 4.4 **Province's Role Limited to Providing Funds.** For greater clarity, the Province's role under the Agreement is limited to providing Funds to the Recipient for the purposes of the Program and the Province is not responsible for carrying out the Program.
- 4.5 **No Changes.** The Recipient will not make any changes to the Program, the Timelines, or the Budget without the prior written consent of the Province.
- 4.6 **Interest Bearing Account.** If the Province provides Funds to the Recipient before the Recipient's immediate need for the Funds, the Recipient will place the Funds in an interest bearing account in the name of the Recipient at a Canadian financial institution.
- 4.7 **Interest.**
- Subject to Section 4.3(g), if the Recipient earns any interest on the Funds, the Recipient shall use the interest earned for the purposes of the Program only. The interest earned shall be accounted for in all Financial Progress Reporting, including progress reporting, and any Final Report that the Recipient provides to the Province. If the Province is not satisfied that the interest earned is being used for the Program, the Province may:
- (a) deduct an amount equal to the interest from any further instalments of Funds; or
  - (b) demand from the Recipient the repayment of an amount equal to the interest.
- 4.8 **Maximum Funds.** The Recipient acknowledges that the Funds available to it pursuant to the Agreement will not exceed the Maximum Funds and any interest earned on the Funds.

4.9 **Rebates, Credits and Refunds.** The Recipient acknowledges that the amount of Funds available to it pursuant to the Agreement is based on the actual costs to the Recipient of administering and implementing the Program, less any costs (including taxes) for which the Recipient has received, will receive, or is eligible to receive, a rebate, credit or refund.

4.10 **Funding, Not Procurement.** For greater clarity, the Recipient acknowledges that:

- (a) it is receiving funding from the Province for the Program and is not providing goods or services to the Province; and
- (b) the funding the Province is providing under the Agreement is funding for the purposes of the PSSDA.

4.11 **Program Over Budget.** The Recipient acknowledges that should Program expenses exceed the amounts in the Budget, the Province is not responsible for any additional funding and the Recipient undertakes to incur all further costs necessary to complete the Program.

4.12 **Moving Funds.** Despite section 4.5, the Recipient may move Funds equaling up to ten percent (10%) of the allocation in one line within a Budget category in Schedule "D" to another line within the same Budget category, except for expenses listed under the Budget category "Other" (if any) in Schedule "D" which may not be moved without approval from the Province.

4.13 **Intellectual Property.** The Province is not the owner of any intellectual property generated as a result of the Agreement.

## 5.0 RECIPIENT'S ACQUISITION OF GOODS OR SERVICES, AND DISPOSAL OF ASSETS

5.1 **Acquisition.** If the Recipient acquires goods, services, or both with the Funds, or the interest earned, it will:

- (a) do so through a process that promotes the best value for money; and
- (b) comply with the BPSAA, including any procurement directive issued thereunder, to the extent applicable.

5.2 **Disposal.** The Recipient will not, without the Province's prior written consent, sell, lease or otherwise dispose of any asset purchased or created with the Funds or for which Funds were provided, the cost of which exceeded the amount as set out in Schedule "B" at the time of purchase.

## 6.0 CONFLICT OF INTEREST

6.1 **No Conflict of Interest.** The Recipient will carry out the Program and use the Funds and interest earned without an actual, potential or perceived conflict of interest.

6.2 **Conflict of Interest Includes.** For the purposes of this Article, a conflict of interest includes any circumstances where:

- (a) the Recipient; or
- (b) any person who has the capacity to influence the Recipient's decisions,

has outside commitments, relationships or financial interests that could, or could be seen to, interfere with the Recipient's objective, unbiased and impartial judgment relating to the Program, the use of the Funds, or both.

**6.3 Disclosure to Province.** The Recipient will:

- (a) disclose to the Province, without delay, any situation that a reasonable person would interpret as an actual, potential or perceived conflict of interest; and
- (b) comply with any terms and conditions that the Province may prescribe as a result of the disclosure.

**7.0 REPORTING, ACCOUNTING AND REVIEW**

**7.1 Preparation and Submission.** The Recipient will:

- (a) submit to the Province at the address referred to in section 19.1, all Reports in accordance with the timelines and content requirements set out in Schedule "F", or in a form as specified by the Province from time to time;
- (b) submit to the Province at the address referred to in section 19.1, any other reports as may be requested by the Province in accordance with the timelines and content requirements specified by the Province;
- (c) ensure that all Reports and other reports are completed to the satisfaction of the Province; and
- (d) ensure that all Reports and other reports are signed on behalf of the Recipient by an authorized signing officer.

**7.2 Record Maintenance.** The Recipient will keep and maintain:

- (a) all financial records (including invoices) relating to the Funds and interest earned or otherwise to the Program in a manner consistent with generally accepted accounting principles; and
- (b) all non-financial documents and records relating to the Funds and interest earned or otherwise to the Program

**7.3 Inspection.** The Province, its authorized representatives or an independent auditor identified by the Province may, at its own expense, upon twenty-four hours' Notice to the Recipient and during normal business hours, enter upon the Recipient's premises to review the progress of the Program and the Recipient's allocation and expenditure of the Funds and interest earned and, for these purposes, the Province, its authorized representatives or an independent auditor identified by the Province may take one or more of the following actions:

- (a) inspect and copy the records and documents referred to in section 7.2;
- (b) remove any copies made pursuant to section 7.3(a) from the Recipient's premises; and
- (c) conduct an audit or investigation of the Recipient in respect of the expenditure of the Funds, the interest earned, the Program, or all three.
- (d) The Province may conduct an annual audit in respect of the information addressed in this section 7.3.

7.4 **Disclosure.** To assist in respect of the rights set out in section 7.3, the Recipient will disclose any information requested by the Province, its authorized representatives or an independent auditor identified by the Province, and will do so in the form requested by the Province, its authorized representatives or an independent auditor identified by the Province, as the case may be.

7.5 **No Control of Records.** No provision of the Agreement will be construed so as to give the Province any control whatsoever over the Recipient's records.

7.6 **Auditor General.** For greater certainty, the Province's rights under this Article are in addition to any rights provided to the Auditor General pursuant to section 9.1 of the *Auditor General Act* (Ontario).

## 8.0 COMMUNICATIONS REQUIREMENTS

8.1 **Acknowledge Support.** Unless otherwise directed by the Province, the Recipient will acknowledge the support of the Province in a form and manner as directed by the Province.

8.2 **Publication.** The Recipient will indicate, in any of its Program-related publications, whether written, oral, or visual, that the views expressed in the publication are the views of the Recipient and do not necessarily reflect those of the Province.

8.3 **Open Data.** The Recipient agrees that the Province may publicly release the following information, whether in hard copy or in electronic form, on the internet or otherwise: Recipient name, Recipient contact information, Recipient address or general location, amount of Maximum Funds and/or Funds, Program description, Program objectives/goals, Program location, Program results reported by the Recipient and Budget.

8.4 **Announcements.** The Recipient shall not publicly announce receiving the Funds or anything to do with the Agreement, including requesting the presence of the Minister of Energy at one or more Program events, until permitted by the Province.

## 9.0 FURTHER CONDITIONS

- 9.1 **Additional Provisions.** The Recipient will comply with any Additional Provisions. In the event of a conflict or inconsistency between any of the requirements of the Additional Provisions and any requirements of this Schedule "A", the Additional Provisions will prevail.

## 10.0 FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY

- 10.1 **FIPPA.** The Recipient acknowledges that the Province is bound by the *Freedom of Information and Protection of Privacy Act* (Ontario) and that any information provided to the Province in connection with the Program or otherwise in connection with the Agreement may be subject to disclosure in accordance with that Act.

## 11.0 INDEMNITY

- 11.1 **Indemnification.** The Recipient hereby agrees to indemnify and hold harmless the Indemnified Parties from and against any and all liability, loss, costs, damages and expenses (including legal, expert and consultant fees), causes of action, actions, claims, demands, lawsuits or other proceedings, by whomever made, sustained, incurred, brought or prosecuted, in any way arising out of or in connection with the Program or otherwise in connection with the Agreement, unless solely caused by the negligence or wilful misconduct of the Province.
- 11.1.1 **Limitation of Liability.** Notwithstanding section 11.1 of this Agreement, in no event shall the Recipient's cumulative total liability for loss, costs, damages and expenses (including legal, expert and consultant fees) to the Indemnified Parties under section 11.1 exceed in the aggregate two million dollars.
- 11.1.2 **Same.** Nothing in Article 11.1.1 abrogates, detracts from or diminishes in any manner the rights of the Province, acting reasonably, to exercise its authority under this Agreement, including in Articles 4, 13 and 15, to require the Recipient to repay funds provided to the Recipient under this Agreement, up to the amount of the Maximum Funds.
- 11.2 **Recipient's Participation.** The Recipient will, at its expense, to the extent requested by the Province, participate in or conduct the defence of any proceeding against any Indemnified Parties and any negotiations for their settlement.
- 11.3 **Province's Election.** The Province may elect to participate in or conduct the defence of any proceeding by providing Notice to the Recipient of such election without prejudice to any other rights or remedies of the Province under the Agreement, at law or in equity. Each Party participating in the defence will do so by actively participating with the other's counsel.
- 11.4 **Settlement Authority.** The Recipient will not enter into a settlement of any proceeding against any Indemnified Parties unless the Recipient has obtained the prior written approval of the Province. If the Recipient is requested by the Province to participate in or conduct the defence of any proceeding, the Province will co-operate with and assist the Recipient to the fullest extent possible in the proceeding and any related settlement negotiations.
- 11.5 **Recipient's Co-operation.** If the Province conducts the defence of any proceedings, the



Recipient will co-operate with and assist the Province to the fullest extent possible in the proceedings and any related settlement negotiations.

## **12.0 INSURANCE**

- 12.1 **Recipient's Insurance.** The Recipient represents and warrants that it has, and will maintain for the term of the Agreement, at its own cost and expense, with insurers having a secure A.M. Best rating of B+ or greater, or the equivalent, all the necessary and appropriate insurance that a prudent person carrying out a program similar to the Program would maintain, including commercial general liability insurance on an occurrence basis for third party bodily injury, personal injury and property damage, to an inclusive limit of not less than the amount set out in Schedule "B" per occurrence. The policy will include the following:
- (a) the Indemnified Parties as additional insureds with respect to liability arising in the course of performance of the Recipient's obligations under, or otherwise in connection with, the Agreement;
  - (b) a cross-liability clause;
  - (c) contractual liability coverage; and
  - (d) a 30-day written notice of cancellation.
- 12.2 **Proof of Insurance.** The Recipient will provide the Province with certificates of insurance, or other proof as may be requested by the Province, that confirms the insurance coverage as provided for in section 12.1.

## **13.0 TERMINATION ON NOTICE**

- 13.1 **Termination on Notice.** The Province may terminate the Agreement at any time without liability, penalty or costs upon giving at least 30 days' Notice to the Recipient.
- 13.2 **Consequences of Termination on Notice by the Province.** If the Province terminates the Agreement pursuant to section 13.1, the Province may take one or more of the following actions:
- (a) cancel all further instalments of Funds;
  - (b) demand the repayment of any Funds remaining in the possession or under the control of the Recipient, including an amount equal to the interest earned, up to the amount of the Maximum Funds; and
  - (c) determine the reasonable costs for the Recipient to wind down the Program, and do either or both of the following:
    - (i) permit the Recipient to offset such costs against the amount owing pursuant to section 13.2(b); and
    - (ii) subject to section 4.8, provide Funds to the Recipient to cover such costs.

#### **14.0 TERMINATION WHERE NO APPROPRIATION**

- 14.1 **Termination Where No Appropriation.** If, as provided for in section 4.2(d), the Province does not receive the necessary appropriation from the Ontario Legislature for any payment the Province is to make pursuant to the Agreement, the Province may terminate the Agreement immediately without liability, penalty or costs by giving Notice to the Recipient.
- 14.2 **Consequences of Termination Where No Appropriation.** If the Province terminates the Agreement pursuant to section 14.1, the Province may take one or more of the following actions:
- (a) cancel all further instalments of Funds;
  - (b) demand the repayment of any Funds remaining in the possession or under the control of the Recipient; and
  - (c) determine the reasonable costs for the Recipient to wind down the Program and permit the Recipient to offset such costs against the amount owing pursuant to section 14.2(b).
- 14.3 **No Additional Funds.** For greater clarity, if the costs determined pursuant to section 14.2(c) exceed the Funds remaining in the possession or under the control of the Recipient, the Province will not provide additional Funds to the Recipient.

#### **15.0 EVENT OF DEFAULT, CORRECTIVE ACTION AND TERMINATION FOR DEFAULT**

- 15.1 **Events of Default.** Each of the following events will constitute an Event of Default for the purposes of this Agreement:
- (a) in the opinion of the Province, the Recipient breaches any representation, warranty, covenant or other material term of the Agreement, including failing to do any of the following in accordance with the terms and conditions of the Agreement:
    - (i) carry out the Program;
    - (ii) use or spend Funds or interest earned; or
    - (iii) provide, in accordance with section 7.1, Reports or such other reports as may have been requested pursuant to section 7.1(b);
  - (b) the Recipient's operations, or its organizational structure, changes such that it no longer meets one or more of the eligibility requirements of the program under which the Province provides the Funds;
  - (c) the Recipient makes an assignment, proposal, compromise, or arrangement for the benefit of creditors, or a creditor makes an application for an order adjudging the Recipient bankrupt, or applies for the appointment of a receiver;
  - (d) the Recipient ceases to operate; or
  - (e) if any of the performance measures, targets or other requirements listed in Schedule "C" are not achieved to the satisfaction of the Province.



**15.2 Consequences of Events of Default and Corrective Action.** If an Event of Default occurs, the Province may, at any time, take one or more of the following actions:

- (a) initiate any action the Province considers necessary in order to facilitate the successful continuation or completion of the Program;
- (b) provide the Recipient with an opportunity to remedy the Event of Default;
- (c) suspend the payment of Funds for such period as the Province determines appropriate;
- (d) reduce the amount of the Funds;
- (e) cancel all further instalments of Funds;
- (f) demand the repayment of any Funds, or an amount equal to the interest earned, up to the amount of the Maximum Funds, remaining in the possession or under the control of the Recipient;
- (g) demand the repayment of an amount equal to any Funds, or interest earned, up to the amount of the Maximum Funds, the Recipient used, but did not use in accordance with the Agreement;
- (h) demand the repayment of an amount equal to any Funds, or interest earned, up to the amount of the Maximum Funds, the Province provided to the Recipient; and
- (i) terminate the Agreement at any time, including immediately, without liability, penalty or costs to the Province upon giving Notice to the Recipient.

**15.3 Opportunity to Remedy.** If, in accordance with section 15.2(b), the Province provides the Recipient with an opportunity to remedy the Event of Default, the Province will provide Notice to the Recipient of:

- (a) the particulars of the Event of Default; and
- (b) the Notice Period.

**15.4 Recipient not Remediating.** If the Province has provided the Recipient with an opportunity to remedy the Event of Default pursuant to section 15.2(b), and:

- (a) the Recipient does not remedy the Event of Default within the Notice Period;
- (b) it becomes apparent to the Province that the Recipient cannot completely remedy the Event of Default within the Notice Period; or
- (c) the Recipient is not proceeding to remedy the Event of Default in a way that is satisfactory to the Province,

the Province may extend the Notice Period, or initiate any one or more of the actions provided for in sections 15.2(a), (c), (d), (e), (f), (g), (h) and (i).

**15.5 When Termination Effective.** Termination under this Article will take effect as set out in the Notice.

## **16.0 FUNDS AT THE END OF A FUNDING YEAR**

- 16.1 **Funds at the End of a Funding Year.** Without limiting any rights of the Province under Article 15.0, if the Recipient has not spent all of the Funds allocated for the Funding Year as provided for in the Budget, the Province may take one or both of the following actions:
- (a) demand the return of the unspent Funds and an amount equal to the interest earned, up to the amount of the Maximum Funds; and
  - (b) adjust the amount of any further instalments of Funds accordingly.

## **17.0 FUNDS UPON EXPIRY**

- 17.1 **Funds Upon Expiry.** The Recipient will, upon expiry of the Agreement, return to the Province any Funds, and an amount equal to the interest earned, up to the amount of the Maximum Funds, remaining in its possession or under its control.

## **18.0 REPAYMENT**

- 18.1 **Repayment of Overpayment.** If at any time during the term of the Agreement the Province provides Funds in excess of the amount to which the Recipient is entitled under the Agreement, the Province may:
- (a) deduct an amount equal to the excess Funds from any further instalments of Funds; or
  - (b) demand that the Recipient pay an amount equal to the excess Funds, or interest earned, up to the amount of the Maximum Funds, to the Province.
- 18.2 **Debt Due.** If, pursuant to the Agreement:
- (a) the Province demands the payment of any Funds or an amount equal to any Funds and interest earned, up to the amount of the Maximum Funds, from the Recipient; or
  - (b) the Recipient owes any Funds or an amount equal to any Funds and interest earned, up to the amount of the Maximum Funds, to the Province, whether or not their return or repayment has been demanded by the Province,
- such Funds and an amount equal to the interest earned, up to the amount of the Maximum Funds, or other amount will be deemed to be a debt due and owing to the Province by the Recipient, and the Recipient will pay or return the amount to the Province immediately, unless the Province directs otherwise.
- 18.3 **Interest Rate.** The Province may charge the Recipient interest on any money owing by the Recipient at the then current interest rate charged by the Province of Ontario on accounts receivable.
- 18.4 **Payment of Money to Province.** The Recipient will pay any money owing to the Province by cheque payable to the "Ontario Minister of Finance" and delivered to the Province at the address referred to in section 19.1.

- 18.5 **Failure to Repay.** Without limiting the application of section 43 of the *Financial Administration Act* (Ontario), if the Recipient fails to repay any amount owing under the Agreement, Her Majesty the Queen in right of Ontario may deduct any unpaid amount from any money payable to the Recipient by Her Majesty the Queen in right of Ontario.

## 19.0 NOTICE

- 19.1 **Notice in Writing and Addressed.** Notice will be in writing and will be delivered by email, postage-prepaid mail, personal delivery or fax, and will be addressed to the Province and the Recipient respectively as set out in Schedule "B", or as either Party later designates to the other by Notice.
- 19.2 **Notice Given.** Notice will be deemed to have been given:
- (a) in the case of postage-prepaid mail, five Business Days after the Notice is mailed; or
  - (b) in the case of email, personal delivery or fax, one Business Day after the Notice is delivered.
- 19.3 **Postal Disruption.** Despite section 19.2(a), in the event of a postal disruption:
- (a) Notice by postage-prepaid mail will not be deemed to be received; and
  - (b) The Party giving Notice will provide Notice by email, personal delivery or by fax.
- 19.4 **Notice by Telephone.** For clarity, Notice may not be given or received by telephone, despite the inclusion of a telephone number (if any) in the table in Schedule "B".

## 20.0 CONSENT BY PROVINCE AND COMPLIANCE BY RECIPIENT

- 20.1 **Consent.** When the Province provides its consent pursuant to the Agreement, it may impose any terms and conditions on such consent and the Recipient will comply with such terms and conditions.

## 21.0 SEVERABILITY OF PROVISIONS

- 21.1 **Invalidity or Unenforceability of Any Provision.** The invalidity or unenforceability of any provision of the Agreement will not affect the validity or enforceability of any other provision of the Agreement. Any invalid or unenforceable provision will be deemed to be severed.

## 22.0 WAIVER

- 22.1 **Waivers in Writing.** If a Party fails to comply with any term of the Agreement, that Party may only rely on a waiver of the other Party if the other Party has provided a written waiver in accordance with the Notice provisions in Article 19.0. Any waiver must refer to a specific failure to comply and will not have the effect of waiving any subsequent failures to comply.

### 23.0 INDEPENDENT PARTIES

- 23.1 **Parties Independent.** The Recipient acknowledges that it is not an agent, joint venturer, partner or employee of the Province, and the Recipient will not represent itself in any way that might be taken by a reasonable person to suggest that it is, or take any actions that could establish or imply such a relationship.

### 24.0 ASSIGNMENT OF AGREEMENT OR FUNDS

- 24.1 **No Assignment.** The Recipient will not, without the prior written consent of the Province, assign any of its rights, or obligations under the Agreement.
- 24.2 **Agreement Binding.** All rights and obligations contained in the Agreement will extend to and be binding on the Parties' respective heirs, executors, administrators, successors and permitted assigns.

### 25.0 GOVERNING LAW

- 25.1 **Governing Law.** The Agreement and the rights, obligations and relations of the Parties will be governed by and construed in accordance with the laws of the Province of Ontario and the applicable federal laws of Canada. Any actions or proceedings arising in connection with the Agreement will be conducted in the courts of Ontario, which will have exclusive jurisdiction over such proceedings.

### 26.0 FURTHER ASSURANCES

- 26.1 **Agreement into Effect.** The Recipient will provide such further assurances as the Province may request from time to time with respect to any matter to which the Agreement pertains, and will otherwise do or cause to be done all acts or things necessary to implement and carry into effect the terms and conditions of the Agreement to their full extent.

### 27.0 JOINT AND SEVERAL LIABILITY

- 27.1 **Joint and Several Liability.** Where the Recipient is comprised of more than one entity, all such entities will be jointly and severally liable to the Province for the fulfillment of the obligations of the Recipient under the Agreement.

### 28.0 RIGHTS AND REMEDIES CUMULATIVE

- 28.1 **Rights and Remedies Cumulative.** The rights and remedies of the Province under the Agreement are cumulative and are in addition to, and not in substitution for, any of its rights and remedies provided by law or in equity.

### 29.0 ACKNOWLEDGEMENT OF OTHER LEGISLATION AND DIRECTIVES

- 29.1 **Recipient Acknowledges.** The Recipient:

- (a) acknowledges that by receiving Funds it may become subject to legislation applicable to organizations that receive funding from the Government of Ontario, including the BPSAA, the PSSDA, and the *Auditor General Act* (Ontario);
- (b) acknowledges that Her Majesty the Queen in right of Ontario has issued expenses, perquisites, and procurement directives and guidelines pursuant to the BPSAA; and
- (c) will comply with any such legislation, including directives issued thereunder, to the extent applicable.

### **30.0 FAILURE TO COMPLY WITH OTHER AGREEMENTS**

#### **30.1 Other Agreements.** If the Recipient:

- (a) has failed to comply (a "Failure") with any term, condition or obligation under any other agreement with Her Majesty the Queen in right of Ontario or one of Her agencies;
- (b) has been provided with notice of such Failure in accordance with the requirements of such other agreement;
- (c) has, if applicable, failed to rectify such Failure in accordance with the requirements of such other agreement; and
- (d) such Failure is continuing,

the Province may suspend the payment of Funds for such period as the Province determines appropriate.

### **31.0 SURVIVAL**

- 31.1 **Survival.** The following Articles and sections, and all applicable cross-referenced sections and schedules, will continue in full force and effect for a period of seven years from the date of expiry or termination of the Agreement: Article 1.0 and any other applicable definitions, section 4.2(d), 4.7, section 4.11, section 5.2, section 7.1 (to the extent that the Recipient has not provided the Reports to the satisfaction of the Province), sections 7.2, 7.3, 7.4, 7.5, 7.6, Article 8.0, section 8.3, Article 11.0, section 13.2, sections 14.2 and 14.3, sections 15.1, 15.2(d), (e), (f), (g) and (h), Article 17.0, Article 18.0, Article 19.0, Article 21.0, section 24.2, Article 25.0, Article 27.0, Article 28.0, Article 29.0, Article 30.0, and Article 31.0.

**SCHEDULE "B"**

**PROGRAM SPECIFIC INFORMATION AND ADDITIONAL PROVISIONS**

<b>Maximum Funds</b>	\$42,000,000
<b>Expiration Date</b>	May 31, 2019
<b>Amount for the purposes of section 5.2 of Schedule "A"</b>	N/A
<b>Insurance</b>	\$ 2,000,000
<b>Contact information for the purposes of Notice to the Province</b>	Attention: Jennifer Block  Position: Director, Conservation Programs and Partnerships Branch  Address: 77 Grenville St, Toronto, Ontario, M5S 1B3  Fax: 416-325-3438  Email: <a href="mailto:Jennifer.Block@ontario.ca">Jennifer.Block@ontario.ca</a>
<b>Contact information for the purposes of Notice to the Recipient</b>	Attention: Tracy Lynch  Position: Director, Energy Conservation Strategy  Address: 777 Bay Street, Suite 2901, Toronto, ON M5G 2C8  Fax: 416-496-5331  Email: <a href="mailto:tlynch@uniongas.com">tlynch@uniongas.com</a>
<b>Contact information for the senior financial person in the Recipient organization (e.g., CFO, CAO) – to respond as required to requests from the Province related to the Agreement</b>	Attention: Mark Isherwood  Position: VP, Sales and Marketing and Customer Care  Address: 50 Keil Drive North, Chatham, Ontario, N7M 5M1  Fax: 519-436-4645  Email: <a href="mailto:misherwood@uniongas.com">misherwood@uniongas.com</a>

**Additional Provisions:**

N/A



## SCHEDULE "C"

### PROGRAM DESCRIPTION AND TIMELINES

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#### 1. Background

On November 26, 2015, the Government of Ontario announced a commitment to establish a Green Investment Fund (the "GIF") that will be targeted at reducing greenhouse gas ("GHG") emissions while strengthening the economy.

On February 4, 2016, the Government of Ontario announced a \$100M GIF allocation, in partnership with the Recipient and Enbridge Gas Distribution ("Enbridge"), to help approximately 37,000 homeowners conduct audits to identify energy-saving opportunities and then complete retrofits. This new \$100 million funding is expected to save an equivalent of 1.6 million tonnes of GHG emissions. Eligible homeowners will be able to qualify for rebates towards energy audits and home energy efficiency retrofits.

#### 2. Scope of Program, Program Details and Deliverables

##### a) Program Description:

The Funds from the GIF will be allocated to the Recipient to expand its existing Home Reno Rebate offering (the "existing HRR offering") that operates within the Ontario Energy Board's (the "OEB's") 2015-2020 Demand Side Management ("DSM") Framework, and is currently being delivered to eligible residential customers. The Funds are expected to generate increased homeowner participation and avoided GHG emissions, beyond what would have been realized through DSM funding<sup>1</sup>. The offering enhancements via the GIF, and Recipient's existing HRR offering, will operate as a single enhanced Home Reno Rebate offering (the "enhanced HRR offering").

The existing HRR offering helps single-family homeowners find energy-saving opportunities throughout their home and provides financial incentives to offset the costs of upgrades (the maximum rebate payment is \$5,000 per home). The existing HRR offering includes a rebate for home energy assessments of up to \$500 (intended to cover the full cost of an initial and follow-up home energy assessment), as well as rebates for:

- Basement insulation
- Exterior wall insulation
- Attic insulation
- Air sealing
- High-efficiency natural gas furnace or boiler
- High-efficiency natural gas water heater
- ENERGY STAR-qualified windows.

Participants of the existing HRR offering work with an auditor from a Service Organization to complete an initial energy assessment (known as the "D Assessment") to establish the home's current energy use and identify energy saving opportunities in the home (see Appendix A for the current list of Recipient's partnered Service Organizations). A critical component of the D Assessment is a blower door test that measures the home's air tightness. The assessment includes an energy efficiency report delivered to the homeowner that outlines all energy saving opportunities identified by NRCan's HOT2000 software, the

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<sup>1</sup> DSM funding – is the funding provided to the Union to perform its existing HRR offering.



home's EnerGuide rating, and energy saving tips and information (see Appendix B for a sample energy efficiency report).

Rebates are available for completing energy assessments as well as implementing opportunities identified in the D Assessment. After upgrades to the home are made, participants complete a second energy assessment (known as the "E Assessment") to determine the energy savings.

The Recipient will leverage the existing HRR offering, including relationships with Service Organizations, marketing tactics, and tracking/reporting systems, to increase participation – using additional funding from the GIF. The Recipient has and will continue to seek opportunities to collaborate and coordinate with the Independent Electricity System Operator (the "IESO") and local distribution companies ("LDCs") to the extent possible.

The Funds from the GIF will also be used by the Recipient to launch a Behavioural offering. The Behavioural offering will seek to achieve GHG emissions reductions by encouraging customers to change their energy use decisions and actions. The Behavioural offering provides participants a comparison of their own natural gas usage against that of their peers, as well as their own performance from previous months. To assist participants in taking action, the Behavioural offering will provide customized energy savings tips and other mechanisms to motivate behavioural changes.

Behavioural offering participants will receive a combination of personalized direct mail and/or emails to deliver climate change messaging and energy performance enhancement opportunities through behavioural-based changes. The Recipient will also provide Behavioural offering participants with information on the benefits of participating in the enhanced HRR offering.

The Recipient will utilize their existing procurement process to select a service provider with extensive experience delivering similar programs that will achieve behavioural-based savings. The Steering Committee, discussed below in section 4 of Schedule "C", will be engaged in this process to ensure that the Behavioural offering goals are achieved.

b) Target Market and Eligibility

The Recipient's existing HRR offering targets the Recipient's residential customers who have a natural gas furnace. Participants must complete at least two eligible energy efficiency upgrades to qualify for the existing HRR offering (see Table 1 in (c) Incentive Structure for the list of eligible measures in the Recipient's existing HRR offering). Participants must complete both the initial D Assessment and the follow-up E Assessment to receive rebates.

With additional funding through the GIF, the Recipient will expand its existing HRR offering to target homes that use oil, propane, or wood as their primary heating fuel (in addition to homes that use natural gas). The enhanced HRR offering will target all homes within the province of Ontario in cooperation with Enbridge. The province will be shared between the Recipient and Enbridge so that all areas of the province are covered by the utilities, including areas outside of the utilities' franchise areas. Schedule "H" provides details on how Ontario will be served by the Recipient and Enbridge for the purpose of delivering the enhanced HRR offering.

The Behavioural offering will target the Recipient's natural gas customers based on consumption patterns, allowing for tailored messaging such as energy efficiency tips that will benefit the customers and drive GHG emission reductions.

c) Incentive Structure

Measure rebates for the Recipient's existing HRR offering are shown in Table 1 below.

Table 1: Measure Rebates for the Recipient's Existing HRR Offering

Measure	Rebate	Description
Basement Insulation	\$1,000	For adding at least R23 to 100% of basement
	\$500	For adding at least R12 to 100% of basement
	\$800	For adding at least R23 to 100% of crawl space wall
	\$400	For adding at least R10 to 100% of crawl space wall
	\$450	For adding at least R24 to 100% of floor above crawl space
Exterior Wall Insulation	\$1,500	Add at least R9 for 100% of building to achieve a minimum of R12
	\$1,000	Add at least R3.8 for 100% of building to achieve a minimum of R12
Attic Insulation	\$500	For increasing attic insulation from R12 or less to at least R50 from R12 or less
	\$250	For increasing attic insulation from R13 to R25 to at least R50
	\$500	For increasing cathedral/flat roof insulation by at least R14
Air Sealing	\$150	Achieve 10% or more above base target
	\$100	Achieve base target
Furnace/Boiler	\$500	For replacing low or mid-efficiency heating system with 95% AFUE or higher condensing natural gas furnace or 90% AFUE or higher ENERGY STAR® condensing gas boiler
Water Heater	\$200	For replacing water heater with ENERGY STAR natural gas water heater with EF of 0.82 or higher
Window/Door/Skylight	\$40	For each window, door or skylight replaced with ENERGY STAR-qualified model

The existing HRR offering also includes a rebate of up to \$500 for the initial D Assessment and the follow-up E Assessment (intended to cover the full cost of the assessments). A \$250 bonus rebate will also be available for each measure installed beyond the first two. The maximum rebate payment is \$5,000 per home (this amount includes rebates for the home energy assessments, measure upgrades, and bonuses.)

With additional funding through the GIF, measure rebates will be enhanced to drive increased participation levels (see Table 2 below for the measure rebates for the enhanced HRR offering, with funding from the GIF). Rebates for high-efficiency oil and propane furnaces/boilers, air-source heat pumps, and wood burning systems have also been added, as well as a rebate for smart thermostats.

Table 2: Measure Rebates for the Enhanced HRR Offering

Measure	Rebate	Description
Basement Insulation	\$1,250	For adding at least R23 to 100% of basement
	\$750	For adding at least R12 to 100% of basement
	\$1,000	For adding at least R23 to 100% of crawl space wall
	\$500	For adding at least R10 to 100% of crawl space wall
	\$500	For adding at least R24 to 100% of floor above crawl space

Measure	Rebate	Description
Exterior Wall Insulation	\$1,750	Add at least R9 for 100% of building to achieve a minimum of R12
	\$1,250	Add at least R3.8 for 100% of building to achieve a minimum of R12
Attic Insulation	\$500	For increasing attic insulation from R12 or less to at least R50 from R12 or less
	\$250	For increasing attic insulation from R13 to R25 to at least R50
	\$500	For increasing cathedral/flat roof insulation by at least R14
Air Sealing	\$150	Achieve 10% or more above base target
	\$100	Achieve base target
Furnace/Boiler	\$1,000	<p>For replacing a</p> <ul style="list-style-type: none"> <li>94% or less AFUE natural gas, propane, or oil furnace, or;</li> <li>89% or less AFUE natural gas, propane, or oil boiler, or;</li> </ul> <p>With a</p> <ul style="list-style-type: none"> <li>95% or higher AFUE condensing natural gas, propane, or oil furnace</li> <li>90% or higher AFUE condensing natural gas, propane, or oil boiler</li> </ul>
Wood-burning System	\$375	<p>For replacing a wood-burning system or appliance with one of the following:</p> <ul style="list-style-type: none"> <li>An indoor wood-burning appliance certified to either CAN/CSA-B415.1-M92 or the United States Environmental Protection Agency (EPA) 40 CFR Part 60 wood-burning appliance standard. Appliances exempt from EPA testing are not eligible unless they are B415.1-M92 certified.</li> <li>An indoor pellet-burning appliance (includes stoves, furnaces and boilers that burn wood, corn, grain or cherry pits).</li> <li>An indoor masonry heater.</li> </ul> <p>Or</p> <p>For replacing a solid fuel-fired outdoor boiler with an outdoor wood-burning appliance certified to either CAN/CSA-B415.1 or United States Environmental Protection Agency (EPA) Outdoor Wood-fired Hydronic Heater (OWHH Method 28) Program (Phase 1 and 2). The capacity of the new equipment must be equal to or smaller than the capacity of the boiler being replaced.</p>
Air-source Heat Pump	\$500	<p>For installing one of the following ENERGY STAR qualified air-source heat pumps (ASHP) that provide space heating and optional cooling. The ASHP must have an Air-Conditioning, Heating and Refrigeration Institute (AHRI) number meeting the requirements in Table A2:</p> <ul style="list-style-type: none"> <li>A central split-system ASHP that is a complete new system or replacement including the matched indoor coil and outdoor unit, as well as a furnace if required to meet ENERGY STAR.</li> <li>A single package ASHP.</li> <li>A ductless mini-split ASHP with at least one indoor heat per floor (excluding the basement) that is a complete new system or replacement including indoor head and outdoor unit.</li> </ul>
Water Heater	\$500	For replacing water heater with ENERGY STAR natural gas water heater with EF of 0.82 or higher
Window/Door/Skylight	\$80	For each window, door or skylight replaced with ENERGY STAR-qualified model
Smart Thermostat	\$100	For purchase and installation of a wi-fi enabled thermostat with learning capabilities utilizing sensor technology

The \$500 rebate for the D and E Assessments, the bonus rebate of \$250 for each measure installed beyond the first two, and the maximum rebate payment of \$5,000 per home will not change. Smart thermostats will not be considered one of the eligible energy efficiency upgrades to qualify for the enhanced HRR offering, and will not contribute towards eligibility for the bonus rebate offer.

Rebates are not designed to promote the switching of fuel types. Rebates have been designed only to incent the installation of a high-efficiency system, regardless of the fuel type. In situations where a homeowner has decided to change fuel types during their home renovations, the savings attributed to the enhanced HRR offering will be calculated as the difference between the high-efficiency system that was installed and the standard-efficiency system of the same fuel source, regardless of what the actual existing fuel type was.

At any point during the term of the enhanced HRR offering, the Recipient may find it necessary to adjust rebate levels in response to market changes or lessons learned.

The Behavioural offering does not provide direct financial incentives to customers. Actions are driven by intrinsic motivators (such as social norms/neighbour comparisons, commitments, and aversion to loss) as opposed to financial incentives.

d) Attribution of Program Results and Costs

The Recipient is guided by the attribution rules defined in EB-2014-0134, the Ontario Energy Board's Filing Guidelines to the Demand Side Management Framework for Natural Gas Distributors (2015-2020) ("The Guidelines"). Section 7.2.3 of the Guidelines state that:

*Attribution of savings between rate-regulated natural gas utilities and other parties (e.g., governments, non-rate-regulated private sector, etc.) should be based primarily on the shares established in a partnership agreement reached prior to the program's launch.*

While funding from the GIF will drive incremental participation, the Recipient's existing HRR offering continues to be the foundation of the offering. For this reason, attribution of the enhanced HRR offering's results will not be determined simply based on the source of funding. Instead, attribution between the Recipient and GIF will occur based on the following rules:

1. 100% of the results from homes outside of the Recipient's franchise area will be attributed to the GIF (via the Province).
2. 100% of the results from homes within the Recipient's franchise that use a primary heating fuel other than natural gas will be attributed to the GIF (via the Province).
3. 100% of the results directly related to the smart thermostat will be attributed to the GIF (via the Province).
4. For all other results, there will be a two-phased approach to attribution each year. During Phase 1, 80% of the results will be attributed to the Recipient and 20% will be attributed to the GIF (via the Province). If at any point in a given year the Recipient exhausts its DSM funding available, or elects to stop using DSM funds for the enhanced HRR offering, Phase 2 of attribution will begin. During Phase 2, 100% of the offering's results will be attributed to the GIF (via the Province). Phase 1 will reset on January 1<sup>st</sup> of each year.

Attribution levels for Phase 1 were established based on the estimate that the GIF incentive enhancements will account for approximately twenty percent (20%) of the total per-home average incentive amount.



Attributable results include the number of homes participating in the enhanced HRR offering, the amount of energy saved by the enhanced HRR offering, and the amount of GHG emissions avoided by the enhanced HRR offering. Savings will be determined based on HOT2000, except for smart thermostats, which will use prescriptive savings assumptions from the Union/Enbridge Technical Reference Manual.

For the Behavioural offering, 100% of the results will be attributed to the GIF (via the Province).

Costs will be classified as: (a) customer incentive and education costs, (b) program costs, (c) marketing costs, or (d) administration costs. Table 3 below provides details on how customer incentive and education costs will be attributed to Union (DSM) or the GIF (Province) for the enhanced HRR offering.

Table 3: Attribution of Customer Incentive and Education Costs for the Enhanced HRR Offering

Cost	Qualifier	Funded by DSM (the Recipient)	Funded by the GIF (Province)
Rebates for Smart Thermostats	All homes	0%	100%
Rebates for all other Measure Upgrades	Homes outside the Recipient's franchise area	0%	100%
	Homes within the Recipient's franchise area that use a primary heating fuel other than natural gas	0%	100%
	Homes within the Recipient's franchise area that use natural gas as the primary heating fuel, attributed to Recipient in Phase 1	Existing Incentive Levels (Table 1)	Enhanced Portion of Incentives (Difference between Table 1 and Table 2)
	Homes within the Recipient's franchise area that use natural gas as the primary heating fuel, attributed to the GIF in Phase 1 and/or Phase 2	0%	100%

Rebates for energy assessments, as well as bonus rebates, will be funded by the Recipient (DSM) for homes attributed to the Recipient, and by the GIF (Province) for homes attributed to the GIF.

All program costs, as outlined in Schedule "D" Budget, will be funded by the GIF.

Marketing costs that can be directly attributed to homes that are not the Recipient's customers will be funded by the GIF. All other marketing costs will be allocated based on the share of participants attributed to the Recipient or to the GIF. For example, if in 2016 the enhanced HRR offering results in 8,000 total participants, with 5,000 (or 62.5%) attributed to the Recipient and 3,000 (or 37.5%) attributed to the GIF,

then 62.5% of the marketing costs will be funded by the Recipient (DSM) and 37.5% will be funded by the GIF (Province).

All of the costs associated with the Behavioural offering will be funded by the GIF.

In addition to these attribution rules, the total amount of marketing costs attributed to GIF will not exceed 2% of the Maximum Funds. For example, should the Recipient spend \$42 million of the GIF, the total amount of marketing costs funded by the GIF will not exceed \$0.840 million.

Administrative costs required to deliver the enhanced HRR offering and the Behavioural offering will be funded by the GIF on a fully allocated basis in alignment with Ontario Energy Board protocols.

e) Co-Branding

The Recipient will include statements within the enhanced HRR offering's marketing material communicating that the offering is jointly funded. The Recipient will work with the Province to ensure the messaging is appropriate and sufficient.

f) French Language Translation

The Recipient will ensure that information communicated to the public regarding the enhanced HRR offering and the Behavioural offering will be available in French.

### **3. Reporting Deliverables**

Reporting deliverables expected from the Recipient include:

- Monthly Update Reports – Requirements are outlined in Schedule "F".
- Quarterly Update Reports – Requirements are outlined in Schedule "F".
- Annual Reports - Requirements are outlined in Schedule "F".
- Final Program Report (replaces annual report in final program year) – Requirements are outlined in Schedule "F".
- Audit Report (performed by an independent third party) – Requirements are outlined in Schedule "F".

### **4. Structure and Governance**

The Recipient's existing HRR offering, and the enhancements funded by the GIF, will operate as a single offering – both in the Recipient's delivery of the enhanced HRR offering and from the perspective of participants. The existing HRR offering and the enhanced HRR offering will not be explicitly differentiated.

As with DSM programming, the Recipient will be accountable for all program design elements, including but not limited to:

- Incentive structure design
- Design and execution of marketing tactics
- Relationships and communication with program partners (such as Service Organizations)
- Program eligibility requirements

The Recipient will also be accountable for all tracking requirements and reporting deliverables to the Province, as outlined in Schedule "F".

The Recipient will form a Steering Committee (the "Committee"), to be established and governed as follows:

- (a) **Establishment.** A Committee shall be established by the Recipient, the composition of which shall include at least one representative of the Ontario government, one representative of the Recipient, and such other persons as the Recipient in its sole discretion determines appropriate.
- (b) **Composition.** The composition of the Committee shall be structured by the Recipient so that the representatives of the Ontario government do not constitute the majority of the members of the Committee. It is expressly agreed and understood that no one representative on the Committee will have sole control or veto power over the Committee.
- (c) **Meetings.** The Committee comprising the majority of its members shall meet on such occasions as may be required to address emerging issues with the Programs. During Program design and roll-out the anticipated frequency is monthly, transitioning to quarterly as determined by the Committee. The Committee will provide guidance for the Program as required.
- (d) **Audit.** The enhanced HRR offering will be included within the scope of the Recipient's annual DSM audit, and any findings or recommendations from the audit will be shared with the Province. Since the enhanced HRR offering's design includes on-site assessments both before and after upgrades to the home are made, and uses NRCan HOT2000 software facilitated by independent energy advisors, additional evaluation activities are not anticipated at this time. The Committee will determine whether additional evaluation or auditing is required in the future. If deemed appropriate, additional auditing will be funded by the GIF as part of the program costs.

## 5. Term/Timelines

Enhancements to the Recipient's existing HRR offering, via funding from the GIF, will begin within 30 days of the Recipient receiving a fully executed final agreement from the Province. Enhancements will end when funding has been exhausted, or by May 31, 2019, whichever occurs first. Should funds remain unspent by May 31, 2019, the Recipient and the Province will determine how to proceed at that time.

Activity	Timeline
Program Launch	Q3 2016
2016 Year-end Report	January 30, 2017
2017 Year-end Report	January 30, 2018
2018 Year-end Report / Final Report	January 30, 2019

The Behavioural offering is expected to launch in 2017, and will end when funding has been exhausted, or by May 31, 2019, whichever occurs first. Should funds remain unspent by May 31, 2019, the Recipient and the Province will determine how to proceed at that time.

## 6. Projected Results

Enhancements to the Recipient's existing HRR offering, via funding from the GIF, is expected to drive an estimated 12,000 incremental participating homes, in addition to what would have been realized through DSM funding only. Table 4 below provides an annual breakdown of the projected annual incremental



participants due to GIF enhancements, the estimated fuel savings (modelled off existing natural gas program data), and the associated CO2 emissions reduction. Annual projections are estimates; actual results may vary year-by-year.

**Table 4: Projected Annual Incremental Participation due to GIF Enhancements**

<b>Year End</b>	<b>Homes</b>	<b>Natural Gas Savings (m3)</b>	<b>CO2 Emissions Reduction (metric tonnes)</b>
2016	1,500	37.5 million	75,000
2017	4,000	100.0 million	200,000
2018	6,500	162.5 million	325,000
<b>TOTAL</b>	<b>12,000</b>	<b>300 million</b>	<b>600,000</b>

For incremental participants, it is expected that the distribution of participants by primary heating fuel type will be similar to the provincial distribution of homes by primary heating fuel type (with the exception of homes that use electricity as the primary heating fuel). Table 5 below shows the Ontario distribution of residential homes by primary heating fuel type based on the Statistics Canada 2011 Survey of Household Energy Use, the distribution not including homes that use electricity as the primary heating fuel, and the corresponding forecasted participants by fuel type.

**Table 5: Primary Heating Fuel Used (2011 Survey of Household Energy Use, Statistics Canada)**

<b>Fuel Type</b>	<b>Residential homes in Ontario</b>	<b>Residential homes in Ontario (not including Electricity)</b>	<b>Forecasted Participants</b>
<b>Natural Gas</b>	76%	88%	10,560
<b>Electricity</b>	14%	--	--
<b>Oil</b>	5%	6%	720
<b>Wood</b>	3%	4%	480
<b>Propane</b>	2%	2%	240
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>	<b>12,000</b>

The Recipient expects that approximately 84% of the incremental 12,000 participants will be the Recipient's customers, and approximately 16% will not be the Recipient's customers. The forecast is based on the expected market opportunity within the Recipient's program area, outlined in Table 6 below. These figures are estimates.

**Table 6: Market Opportunity within Recipient's Program Area**

<b>Market Opportunity</b>		<b>Forecasted Participants</b>	
<b>Union Gas Limited Customers</b>	1.3 million homes	<b>Recipient customers</b>	84% (10,080 homes)
<b>Kitchener Utilities customers Utilities Kingston customers Natural Resource Gas Limited customers Six Nations Natural Gas customers</b>	0.080 million <sup>2</sup> homes	<b>Non-Recipient customers</b>	16% (1,920 homes)

<sup>2</sup> Source: The Recipient.

Market Opportunity		Forecasted Participants	
Homes that use oil, propane, or wood as the primary heating fuel	0.161 million <sup>3</sup> homes		
TOTAL	1.541 million homes	TOTAL	100% (12,000 homes)

Projected results for the Behavioural offering are not available at this time, and will be determined by the Steering Committee outlined in section 4 of Schedule "C".

<sup>3</sup> 50% of the 321,822 homes in Ontario that use oil, propane, and wood as the primary heating fuel, with the remainder to be served by Enbridge. Source: Statistics Canada 2011 Survey of Household Energy Use.

APPENDIX A – Current Service Organisations

Current participating Service Organizations are listed below. Service Organizations may be added or removed from this list by the Recipient at any time. The Recipient will ensure that homeowners in all parts of the Recipient's program area will have access to a participating Service Organization.

<b>Service Organization</b>	<b>Phone</b>
Amerispec of Canada	1-800-263-5928
Barrier Sciences Group	1-866-333-3920
BuyWise Consulting	1-866-296-9473
Canada Energy Audit	1-888-298-9458
Eco Advantage Energy Advisors	1-855-449-2387
EnerCare Home Services	1-866-627-6483
The Energuy	1-888-442-9577
Enerquality	1-844-447-0077
EnerTest Corporation	1-877-327-1504
Envirocentre	1-877-580-2582
Green Communities Canada	1-866 865-7337
Ridge Energy Consultants Inc	1-888-236-5116

## APPENDIX B – Sample Energy Efficiency Report

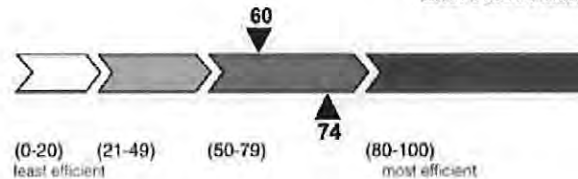
**ecoENERGY**  
an ecoACTION initiative

**Property Owner:**



**Energy Efficiency Evaluation Report**  
**File number:** [REDACTED]

**EnerGuide Rating**



**House type:** Single detached

**Heating system:** Natural gas Furnace

**No. of storeys:** One

**Domestic hot water:** Natural gas

**No. of RO windows:** 10  
RO = rough opening

**Air leakage rate @ 50 Pa:**  
12.07 ACH  
ACH = number of air changes per hour

**Air conditioner:** Yes

**Equivalent Leakage Area:**  
1783 cm<sup>2</sup>

The results of your pre-retrofit energy evaluation show that your house rates 60 points on the EnerGuide scale. If you implement all of the recommendations in this report, you could reduce your energy consumption by up to 33% and increase your home's energy efficiency rating to 74 points. The average energy efficiency rating for a house of this age in Ontario is 57, whereas the highest rating achieved by the most energy-efficient houses in this category is 83.

The sooner you start your renovations, the sooner you will benefit from the energy savings. And let's not forget how reduced energy consumption helps protect the environment.

Did you know that when you reduce the amount of energy used in your home, you also reduce the production of greenhouse gases (GHG) such as carbon dioxide? By improving your home's energy efficiency rating to 74 points, you will reduce its GHG emissions by 2.8 tonnes per year!

The ecoENERGY Retrofit - Homes program stopped accepting bookings for pre-retrofit evaluations as of March 31, 2010. If there is a complimentary grant program offered by a province, territory, municipality, utility or other organization, your file will be transferred to them in accordance with your consent.

*Note: If you notice any discrepancies with the above description of your home, contact your service organization immediately.*

**Service  
Organization:**

Telephone: [REDACTED]

Certified Energy Advisor: [REDACTED]

Date of evaluation: [REDACTED]  
Date of report: [REDACTED]

Certified Energy Advisor Signature \_\_\_\_\_

HOT2000v10.51

# **1. YOUR HOME ENERGY ACTION CHECKLIST**

This is your checklist of recommended retrofits to improve the energy efficiency of your home. Included is information on the potential for energy savings and EnerGuide rating improvement. For more information on implementing the recommended retrofits, read carefully the 'Recommended Energy-Saving Measures' section of this report. Any reference in this report regarding the eligibility for, or availability of, grants under the ecoENERGY Retrofit - Homes program should be disregarded.

Before undertaking upgrades or renovations, find out about the appropriate products and installation techniques, and ensure that all renovations meet local building codes and by-laws. NRCan does not endorse the services of any contractor, nor any specific product, and accepts no liability in the selection of materials, products, contractors or performance of workmanship.

Note: Some provinces, territories, municipalities and utilities offer complimentary grants and other incentives for reducing energy use. For information on other energy-saving programs, visit [ecoaction.gc.ca](http://ecoaction.gc.ca) and follow the links to ecoENERGY Retrofit's "Grants and Rebates" Web page for consumers or call 1 800 O-Canada (1-800-622-6232).

Retrofits	Potential for Energy Savings *	Potential Rating Improvement
* One (1) star = lowest savings / five (5) stars = highest savings		
<b>WALL INSULATION</b> Increase your exterior wall insulation by an amount greater than RSI 1.59 (R-9).	☆☆☆	5.2 points
<b>BASEMENT/CRAWL SPACE INSULATION</b> Increase the insulation value of the basement walls by a minimum of RSI 1.8 (R-10) to a maximum of RSI 4.1 (R-23).	☆☆☆☆	6.7 points
<b>AIR SEALING</b> Improve the air tightness of your house by 22 percent to achieve an air change rate per hour of 9.35 at a pressure of 50 Pa.	☆☆	2.2 points

When replacing ANY of the equipment listed in this report, the new equipment should have an efficiency rating higher than that of the original equipment.

## 2. THE ENERGUE RATING SYSTEM

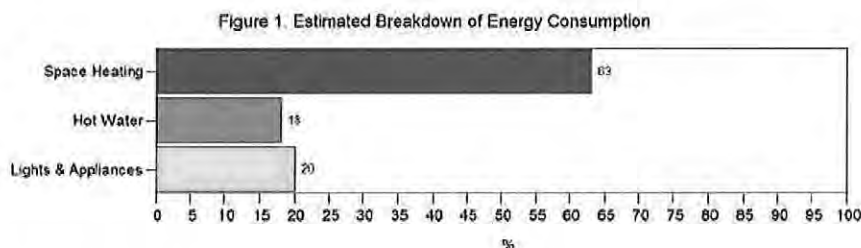
The EnerGuide rating system is a standardized method of evaluation that lets homeowners compare their house's energy efficiency rating to similar sized houses in similar regions. The EnerGuide rating considers the house's estimated annual energy consumption based on an in-depth evaluation of the house's characteristics such as location, size, equipment and systems, insulation levels, air tightness, etc. In addition, standardized conditions are used when calculating the rating in order to compare the efficiency of one house to another. These conditions include: a complete air change approximately every three hours; four occupants; a fixed thermostat setting of 21°C on main floors and 19°C in the basement; average hot water consumption of 225 litres per day; average national electricity consumption of 24 kWh per day; and regional weather data that is averaged over the last 30 years.

Figures 1 through 3 show the results of your energy evaluation based on the standardized conditions. The results may not entirely reflect your household since your actual energy consumption and future savings are influenced by the number of occupants, their day-to-day habits and lifestyles.

## 3. ENERGY CONSUMPTION

Houses lose heat to the outdoors during the heating season primarily through air leakage and conduction, such as the transfer of heat through the basement and exterior walls, upper floor ceilings, windows and doors (the 'building envelope'). Canada's demanding climate and modifications made to the house, such as drilling holes in walls for new wiring, pipes and lights, all play a part in reducing the efficiency of the building envelope over time. Houses need to be regularly maintained and upgraded to ensure greater energy efficiency, comfort and savings.

Figure 1 breaks down your house's estimated annual energy consumption for space heating, hot water and lights and appliances.



## 4. SPACE HEATING ANALYSIS

Figure 2 shows the estimated percentage of energy used for the space heating of your home.

- The right side of the top bar shows the percentage of energy you could save if you were to implement all of the upgrades recommended in this report, excluding changes to the space heating equipment. You could save up to 53 percent by performing all of the recommended non-space heating system upgrades.
- The right side of the bottom bar shows the percentage of energy you could save if you were to implement all of the upgrades recommended in this report, including any space heating system upgrades. You could save up to 53 percent by performing all of the recommended upgrades.

Figure 2. Estimated Percentage of Potential Energy Savings

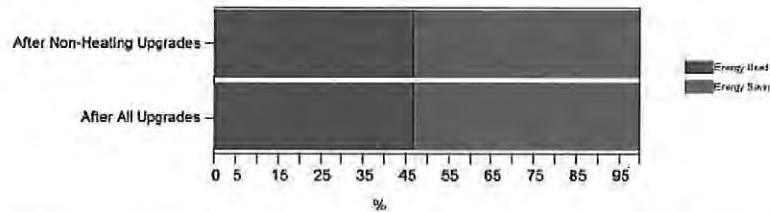
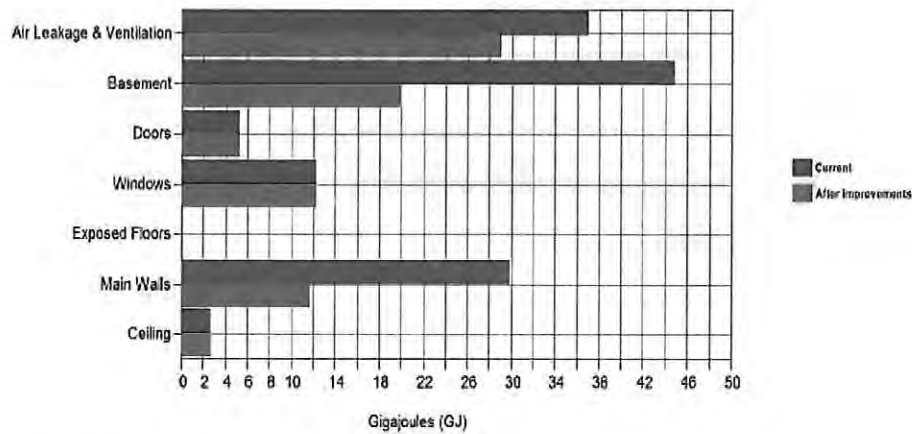


Figure 3 shows where the energy used for space heating is lost from your home. This energy is measured in gigajoules (GJ), where 1 GJ is equivalent to 278 kilowatt-hours (kWh) or 948,000 Btu.

The red bars show the areas where you are losing energy now. The longer the bar, the more energy you are losing. The green bars show the estimated energy loss after you complete your renovations. The larger the difference between the red and the green bars, the greater the potential for energy savings and comfort improvements.

Figure 3. Breakdown of Heat Loss through Building Envelope



#### Your Home's Estimated Design Heating and Cooling Loads

If you were to implement ALL of the building envelope retrofits recommended in the section of this report entitled 'Your Home Energy Action Checklist', it is estimated that your home's design heat loss would be 29332 Btu/hour (8596 Watts) and its design cooling load would be 16573 Btu/hour (1.4 tons). If you are considering replacing your space heating and/or cooling system, it is recommended that you provide this information to your heating/cooling contractor to help ensure a properly-sized system. However, this is only an estimate based on the data that was collected on your home at the time of the pre-retrofit evaluation. The design heat loss and cooling load can vary depending on different factors, such as the retrofits that you implement and other changes you may make to your home. Prior to having a new heating/cooling system installed, it is recommended that your heating/cooling contractor



perform a heat loss/heat gain calculation on your home to determine the capacity and distribution flows for the new equipment. The contractor should hold current certification for Heat Loss/Heat Gain Calculations from the Heating, Refrigeration and Air Conditioning Institute of Canada (HRAI). For a list of certified contractors, visit [www.hrai.ca](http://www.hrai.ca) and click on "Homeowners and Building Owners" and "SkillTech Academy Canadian Certification Listing", or call 1-800-267-2231.

#### **Important Information Concerning Vermiculite Insulation**

Older vermiculite insulation installed in homes may contain amphibole asbestos, which can cause health risks if disturbed and inhaled. If the insulation is contained in the walls or attic spaces and is not disturbed or exposed to the home or interior environment, it poses very little risk. Vermiculite insulation was not detected during the energy evaluation of your home. However, if you find vermiculite insulation during renovations, avoid disturbing it in any way. If you suspect it might be in your home and you plan to undertake renovations (including insulation or air sealing work) that may cause the vermiculite insulation to be disturbed, contact professionals who are qualified to handle asbestos before you proceed with the renovations. For a listing of qualified professionals, look in the Yellow Pages™ under 'Asbestos Abatement & Removal'. For information on vermiculite insulation that contains amphibole asbestos, refer to the Health Canada fact sheet It's Your Health - Vermiculite Insulation Containing Amphibole Asbestos. Visit <http://www.hc-sc.gc.ca/hl-vs/iyh-vsv/prod/insulation-isolant-eng.php> or call Health Canada at 1-800-443-0395 to order a copy.

### **5. RECOMMENDED ENERGY-SAVING MEASURES**

#### **Air Sealing**

Reducing air leakage is usually the most cost-effective, energy-saving measure a homeowner can undertake; the leakier the home, the greater the savings! It is not unusual for air leakage to account for up to 35 percent of the heat loss in a home. In addition to reducing heat loss, air sealing improves comfort, protects the building structure and other materials from moisture damage, and reduces the amount of dust and noise that enters from the outdoors. Air sealing can also reduce air conditioning loads and energy costs.

A blower door test was performed on your home to measure the amount of air leakage, and to identify the main air leakage locations. The blower door test results are shown on the first page of this report and are explained below.

The **Air Leakage Rate at 50 Pascals (ACH)** is the number of complete air changes per hour that occurs in your house when a pressure difference between the inside and outside of the home is set at 50 Pascals (Pa). A 50-Pa pressure difference simulates wind blowing at 56 kilometers per hour on your home. The higher the ACH, the leakier the house.

The **Equivalent Leakage Area (ELA)** represents the total air leakage area. It's like taking all of the air leakage areas (e.g., cracks, holes, etc.) in the home and putting them together to create one large hole in the building envelope. The larger the ELA, the leakier the house. An energy-efficient house might have an ELA as low as 258 cm<sup>2</sup> (40 square inches) while a leaky house may have an ELA of more than 3226 cm<sup>2</sup> (500 sq. in.).

#### **Air Sealing Locations in Your Home**

Listed below are the most common air leakage areas in a house. Leaks observed during the blower door test are noted. This list will help guide your air-sealing work:

- electrical outlets
- electrical ceiling fixtures
- electrical box and wire penetration
- exterior pipe penetration
- baseboard trims and mouldings
- window frames



- door frames
- fireplace
- chimney
- attic hatch
- basement header (rim joists)
- other \_\_\_\_\_

#### **Air Sealing Options**

Air sealing can be a do-it-yourself option. Another option is to hire a qualified, professional air sealer who can locate and seal leaks in your home and likely do a more thorough job. This may be an important consideration if you want to air seal your house to meet a specific air leakage goal, and be eligible for a grant. Professional whole-house air sealing costs vary, depending on the size and complexity of the work.

#### **Air Sealing Materials**

Weatherstripping reduces air leakage by sealing gaps around moveable parts of windows and doors. Correctly installed, high quality weatherstripping is a cost-effective way to reduce air leakage. Check weatherstripping annually and replace worn materials before the cold weather sets in.

Interior-grade caulking is used on the interior to seal small cracks and penetrations on the inside surface of your walls, ceilings and floors. Exterior-grade caulking is used on the exterior to keep out rain, snow, wind as well as insects and rodents. Urethane foam is very good for filling larger joints and cavities but must be protected from the elements and flame sources.

For information on air sealing your home, consult NRCan's publications entitled *Air-Leakage Control*, *Improving Window Energy Efficiency and Keeping the Heat In*, and Canada Mortgage and Housing Corporation's *About Your House*, and *Renovating for Energy Savings* fact sheets.

#### **Grant Eligibility:**

Air sealing can be eligible for an ecoENERGY Retrofit – Homes grant. You must meet or exceed the goal indicated at the beginning of this report, in the section entitled *Your Home Energy Action Checklist*. The results of the air sealing work will be measured at the time of your post-retrofit evaluation. The grant amount differs according to the percentage by which you have reduced your home's air leakage rate. For more information, refer to the brochure entitled *Grant Table for ecoENERGY Retrofit – Homes*.

#### **Recommendation:**

Air seal your home to achieve the air leakage rate indicated at the beginning of this report in the section entitled *Your Home Energy Action Checklist*.

#### **Foundations - General**

Foundation heat loss can account for 20 to 35 percent of a home's heat loss. A well-insulated foundation can improve home comfort, air quality, structural integrity, and energy efficiency.

Before insulating, first check for moisture in your foundation walls. Tell-tale signs are: staining or mould growth; blistering, peeling paint; efflorescence, a whitish deposit on the surface; spalling or surface deterioration; condensation on walls and metal objects; and a musty smell.

Repair water leaks through the floor and walls, caused by cracks, holes and construction joints. You should also control humidity levels and there should be appropriate weeping tiles and damp-proofing or waterproofing on the foundation walls to prevent moisture from wicking through the foundation wall.

To prevent moisture problems, slope the ground away from the house exterior and direct eavestrough downspouts away from the foundation. Maintain and seal sumps and sump pumps, and install sewer backup equipment, if required.

The type and condition of your foundation will determine if you can insulate from the outside or from the inside. Exterior insulation is the preferred but more costly method. Foundations of rubble, brick, stone and concrete block are best insulated from the exterior. However, you may wish to have an engineer verify your foundation's structural integrity before undertaking any work.

Poured-concrete foundations can be insulated from either the outside or inside, providing there are no serious water or structural problems. Preserved-wood foundations, made with sheathing and studs, are generally insulated by filling in the stud space. Slab-on-grade foundations are typically insulated on the exterior edge. Occasionally, they are insulated on top of the slab and under the floor finish.

For more information about insulating foundations, as well as insulation materials, their properties and their installation methods, consult NRCan's publication entitled *Keeping the Heat In* and Canada Mortgage and Housing Corporation's *About Your House* and *Renovating for Energy Savings* fact sheets.

#### **Main Walls - General**

Retrofitting walls can help save energy, since walls can account for 10 to 30 percent of heat loss in a house. Depending on the house and its characteristics, exterior walls can be insulated by filling the wall space (the wall cavity) with blown-in insulation, by adding insulation from the interior or exterior, or a combination of any of these methods.

Before you begin, first check the walls from the interior and exterior for evidence of moisture damage: stains, mould, rotten wood, flaking brick and peeling paint. Also, make sure that damage to the walls is not being caused by problems with the roof and that all flashings are secure. All these problems must be fixed before proceeding. Seal gaps and cracks in the exterior wall-finish, and around window and door frames to prevent water from penetrating into the walls. Do not seal, however, any drainage holes at the bottom of brick-veneer walls or window frames, as these holes are necessary to minimize the impact of water penetration on the wall assembly. Consider additional upgrades related to the walls before retrofitting them, such as electrical wiring, and the installation of air- and vapour-barriers.

For more information on insulating walls, as well as insulation materials, their properties and installation methods, consult NRCan's *Keeping the Heat In* and Canada Mortgage and Housing Corporation's *About Your House* and *Renovating for Energy Savings* fact sheets.

#### **Grant Eligibility:**

The insulation of exterior walls is eligible for an ecoENERGY Retrofit – Homes grant. Note that you must insulate a minimum of 20 percent of the total exterior wall area and add a minimum insulation value of RSI 0.7 (R-3.8) to qualify. The grant amount differs according to the additional insulation that you install. The grant is also pro-rated based on the percentage of wall area that is insulated compared to the total wall area after the retrofits. For more information, refer to the brochure entitled *Grant Table for ecoENERGY Retrofit – Homes*.

It is recommended to take photos of the walls while the insulation is being installed and to show them to your energy advisor, during the post-retrofit evaluation, to ensure that you will get full credit for your newly-installed insulation.

#### **Heating System**

If you are considering replacing your heating system, it is strongly recommended that you follow these important steps first:

- Complete all of the building envelope energy efficiency upgrades, such as air sealing and insulation, because this will likely result in the need for a smaller and less expensive heating system.
- Next, ensure that your heating contractor performs a heat loss calculation on your home to

determine the capacity and distribution flows for the new equipment. A properly sized heating system will reduce on/off cycling, energy use, wear and tear on parts, and improve comfort. It is advisable to hire a contractor that is certified in heat loss and heat gain calculations by an industry-recognized organization, such as the Heating, Refrigeration and Air Conditioning Institute of Canada (HRAI), which is also recognized by your local jurisdiction. For a list of HRAI certified designers and installers, visit [www.hrai.ca](http://www.hrai.ca) and under *Home & Building Owners*, click on *Find a Contractor*. Click on 3. *Locate an HRAI Member Company contractor* and fill out the required information and then click on *Search The Database* or call 1-800-267-2231.

#### **Water Conservation**

Water conservation is an important part of a home energy saving plan. Whether you are on municipal water or a well, water conservation can lessen your impact on the environment by reducing the energy use associated with water treatment and delivery, including the electricity used for pumping water and sewage.

Toilet usage can account for approximately 30 percent of indoor water use. The amount of water used depends on several factors: the flush volume, how often the toilet is flushed and the toilet's condition (adding dye to the tank water can reveal a leaky flush valve if the colour shows up in the bowl without flushing). For example, if you replace a toilet that flushes with 13 litres of water with a 6-litre model, you will save more than half of the water you and your family use. Additional water economy can be achieved by installing a dual-flush toilet designed to save about 25 percent more water than a 6-litre toilet.

#### **Grant Eligibility:**

The replacement of existing toilets with low- or dual-flush toilets is eligible for an ecoENERGY Retrofit – Homes grant. New models must meet the Unified North American Requirements (UNAR) for toilets. Information on qualified makes and models is available at [www.map-testing.com](http://www.map-testing.com). Click on *MaP SEARCH* and select the *Meets UNAR/ecoEnergy requirements* check box under the section labeled *Toilet Fixture Criteria/Ratings* and click *Search*.

**Important:** To ensure compliance, you must keep sufficient documentation on the make and model number of the replacement model(s). Show this information to the energy advisor during your post-retrofit evaluation.

#### **Recommendation**

When replacing your toilet(s), purchase low- or dual-flush models that meet the requirements described above.

#### **Combustion spillage**

As a result of the exhaust devices depressurization test performed on your home, which consists of turning on all exhaust equipment (exhaust fans, clothes dryer, central vacuum system, etc.), it has been determined that the use of this equipment may cause combustion products to be drawn into your home from your combustion appliance(s). **We strongly recommend that you install a carbon monoxide (CO) detector in your home, as well as a smoke detector on each floor, if not already present.** To remediate this potential combustion spillage problem, talk to an expert in your area.

### **6. ENERGY-SAVING TIPS**

Although these actions may not be eligible for an incentive, they will help you save energy and money:

- Install and use a programmable electronic thermostat (set the heating temperature to 20°C while you are at home and 17°C at night and when you are away). For each degree of setback, you

- can save up to 2 percent on your heating bills.
- When replacing lighting, appliances, electronics and office equipment, look for ENERGY STAR® qualified products. ENERGY STAR qualified products use less than half as much energy in standby mode (i.e. when they are turned "off"). For more information, go to <http://energystar.gc.ca>. You can also look for the EnerGuide label to help you select the most energy-efficient model. For more information, visit <http://energuide.gc.ca>.
- Replace your light bulbs with ENERGY STAR® qualified ones, such as compact fluorescents. They last longer and reduce electricity consumption.
- Insulate the first two metres of the hot and cold water pipes with insulating foam sleeves or pipe wrap insulation. By doing so you will save on your water heating costs and will reduce your water consumption. Besides saving energy, water will arrive at the faucets warmer or colder. Insulating cold water pipes will also avoid condensation from forming on the pipes. This prevents dripping on the ceiling finish or the basement floor. For a fuel-fired water heater, maintain a 15-centimetre (6-inch) clearance between the water piping insulation and the vent pipe.
- Use a timer for your car's block heater. Set the timer so that it turns one to two hours before you start your vehicle.
- Install an ENERGY STAR® qualified kitchen or bathroom exhaust fan vented to the outside.
- Install a timer on your bathroom exhaust fan(s).
- Install low-flow showerheads (rated at less than 9.8 litres per minute [L/min]) and faucet aerators.
- Fix leaky faucets and outside hose bibs.
- Plug your home entertainment system(s) and home office equipment into power bars that can be easily turned off when equipment is not in use. Refer to the fact sheet *Standby Power - When "Off" Means "On"* at <http://oee.nrcan.gc.ca/residential/business/manufacturers/standby-power-fact.cfm> for information on standby losses.

## **7. INFORMATION RESOURCES**

### **Home Energy Efficiency**

Natural Resources Canada (NRCan) publishes a variety of publications that can help you improve the energy efficiency of your home. These publications are available online at [oee.nrcan.gc.ca/publications](http://oee.nrcan.gc.ca/publications) or by calling the order desk at 1-800-387-2000.

### **Renovation Publications**

Canada Mortgage and Housing Corporation (CMHC) publishes a large number of renovation planning fact sheets that are available at no cost. There are also some excellent in-depth publications for sale. Visit [cmhc-schl.gc.ca](http://cmhc-schl.gc.ca) or call 1-800-668-2642 to order your material of interest.

### **Hiring a Contractor**

Before you have any work done, request quotations in writing from professional contractors and obtain a written contract. CMHC has a very useful fact sheet on this subject, *Hiring a Contractor*, which includes a draft contract. Visit [cmhc-schl.gc.ca](http://cmhc-schl.gc.ca) or call 1-800-668-2642 to order.

### **Mold**

If you suspect mold growth in your home, it is recommended that the mold damaged area(s) be cleaned thoroughly or removed and properly disposed of. To control and reduce the potential for mold growth, maintain indoor humidity at appropriate levels, and remedy water infiltration and leakage issues. Refer to the CMHC fact sheet *About Your House: Fighting Mold - The Homeowner's Guide* for information on proper mold identification and cleaning procedures. Visit [cmhc-schl.gc.ca](http://cmhc-schl.gc.ca) or call 1-800-668-2642 to order.

### **Radon**

Radon is a radioactive gas that is colourless, odourless and tasteless. Radon is formed by the breakdown of uranium, a natural radioactive material found in soil, rock and groundwater. When radon is released from the ground into the outdoor air, it gets diluted to low concentrations and is not a concern. However, in enclosed spaces, like houses, it can sometimes accumulate to high levels, which can be a risk to the health of you and your family. For more information, refer to the CMHC publication *Radon - A Guide for Canadian Homeowners* or visit the Health Canada web site at <http://www.hc-sc.gc.ca/ewh-semt/radiation/radon/index-eng.php>.

### **Humidity Control**

A relative humidity (RH) level of between 30 and 55 percent is recommended in the home. If you have a humidifier or dehumidifier, ensure that it is regularly cleaned and maintained, and that the humidistat is set at an appropriate humidity level. You can use a hygrometer to measure relative humidity and the CMHC fact sheet *Measuring Humidity in Your Home* gives good advice. In addition, dehumidifiers can help reduce moisture levels especially in basements.

## **GET STARTED TODAY!**

Now that you have the tools to improve your home's energy efficiency, you can look forward to enjoying the added comfort of your ecoENERGY improved home. Not only will you benefit from increased comfort, you will also save on your energy bills year after year. And let's not forget your reduction of greenhouse gases!



## SCHEDULE "D"

### BUDGET

The GIF will provide \$42 million in funding for enhancements to the existing HRR offering and the launch of a Behavioural offering over the term. Of the \$42 million, the Recipient expects to spend \$37.5 million in customer incentives and education, \$0.750 million in program costs, \$0.750 million in marketing, and \$3.0 million in administration. These figures are projections – actual spend within each category will be determined by the Recipient on an on-going basis in an effort to maximize participation.

For the purposes of the Budget, all references to Funds include the interest earned on the Funds.

Table 7 below provides an annual breakdown of the projected costs for the Program. Annual projections are estimates; actual results may vary year-by-year. Projected annual costs for the Program include the incremental costs to expand the Recipient's existing HRR offering as well as the launch of the Behavioural offering.

**Table 7: Projected Annual Costs for the Program (\$Millions)**

Year End	Customer Incentive and Education Costs	Program Costs	Marketing Costs	Administration Costs	Total
2016	\$4.5	\$0.250	\$0.250	\$1.0	\$6.0
2017	\$13.0	\$0.250	\$0.250	\$1.0	\$14.5
2018	\$20.0	\$0.250	\$0.250	\$1.0	\$21.5
<b>TOTAL</b>	<b>\$37.5</b>	<b>\$0.750</b>	<b>\$0.750</b>	<b>\$3.0</b>	<b>\$42.0</b>

Customer incentives will flow directly to participating customers in the form of rebates for assessments, measures, and bonuses. Customer education represents the costs required to launch and deliver the Behavioural offering. Table 8 below provides further details on projected customer incentive and education costs.

**Table 8: Projected Customer Incentive and Education Costs**

Description	Amount (\$Millions)
Rebates: Home Energy Assessments	
• 12,000 homes x \$500/home	\$6.0
Rebates: Home Upgrades	
• Rebates for home upgrades funded by GIF	\$29.5
Education: Behavioural Offering	\$2.0
<b>TOTAL</b>	<b>\$37.5</b>

Program costs support initiatives associated with funding from the GIF. Examples of program costs include:

- Addition of French to all marketing material

- Partnerships with other gas utilities (Kitchener Utilities, Utilities Kingston, Natural Resource Gas Limited and Six Nations Natural Gas)
- Service Organization and Contractor outreach support

For the purposes of the Budget, Program costs are to be considered within the envelope of allowable administration costs.

Marketing costs drive awareness and interest in the Program. Currently planned marketing initiatives include:

- Program launch press release
- Informational brochures
- Bill inserts
- Door hangers
- Promotional and informational content on the Recipient's website

Marketing initiatives to be assessed include:

- Direct mail to targeted homes
- Mass-media promotion (radio, newspaper, and billboards/outdoor signs to build widespread awareness, particularly in areas where the existing HRR offering was not previously available)
- Promotion through new channels (for example, sector and industry associations)
- Promotional and informational events

Administration costs are required to operate the Program. Administrative costs include:

- Employee compensation, including benefits
- Employee expenses
- Overhead (per Ontario Energy Board fully allocated cost methodology)

All eligible expenditures are subject to the following terms:

1. Eligible costs are those directly related to the Program. Only actual (excluding HST) expenditures are eligible. Costs that are reimbursed through the DSM framework are considered ineligible.
2. Any travel, meals and hospitality expenses must adhere to the Government of Ontario's Travel, Meal and Hospitality Expenses Directive. Alcohol and First-Class travel cannot be claimed and will not be reimbursed as part of a travel or meal expense. Standard economy fare and single rooms only are permitted.

Please see Schedule "G" for the Directive on of eligible TRAVEL, MEAL AND HOSPITALITY EXPENSES.

The Recipient will report back to the Province monthly on the budget including customer incentive and education costs, program costs, marketing costs (including major marketing activities) salaries, cumulative spending, major activities for the reporting period and major activities planned for the next reporting period as per Schedule "F".

NOTE: Interest accruing to the Program will be reported on a quarterly basis as noted in Schedule "F".

**SCHEDULE "E"**  
**PAYMENT PLAN**

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<b>PAYMENT DATE OR MILESTONE</b>	<b>DUE DATE</b>	<b>AMOUNT OF MAXIMUM FUNDS</b>
Following the Province executing the Agreement funds will be transferred in one or more amounts to facilitate the ability for Union to deliver on the terms of the Program. Funds provided under the Program are in accordance with the accountability and enforcement provisions satisfactory to the Province and as outlined in this Agreement.	<b>On or before July 15, 2016</b>	<b>\$42,000,000</b>

## SCHEDULE "F"

### REPORTING

**The Reporting period is based on a calendar year (January 1 - December 31).**

The Recipient shall prepare six (6) Monthly Reports for Year 1 – 2016 and eleven (11) Monthly Reports for Year 2 - 2017 and Year 3- 2018, two (2) Annual Reports and one (1) Final Report as outlined below. Reports shall explicitly demonstrate impact of Province's funding and address report detail requirements listed below.

NAME OF REPORT	DUE DATE
<b>Year 1 - 2016</b>	
Monthly Report #1	July 31, 2016
Monthly Report #2	August 31, 2016
Monthly Report #3	September 30, 2016
<b>Monthly Report #4</b> (Quarterly)	October 31, 2016
Monthly Report #5	November 30, 2016
Monthly Report #6	December 31, 2016
<b>Annual Report #1 (December 30, 2016)</b>	January 31, 2017
<b>Year 2 – 2017</b>	
Monthly Report #1 (January 01, 2017)	February 28, 2017
Monthly Report #2	March 31, 2017
<b>Monthly Report #3</b> (Quarterly)	April 30, 2017
Monthly Report #4	May 31, 2017
Monthly Report #5	June 30, 2017
<b>Monthly Report #6</b> (Quarterly)	July 31, 2017
Monthly Report #7	August 31, 2017
Monthly Report #8	September 30, 2017
<b>Monthly Report #9</b> (Quarterly)	October 31, 2017
Monthly Report #10	November 30, 2017
Monthly Report #11	December 31, 2017
<b>Annual Report #2 (December 31, 2017)</b>	January 31, 2018

NAME OF REPORT	DUE DATE
<b>Year 3 – 2018</b>	
Monthly Report #1 (January 01, 2018)	February 28, 2018
Monthly Report #2	March 31, 2018
<b>Monthly Report #3</b> (Quarterly)	April 30, 2018
Monthly Report #4	May 31, 2018
Monthly Report #5	June 30, 2018
<b>Monthly Report #6</b> (Quarterly)	July 31, 2018
Monthly Report #7	August 31, 2018
Monthly Report #8	September 30, 2018
<b>Monthly Report #9</b> (Quarterly)	October 31, 2018
Monthly Report #10	November 30, 2018
Monthly Report #11	December 31, 2018
<b>Annual Report #3 (December 31, 2019)</b>	January 31, 2019

The Recipient shall prepare Monthly Reports for every month following execution of this Agreement and continuing until conclusion of the Agreement. Quarterly Reports will be provided quarterly on a calendar basis starting at the execution of this agreement and continuing until conclusion of the Agreement. Annual Reports will be provided annually on a calendar basis starting at the execution of this agreement and continuing until conclusion of the Agreement. Monthly Reports, Quarterly Reports and Annual Reports shall be submitted to the Province within one month following the end of the reporting period that they represent. Audited results on an annual basis may lag the Annual Report and will be submitted to the Province by April 30<sup>th</sup> of the year following the annual reporting period in alignment with the auditing process through the Ontario Energy Board. One Final Report will be provided at the end of the Program as outlined below.

The Recipient will track the following information for each participant in the enhanced HRR offering.

- Participant information, including:
  - Name
  - Address
  - Telephone number
- House information, including:
  - Dwelling type (for example, detached vs. semi-detached)
  - Year built
  - Square footage
- Service Organization information, including:

- Organization name
- Energy advisor name
- Assessment information, including:
  - Date of D assessment
  - Date of E assessment
  - Original fuel type and fuel type after renovation
  - Measures upgraded
  - Cost of upgrades (categorized by measure)
  - Rebate amount (categorized by assessment rebate, measure rebate, and bonus rebate)
  - Home energy consumption pre-upgrades (natural gas, electricity, oil, propane, wood)
  - Home energy consumption post-upgrades (natural gas, electricity, oil, propane, wood)

NOTE: Pre and Post Energy savings will be used to identify energy and GHG savings by fuel type for reporting to the Province.

### **Monthly and Quarterly Reporting Requirements**

- The Recipient will report back to the Province monthly on the enhanced HRR offering's participation including a summary of participants, the number of homes that have participated year-to-date, the forecasted participation for the remainder of the year, fuel types before and after retrofits, service organizations, year built, postal code, D and E assessment dates, measures and upgrades, energy and GHG emissions reductions monthly, quarterly, year-to-date, and the forecasted energy savings and GHG emissions reductions for the remainder of the year as per attached monthly reporting template.
- The Recipient will use the most recent federal National Inventory Report values to calculate GHG savings associated with each fuel saved under the enhanced HRR offering. The Province will notify the Recipient if different emissions factors are required during the term of the enhanced HRR offering for reporting purposes.
- The Recipient will report back to the Province monthly on the budget including customer incentive and education costs, program costs, marketing costs (including major marketing activities), salaries, cumulative spending, major activities for the reporting period and major activities planned for the next reporting period as per attached monthly budget reporting template.
- On a quarterly basis, the Recipient will provide a Quarterly Report which includes the monthly information for the previous month, plus a summary for the quarter for key enhanced HRR offering information. Additional Quarterly Report requirements include:
  - Total program interest accrued to date.
  - Quarterly energy and GHG savings.
  - Key activities and achievement from the quarter being reported.
  - Any challenges or modifications required.
  - Key activities planned for the upcoming quarter.

### **Annual Reporting Requirements**

The Recipient will provide an annual report to the Province following each year of the Program. The reports will include:



- A description of the Program (and all offerings within the Program)
  - A summary of the information reported in the monthly reporting templates.
  - An outline of any changes made to the program design from the previous year.
  - Any challenges with achieving goals and proposed solutions, if applicable.
  - Lessons learned.
  - Information required for the Province to calculate economic and other co-benefits.
  - A description of next steps.
- Annual Results:

Annual Results will summarise details outlined in the GIF Monthly Reporting and Savings Templates outlined in Schedule "F", including the following details:

- The number of homes that participated.
  - A breakdown of participants by geographic area.
  - A breakdown of the measures installed/upgraded.
  - The amount of energy savings (natural gas, electricity, oil, propane, wood) and GHG emissions reductions realized from the offering.
- Annual Spending:

Annual Spending will be reported through GIF Budget Reporting Templates outlined in Schedule "F", including the following details:

- A breakdown of the customer incentive and education spending (categorized by assessment rebate, measure rebate, and bonus rebate).
- A breakdown of the program cost spending (categorized by initiative).
- A breakdown of the marketing spending (categorized by initiative).
- A breakdown of the administration spending (categorized as employee compensation, employee expenses, and overhead).

A copy of the most recent audited corporate financial statements of the Recipient are to be included with each Annual Report.

### **Final Reporting Requirements**

The Recipient will also provide a final Program report at the end of the Program containing similar information to the annual reports. The final Program report will summarize the following:

1. Overview of intended Program goals.
2. Results regarding the extent to which Program activities have achieved the intended goals.
3. Populate Reporting Templates outlined in Schedule "F".
4. Applicable performance metrics measuring impact and effectiveness.
5. Description of and rationale for any variances in relation to intended or programed results.
6. Description of and rationale for any added or modified tasks.
7. Summary of lessons learned from Program experience.
8. Information required for the Province to calculate economic and other benefits.
9. Description of required next steps that will ensure progress made with the Program is sustained and built upon.
10. Financial statement that demonstrates to the Province how Funds were spent.
11. Co-benefits to the extent possible.

### **Accompanying Document to Final Report:**

A final third-party audit of the Program in alignment with Ontario Energy Board protocols.

### **Other Reports/Information**

The Province may require additional Program metrics to calculate broader co-benefits of the Program, such as the total number of hours spend on audits, total auditors' employees, etc.

If the Recipient performs any procurement, the Procurement Reports will set out:

- (i) a description of the procurement process followed by the Recipient to acquire goods or services required to perform the Program; and
- (ii) a justification for the selection of the preferred proponent or good which evidences value for money, including, if applicable, confirmation from the supplier that they are the sole supplier of the goods.

For a detailed GIF Monthly and Savings Reporting template, GIF Budget Reporting Template and GIF Interest Reporting template, see details below. The templates will be updated over the term of the Program as necessary.



1.2. Energy (GJ) and GHG Savings – Sample for 2016 Year

SAVINGS	2016 YEAR												
	Monthly												Quarterly
	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Q1	Q2	Q3	Q4
ENERGY SAVINGS (GJ)													
Natural Gas													
Oil													
Propane													
Wood													
Electricity													
TOTAL													
GHG SAVINGS (t)													
Natural Gas													
Oil													
Propane													
Wood													
Electricity													
TOTAL													

Note: Emissions factors to align with those required by the Province

CUMULATIVE SAVINGS	2016 YEAR												
	Monthly												Quarterly
	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Q1	Q2	Q3	Q4
ENERGY SAVINGS (GJ)													
Natural Gas													
Oil													
Propane													
Wood													
Electricity													
TOTAL													
GHG SAVINGS (t)													
Natural Gas													
Oil													
Propane													
Wood													
Electricity													
TOTAL													

## 2. Detailed GIF Budget Reporting Template

The template below will be used for budget reporting purposes. This is a one-year sample only; a full electronic version that covers the three-year reporting period will be provided by the Province as part of this TPA.

### 2.1. Monthly Tracker

MONTHLY BUDGET REPORTING		2016				
	Month			YTD		
	Actuals	Budget	Variance	Actuals	Budget	Variance
<b>Customer Incentives and Education</b>						
Pre-Audits & Post-Audits						
Home Retrofits						
Adapt. Thermostats						
Additional Incentives						
Behavioural Offering						
<b>Cumulative Total</b>						
<b>Program Costs</b>						
Legal Fees						
Training						
Processing & Admin						
Evaluation & Audit						
Public Relations/Customer Acquisition						
Incremental Cost of French & FN Delivery						
<b>Cumulative Total</b>						
<b>Marketing</b>						
Radio						
Television						
Print Advertisement						
Paid Search (Google)						
Social Media						
Third Party Promotion (LDCs, etc.)						
<b>Cumulative Total</b>						
<b>O&amp;M Salaries - Fully Allocated Costs</b>						
<b>Cumulative Total</b>						

<b>DEFINITIONS</b>												
<b>Customer Incentives and Education</b>												
<i>Customer incentives include Home Retrofit Total Incentives, Adaptive Thermostat incentives and Additional incentives. Customer education includes the Behavioural offering.</i>												
<b>Program Costs</b>												
<i>Program costs represent the costs to ramp up the program and deliver results. These include costs related to legal fees, training, processing &amp; administration, evaluation and audit, customer care costs (public relations &amp; communications), and French adaptation costs. Specifically: legal, training, processing, administration &amp; customer care, evaluation &amp; audit, public relations &amp; communications.</i>												
<b>Marketing</b>												
<i>Marketing costs include radio ads, speciality television commercials (HGTV), horizontal posters, print advertising, online banner ads, program website maintenance, paid search engines (Google) and social media costs.</i>												
<b>O&amp;M Salaries - Fully Allocated Costs</b>												
<i>The O&amp;M costs represent the <u>fully allocated costs</u> of the resources required to run the program.</i>												

**Note: Interest accruing to the GIF Program to be reported on a quarterly basis**

## 2.2. Cumulative Monthly Budget Reporting

Cost Category	2016 YEAR											
	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Total Actual	Total Budget	Total Variance
<b>Customer Incentives and Education</b>												
Pre-Audits & Post-Audits												
Home Retrofits												
Adapt. Thermostats												
Additional Incentives												
Behavioural Offering												
<b>Cumulative Subtotal</b>												
<b>Program Costs</b>												
Legal Fees												
Training												
Processing & Admin												
Evaluation & Audit												



Cost Category	2016 YEAR											
	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Total Actual	Total Budget	Total Variance
Public Relations/Customer Acquisition												
Incremental Cost of French & FN Delivery												
<b>Cumulative Subtotal</b>												
<b>Marketing</b>												
Radio												
Television												
Print Advertisement												
Paid Search (Google)												
Social Media												
Third Party Promotion (LDCs, etc.)												
<b>Cumulative Subtotal</b>												
<b>O&amp;M Salaries - Fully Allocated Costs</b>												
<b>Cumulative Subtotal</b>												
<b>Cumulative TOTAL</b>												

### 2.3. Major Activities Reporting

Major Activities for Reporting Period

Major Activities Planned for next Reporting Period

**3. GIF Interest Reporting Template**

	2016 YEAR					2017 YEAR					2018 YEAR				
	Quarterly				Total	Quarterly				Total	Quarterly				Total
	Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4	
INTEREST															

## **SCHEDULE "G"**

### **TRAVEL, MEAL AND HOSPITALITY EXPENSES DIRECTIVE**

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The Travel, Meals and Hospitality Expenses Directive sets out the rules for government employees, appointees, contractors and other designated persons to claim reimbursement for work-related travel, meal and hospitality expenses. All eligible expenditures related to travel, meals and hospitality must be in adherence with this Directive.

The Directive can be accessed via following web-link: <https://www.ontario.ca/document/travel-meal-and-hospitality-expenses-directive>.

## SCHEDULE "H"

### PROVINCIAL SPLIT BETWEEN THE RECIPIENT AND ENBRIDGE GAS DISTRIBUTION

The Province deems that the map below will be used to determine Union Gas Limited ("Union") and Enbridge Gas Distribution ("Enbridge") program areas for the delivery of residential home retrofit programs, during the term of Green Investment Fund enhancements.

1. Utilities will be responsible for program delivery within their franchise areas (Union subdivisions in blue; Enbridge subdivisions in red).
2. For subdivisions that include both Union and Enbridge franchise areas (subdivisions in purple), each utility will be responsible for delivery within its franchise area within the subdivision.

The following shared subdivisions consist of non-franchised areas in addition to Union and Enbridge franchise areas. The non-franchised areas within these subdivisions will be allocated as follows:

Map Colour	Division	Subdivision	Program Delivery
PURPLE	GREY COUNTY	OSPREY ( <i>Currently: Grey Highlands</i> )	UNION
PURPLE	LEEDS AND GRENVILLE UNITED COUNTIES	FRONT OF LEEDS AND LANSDOWNE ( <i>Currently: Leeds &amp; The Thousand Islands</i> )	ENBRIDGE

3. The following areas have an existing franchise other than Union or Enbridge, and will be allocated as follows:

Map Colour	Franchise Area	Program Delivery
GREEN	NATURAL RESOURCE GAS LIMITED	UNION
DARK YELLOW	KITCHENER UTILITIES	UNION
LIGHT YELLOW	UTILITIES KINGSTON	UNION
WHITE (BRANT COUNTY)	SIX NATIONS NATURAL GAS	UNION

4. Subdivisions that do not have an existing franchise (subdivisions in white) will be allocated as follows. Union program area boundaries are marked by blue dotted lines; Enbridge program area boundaries are marked by red dotted lines.

Division	Subdivision	Program Delivery
ALGOMA DISTRICT	<i>All White Areas</i>	UNION
BRANT COUNTY	<i>All White Areas</i>	UNION
BRUCE COUNTY	<i>All White Areas</i>	UNION
COCHRANE DISTRICT	<i>All White Areas</i>	UNION
FRONTENAC COUNTY	BARRIE; CLARENDON AND MILLER; PALMERSTON AND NORTH AND SOUTH CANONTO ( <i>Currently: North Frontenac</i> )	ENBRIDGE
	KENNEBEC; OLDEN; OSO; HINCHINBROOKE ( <i>Currently: Central Frontenac</i> )	ENBRIDGE
	BEDFORD; PORTLAND; LOUGHBOROUGH; STORRINGTON ( <i>Currently: South Frontenac</i> )	UNION
HALIBURTON COUNTY	<i>All White Areas</i>	ENBRIDGE
HASTINGS COUNTY	BANGOR, WICKLOW AND MCCLURE; HERSHEL; MONTEAGLE ( <i>Currently: Hastings Highlands</i> )	ENBRIDGE
	CARLOW; MAYO ( <i>Currently: Carlow/Mayo</i> )	
	DUNGANNON ( <i>Currently: Bancroft</i> )	
	FARADAY	

Division	Subdivision	Program Delivery
	WOLLASTON	UNION
	LIMERICK	
	TUDOR AND CASHEL	
KENORA DISTRICT	<i>All White Areas</i>	UNION
LANARK COUNTY	<i>All White Areas</i>	ENBRIDGE
LEEDS AND GRENVILLE UNITED COUNTIES	<i>All White Areas</i>	ENBRIDGE
LENNOX AND ADDINGTON COUNTY	<i>All White Areas</i>	ENBRIDGE
MANITOULIN DISTRICT	<i>All White Areas</i>	UNION
MUSKOKA DISTRICT MUNICIPALITY	<i>All White Areas</i>	UNION
NIPISSING DISTRICT	<i>All White Areas</i>	UNION
PARRY SOUND DISTRICT	<i>All White Areas</i>	UNION
PETERBOROUGH COUNTY	<i>All White Areas</i>	ENBRIDGE
PRESCOTT AND RUSSELL UNITED COUNTIES	<i>All White Areas</i>	ENBRIDGE
RAINY RIVER DISTRICT	<i>All White Areas</i>	UNION
RENFREW COUNTY	<i>All White Areas</i>	ENBRIDGE
SUDBURY DISTRICT	<i>All White Areas</i>	UNION
SUDBURY REGIONAL MUNICIPALITY (Currently: Greater Sudbury)	<i>All White Areas</i>	UNION
THUNDER BAY DISTRICT	<i>All White Areas</i>	UNION
TIMISKAMING DISTRICT	<i>All White Areas</i>	UNION
VICTORIA COUNTY (Currently: City of Kawartha Lakes)	<i>All White Areas</i>	ENBRIDGE

