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**Enbridge Gas Inc.**  
500 Consumers Road  
North York, Ontario  
M2J 1P8

November 24, 2022

**VIA RESS AND EMAIL**

Nancy Marconi  
Registrar  
Ontario Energy Board  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, ON M4P 1E4

Dear Nancy Marconi:

**Re: Enbridge Gas Inc. (Enbridge Gas)  
Ontario Energy Board (OEB) File No.: EB-2021-0002  
Multi-Year Demand Side Management Plan (2022-2027)  
Enbridge Gas and NRCan Agreement**

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In accordance with Procedural Order No. 9 in the above noted proceeding, Enbridge Gas has attached the following to this cover letter in unredacted form:

- Attachment 1 – Final Contribution Agreement
- Attachment 2 – Enbridge Gas and CGHG Final Program Details Proposal
- Attachment 3 – Agreement Overview and Q&A

In the event that you have any questions on the above or would like to discuss in more detail, please do not hesitate to contact me.

Sincerely,

Asha Patel  
Technical Manager, Regulatory Applications

cc.: D. O'Leary, Aird & Berlis – VIA email

DEPARTMENT OF NATURAL RESOURCES

ENERGY EFFICIENCY PROGRAM

GREENER HOMES INITIATIVE

NON-REPAYABLE CONTRIBUTION AGREEMENT

THIS AGREEMENT is made in duplicate

**BETWEEN:**

**HER MAJESTY THE QUEEN IN RIGHT OF CANADA** ("Canada"), represented by the Minister of Natural Resources,

**AND:**

**ENBRIDGE GAS INC.**, a corporation incorporated under the laws of the Province of Ontario (the "Initial Recipient").

**WHEREAS** Canada wishes to encourage the adoption of the **GREENER HOMES INITIATIVE** (the "Program");

**WHEREAS** the Initial Recipient has submitted to the Minister a Proposal for the funding of a Project called **"INCENTIVES FOR ENERGY EFFICIENCY IN THE RESIDENTIAL SECTOR OF ONTARIO"** which qualifies for support under the Program;

**WHEREAS** Canada and the Initial Recipient agree that for the Initial Recipient to develop and implement the Project as described in Schedule A (Description of the Project), the Initial Recipient will require financial assistance from Canada;

**WHEREAS** the Initial Recipient agrees to distribute a portion of the Contribution, further to Ultimate Recipients, through agreements that comply with the requirements of this Agreement relating to the Sub-Projects;

**AND WHEREAS** Canada is willing to provide financial assistance toward the Eligible Expenditures of the Project in the manner and upon the terms and conditions hereinafter set forth;

**NOW, THEREFORE**, Canada and the Initial Recipient agree as follows:

**1. INTERPRETATION**

1.1 In this Agreement:

**"Agreement"** means this Agreement and the attached Schedules A and B;

**"Claim Period"** means the quarter to which each payment pertains;

**"Completion Date"** means the date that the Initial Recipient shall complete the Project as specified in Paragraph 4.2;

**"Contribution"** means the funding provided by the Minister under this Agreement;

**"Eligible Expenditures"** means any expenditures Incurred by the Initial Recipient, as set out in Schedule B (Budget and Eligible Expenditures), within the Eligible Expenditure Period in accordance with the terms and conditions of this Agreement; any Eligible Expenditures Incurred by the Initial Recipient before this Agreement is signed by both Parties are limited to Thirty Five percent (35%) of the Contribution;

**"Eligible Expenditure Period"** means the period starting April 1, 2022, to the Completion Date;

**"Fiscal Year"** means the period beginning on April 1st of any year and ending on March 31st in the next year;

**"Fixed Asset"** means a tangible non-current asset, including buildings and equipment, acquired not for sale but for use for the Project during the Eligible Expenditure Period;

**"Incurred"** means, in relation to an Eligible Expenditure, an Eligible Expenditure that goods have been received by, and/or services have been rendered to, the Initial Recipient;

**"Incurred and Paid"** means, in relation to an Eligible Expenditure, an Eligible Expenditure that the Initial Recipient has paid for;

**"Intellectual Property"** means any intellectual property recognized by law, including any intellectual property right protected through legislation including governing patents, copyright, trademarks, and industrial designs;

**"Interest Rate"** means the Bank Rate, as defined in the *Interest and Administrative Charges Regulations*, in effect on the due date, plus 300 basis points, compounded monthly. The Interest Rate for any given month can be found at: <http://www.tpsgc-pwgsc.gc.ca/recgen/txt/taux-rates-eng.html>;

**"Minister"** means the Minister of Natural Resources and includes any duly authorized officers or representatives;

**"Party"** means either the Initial Recipient or Canada;

**"Project"** means the Project described in Schedule A (Description of the Project);

**"Proposal"** means a written Proposal signed by the Initial Recipient on **August 17, 2022** including at least a background, purpose, work description, results expected, and a budget, which is accepted by the Minister for the Project;

**"Sub-Projects"** means the activities described in an application submitted by the Ultimate Recipients to the Initial Recipient, which the Initial Recipient has agreed to fund;

**"Total Government Funding"** means cash contributions provided by the federal government toward the Total Project Costs;

**"Total Project Costs"** means the Contribution directly attributable to the Project from **April 1, 2022, to March 31, 2027**; and,

**"Ultimate Recipients"** means entities that sign agreements with, and receive a portion of the Contribution from, the Initial Recipient to conduct the Sub-Projects.

1.2 The following schedules are attached to and made part of this Agreement:

- a) Schedule A (Description of the Project); and
- b) Schedule B (Budget and Eligible Expenditures).

1.3 In case of conflict between any provision in the main body of this Agreement and a provision in a schedule attached hereto, the provision in the main body of this Agreement shall take precedence.

1.4 Grammatical variations of the above defined terms have similar meanings. Words importing the singular number only shall include the plural and vice versa.

## **2. REPRESENTATIONS AND WARRANTIES**

2.1 The Initial Recipient represents and warrants that all factual matters contained in the Proposal and all supporting material submitted are true and accurate in all material respects, and that all estimates, forecasts, and other related matters involving judgement were prepared in good faith and to the best of its ability, skill, and judgement.

2.2 The Initial Recipient represents and warrants that it is duly incorporated or registered and validly existing in good standing under the laws of Canada and has the power and authority to carry on its business, to hold property, and undertakes to take all necessary action to maintain itself in good standing and preserve its legal capacity during the term of this Agreement.

2.3 The Initial Recipient represents and warrants that the signatory to this Agreement has been duly authorized to execute and deliver this Agreement on its behalf.

2.4 The Initial Recipient represents and warrants that the execution, delivery, and performance of this Agreement have been duly authorized and when executed and delivered will constitute a legal, valid, and binding obligation of the Initial Recipient enforceable in accordance with its terms.

2.5 The Initial Recipient represents and warrants that it has not, nor has any person offered or promised to any official or employee of Her Majesty the Queen in Right of Canada, for or with a view to obtaining this Agreement any bribe, gift or other inducement and it has not nor has any person on its behalf employed any person to solicit this Agreement for a commission, fee or any other consideration dependent upon the execution of this Agreement.

### **3. DURATION OF THE AGREEMENT**

- 3.1 This Agreement comes into force when signed by the Parties.
- 3.2 Except as otherwise provided in the articles below, this Agreement will expire on the latest of:
- a) the Completion Date;
  - b) the completion of the Project to the satisfaction of the Minister; or
  - c) the date on which all amounts owed by the Initial Recipient to the Minister under this Agreement have been paid in full.
- 3.3 The following clauses shall survive the expiration of this Agreement for an additional three (3) years:
- a) Article 8 (Accounts and Audits);
  - b) Article 9 (Intellectual Property);
  - c) Article 10 (Indemnity);
  - d) Article 11 (Default);
  - e) Article 13 (Reports); and
  - f) Article 26 (Dispute Resolution).

### **4. CONDUCT OF PROJECT**

- 4.1 The Initial Recipient shall carry out the Project promptly, diligently and in a professional manner and in accordance with the terms and conditions of this Agreement.
- 4.2 The Initial Recipient shall complete the Project by **March 31, 2027**, unless terminated earlier pursuant to the provisions of this Agreement.
- 4.3 The Initial Recipient shall comply with all applicable federal, provincial, and municipal laws in relation to the Project.
- 4.4 The Parties are satisfied that any legal duty to consult with Aboriginal groups affected by the Project, and where appropriate, to accommodate Aboriginal groups' concerns has been met and continues to be met. If as a result of changes to the nature or scope of the Project Canada determines that a legal duty to consult is triggered, the Initial Recipient agrees that all of Canada's obligations pursuant to this Agreement will be suspended from the moment that Canada informs the Initial Recipient that a legal duty to consult arises.

In the event that a legal duty to consult arises, the Initial Recipient agrees that:

- a) Canada will withhold any payment of the Contribution toward Eligible Expenditures until Canada is satisfied that any legal duty to consult with, and where appropriate, to accommodate Aboriginal groups has been met and continues to be met;
- b) if, as a result of such changes to the Project, Canada determines that further consultation is required, the Initial Recipient will work with Canada to ensure that the legal duty to consult, and where appropriate, to accommodate Aboriginal groups, is met and continues to be met to Canada's satisfaction; and
- c) it will consult with Aboriginal groups that might be affected by the changes to the Project, explain the Project to them, including Canada's role, and will provide a report to Canada, which will include:
  - i) a list of all Aboriginal groups contacted;
  - ii) a summary of all communications to date with the Aboriginal groups, indicating which groups support or object to the Project, and whether their positions are final, preliminary or conditional in nature;
  - iii) a summary of any issues or concerns that the Aboriginal groups have raised and an indication of how the Initial Recipient has addressed or proposes to address those issues or concerns; and
  - iv) any other information Canada may deem appropriate.

### **5. IMPACT ASSESSMENT**

- 5.1 The Initial Recipient represents and warrants that the Project is not a "designated project" nor a "project" according to the *Canadian Environmental Assessment Act, 2012* or the *Impact Assessment Act*.

5.2 If, within the Eligible Expenditure Period, the Project becomes a “designated project” or a “project” carried out on federal land or outside of Canada according to the *Impact Assessment Act*, the Parties agree that Canada’s obligations under this Agreement will be suspended until:

- a) In the case of a “designated project”:
  - i) the Impact Assessment Agency of Canada makes a decision that no assessment of the “designated project” is required and posts that decision; or
  - ii) the decision statement with respect to the “designated project” that is issued to the Initial Recipient sets out that the effects that are indicated in the report with respect to the impact assessment of the Project are in the public interest.
- b) In the case of a “project”:
  - i) a determination indicating that the carrying out of the Project is not likely to cause significant adverse environmental effects by the Minister or another authority referred in the *Impact Assessment Act*; or
  - ii) if the carrying out of the Project is likely to cause significant adverse environmental effects, a decision of the Governor in Council indicates that those effects are justified in the circumstances;

5.3 It is understood, that, in the event that the Project becomes a “designated project” or a “project” as defined in Paragraph 5.2 above, the Minister has no obligation to request a decision by the Governor in Council, and may, terminate this Agreement with immediate effect by giving notice in writing to the Initial Recipient. Following such termination, no further Contribution will be disbursed under this Agreement, and the Minister will not be liable for any direct, indirect, consequential, exemplary, or punitive damages, regardless of the form of action, whether in contract, tort, or extra-contractual liability, or otherwise, arising from the termination.

## **6. CONTRIBUTIONS**

6.1 Notwithstanding any other provision of this Agreement, the Contribution shall not in any circumstances exceed Six Hundred Thirteen Million Four Hundred Thirty Seven Thousand Eight Hundred Seventy-Six Dollars (**\$613,437,876**).

6.2 The Fiscal Year allocations for the Contribution are as follows:

### **2022-2023**

Twenty-Two Million Six Hundred Forty-Five Thousand Nine Hundred Eighty-Three Dollars (\$22,645,983)

### **2023-2024**

One Hundred Forty Million Nine Hundred Seventy-Three Thousand Five Hundred Thirty-Nine Dollars (\$140,973,539)

### **2024-2025**

Two Hundred Two Million Six Hundred Eighty-One Thousand Four Hundred Sixty-Two Dollars (\$202,681,462)

### **2025-2026**

Two Hundred Forty-Six Million One Hundred Eleven Thousand Five Hundred Eighty-Nine Dollars (\$246,111,589)

### **2026-2027**

One Million Twenty-Five Thousand Three Hundred Three Dollars (\$1,025,303)

**Total:** Six Hundred Thirteen Million Four Hundred Thirty Seven Thousand Eight Hundred Seventy-Six Dollars (**\$613,437,876**)

Any reallocation of the Contribution amounts in whole or in part from one Fiscal Year to another shall require a written amendment signed by the Parties.

6.3 In order to be eligible to receive payment for any remaining portion of the Contribution as described herein, the Initial Recipient must submit its final claim for payment on or before **June 30, 2027**.

6.4 The Minister will not contribute to any Eligible Expenditure Incurred by the Initial Recipient prior to or after the Eligible Expenditure Period.

6.5 If by the Completion Date, the Total Government Funding as set out in Schedule B (Budget and Eligible Expenditures) that the Initial Recipient has received exceeds One Hundred percent (100%) of the Total Project Costs incurred, the Minister may require the Initial Recipient to reimburse such excess back to Canada.

6.6 The Initial Recipient represents that no other federal, provincial, territorial, or municipal government assistance, other than those described below and listed in Schedule B (Budget and Eligible Expenditures), has been or will be provided in respect of the Total Project Costs incurred:

Canada: Six Hundred Thirteen Million Four Hundred Thirty Seven Thousand Eight Hundred Seventy-Six Dollars (\$613,437,876)

Other Federal:	Zero Dollars (\$0)
Provincial:	Zero Dollars (\$0)
Territorial:	Zero Dollars (\$0)
Municipal:	Zero Dollars (\$0)

Total Government Funding: Six Hundred Thirteen Million Four Hundred Thirty Seven Thousand Eight Hundred Seventy-Six Dollars (\$613,437,876).

The Initial Recipient shall advise the Minister promptly of any change in the Total Government Funding listed above during the term of this Agreement.

**7. METHOD OF PAYMENT**

7.1 Subject to the terms and conditions of this Agreement, Canada will provide quarterly advance payments to the Initial Recipient based on cash flow forecast requirements submitted by the Initial Recipient for each Claim Period provided that the Initial Recipient has fully accounted for any preceding advance payment to the satisfaction of the Minister.

7.2 In the event a cash flow forecast is submitted after the thirtieth day of the Claim Period, the Minister may request, and the Initial Recipient shall submit, a claim for payment of Eligible Expenditures Incurred by the Initial Recipient in lieu of the cash flow forecast.

7.3 When accounting for advance payments or submitting a claim for payment, the Initial Recipient shall provide a financial report, which outlines Eligible Expenditures Incurred by task described in Schedule A (Description of the Project).

Where an additional Fiscal Year remains for Project activities, Canada may treat all or part of the remainder of an advance outstanding at the end of the Fiscal Year as an overpayment of the Contribution or may authorize the Initial Recipient to retain all or part of the remainder of any such advance to cover the forecasted Eligible Expenditures to be Incurred during April of the following Fiscal Year, if Canada considers this essential to meet the requirements of the Project.

7.4 Subject to the terms and conditions of this Agreement, following receipt of a claim, acceptable to the Minister, for payment of Eligible Expenditures Incurred by the Initial Recipient, accompanied by a financial report signed by the Chief Financial Officer or a Duly Authorized Representative of Initial Recipient which outlines Eligible Expenditures Incurred by task, Canada shall pay the Contribution towards the Eligible Expenditures of the Project.

7.5 The Minister shall withhold **Ten percent (10%)** of Eligible Expenditures for task 1 set out in Schedule B (Budget and Eligible Expenditures) from each advance payment until the Initial Recipient has:

- a) completed the Project to the satisfaction of the Minister;
- b) submitted a final report documenting the completion of the Project as set out in Article 13 (Reports) and the Minister has approved said report;
- c) certified, in the manner set out in Article 13 (Reports), that the Initial Recipient has Incurred and Paid all claims for the payment of Eligible Expenditures of the Project; and
- d) submitted and the Minister has received and approved a final statement of Eligible Expenditures Incurred and Paid in respect of the Project.

7.6 Subject to the terms and conditions of this Agreement, if the Initial Recipient cannot submit a claim for payment on or before March 31 of a Fiscal Year, the Initial Recipient shall no later than April 5 provide the Minister with a signed statement of anticipated Eligible Expenditures Incurred up to March 31, for the Minister to establish a Payable at Year-End.

7.7 Notwithstanding Article 25 (Amendments), following receipt of a written request from the Initial Recipient in accordance with Article 24 (Notices), the Minister may approve in writing at their sole discretion an extension to submit any claim, or any report required to be submitted in accordance with this Agreement.

7.8 Where for any reason the Minister determines that the amount of the Contribution disbursed exceeds the amount to which the Initial Recipient is entitled or the Initial Recipient is not entitled to the Contribution, the Initial Recipient must repay to Canada no later than thirty (30) days from the date of the Minister's notice, the amount of the overpayment or the amount of the Contribution disbursed. If the amount is not repaid by its due date, interest accrues at the Interest Rate for the period beginning on the due date and ending on the day before the day on which repayment to Canada is received. Any such amount is a debt due to Her Majesty the Queen in Right of Canada and is recoverable as such.

7.9 Without limiting the scope of the set-off rights provided for under the *Financial Administration Act*, it is understood that the Minister may set off against any amount that may be payable to the Initial Recipient pursuant to this Agreement, any amounts owed and past due by the Initial Recipient to Her Majesty the Queen in Right of Canada under any legislation or contribution agreements and the Initial Recipient shall declare to the Minister all amounts outstanding in that respect when making any claim under this Agreement.

## **8. ACCOUNTS AND AUDITS**

8.1 Prior to the Completion Date and for **three (3) years** after the expiration of this Agreement, as described in Article 3 (Duration of the Agreement), the Initial Recipient shall, at its own expense:

- a) keep proper and accurate books, accounts, and records of its revenue received and expenses Incurred and Paid in connection with the Project and shall keep its invoices, receipts, and vouchers relating thereto;
- b) keep proper and accurate records of all data, analyses, and other scientific or technical assessments and reports, and any and all information relating to the outputs and outcomes of the Project ;
- c) on demand, make available to the Minister such books, accounts, records, invoices, receipts, and vouchers referred to above and permit the Minister to examine and audit and take copies and extracts from such documents;
- d) allow the Minister, at the Minister's own expense and discretion, to conduct a technical audit to verify that the proposed measures outlined in Schedule A (Description of the Project ) were implemented in accordance with this Agreement; and
- e) allow the Minister, at the Minister's own expense and discretion, to conduct an audit to verify the accuracy of reports submitted under Article 13 (Reports).

8.2 In respect of Eligible Expenditures related to professional, scientific and contracting services outlined in Schedule B (Budget and Eligible Expenditures), Canada's auditors may, acting reasonably, request that the Initial Recipient's books, accounts and records be supplemented by information from the books, accounts and records of the subcontractors engaged by the Initial Recipient having contracts in excess of twenty percent (20 %) of the Contribution for the purposes of the Project. The Initial Recipient will use commercially reasonable efforts to obtain such information as is reasonably requested by Canada's auditors from the Initial Recipient's subcontractors, subject to and to the extent permitted by terms of the applicable contracts and, in particular, the audit provisions of such contracts.

8.3 The Initial Recipient shall ensure that its agreements with Ultimate Recipients provide for oversight, reviews, and audits to be conducted by the Initial Recipient and the right of the Initial Recipient to provide copies of any review, evaluation, or audit reports to the Minister.

## **9. INTELLECTUAL PROPERTY**

9.1 All Intellectual Property that arises in the course of the Project shall vest in the Initial Recipient or be licensed to the Initial Recipient in the event that an Initial Recipient's subcontractor retains title to such Intellectual Property.

9.2 The Initial Recipient shall supply to Canada the reports and documents described in Article 13 (Reports), and the Initial Recipient hereby grants to Canada a non-exclusive, irrevocable, world-wide, free, and royalty-free license in perpetuity to use, modify, and, subject to the *Access to Information Act*, make publicly available such reports and documents for non-commercial governmental purposes.

## **10. INDEMNITY**

10.1 Neither Canada, nor its employees, officers, and agents, will have any liability in respect of claims of any nature, including claims for injury or damages, made by any person involved in the activities of the Project or as a result of or arising out of this Agreement, and the Initial Recipient will indemnify and save harmless Canada, its employees, officers, and agents, in respect of such claims.

10.2 The Initial Recipient shall ensure that its agreements with Ultimate Recipients stipulate that the Ultimate Recipient will indemnify and save harmless Canada, its employees, officers, and agents of any claims for injury or damages arising from the Sub-Project.

## **11. DEFAULT**

11.1 The Minister may declare that an event of default has occurred if:

- a) the Initial Recipient becomes insolvent or is adjudged or declared bankrupt or if it goes into receivership or takes the benefit of any statute from time to time in force relating to bankrupt or insolvent debtors;
- b) an order is made which is not being contested or appealed by the Initial Recipient or a resolution is passed for the winding up of the Initial Recipient or it is dissolved;
- c) in the opinion of the Minister, there has been a misrepresentation or breach of warranty under Article 2 (Representations and Warranties);
- d) in the opinion of the Minister, acting reasonably, a material adverse change in risk affecting the fulfilment of the terms and conditions of this Agreement has occurred;
- e) any term, condition or undertaking in this Agreement is not complied with, including, without limitation, any of those in Article 4 (Conduct of Project), Article 5 (Impact Assessment) or Article 7 (Method of Payment) and any such defect has not been cured by or remedied by the Initial Recipient within thirty (30) days of written notice of such defect having been provided to the Initial Recipient; or
- f) the Initial Recipient neglects or fails to pay the Minister any amount due in accordance with this Agreement.

11.2 If the Minister declares that an event of default has occurred, in addition to all other remedies provided under contract law, the Minister may exercise one or more of the following remedies:

- a) suspend any obligation of Canada to contribute or continue to contribute to the Eligible Expenditures of the Project or a part of the Project, including any obligation to pay any amount owing prior to the date of such suspension;
- b) terminate any obligation of Canada to contribute or continue to contribute to the Eligible Expenditures, including any obligation to pay any amount owing prior to the date of such termination;
- c) terminate this Agreement; and
- d) direct the Initial Recipient to repay all or part of the Contribution which has been paid to the Initial Recipient, save and except for any part of the Contribution which has been properly disbursed or applied in accordance with the terms and conditions of this Agreement, together with interest from the date of demand at the Interest Rate, with the exception of an event of default listed in Paragraph 11.1(d). Any such amount is a debt due to Her Majesty in Right of Canada and is recoverable as such.

For greater clarity, all above remedies are cumulative.

11.3 The fact that the Minister does not exercise a remedy that the Minister is entitled to exercise under this Agreement will not constitute a waiver of such right and any partial exercise of a right will not prevent the Minister in any way from later exercising any other right or remedy under this Agreement or other applicable law.



## **12. ACCESS**

12.1 Prior to the Completion Date and for three (3) years after the expiration of this Agreement, the Initial Recipient shall provide the Minister or Minister's representatives reasonable access to any premises where the Project takes place to assess the Project's progress or any element thereof, subject to providing reasonable notice and complying with the Initial Recipient's safety requirements for such access.

12.2 The Initial Recipient shall provide the Minister access to:

- a) all signed agreements with Ultimate Recipients; and
- b) the Initial Recipient's operating plans, including annual performance expectations, with respect to the Contribution.

12.3 The Initial Recipient shall ensure that its agreements with Ultimate Recipients provide for a right for the Initial Recipient to request and obtain all records, information, and other documentation relating to the Initial Recipient's agreement with Ultimate Recipients, and access to Ultimate Recipients' premises and documents relating to the Sub-Projects.

## **13. REPORTS**

13.1 The Initial Recipient shall submit, no later than sixty (60) days after the Claim Period, the following documentation as per the template provided by Canada.

- a) an updated Project quarterly cash flow statement and budget;
- b) where applicable, an explanatory note signed by the Chief Financial Officer or Duly Authorized Officer explaining the overhead expenditures that were Incurred;
- c) a report of Project tasks to-date in sufficient detail, including outputs and key performance indicators, to allow progress to be evaluated.

13.2 The Initial Recipient shall submit, no later than ninety (90) days after the Completion Date a final report, as per a template provided by Canada, which includes the following:

- a) a financial report that shall demonstrate how the Contribution was used, including the receipt of goods and/or services being funded by Canada;
- b) a final narrative report to describe how its activities have contributed to the achievement of the objectives of the Project as described in Schedule A (Description of the Project);
- c) a certification that the claims for payment of Eligible Expenditures of the Project have been Incurred and Paid by the Initial Recipient; and
- d) a declaration as to the total amount of contributions or payments, including Total Government Funding, received by the Initial Recipient.

## **14. DISPOSITION OF ASSETS**

14.1 If, prior to the Completion Date and for three (3) years thereafter, the Initial Recipient sells, leases or otherwise disposes of any Fixed Asset excluding Intellectual Property, where the cost of the Fixed Asset is part of the Eligible Expenditures under the Project to which Canada has contributed under this Agreement, and where the proceeds of the sale, lease or other disposition are not applied to acquire assets in replacement of the Fixed Asset, the Initial Recipient shall immediately notify the Minister in writing of such sale, lease or disposition and, if the Minister so requires, the Initial Recipient shall share with Canada the proceeds of the sale, lease or any other disposition in the same ratio as that of Canada's Contribution to the purchase of the Fixed Asset by the Initial Recipient, except that Canada's share shall not exceed the Contribution.

## **15. SUB-PROJECTS**

15.1 The Initial Recipient shall enter into agreements with Ultimate Recipients to conduct Sub-Projects. Such agreements shall be consistent with the terms and conditions of this Agreement and shall meet the requirements as set out in Schedule A (Description of the Project) and Schedule B (Budget and Eligible Expenditures).

## **16. LEGAL RELATIONSHIP**

16.1 Nothing contained in this Agreement shall create the relationship of principal and agent, employer and employee, partnership, or joint venture between the Parties.

16.2 The Initial Recipient shall not make any representation that:

- a) the Initial Recipient is an agent of Canada; or
- b) could reasonably lead any member of the public to believe that the Initial Recipient or its contractors are agents of Canada.

## **17. ACKNOWLEDGEMENT**

17.1 The Initial Recipient shall acknowledge the financial support of Canada in all public information produced as part of the Project.

17.2 The Initial Recipient will seek prior written consent of the Minister for any public acknowledgement of the financial support of Canada to this Project through news releases, public displays, and public and media events.

17.3 Except for releases of information required to comply with securities regulations or other laws, where media announcements and public events relating to this Project are to be made by a Party, the Party shall use commercially reasonable efforts to give to the other a three (3) weeks prior written notice of any media announcement or public event and a reasonable opportunity to review and comment thereon.

17.4 The Initial Recipient acknowledges that the Initial Recipient's name, the amount awarded, and the general nature of the activities supported under this Agreement may be made publicly available by the Government of Canada.

17.5 The Initial Recipient shall ensure that its agreements with Ultimate Recipients clearly identify Canada's role as a source of the funding provided by the Initial Recipient.

## **18. TIME OF ESSENCE**

18.1 Time is of the essence with respect to all provisions of this Agreement that specify a time for performance.

## **19. MEMBERS OF PARLIAMENT**

19.1 No Member of the House of Commons or Senate shall be admitted to any share or part of this Agreement or to any benefit arising therefrom that is not otherwise available to the general public.

## **20. CONFLICT OF INTEREST**

20.1 It is a term of this Agreement that all current or former public servants to whom the federal *Values and Ethics Code* for the Public Sector, federal *Policy on Conflict of Interest and Post-Employment*, or *NRCan Values and Ethics Code* applies shall comply with the Codes or Policy, as applicable.

20.2 If any individual working for the Initial Recipient formerly provided consultancy services to the Minister that are related to this Agreement, particularly any services associated with developing the Agreement or developing the Project which is the subject of this Agreement, the Initial Recipient is considered to be in a real, perceived, or potential conflict of interest situation.

20.3 If a conflict-of-interest situation arises during the Agreement, the Initial Recipient shall notify the Minister, in the manner prescribed in Article 24 (Notices). Upon request, the Initial Recipient shall notify the Minister of all reasonable steps taken to identify, avoid, prevent, and where it exists, resolve any conflict-of-interest situation.

20.4 The Minister may investigate a real, perceived, or potential conflict of interest and take such steps and measures as the Minister considers appropriate, including without limitation: informing the Initial Recipient that it is in a conflict of interest situation; requesting specific actions be taken to correct the situation; requiring the Initial Recipient to withdraw any individual from participation in the Project for reasons of conflict of interest; suspending payments under the Agreement; or terminating the Agreement.

## **21. FORCE MAJEURE**

21.1 The Parties shall not be in default or in breach of this Agreement due to any delay or failure to meet any of their obligations caused by or arising from any event beyond their reasonable control and without their fault or negligence, including any act of God or other cause which delays or frustrates the performance of this Agreement (a "force majeure event"). If a force majeure event frustrates the performance of this Agreement, Canada will only be liable for its proportionate share of the Eligible Expenditures Incurred and Paid to the date of the occurrence of the event.

21.2 The performance of the obligation affected by a “force majeure event” as set out above shall be delayed by the length of time over which the event lasted. However, should the interruption continue for more than one hundred and twenty (120) days, this Agreement may be terminated by Canada.

21.3 Should either Party claims the existence of a “force majeure event” as above, prompt notice thereof shall be given to the other Party and the Party claiming the existence of a “force majeure event” shall have the obligation to provide reasonable satisfactory evidence of the existence of such event and use its best efforts to mitigate any damages to the other Party.

## **22. GOVERNING LAW**

22.1 This Agreement shall be interpreted in accordance with the applicable federal laws and the laws in force in the Province of Ontario.

## **23. ASSIGNMENT**

23.1 No benefit arising from this Agreement shall be assigned in whole or in part by the Initial Recipient without the prior written consent of the Minister and any assignment made without that consent is void and of no effect.

## **24. NOTICES**

24.1 The claims for payment, requests, reports, notices, repayments, and information referred to in this Agreement shall be sent in writing or by any method of telecommunication and, unless notice to the contrary is given, shall be addressed to the Party concerned at the following address:

To Canada:

Ruth Talbot  
Senior Director  
Greener Homes Division  
Natural Resources Canada  
580 Booth Street,  
19th Floor, Room. B1-2  
Ottawa, Ontario  
K1A 0E4  
Telephone: (613) 818-6175  
E-mail: [ruth.talbot@nrcan-rncan.gc.ca](mailto:ruth.talbot@nrcan-rncan.gc.ca)

To the Initial Recipient:

Sarah Van Der Paelt  
Director of Marketing and Energy Conservation  
Enbridge Gas Inc.  
500 Consumers Road,  
North York, ON  
M2J 1P8  
Telephone: (519) 436-5255  
E-mail: [sarah.vanderpaelt@enbridge.com](mailto:sarah.vanderpaelt@enbridge.com)

24.2 Requests, notices and documents are deemed to have been received, if sent by registered mail, when the postal receipt is acknowledged by the other Party; by electronic mail, when transmitted and receipt is confirmed; and by messenger or specialized courier agency, when delivered.

24.3 The Minister and the Initial Recipient agree to notify each other in writing if the above contact information changes. This requirement will not cause an Amendment.

## **25. AMENDMENTS**

25.1 No amendment of this Agreement or waiver of any of its terms and conditions shall be deemed valid unless effected by a written amendment signed by the Parties.

## **26. DISPUTE RESOLUTION**

26.1 If a dispute arises concerning the application or interpretation of this Agreement, the Parties will attempt to resolve the matter through good faith negotiation, and may, if necessary and the Parties consent in writing, resolve the matter through mediation by a mutually acceptable mediator.

## **27. APPROPRIATION**

27.1 The payment of monies by Canada under this Agreement is subject to there being an appropriation by Parliament for the Fiscal Year in which the payment of monies is to be made.

27.2 Notwithstanding any other provision of this Agreement, Canada may reduce or cancel the Contribution to the Project upon written notice to the Initial Recipient in the event that the funding levels for the Department of Natural Resources are changed by Parliament during the term of this Agreement. In the event that Canada reduces or cancels the Contribution, the Parties agree to amend the Project and the Eligible Expenditures of the Project, namely this Agreement, to take into account the reduction or cancellation of the Contribution.

27.3 The Initial Recipient shall ensure that its agreements with Ultimate Recipients allow the Initial Recipient to amend the agreement to reduce their obligations related to the Sub-Projects in proportion to the reduction of the Contribution by Canada to the Initial Recipient.

## **28. LOBBYING ACT**

28.1 The Initial Recipient shall ensure that any person lobbying on behalf of the Initial Recipient is registered pursuant to the *Lobbying Act* and that the fees paid to the lobbyist are not to be related to the value of the Contribution.

## **29. SUCCESSORS AND ASSIGNS**

29.1 This Agreement shall inure to the benefit of and be binding on the Parties and their respective representatives, successors, and assigns.

## **30. OFFICIAL LANGUAGES/LANGUES OFFICIELLES**

30.1 This Agreement is drafted in **English** at the request of the Parties. Les Parties ont convenu que le présent Accord soit rédigé en **anglais**.

30.2 All public information documents related to the Project prepared or paid for in whole or in part by Canada must be made available in both official languages, when the Department of Natural Resources judges that this is required under the *Official Languages Act*. Tout document d'information publique préparé ou payé en tout ou en partie par le Canada ayant trait au Projet doit être offert dans les deux langues officielles, lorsque le ministère des Ressources naturelles le juge pertinent, conformément à la *Loi sur les langues officielles*.

## **31. COUNTERPART SIGNATURE**

31.1 This Agreement (and any amendments) may be signed in counterparts including facsimile, PDF, and other electronic copies, each of which when taken together, will constitute one instrument.

## **32. SEVERABILITY**

32.1 Any provision of this Agreement prohibited by law or otherwise ineffective, will be ineffective only to the extent of such prohibition or ineffectiveness and will be severable without invalidating or otherwise affecting the remaining provisions of the Agreement. The Parties agree to negotiate in good faith a substitute provision which most nearly reflects the Parties' intent in entering into this Agreement.

## **33. ENTIRE AGREEMENT**

33.1 This Agreement constitutes the entire Agreement between the Parties with respect to the subject matter of this Agreement and supersedes all previous negotiations, communications, and other agreements, whether written or verbal between the Parties.

**IN WITNESS THEREOF**, this Agreement is duly executed on behalf of Her Majesty the Queen in Right of Canada by an officer duly authorized by the Minister of Natural Resources and on behalf of the Initial Recipient, by an officer duly authorized on its behalf.

**HER MAJESTY THE QUEEN IN RIGHT OF CANADA**

_____	_____
Date	Drew Leyburne
	Assistant Deputy Minister
	Energy Efficiency & Technological Sector

**ENBRIDGE GAS INC.**

_____	_____
Date	Michele Harradence
	President
	Enbridge Gas Inc.

SCHEDULE A

To the Agreement between

HER MAJESTY THE QUEEN IN RIGHT OF CANADA

And

ENBRIDGE GAS INC.

DESCRIPTION OF THE PROJECT

PROJECT TITLE:	INCENTIVES FOR ENERGY EFFICIENCY IN THE RESIDENTIAL SECTOR OF ONTARIO
PROJECT OBJECTIVE:	The objective of this Project is to encourage homeowners in Ontario to undertake residential energy efficiency and resiliency measures by providing integrated and seamless access to incentives for eligible retrofits.
PROJECT SUMMARY:	<p>The Project will include the administration of incentives to improve energy efficiency for the residents of Ontario, including the selection, review, and disbursement of funding to these residents in addition to activities required to support the implementation this Project, such as communication with the public and information technology systems development.</p> <p>Within the Project, the Initial Recipient will complete the following:</p> <ul style="list-style-type: none"><li>- development, implementation and communication of funding opportunity and related requirements to residents of Ontario;</li><li>- coordination and funding of eligible EnerGuide assessments;</li><li>- undertaking the review, validation, and selection of persons and/or entities applying for funding;</li><li>- coordination and communication with Ultimate Recipients to confirm eligibility and enter into agreements with selected Ultimate Recipients;</li><li>- management of agreements with Ultimate Recipients, including the review and validation of eligible activities, information sharing, the disbursement of funding; and</li><li>- developing and implementing changes to information technology systems in support of the Project.</li></ul> <p>The Initial Recipient will select Ultimate Recipients that meet the following criteria:</p> <ol style="list-style-type: none"><li>1) The Ultimate Recipient is an individual homeowner of an Eligible Primary Residence in Ontario; an Indigenous government or organization (e.g., band council, land claim organization); or a housing management body or other representative or Indigenous service delivery organization with a formal partnership with an Indigenous government or organization.</li><li>2) The Eligible Primary Residences are existing homes of the following types:<ul style="list-style-type: none"><li>• Single and semi-detached homes;</li><li>• Townhouses;</li><li>• Four season cabins;</li><li>• Mobile homes on permanent foundations;</li><li>• Permanently moored floating houses;</li><li>• Multi-use buildings (residential portion only); and</li><li>• Low-rise multi-unit residential buildings (3 storeys or less with footprint of 600 m<sup>2</sup> or less).</li></ul></li><li>3) Ultimate Recipients may receive funding to undertake the following eligible activities under this Project:<ol style="list-style-type: none"><li>a. Eligible EnerGuide assessments</li></ol></li></ol>

	b. Eligible Retrofits
BENEFITS:	<ul style="list-style-type: none"><li><b>Benefits to Canada / Canadians:</b><p>This Project will help Canadians participate in the energy efficiency transformation, by increasing energy efficiency practices, allowing for more sustained green jobs and more robust domestic low-carbon supply chain to advance economic recovery.</p><p>The Project address clean energy and climate change goals by increasing energy efficient homes and practices and contribute to achieving net-zero greenhouse gas emissions by 2050.</p></li><li><b>Benefits to Stakeholders:</b><p>The Project will create a cascade of benefits in the province of Ontario, including improving energy efficiency of homes, supporting local employment, and making affordable and clean energy through energy efficient retrofits.</p></li></ul>

PROJECT TASKS:

	Task Name	Description	Outputs
1	<div>Project Management</div> <div>31 March 2027</div>	<div>Under this task, the Initial Recipient will:</div> <ul style="list-style-type: none"><li>Provide information to residents of Ontario on the Project</li><li>Coordinate EnerGuide assessments for Ultimate Recipients</li><li>Collect and validate supporting documentation related to eligibility criteria</li><li>Share information on the Ultimate Recipient files and funding provided to Ultimate Recipients</li><li>Disburse funding to Ultimate Recipients for Eligible Retrofits</li><li>Ensure the information technology systems and processes are:<ul style="list-style-type: none"><li>- capturing and storing the information required to process and validate Ultimate Recipient files as part of the Project;</li><li>- supporting reporting requirements;</li><li>- sharing necessary information between the system used by the Initial Recipient and the Program system; and</li><li>- disbursing Contribution payments to Ultimate Recipients in Ontario.</li></ul></li></ul>	<ul style="list-style-type: none"><li>Revised communication products that include information on the Project</li><li>Applications from Ultimate Recipients</li><li>Coordination and payments of EnerGuide assessments for Ultimate Recipients</li><li>Completed Ultimate Recipient applications that are reviewed and validated against established requirements</li><li>Established and functioning information IT systems to support the Project.</li></ul>

	Task Name	Description	Outputs
2	Funding of Eligible EnerGuide Assessments  31 March 2027	Under this task, the Initial Recipient will provide financial support to cover the fees related to EnerGuide assessments conducted by registered energy advisors. These assessments help understand the energy performance of the home and determine the retrofits required to improve energy efficiency and climate resiliency. In this regard, the registered energy advisor evaluates the home to determine an EnerGuide rating and to establish a report that recommends retrofit measures that improve the energy performance of the home. The Initial Recipient will pay the cost of one pre-retrofit and one post-retrofit EnerGuide assessment for an Eligible Primary Residence where at least one Eligible Retrofit has been completed excluding thermostat and resiliency measures.	<ul style="list-style-type: none"><li>• Payments related to the costs of eligible EnerGuide assessments</li></ul>
3	Funding for Eligible Retrofits  31 March 2027	Under this task, the Initial Recipient will support the purchase of materials or equipment for Eligible Retrofits and their installation or implementation after the Eligible pre-retrofit EnerGuide Assessment has been completed for Ultimate Recipient applications, supported by recommendation reports from registered energy advisor as part of conducting the pre-retrofit EnerGuide assessment process; and supported by post-retrofit EnerGuide assessment and sufficient documentation, such as receipts, invoices, photos.	<ul style="list-style-type: none"><li>• Contribution is distributed for Eligible Retrofits</li></ul>

PERFORMANCE INFORMATION:

Key Performance Indicators:
1. Number of applications from Ultimate Recipients
2. Number of homes with pre-retrofit evaluation complete
3. Number of homes with complete retrofits and labelled with a post-retrofit EnerGuide label because of the Project
4. Number and type of Eligible Retrofits undertaken because of the Project
5. The energy savings realized by each Ultimate Recipient
6. The reduction of greenhouse gas emissions because of the Project
7. Average amount disbursed to Ultimate Recipients under the Project
8. Number of total direct and indirect jobs because of the Project
9. Performance against service standards communicated to the public



SCHEDULE B

To the Agreement between

HER MAJESTY THE QUEEN IN RIGHT OF CANADA

And

ENBRIDGE GAS INC.

BUDGET AND ELIGIBLE EXPENDITURES

1. Subject to the limitations set out in Article 6 (Contributions), Eligible Expenditures shall be associated with the execution of the various activities as described in Schedule A (Description of the Project).

Approved Budget						
Tasks	2022-23	2023-24	2024-25	2025-26	2026-2027	Total
Task 1: Project Management	\$ 4,645,983	\$ 8,673,539	\$ 9,901,462	\$ 10,148,869	\$ 1,025,303	\$ 34,395,156
Task 2: Funding for Eligible EnerGuide Assessments	\$ 3,000,000	\$ 22,050,000	\$ 32,130,000	\$ 39,327,120	\$ -	\$ 96,507,120
Task 3: Funding for Eligible Retrofits	\$ 15,000,000	\$ 110,250,000	\$ 160,650,000	\$ 196,635,600	\$ -	\$ 482,535,600
Total Contribution (NRCan)	\$ 22,645,983	\$ 140,973,539	\$ 202,681,462	\$ 246,111,589	\$ 1,025,303	\$ 613,437,876
Other Contributors	\$ 5,652,056	\$ 22,745,355	\$ 23,272,528	\$ 23,737,977	\$ 42,643,328	\$ 118,051,244
Total Project Costs	\$ 28,298,039	\$ 163,718,894	\$ 225,953,990	\$ 269,849,566	\$ 43,668,631	\$ 731,489,120

Source of Contributions:	Percentage (%)	Cash (\$)	In-Kind (\$)	Total (\$)
Canada (NRCan)	84%	\$ 613,437,876	N/A	\$ 613,437,876
The Initial Recipient	16%	\$ 107,321,963	\$ 10,729,281	\$ 118,051,244
TOTAL	100%	\$ 720,759,839	\$ 10,729,281	\$ 731,489,120

2. Eligible Expenditures:

Eligible Expenditures for the task related to Project Management include:

- a. Salaries and benefits on the payroll of the Initial Recipient for the real time spent by employees on the Project;
- b. Contractual services related to professional, scientific, technical, management, data collection and contracting services;
- c. Travel expenditures, including meals and accommodation, based on the National Joint Council Rates;
- d. Advertising, recruitment, and training, including facilitator fees, costs of training development, promotion, deployment, and evaluation;
- e. Capital expenditures, including informatics hardware and software, and retrofitting and upgrading of existing capital and construction of new capital, purchase, and installation of equipment; and

- f. Overhead expenditures related to the management of the Project and may be included in the Total Project Costs up to ten percent (10%) of the Eligible Expenditures provided that the Initial Recipient provides an explanatory note for the calculation of these costs for each claim for payment.

**NOTE:** the following limitations apply to the approved budget above:

1. Only one Ultimate Recipient per Eligible Primary Residence may receive funding under the Project, except for small multi-unit residential buildings, where multiple Ultimate Recipients may receive funding in accordance with Program requirements.
  2. The portion of the Contribution provided by the Initial Recipient to an Ultimate Recipient must not exceed \$5,600 and will be limited based on the following criteria:
    - i. The maximum amount of funding to be disbursed to an Ultimate Recipient for Eligible Retrofits undertaken in an Eligible Primary Residence is \$5,000 in accordance with the maximum funding amounts for each Eligible Retrofit activity.
    - ii. The maximum amount of federal funding for Eligible EnerGuide Assessments is \$600.
  3. In accordance with the departmental GST/PST/HST certification form, the reimbursable Provincial Sales Tax, the Goods and Services Tax and Harmonized Sales Tax costs must be net of any tax rebate to which the Initial Recipient is entitled.
  4. In-kind costs are those contributions of goods or services provided by the Initial Recipient or other contributors that are considered towards Total Project Costs; however; they are not eligible for reimbursement.
3. Notwithstanding Article 25 (Amendments), provided the Contribution for any given Fiscal Year is not exceeded, the Initial Recipient may adjust any cost allocated by Eligible Expenditure as listed above by in Part 1 of this Schedule to a maximum of twenty percent (20%) of that cost without providing notice to Canada. At the time of submitting a claim for payment, the Initial Recipient must provide Canada with a revised budget.

The Initial Recipient may submit a written request to Canada to make an adjustment greater than twenty percent (20%). The request must include a revised budget. This request is subject to the approval in writing by Canada's representative identified in Article 24 (Notices).

Applicant Details		
Name of Proposal Lead	CRAIG FERNANDES Manager, Energy Conservation Policy and Strategy	
Proposal Lead Email	craig.fernandes@enbridge.com	
Proposal Lead Telephone	416-495-3007	
Name of Signatory	Michele Harradence  President  Enbridge Gas Inc.	
Province, Territory or Agency Details		
Legal Name of Ministry, Department or Agency	Enbridge Gas Inc.	
Physical Address	500 Consumers Road  North York, ON, M2J 1P8	
Mailing Address	P.O. Box 650  Scarborough, ON, M1K 5E3	
Email	<a href="https://www.enbridgegas.com/">https://www.enbridgegas.com/</a>	
Telephone	<u>1-877-362-7434 (customer care)</u>	
Preferred Language of Official Correspondence	English	French

Project Overview
<p>Enbridge Gas Inc. ("Enbridge Gas" or "Company") proposes to administer a single co-funded Ontario-wide energy efficiency program. Home occupants, regardless of fuel type, will be able to access the enhanced Canada Greener Homes Grant ("enhanced CGHG") initiative. The initiative has been enhanced by bringing together the separate funding and processes of the CGHG and Enbridge Gas Whole Home offering to provide higher rebates for Enbridge Gas customers with natural gas as a space heating fuel, as well as process and cost efficiency to drive enhanced participation, deep energy savings, and simplicity through</p>

the coordinated delivery of funding. The initiative is administered by Enbridge Gas via a single registration point, allowing for:

- “One-window” program access for all eligible Ontarians
- Consistent and clear rebate levels to avoid confusion in the market and enhance participation.
- The enhanced CGHG will serve all eligible Ontarians by:
  - Aligning criteria for measure rebates to the CGHG level to replace the separate Enbridge Gas Whole Home offering criteria.
  - Aligning measure rebates to at minimum the level of the CGHG and replacing the separate Enbridge Gas Whole Home offering rebate levels.
    - For homes outside of the Enbridge Gas franchise area, or that are within the franchise area that are not customers of the Company or that do not use natural gas as a space heating source, rebates will be at the CGHG level where the home is the owner’s primary residence.
    - For homes in the Enbridge Gas franchise area with natural gas as a space heating fuel in the pre-retrofit home energy assessment and who remain an Enbridge Gas customer at the time of the post-retrofit energy assessment, will provide enhanced rebates for insulation, smart thermostats and enhance the maximum rebate a participant may receive for upgrading efficiency measures throughout their home to \$10,000 to encourage participants to deeper energy savings levels.
  - Aligning most rebates and criteria to the enhanced CGHG offering level for homes that are not the owner’s primary residence in the Enbridge Gas franchise area with natural gas as a heating fuel to provide consistency in the market. These participants are not eligible for Federal Government funding and are out of scope for the Contribution Agreement.
- A single consistent process for contractors and Registered Energy Advisors (“REAs”)
- Economies in applicant processing, program delivery, and rebate payment
- All budgeting, forecasting, and funding allocations between NRCan and Enbridge Gas to occur on the back end, allowing Service Organizations and REA’s to focus on delivery of the initiative

Additional details on the proposed approach to funding from a co-delivered program offering are included in the core requirements section of this proposal.

<b>Proposal Title</b>	Enbridge Gas’s co-funding proposal for delivery of enhanced CGHG initiative to replace pre-existing Whole Home offering of the Company and the Canada Greener Homes Grant initiative in Ontario
<b>Objectives of co-delivering the Canada Greener Homes Grant:</b>	Co-delivery provides the opportunity for Enbridge Gas and NRCan to drive stronger program results more cost effectively for Ontario energy consumers than could be achieved without a coordinated approach. Alignment of the pre-existing Enbridge Gas Home Efficiency Rebate (“HER”) DSM program offering and Canada Greener Homes Grant (“CGHG”) into a single comprehensive program will provide Ontario homeowners and occupants a simple, singular path to optimize energy savings in their homes. Ontarians would have the ability to access incentives through a single program, with clear communications on the program incentives, eligibility criteria and the benefits of energy conservation. This approach avoids both the duplicative costs of administering parallel programs, but also avoids homeowner/occupant and contractor confusion that may inhibit or delay decisions to enhance energy conservation. A single cohesive initiative also enables consistent and accurate reporting of energy and greenhouse gas savings for Ontario.

	<p>Enbridge Gas is well positioned to deliver the enhanced CGHG initiative across Ontario to realize the benefits of a cohesive approach. Enbridge Gas has a proven track record in designing, delivering, and managing energy conservation programs. The Company has delivered DSM programs since 1995 and has an existing infrastructure for program administration, tracking and reporting of program results, and fulfillment of program incentives. This experience and existing infrastructure will allow for seamless expansion to the enhanced CGHG.</p> <p>Enbridge Gas's HER DSM program offering has been in the Ontario market since 2012. Enbridge Gas previously co-delivered an enhanced version of HER from 2016 to 2019, in partnership with the Government of Ontario and the Independent Electricity System Operator. The partnership allowed homes heated through all fuel sources (propane, oil, wood, electricity, and natural gas) to conserve energy through a single program, creating a one-stop-shop for energy savings rebates across the province of Ontario. Homeowners and program stakeholders enjoyed the ease of having a single point of contact to access energy savings incentives as demonstrated by high overall satisfaction and likelihood to recommend the program.</p>
<b>The Canada Greener Homes Grant – Six Core Program Requirements for the Canada Greener Homes Grant Initiative</b>	
<b>Requirement</b>	<b>Detailed explanation of how this requirement will be met</b>
Report and monitor on emissions reductions and program uptake	<p>Enbridge Gas proposes to monitor emissions reductions through the modelled savings available in HOT2000 ("H2K"). Today, Enbridge Gas tracks energy savings through H2K outputs. For the enhanced CGHG, Enbridge Gas proposes to track and report based on standard outputs from H2K and use NRCAN approved conversion factors to make any necessary conversion/calculations to calculate greenhouse gas emission reductions or other metrics. Enbridge Gas will adhere to the reporting and validation requirements outlined in section "Part 2: Implementation Plan for distribution of funds" below and the attribution of savings will be representative of the respective funding sources. Enbridge Gas has included costs for reporting based on its experience, but if extensive and time intensive reporting requirements are documented, the costs estimated will have to be revised.</p>
Qualifying retrofit measures consistent with federal program (e.g., building envelope; solar)	<p>Since 1995, Enbridge Gas has saved its customers 30 billion lifetime cubic meters of natural gas and 56.2 million tonnes of greenhouse gas emissions, the equivalent of taking 12.2 million cars off the road for a year or heating 13.1 million natural gas homes for a year. In delivering these programs, Enbridge Gas has developed significant expertise in conservation program design and delivery, building credibility with customers, business partners, and building capacity in the conservation industry within Ontario. Since its inception, the Company's DSM programs have demonstrated high cost-effectiveness and have had longstanding support by all political parties. DSM Funding has consistently grown over time under policy frameworks overseen by the Ontario Energy Board ("OEB") which regulates the gas rates in Ontario.</p>

Enbridge Gas has developed a substantial professional team of resources ideally suited to partner with NRCan on the enhanced CGHG initiative. Enbridge Gas's in-house energy efficiency program delivery staff, including technology and tracking and reporting experts, have extensive experience in the Ontario market in delivering conservation programs, and Enbridge Gas already has a direct customer relationship with more than 3.3 million Ontario residents that utilize natural gas to fuel their homes and businesses.

Residential customers represent the largest customer segment in Enbridge Gas's service area and the Company undertakes significant efforts to serve these customers through our DSM programming and initiatives. Currently, the Home Efficiency Rebate and the Adaptive Thermostat offerings are delivered to residential customers. Additionally, Enbridge Gas offers programming to the Affordable Housing, Indigenous, and multi-unit residential building ("MURB") sectors. A brief description of each of these program offerings is included below:

- Home Efficiency Rebate: The Home Efficiency Rebate ("HER") program offering provides a holistic approach to residential home energy upgrades by providing customers incentives towards EnerGuide evaluations, thermal envelope, and mechanical system upgrades. The intent is to motivate homeowners to pursue deeper energy savings across additional measures than they may have otherwise undertaken by taking a whole home view. To be eligible for the program, customers must undertake a pre and post retrofit EnerGuide audit and install 2 or more eligible measures, or 3 or more measures where a furnace is upgraded. The program offering has been available since 2012. The HER offering is delivered by selected service organizations; however, all service organizations are able to submit files via a service organization participating in Enbridge's HER offering.
- Residential Adaptive Thermostat: The Residential Adaptive Thermostat offering has been in market since 2016. The offering is focused on providing an incentive towards the purchase of qualifying smart thermostats that help optimize comfort and energy savings. This offering has been enhanced through a collaboration with the IESO to provide an additional financial incentive for qualified moderate-income customers. The program is delivered using an online rebate platform that provides residential customers with an instant rebate at point of sale.

**Proposed co-delivery with existing Ontario conservation programming**

To provide simplicity and consistency for the market and homeowners and optimize the available budget of both Enbridge Gas DSM funding and the Federal Government, Enbridge Gas proposes to align all measure eligibility criteria in the enhanced CGHG initiative with the CGHG.

	<p>For homes outside of the Enbridge Gas franchise area, or that are within the franchise area that are not customers of the Company or that do not use natural gas as a space heating source rebates will be at the CGHG level. The maximum measure rebate available to a participant will continue to be \$5,000 consistent with the current CGHG criteria.</p> <p>The Company will enhance CGHG level rebates with a stacked incentive model for Enbridge Gas customers with natural gas as a space heating fuel in the pre-retrofit home energy assessment who remain an Enbridge Gas customer at the time of the post-retrofit energy assessment.</p> <ul style="list-style-type: none"> <li>• For participants that are the owner’s primary residence the CGHG level rebate for energy assessments and measure rebates will continue to be funded by the Federal Government, with Enbridge Gas funding the measure rebate enhancements beyond the CGHG level.</li> <li>• The detailed funding by NRCan and Enbridge Gas, and rebate enhancement per measure is provided in Appendix A.</li> <li>• For participants that are not the owner’s primary residence, all rebates will be funded by Enbridge Gas.</li> </ul> <p>For these homeowners, Enbridge Gas will further enhance the maximum measure rebate available for a participant to \$10,000 from the maximum CGHG level of \$5,000 (this maximum excludes the additional up to \$600 rebate available specifically for the home energy assessments).</p> <ul style="list-style-type: none"> <li>• For participants that are the owner’s primary residence the CGHG level rebate of up to \$5,000 will continue to be funded by the Federal Government, with Enbridge Gas funding the incremental measure rebates beyond the \$5,000 CGHG level.</li> <li>• The detailed payment prioritization order between Enbridge Gas and NRCan per measure is provided in Appendix B.</li> </ul> <p><b>Program Description, Attribution and Cost Sharing</b></p> <hr/> <p><b>Scope of Program Offering, Program Details and Outcomes</b></p> <p>a) <u>Program Offering Description:</u>        The Funds from the Federal Government will be allocated to Enbridge Gas to be co-delivered with the funds for the Whole Home program offering that operates within the Ontario Energy Board’s (the “OEB”) Demand Side Management (“DSM”) Framework and is currently being delivered to eligible residential Enbridge Gas</p>
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	<p>customers. The combined funds are expected to generate increased homeowner participation and avoided GHG emissions. The offering will operate as a single enhanced Canada Greener Homes Grant offering in Ontario (the “enhanced CGHG initiative”).</p> <p>Participants of the enhanced CGHG initiative will directly contact any NRCan licensed Service Organization to schedule an appointment for a Registered Energy Auditor 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. The information delivered to the homeowner following the EnerGuide evaluation is to be provided by the three standards reports: the EnerGuide label, the Homeowner Information Sheet and the Renovation Upgrade Report that will outline the energy saving opportunities identified by NRCan’s HOT2000 software, the home’s EnerGuide rating, and the list of proposed recommended renovations.</p> <p>Rebates are available for completing energy assessments as well as implementing renovations identified in the D Assessment / Renovation Upgrade Report. After upgrades to the home are made, participants schedule a second energy assessment (known as the “E Assessment”) to determine the energy savings and confirm at least one eligible and recommended retrofit has been completed to qualify for assessment and measure rebates.</p> <p>b) <u>Target Market and Eligibility</u></p> <p>With the funding from the Federal Government, Enbridge Gas will target all homes within the province which are the owner’s primary residence with the exception of Indigenous on reserve delivery, which is out of scope for this proposal. This includes homes that use natural gas, oil, propane, electricity or wood as their primary heating fuel. Homes that are not the owner’s primary residence that use natural gas as a heating fuel in the Enbridge Gas franchise area will continue to be eligible for the offering funded solely by Enbridge Gas, and the Company will align most rebates and criteria to the level of the enhanced CGHG offering to provide consistency in the market.</p> <p>Eligible dwelling types for the enhanced CGHG offering are listed below.</p> <ul style="list-style-type: none"> <li>• Single and semi-detached houses</li> <li>• Row housing</li> <li>• Townhomes</li> <li>• Mobile homes on a permanent foundation</li> <li>• Permanently moored floating homes</li> <li>• Mixed use buildings (residential portion only)</li> </ul>
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- Small multi-unit residential building (MURB) (three storeys or less with a footprint of 600m<sup>2</sup> or less) and are not retirement homes - must either be stacked (up/down) or have common area

c) Offering Structure and Cost Attribution

Costs will be classified as: (1) measure incentive costs, (2) EnerGuide evaluations, (3) contracted services, (4) advertising, recruitment and training, or (5) salaries and benefits.

1) Measure incentive costs

A summary of the measure incentives by applicant type of the enhanced CGHG initiative is provided.

Applicant Type	Occupancy Type	Measure Eligibility	Measure Incentive Level
In Enbridge Gas franchise area with natural gas as a space heating fuel in the pre-retrofit energy assessment who remain a customer at the time of the post-retrofit energy assessment	Owner's Primary Residence	CGHG measure criteria	CGHG level with enhanced rebates for insulation measures and smart thermostat  Maximum of \$10,000
	Not the Owner's Primary Residence	CGHG measure criteria excluding eligibility for: <ul style="list-style-type: none"> <li>• programmable thermostat</li> <li>• renewables</li> <li>• resiliency measures</li> </ul>	
Outside of the Enbridge Gas franchise area, or that are within the franchise area that are not customers of the Company or that do not use natural gas as a space heating source	Owner's Primary Residence	CGHG measure criteria	CGHG level rebates  Maximum of \$5,000

Within the enhanced CGHG measure incentive costs and the funding entity for participants that are the owner's primary residence and eligible for funding by the Federal Government are shown in Appendix A.

In relation to the Canada Greener Homes Grant, for homes in the Enbridge Gas franchise area with natural gas as a space heating fuel in the pre-retrofit home

energy assessment who remain an Enbridge Gas customer at the time of the post-retrofit energy assessment rebates have been enhanced for insulation measures and smart thermostats.<sup>1</sup> Where these properties are not the owner's primary residence, they will have access to consistent CGHG level rebates enhanced for insulation and smart thermostats, with the exception of programmable thermostats, renewables and resiliency measures which will not be eligible for these participants. Homes that are the owner's primary residence but do not meet the criteria above have access to the CGHG rebate level funded by the Federal Government through the enhanced CGHG initiative.

The maximum rebate payment for measure incentives is:

- \$5,000 for homes outside of the Enbridge Gas franchise area, those that do not use natural gas as a space heating fuel in the pre-retrofit energy assessment or do not remain an Enbridge Gas customer at the time of the post-retrofit energy assessment.
- \$10,000 for homes in the Enbridge Gas franchise area who use natural gas as a space heating fuel in the pre-retrofit energy assessment and remain an Enbridge Gas customer at the time of the post-retrofit energy assessment.

Where a home that is the owner's primary residence meeting the \$10,000 maximum measure rebate criteria above exceeds \$5,000 in eligible measure rebates from the Federal Government, an order of funding will apply for the measure incentives up to the maximum of \$5,000 funded by the Federal Government. Measure rebates beyond this level will be funded by Enbridge Gas up to a maximum of an incremental \$5,000 for a total maximum rebate to the participant of \$10,000. The order of application of NRCan funding is shown in Appendix B.

In the case of multi-unit residential buildings ("MURB"), the maximum allowable amount for building envelope measures will be calculated based on the number of units within the building. Individual homeowners within the low-rise MURB must apply for individual grants based on the single EnerGuide evaluation undertaken for the entire structure. The MURB multiplier for the enhanced CGHG is shown in the table below.

Table 1: MURB Multiplier for the Enhanced CGHG Offering

Number of Dwelling Units per MURB	2-3	4-6	7-9	10-12	13-16	17+
MURB Multiplier	1.0	1.5	2.0	2.5	3.0	4.0

<sup>1</sup> Participants in the process of converting space heating to natural gas, such as in community expansion areas, natural gas main extensions, or on-main conversions, will be modelled with natural gas space heating in the pre-retrofit energy assessment and be eligible for the enhanced CGHG measure incentives.

At any point during the term of the enhanced CGHG initiative, Enbridge Gas or the Federal Government may find it necessary to adjust rebate levels, measure criteria, or introduce new measures in response to market changes, budgetary considerations or lessons learned by mutual agreement for participants that are the owner's primary residence. Changes will be documented in writing and electronic communications are acceptable for the purposes of documentation.

2) EnerGuide Evaluations

The offering includes a rebate of up to \$600 for the pre-retrofit D assessment and the post-retrofit E assessment. The rebate for EnerGuide evaluations will be funded by the Federal Government for all eligible participants within the Contribution Agreement. The pre-retrofit home energy assessment must be completed in advance of the eligible retrofits.

Participating properties that are not the owner's primary residence are not eligible for Federal Government funding and are out of scope of the Contribution Agreement. The rebate for EnerGuide evaluations of up to \$600 for these participants will be funded by Enbridge Gas.

3) Contracted services

Contracted services that are directly attributed to the requirements of the Federal Government, such as systems set-up or data costs, will be funded by the Federal Government. All other contracted services costs incurred by Enbridge Gas in the delivery of the enhanced CGHG offering will be allocated on a 50% basis between Enbridge Gas and the Federal Government.

4) Advertising, recruitment and training

Advertising, recruitment and training costs that are directly attributed to the requirements of the Federal Government, are outside of the Enbridge Gas franchise area or targeted to residential energy users that do not use natural gas as a heating fuel will be funded by the Federal Government. All other costs incurred by Enbridge Gas will be allocated on a 50% basis between Enbridge Gas and the Federal Government.

5) Salaries and benefits

Salaries and benefits of Enbridge staff required to deliver the enhanced CGHG offering will be funded 50% by Enbridge Gas and 50% by the Federal Government

	<p>based on a fully allocated cost basis that aligns with standard practices approved by the OEB.</p> <p>d) <u>Attribution of Program Savings</u></p> <p>Attribution of savings is a requirement under both the OEB DSM Framework and the Federal Government. Attribution of savings is intended for the purpose of reporting the DSM funded results and DSM scorecards under an OEB approved DSM Plan as well as for CGHG objectives. Attribution of savings will be determined based on the following rules. Attributable results include the amount of annual energy saved by the enhanced CGHG initiative and the associated amount of annual GHG emissions avoided by the enhanced CGHG initiative.</p> <p>Savings will be determined based on the HOT2000 outputs as provided through the .JSON file received from NRCAN for the enhanced CGHG upgrades modelled at the D and E evaluations following the ERS procedures (insulation, air sealing, windows/doors, water heating, space heating upgrades and renewables). In principle the savings of each general measure (e.g. space heating, space cooling, water heating, renewables) are coming from the savings calculated for that measure by HOT2000. The savings for measures applied on envelope components affecting space heating and cooling (e.g. walls, foundations, air leakage, ventilation) are calculated following the weight of the yearly heat losses from that component over the total heat losses. Enbridge will report on the savings as outlined in <i>“Part 2: Implementation plan for distribution of funds”</i> below. The parties may update this methodology from time to time based on mutual agreement in writing.</p> <p>The resiliency and thermostat upgrades are either not generating savings or are not included in the HOT2000 results. Savings for the thermostat upgrades will be based on prescriptive savings assumptions. In the case of Enbridge Gas this is based on the most current Ontario Technical Reference Manual. In the case of the Federal Government this is based on the NRCAN endorsed fixed rate average for programmable and adaptive thermostats.</p> <p>The savings of the enhanced CGHG offering, on a per measure basis, will be attributed to Enbridge Gas and/or the Federal Government based on the share of the measure incentives funded by each party. Therefore:</p> <ol style="list-style-type: none"> <li>1. 100% of the results from participants outside of the Enbridge Gas franchise area will be attributed to the Federal Government.</li> <li>2. 100% of the results from participants within the Enbridge Gas franchise area that do not use natural gas as a heating fuel in the pre-retrofit energy assessment or who do not remain a customer of Enbridge Gas at the time</li> </ol>
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	<p>of the post-retrofit energy assessment will be attributed to the Federal Government.<sup>2</sup></p> <ol style="list-style-type: none"> <li>3. 100% of the results for eligible participants that are not the owner's primary residence within the Enbridge Gas franchise area will be attributed to Enbridge Gas. These participants are not eligible for Federal Government funding and are out of scope for the Contribution Agreement.</li> <li>4. The results from participants within the Enbridge Gas franchise area that use natural gas as a heating fuel in the pre-retrofit energy assessment and remain a customer of Enbridge Gas at the time of the post-retrofit energy assessment will be attributed to Enbridge Gas and the Federal Government based on the measure incentive funding share of each entity for each measure. For example, where a participant upgrades two measures where the incentive for measure 1 is funded solely by the Federal Government and incentive for measure 2 is funded 60% by the Federal Government and 40% by Enbridge Gas:         <ul style="list-style-type: none"> <li>• 100% of the results for measure 1 and 60% of the results for measure 2 will be attributed to the Federal Government</li> <li>• 0% of the results for measure 1 and 40% of the results for measure 2 will be attributed to Enbridge Gas</li> </ul> </li> </ol> <p>The following framework is intended to ensure that the pre-existing Enbridge Gas program offering will yield the minimum cost effectiveness per dollar contribution consistent with principles outlined by the Ontario Ministry of Energy in the request for NRCan and Enbridge Gas to consider co-delivery of programming in Ontario.</p> <p>On an annual basis, Enbridge Gas and NRCan will review the attribution savings framework and other program parameters and make adjustments as mutually agreed with a view to ensuring both Enbridge Gas and NRCan meet their respective performance targets. For clarity, should the savings attributed to Enbridge Gas for any calendar year be below 0.34 gross annual natural gas m3 savings per incentive dollar contributed by Enbridge Gas to the enhanced CGHG offering, adjustments would be made to the attribution to result in a minimum 0.34 m3/incentive dollar attributed to Enbridge Gas.</p> <p>In order to best serve the Ontario market, the enhanced CGHG program offering will be communicated to all potential participants, service organizations and contractors as a single program offering. All participants will be reported to NRCan, with appropriate break outs of the funding of participants so NRCan can report on progress in meeting the objectives of the Federal Government. For the purposes of</p>
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<sup>2</sup> Participants in the process of converting space heating to natural gas, such as in community expansion areas, natural gas main extensions or on-main conversions, will be modelled with natural gas space heating in the pre-retrofit energy assessment with associated attribution rules.

	<p>reporting requirements for the OEB, all participants co-funded by Enbridge Gas will be reported by Enbridge Gas with savings as per the attribution above for reporting under the currently approved DSM Plan.</p> <p>In order to calculate the savings attributed to the Company and Federal Government, Enbridge Gas will need to put in place the necessary IT system requirements to calculate these. Enbridge Gas intends to integrate these requirements into the Parachute system outlined in “Part 2: Implementation plan for distribution of funds” to ensure correspondence with the financial reporting and the allocation of the respective payments and attribution of each partner (Enbridge Gas and Federal Government).</p> <p><b><u>Transition to co-delivery</u></b></p> <p>Enbridge aims to launch the enhanced CGHG initiative on January 1, 2023. Until launch, applicants will apply to respective program offerings and no retroactive or interim periods will be necessary for the transition.</p> <p>At time of launch of co-delivery by Enbridge Gas, participants already registered with the CGHG would continue to be administered by NRCAN where they choose to participate in the CGHG. Should CGHG participants who have not received a grant choose to instead participate in the enhanced CGHG offering, they may remove themselves from the CGHG offering through NRCAN’s portal and be eligible for the enhanced CGHG to ensure equity in the offering during the transition period. Funding and attribution for these participants would follow the attribution rules as outlined in this proposal.</p> <p>Homes who enrolled in the Enbridge Gas Whole Home offering (the Home Efficiency Rebate offering) through a pre-retrofit D Assessment prior to co-delivery may choose to instead proceed in the enhanced CGHG offering to support comprehensive deep retrofits. They will have a defined period of time following the launch of the enhanced CGHG to complete their post-retrofit E assessment to remain eligible for the Home Efficiency Rebate, with funding and attribution to Enbridge Gas. After this time participants will be eligible for the enhanced CGHG only. Enbridge Gas will maintain discretion to determine the required period in consultation with service agents and market information and may make adjustments to the timing in order to ensure customers have reasonable accommodations in the transitional period and continued support to complete energy efficiency measures.</p> <p>At the time of submission of the post-retrofit E assessment, Service Organizations will be required to identify participants of the enhanced CGHG or Enbridge Gas Whole Home offering respectively through, for example, the Info2 field in HOT2000. This will ensure clarity for both Enbridge Gas and NRCAN in the program offering selected by the participant in confirming the eligible incentives and program administrator, and avoid duplication in payment by the Federal Government for participants administered by Enbridge Gas.</p>
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	<p>Enbridge Gas will require a comprehensive listing of CGHG participants in Ontario, and their incentive funding processed and paid by NRCan. This will ensure participants do not exceed their eligible funding from the Federal Government over the term of the enhanced CGHG offering administered by Enbridge Gas in the case of re-entry. Enbridge Gas will confirm the data and process requirements in consultation with NRCan.</p> <p>Enbridge Gas will develop a transition and communication plan in consultation with NRCan to ensure clarity for the market of the program offer, transition guidelines, eligibility requirements and process for participants to encourage comprehensive retrofits aligned with the launch of the enhanced CGHG. Enbridge Gas may adjust this proposal for estimated costs based on further consultation with NRCan on the transition plan and would seek to recover incurred costs for implementation of the transition plan.</p>
Not displacing existing retrofit funds	<p>Enbridge Gas proposes to utilize the existing forecast HER offering funding from the DSM program budget in this co-funding proposal to enhance the CGHG rebates and capped maximums for Ontarians as described above and therefore ensure that CGHG funding does not displace existing DSM funding in Ontario.</p>
Agreement to recognize federal funding and program administration	<p><b><u>HER Marketing Experience</u></b></p> <p>Enbridge Gas has extensive experience in developing and executing effective and cost-efficient marketing campaigns to promote its Home Efficiency Rebate (HER) program offering. Between 2016-2019, Enbridge Gas, in partnership with the Government of Ontario and Independent Electricity System Operator, co-funded and delivered an enhanced version of the HER offering. Through these partnerships, Enbridge Gas gained experience in co-branding marketing material including the website and presenting enhanced offerings to the residential market while ensuring that the funding partnership was communicated clearly and accurately.</p> <p><b><u>Marketing Plan</u></b></p> <p>Enbridge Gas will develop and execute a comprehensive marketing plan in consultation with NRCan that will leverage the Ontario specific customer insights and learnings gained from marketing the HER program. The marketing plan will focus on creating broad awareness of the program and its benefits and generating quality leads to meet program subscription goals. Enbridge Gas will share initial concepts of the new enhanced CGHG marketing campaigns with NRCan for review, with input to be provided to Enbridge Gas within five working days.</p> <p>Visibility to the federal marketing plan would be necessary to ensure Enbridge Gas's marketing efforts complement federal initiatives. Marketing plans may be reviewed and adapted if necessary to reach the goals of both NRCan and Enbridge Gas, including allowance for mutually agreed upon changes in marketing budgets.</p>

	<p><b><u>Program Launch and Outreach:</u></b></p> <p>To announce the launch of the enhanced CGHG program, Enbridge Gas proposes a joint press event with speaking opportunities for NRCan and Enbridge Gas followed by an Ontario wide news release with quotes from NRCan and Enbridge Gas executives. This will be supported by earned media tactics to highlight key benefits and features of the program to Ontario homeowners.</p> <p>Enbridge Gas will also continue its omni-channel marketing approach, leveraged to support the HER offering, with broadened targeting to extend beyond Enbridge Gas customers to further drive program awareness and adoption. All marketing assets will be co-branded and updated to reflect the enhanced CGHG program. This includes the website, and all traditional (print, direct mail, radio, publications, etc.) and digital media assets (social media, audio/video content, etc.).</p>
Supporting Indigenous participation through flexibilities consistent with the national program	<p><b><u>Indigenous Participation</u></b></p> <p>Based on discussions with NRCan, Enbridge Gas understands that the approach to Indigenous communities will be a separate area of focus/process within the Canada Greener Homes Grant Initiative and Enbridge Gas will not formally be delivering the Indigenous portion. Enbridge Gas welcomes discussions for providing any additional support for outreach, communications or marketing that is outside of the scope of this proposal.</p> <p>For clarity, Enbridge Gas would not be specifically communicating or targeting Indigenous participants for the enhanced CGHG program but would process any Indigenous applicants based on the established program eligibility criteria and make rebate payments based upon the program rules (i.e., they would not be excluded from the program). Once NRCan has finalized the program details and delivery approach for Indigenous programming in the CGHG, Enbridge Gas will work with NRCan to discuss any process, communications or marketing material adjustments that may be required (i.e., communication of enhanced rebates if available or alternative delivery channels that address specific barriers to participation, or any other aspects that provide additional support).</p> <p>Enbridge Gas can support accessibility into the program, both through the online portal and offline applications (if computer access is not available).</p> <p>The proposal does not contemplate any activities by Enbridge Gas that are expected to trigger a duty to consult for Aboriginal or Indigenous groups and any such activities are outside the scope of the proposal.</p>
Commitment to inclusive and diverse hiring of staff	<p><b><u>Enbridge Gas's Commitment to Diversity and Inclusion</u></b></p> <p>Enbridge Gas is committed to Diversity and Inclusion ("D&amp;I") in the workplace. The Company's D&amp;I policy outlines why inclusion, diversity, equity, and accessibility are</p>



	<p>valued at Enbridge Gas. We are passionate and dedicated to ensuring we take actions that improves the way we work together, support our communities, and deliver superior business outcomes.</p> <p><b>Enbridge Gas’s D&amp;I Policy in Action</b></p> <ul style="list-style-type: none"><li>• All leaders and employees learn about unconscious bias and inclusion. We recognize that everyone has unconscious bias, and this is something we consider before making decisions. We have policies in place to ensure employees are treated with respect and dignity and are committed to continuous improvement in the areas of equity, diversity, and inclusion. We do not tolerate or accept instances of direct bias or injustice in our workplace.</li><li>• We stand together for anti-racism, acceptance, and respect. We do more than say the right things – we are thoughtful, deliberate, and action-oriented in creating a workplace where everyone feels like they belong and are included through employee training, employee resource groups, and consistent communication regarding these topics from our leaders.</li><li>• We focus on progress. We commit to jobs and advancement for people reflecting the diversity of our communities. We set objectives, evaluate, and report progress.</li></ul> <p>Enbridge Gas will continue to reflect the diversity of the communities in which we operate. We will prioritize inclusion, diversity, equity, and accessibility in our workplace through our recruiting and hiring practices, our interactions with colleagues, the community, and our business partners.</p>
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## Summary of Funding Request and Implementation Plan for Distribution of Funds

### Part 1: Allotted program funding contribution to the Canada Greener Homes Grant Initiative objectives

Assuming the co-delivered program offering launches January 2023, Enbridge Gas has assumed the following program uptake by year across Ontario in establishing the budget:

Date	Enhanced CGHG Participants
January 1, 2023 – March 31, 2023	5,000
April 1, 2023 – March 31, 2024	35,000
April 1, 2024 – March 31, 2025	50,000
April 1, 2025 – March 31, 2026	60,000
April 1, 2026 – March 31, 2027	0 <sup>3</sup>
<b>Total</b>	<b>150,000</b>

The total budget required from NRCan to co-deliver the enhanced CGHG program in Ontario is \$613.4 million. This includes:

- \$482.5 million for eligible measures
- \$ 96.5 million for EnerGuide evaluations
- \$ 34.4 million for additional eligible expenditures

A breakdown of these funding requirements for co-delivery are included below in the “*Estimate of NRCan Funding Required for Eligible Retrofit Measures*” and “*Total Eligible Expenditures for the Proposal*” charts included within the detailed budget section. In addition to the NRCan Funding, Enbridge Gas will contribute\* \$118 million to the co-delivery of the program from the DSM Residential Whole Home offering budget.

An overview of the approach to funding Eligible Measures is included in Appendix A and Appendix B.

The co-delivered enhanced CGHG program will spur green jobs and retrofit activity in the province by expanding program eligibility and participation beyond the existing DSM program in the Province of Ontario. Through co-delivery of the program NRCan and Enbridge can coordinate funding to drive efficiencies versus delivering stand-alone programs.

\*Subject to OEB Decision and Order in the 2023-2027 DSM Plan proceeding (EB-2021-0002).

### Part 2: Implementation plan for distribution of funds

Enbridge Gas’s strategy to distribute funding to Eligible Ultimate Recipients within the program timelines will build on the existing infrastructure and processes available at the Company. Enbridge Gas has adopted a web-based solution known as Parachute which allows approved users (i.e., Service Organizations, Registered Energy Advisors, etc.) to upload their completed H2K file (as an .XML) and

with several quality assurance checks built into the system, the file is automatically validated for measure eligibility, fuel type, various fuel savings, E evaluation date doesn't occur prior to D date, not a duplicate, etc.

Enbridge Gas aims to leverage the data transfer and grant calculation results developed by NRCan to gather the H2K outputs from both the D and E evaluations (via a secure API) which have been submitted to NRCan by registered Energy Advisors / Service Organizations as part of the standard EnerGuide process.

Enbridge Gas and NRCan will work together to determine the logic / rules to calculate the eligible incentives (based on the data / fields available in HOT2000). While in most cases, the measure savings will be determined based on the HOT2000 file, some measures will require stand-alone savings such as Programmable Thermostats and Smart Thermostats.

A user at the Service Organization manages the requirements for the initiative within the Parachute system – this user may be the Service Organization Manager, Admin, and/or Registered Energy Advisor based on the step and/or process within the Service Organization. If / when the file passes the necessary automatic validation checks for both the D and E files, the system will recognize the eligible measures\* that are present between the D and E (based on pre-determined logic / rules to be built into Parachute). The user is then required to verify / confirm that what the system identifies as eligible measures is in fact what the homeowner is completing. The user also confirms that they have uploaded the necessary back-up documentation and have maintained a copy of all images. Required back-up documentation includes the following:

- ERS Homeowner Authorization Form
- Property Tax Bill
- Proof of Residency in the home (i.e., government-issued ID such as a Driver's License)
- Images of Retrofits that have been completed / installed as part of the offer
- Images of receipts that have been provided / collected for the measures installed as part of the offer

If the file does not pass the necessary automation checks, the user is required to review the H2K outputs, and either (a) resubmit the D or E file [in the case that a measure is missing for example], and / or (b) reach out to Enbridge Gas to review the anomaly and understand why the file is not passing the automation checks.

*\*The measure(s) logic that is currently in Parachute leverages the H2K fields to help identify the measure being claimed. This will need to be reviewed / enhanced to ensure enhanced CGHG eligibility requirements by measure. As an example, the current measure logic for Air Sealing is the following:*

Measure	Measure Type	Logic	D Audit Date
Air Sealing	N/A	Air Sealing Target: Minimum of (AIRSOP_D*0.9, 0.0004*AIRSOP_D*3-0.0312*AIRSOP_D*2+1.0935*AIRSOP_D), Result rounded to 2 decimal places, as H2K sometimes only calculates with rounded results in certain cases. If AIRSOP_E <= (Air Sealing Target*0.9), then \$150, otherwise If AND((AIRSOP_D- AIRSOP_E) >= (AIRSOP_D - Air Sealing Target)*0.95, Air Sealing Percentage >= 0.1), then \$100, otherwise \$0	All

<sup>3</sup> Participation may extend into the 2026-2027 fiscal period however for the purposes of this proposal the participation, and associated budget, has been forecasted to seek to ensure adequate budget in the 2023 – March 31, 2026 fiscal periods. Re-allocation of budget between fiscal periods would be assessed by NRCan and Enbridge Gas over the term of the Contribution Agreement, with associated amendment(s) if/when required.

Once an application passes the automatic validation, and the eligible measures are confirmed by the user (along with the required uploaded documentation as noted above in the bullet listing) it will be reviewed by Enbridge's Tracking & Reporting team for validation which includes customer / homeowner verification (through verification of a Property Tax Bill and / or Government Issued ID), account number validation (for natural gas heated homes only), preferred mailing address, past participation records at Enbridge Gas and maximum rebate value. Once the application / file has passed the Tracking & Reporting verification it is ready for payment.

Participants are generally paid in a batch process via a system of record known as Guardian. An authorized approver will review a sample of the files for accuracy / validation prior to approving. Once approved, our system interfaces with Enbridge Gas's financial system to pay the participant within 4 – 6 weeks of receiving the full application (which is both the D / E files in the system). Typically, participants are paid quicker than this, however, Enbridge Gas factors in delays that could occur with Canada Post, or other Accounts Payable issues that may arise.

Some of the anticipated challenges that could arise include the following:

Anticipated Challenge	Description	Outcome / Mitigation of Risk
Incremental Time Spent on Application Verification	<p>The eligibility requirements of the enhanced CGHG collaboration will require additional time / validation to verify participant information / invoices, specifically around the following requirements (and for those homeowners who are not an Enbridge Gas customer):</p> <ul style="list-style-type: none"> <li>• Proof of Ownership Review (providing Enbridge Gas with a copy of the Property Tax Bill)</li> <li>• Demonstrating that the property is their primary residence through either a driver's license or government issued ID (with address)</li> <li>• Verifying homes such as permanently moored floating homes, mixed-use buildings and small multi-unit residential building (three storeys or less with a footprint of 600 m<sup>2</sup> or less) will require additional time for review / verification and potentially additional logic built into Parachute</li> <li>• Verification that the rebate being issued does not exceed the installation cost of the measure (i.e., Attic rebate is \$1,000, however, the installation of the attic insulation was \$900; rebate should be reduced to \$900)</li> </ul>	<p>Enbridge Gas will need to create new and efficient processes to incorporate the incremental eligibility requirements required as part of the collaboration.</p> <p>Enbridge Gas will open eligibility as it relates to homes outside of the single-family category (which historically is what Enbridge Gas permits in the DSM residential offer) so that homes like permanently moored floating homes and small multi-unit residential buildings can participate in the offer. This would require a change in logic to our Parachute system, and some additional verification checks in our system of record to ensure the homeowner qualifies.</p> <p>Incremental time on verification will likely be required for these applications including the applications that fuel with propane, gas, or electricity.</p> <p>Incremental staff will also be required to help manage volumes and ensure that Enbridge is meeting the eligibility requirements to satisfy both parties.</p>

Managing Applicant Re-Entry into the Program	Enbridge's current process only verifies if a customer has previously participated in the Enbridge Gas DSM residential offer within the past few years, and verifies that the duplication of measures does not take place within the secondary application	Enbridge will need to create an updated process to manage re-entry into the program based on the terms outlined by NRCan, which state: Eligible Ultimate Recipients may participate in the program after completing their initial retrofit journey (re-entry in the program) only if they have not received the maximum reimbursement and there remains room in the program-funding envelope. Re-entry into the program is defined as situations where a homeowner may have received initial funding through the program (pre-evaluation/renovation/post-evaluation/reimbursement) but wishes to take advantage of additional funding, up to a maximum of \$5,600 (up to \$600 for the pre- and post-retrofit EnerGuide evaluations and up to \$5,000 for the purchase and installation of eligible products and/or implementation of eligible retrofits). In cases of re-entry, homeowners are not eligible for the reimbursement of their second pre- and post-retrofit EnerGuide evaluations. A potential process could be managed through the Parachute web-based system / solution for ease and automation.
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Product(s) / Measure(s) installed are part of an Eligible Product Listing provided by NRCAN	Enbridge does not have a process to ensure that products / measures installed are included in an Eligible Product Listing	Automation can / will be built into Parachute to include the Eligible Product Listing(s) available from NRCAN once the listing is provided for the applicable products / measures  Calculations will be based on the order of payment from Appendix B.
Management of Incomplete Applications	Managing incomplete applications (i.e., if all supporting documentation has not been uploaded)	Enbridge Gas will leverage the current Parachute platform to manage outbound communication with users when an application is considered incomplete and cannot be processed by Enbridge Gas. Payment Release Date for any applications that are deemed incomplete at the time of processing, Enbridge Gas will work directly with the Service Organization / Energy Advisor assigned to the application to provide the supporting documentation.

With the changes indicated above to the current Enbridge Gas process, the utility can confirm that there would be incremental time and effort added to the current process to verify / administer a residential rebate for the enhanced CGHG program. Enbridge Gas will increase staffing and update processes accordingly to manage the increased volumes.

As it relates to internal accountability, auditing and reporting mechanisms that are in place, the HER offering operates under Enbridge's existing Demand Side Management framework / plan which is regulated by the Ontario Energy Board. Enbridge Gas is required to report to the Ontario Energy Board annually as it relates to our program results, budget spend and overall achievements. As well, the DSM results are subject to an annual verification process which is conducted by a third party. Enbridge Gas would leverage the current policies / processes / guidelines of our evaluation process to support the needs of the enhanced CGHG initiative offering.

### **Tracking & Reporting**

The HER offer has several reporting mechanisms available through both Parachute and Guardian. With Parachute, the utility can pull in any / all fields from H2K data points and import them to Power BI to create visual dashboards that support any reporting requirements. Enbridge Gas can adapt the

reporting requirements needed for this enhanced CGHG collaboration and build custom dashboards / reports. Furthermore, the Guardian system (which interfaces through Parachute via a macro), allows Enbridge Gas to create customized reports and list views which can be shared with our NRCan counterparts using a secure-file transfer site and / or PowerBI credentials for log-in purposes.

In terms of creating a plan to gather data to support reporting on key indicators, this will be straightforward as Enbridge Gas intends to leverage the data output (via Application Programming Interface [API] which gives Enbridge access to the housing information required to report on the following:

### Performance Reporting

Enbridge Gas will disclose actual results of the co-delivery on a quarterly basis, including program uptake and provide a narrative describing factors contributing to participation in the enhanced CGHG.

Activity Objective and Indicators:

- Reporting / monitoring number of homes with a completed EnerGuide assessment (throughout the duration of the collaboration)
  - Number of retrofit measures installed

Jobs created in the energy efficiency sector will be reported for the fiscal year in the Annual Report. This performance metric is similar to what was required through a previous collaboration with the Provincial Government and Enbridge Gas from 2016 – 2019. The utility can provide similar metrics to NRCan through this enhanced CGHG collaboration calculated based on inputs tracked by Enbridge Gas and the assumptions to be confirmed by NRCan to be used for the reporting. Metrics may include:

- Job-years per \$Million of Program Spending
- Number of energy advisors required to successfully conduct the program (calculated by dividing the number of pre- and post-evaluations by the average number of evaluations performed per year by a Registered Energy Advisor)

In terms of managing a reporting cadence, Enbridge Gas will support NRCan's needs by providing quarterly information on the first business day of the second month following the quarter closing (i.e. April – June [Q1 Report], would be provided September 1) in an Excel format such as\*:

FILE				HOME			ASSESSMENT	
File #	Original Fuel Type	Fuel Type After Retrofit	Service Organization	Street Name	City	Postal Code	D Assess Date	E Assess Date

MEASURES AND UPGRADES										
Insulation Upgrades					Other Upgrades					
Attic / Ceiling Insulation	Exterior Wall Insulation	Exposed Floor Insulation	Basement / Foundation Insulation	Crawl Spaces Insulation	Air Sealing	Windows / Doors	Thermostats	Space and Water Heating	Renewable Energy	Resiliency Measures

ANNUAL GROSS SAVINGS (from HOT2000)									
Energy Savings (GJ) - Natural Gas	GHG Savings (t) - Natural Gas	Energy Savings (GJ) - Oil	GHG Savings (t) - Oil	Energy Savings (GJ) - Propane	GHG Savings (t) - Propane	Energy Savings (GJ) - Wood	GHG Savings (t) - Wood	Energy Savings (GJ) - Electricity	GHG Savings (t) - Electricity

\*Incremental columns / data points will be added to this reporting to reflect the Attribution and Cost-



Sharing agreement as outlined in the **Program Description, Attribution and Cost Sharing** section and format may be adjusted from time to time to cover reporting needs over the duration of the agreement.

The Reporting Period is based on a fiscal year (April 1 – March 31).

Enbridge Gas shall prepare three (3) Quarterly Reports followed by one (1) Annual Summary for each fiscal year of the collaboration. Report timing is provided below (if the date indicated below falls on a weekend, or holiday the next business day will be considered the due date):

NAME OF REPORT	DUE DATE
Annual Commitment	
Quarterly Report #1 representing activity from April – June	September 1
Quarterly Report #2 representing activity from July – September	December 1
Quarterly Report #3 representing activity from October – December	March 1
Annual Report representing activity from April - March	June 1

**Part 3: Program delivery timelines and milestones as they relate to expected outputs and outcomes**

Enbridge Gas anticipates the joint offer launch to begin January 1, 2023 The Company proposes to treat the co-delivered enhanced CGHG program as a whole home offering, and to use NRCan's HOT2000 software data outputs to calculate the energy savings by measure that will be attributed to Enbridge Gas and NRCan respectively for measures modelled by HOT2000.

For measures that are not modeled in H2K (including programmable thermostats, smart thermostats) prescriptive savings will be utilized. Results attributed to Enbridge Gas for the smart thermostat measure will be based on the current Ontario Technical Reference Manual.

Reporting of greenhouse gas savings will be based on H2K outputs by home and will be included in the quarterly reporting to NRCan.

Below are the Service Standards that Enbridge Gas will report compliance on throughout the collaboration:

- Acknowledged receipt of an application (D file received through API from NRCAN) within 5 (five) business days in the form of an email to the applicant
- Within 40 business days reviewed / confirmed the eligible grant amount in the system for payment
  - If the file requires modifications or intervention from a SO / REA, the time period the file was in the modifications required status would be excluded from the 40 business days rule
- Issue payment within 30 business days of the grant amount confirmation in the system in most cases

## Business Plan

### Technical Feasibility:

Through co-delivering the enhanced CGHG to all eligible residents in Ontario, Enbridge Gas will provide a simple one-window intake process to all residents, regardless of fuel type. Enbridge Gas will work with NRCAN to adapt the current HER intake process and program materials to add in any criteria NRCAN requires which is not already captured (which includes collecting proof of ownership and primary residence). Similar updates were made to the process to enable delivery of the partnership with the Provincial Government. Participants can access program requirements online through the program website, or via our customer care team, making the program accessible.

Regardless of how the public learns about the program offering; homeowners are directed to contact the participating Service Organization of their choice. The Service Organization walks the participant through the program eligibility to ensure they clearly understand the requirements. If the homeowner decides to proceed, the Service Organization will schedule a pre-audit with the participant.

Registered Energy Advisors ("REAs") complete the Pre and Post EnerGuide evaluations using Hot2000, following the processes and procedures outlined by NRCAN. During the pre-assessment, Enbridge Gas also requires REAs to collect a Participation Agreement Form, which covers the program terms and conditions and requires homeowners to sign off on agreement of terms to participate in the program. Following the completion of the pre-audit, the REA provides the homeowner with an EnerGuide rating and label and Renovation Upgrade report which outlines areas of improvement for the homeowner.

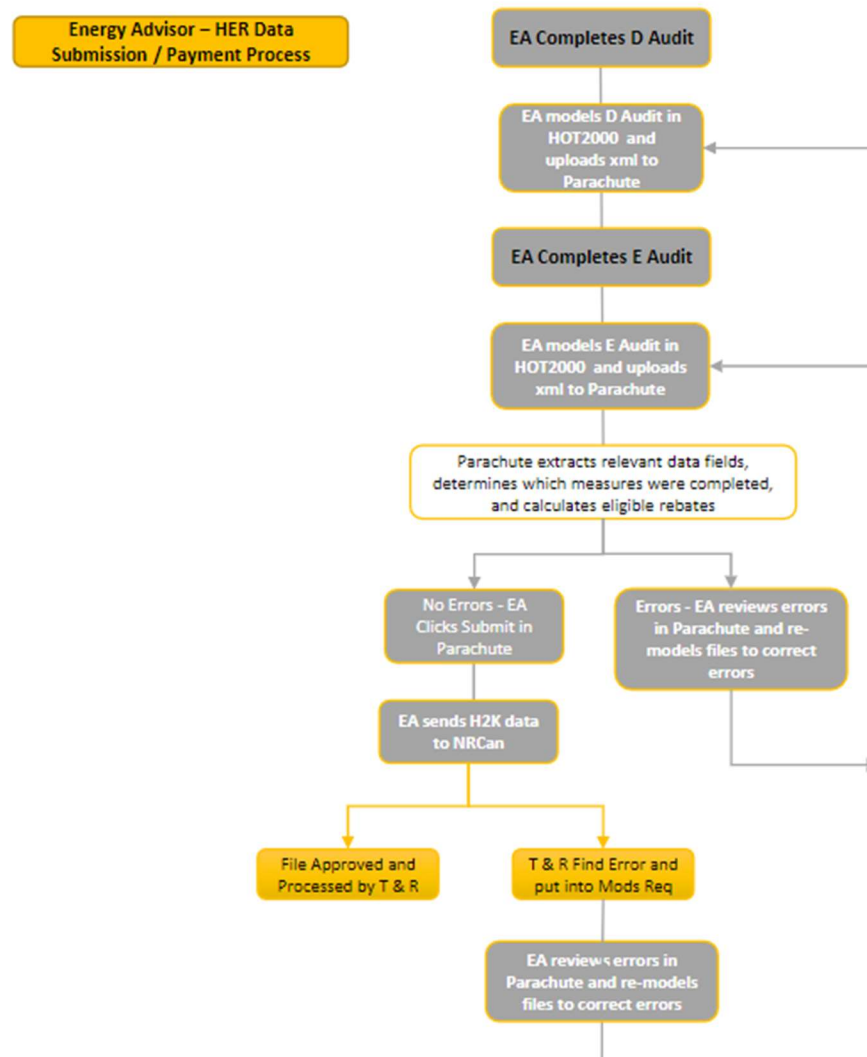
Following the pre-retrofit evaluation, homeowners contact the contractor(s) of their choice to complete the eligible measures they wish to upgrade. Upon completion of these measures, the participant schedules a post-retrofit evaluation. During the post assessment, Enbridge Gas also asks that REAs complete two additional forms:

**The Air Sealing Acknowledgement Form** - Homeowner acknowledgement that a blower door test was completed at the time of the pre and post retrofit evaluation. Also, the homeowner acknowledges that air sealing work has been completed (if applicable).

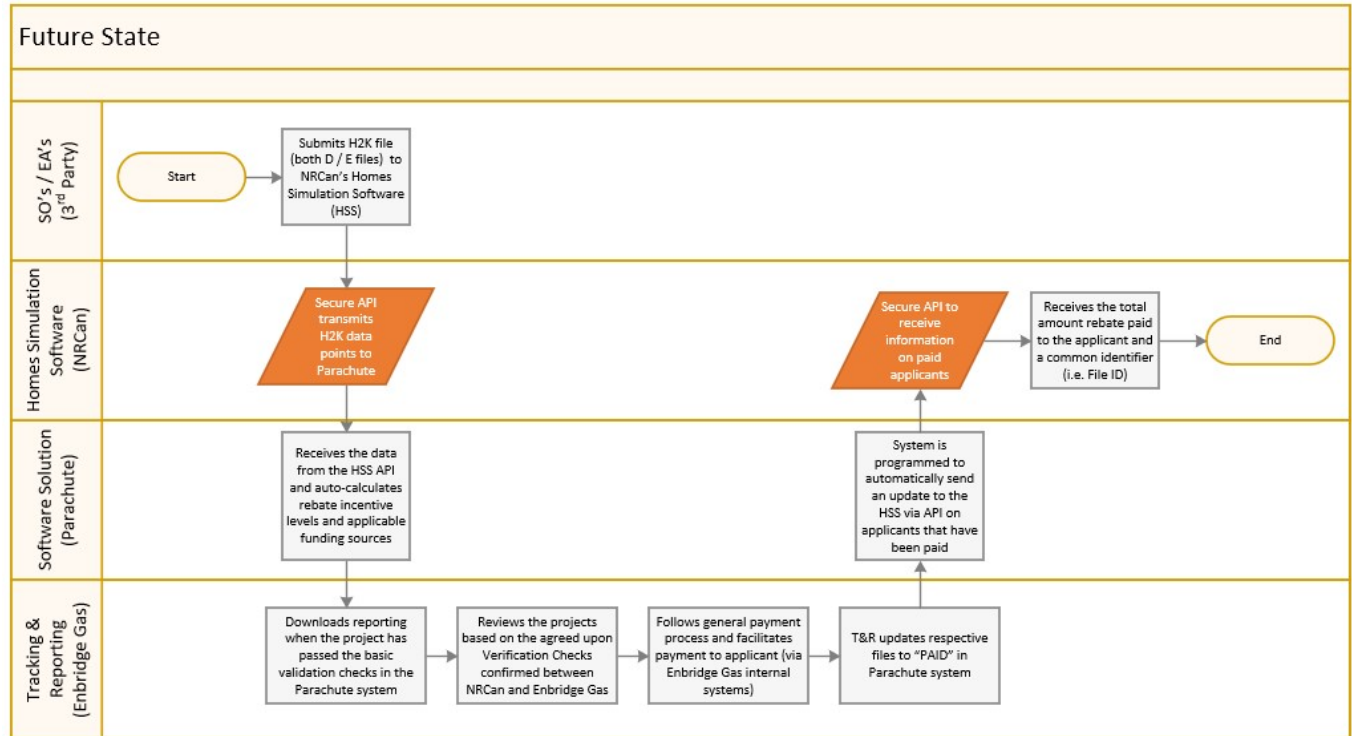
**The Homeowner Rebate Acknowledgement Form (Optional)** - provides the homeowner with a summary of rebates that the homeowner will be eligible for. The REA selects all the measures the homeowner completed and enters equivalent rebate values. Rebates are added up, so the homeowner is aware of the expected incentive.

Throughout the customer process, Enbridge Gas requires REAs to upload information to Parachute once the HOT 2000 file has been submitted to NRCAN, the tracking and reporting system for HER. This cloud-based system allows Enbridge Gas to track program participation in real time, calculate incentive payments and acts as a repository for supporting documentation (including participant forms, Property Tax Bills, images and invoices) for internal QA/QC performed. Enbridge Gas will work with NRCAN to update the system to reflect specific enhanced CGHG initiative requirements and build in an API Homes to ensure Enbridge has access to all the data points required to facilitate payment to the Ultimate Eligible Recipients. This would also include the collection of contractor invoices. An overview of the data collection process is included below.

Figure A.1: Current State for Service Organization Data Submission Process



**Figure A.2: Future State for Service Organization Data Submission Process**



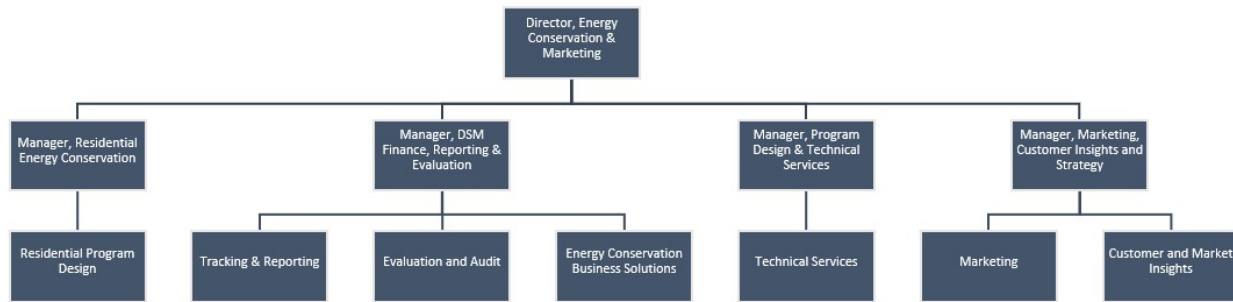
### Partnerships:

Enbridge Gas has and will continue to seek opportunities to collaborate and coordinate with other entities looking to deliver energy efficiency programs across Ontario's residential sector. This includes the potential for future coordination with the Independent Electricity System Operator ("IESO"), local distribution companies ("LDCs") and municipalities to the extent possible and where incremental funding for residential programming is available. Enbridge's past collaboration experience shows that additional investments in conservation programs can drive deep energy/emission reductions.

### Roles and Responsibilities in the Delivery of Funding

Enbridge Gas has an established team with extensive experience in delivering successful conservation programs to the residential market. The resourcing structure of the teams under the Director, Energy Conservation & Marketing who will be primarily involved in the execution of the joint program is provided in Figure B below.

**Figure B: Enbridge Gas Organizational Structure (abridged)**



A brief description of the accountabilities of each internal team is provided below. Enbridge Gas has also provided an overview of the third-party company Parachute Software Enbridge Gas utilizes for the portal which will be employed in tracking the enhanced CGHG initiative.

**Residential Program Design** will manage design and delivery of the enhanced CGHG initiative, including incentive structure design, communication, and management with program agents (such as Service Organizations), budget management, reporting requirements and regular engagement with NRCan to be formalized in the Agreement.

**Tracking & Reporting** will be responsible for processing all participants applications, validating participants and documentation to meet all criteria, confirmation of eligible upgrades, and timely payment of rebates. This team is accountable for reporting all participant information, energy/greenhouse gas savings and budget spend as it relates to participant rebates to the Residential Program Design team on a regular basis.

**EC Business Solutions** is responsible for the Guardian system that is the system of record used by the Tracking & Reporting team and facilitates payment to the customers.

**Evaluation & Audit** provides all required services in the evaluation of the program results as required by the OEB. This team leads evaluation requirements for Enbridge's DSM programs, and the DSM audit requirements for Enbridge Gas that are completed annually by a third-party firm as required by the OEB. This team may be leveraged to support NRCan in their efforts to conduct an audit on the enhanced CGHG collaboration.

**Technical Services** will provide expertise and lead execution for all technical requirements of the enhanced CGHG initiative. The team has experience in HOT2000 and will support the technical review and updates for the program as required over the term of the partnership. Technical requirements may be subcontracted as required.

**Marketing** will be responsible for all promotional material, initiatives, and campaigns to drive awareness and uptake in the program, ensuring all branding requirements and mandatory elements for promotion of the partnership are met. Services to support Marketing efforts are subcontracted to agencies and vendors with specific expertise such as promotional campaign design and delivery.

**Customer & Market Insights** will be responsible for any required market research for the program. Enbridge Gas currently fields a participant survey through a third-party vendor to access the experience

and satisfaction of participants with their journey through the existing HER home retrofit program offering.

**Customer Care** will field calls on the program and ensure they are addressed for a positive experience with timely call resolution. Enbridge Gas employs both in-house call agents as well as subcontracts work to a third-party firm to effectively address in-bound calls. Call agents have access to information on each participant's application to address inquiries and provide insight into the application status for the caller and will ensure calls on the enhanced CGHG program are addressed effectively.

**Parachute Software** is a Canadian software company that has provided web-based technology for energy conservation programs since 2006. The company's focus is on developing state of the art tracking/management solutions for environmental purposes. Parachute has robust experience in tracking and reporting the existing DSM home retrofit HER program and has been used for the offering since 2016. The software was employed in the home retrofit program partnership with the Government of Ontario and IESO in 2016-2019. All data captured by Parachute is stored on Canadian servers.

In terms of detailing how Enbridge Gas will ensure that funds flow solely to the Eligible Ultimate Recipients for eligible measures and costs, please review Part 2 of the *"Summary of Funding Request and Implementation Plan for Distribution of Funds"* section above as the details provided in this section will demonstrate how rebates will be calculated through the Parachute web-based system using automation and pre-determined logic based on the inputs of the data coming from the API from NRCan. Enbridge Gas currently performs a monthly reconciliation between the financial system and Parachute system to ensure that all participants and funding are accounted for, and measures are calculated consistent with program requirements. Enbridge Gas can leverage this monthly reconciliation process to ensure that all funds associated to the Federal initiative are tracked/monitored separately from Enbridge's Demand Side Management budget. In other words, Enbridge Gas would treat the funding/distribution of funds as a separate line of business, consistent with the delivery and tracking of funding and activity of the Green Investment Fund in the Partnership with the Government of Ontario.

The monthly reconciliation process mentioned above would underpin required reporting to NRCan to ensure the disbursement of funds to Eligible Ultimate Recipients for eligible measure and costs is performed and reported on accurately. The reports would be reviewed and approved by Enbridge Gas internal DSM management prior to issuance.

**Estimate of NRCan Funding Required for Eligible Retrofit Measures (\$)**

<b>Eligible Expenditures</b>	<b>FY2022-23</b> (Apr 1 to Mar 31)	<b>FY2023-24</b> (Apr 1 to Mar 31)	<b>FY2024-25</b> (Apr 1 to Mar 31)	<b>FY2025-26</b> (Apr 1 to Mar 31)	<b>FY2026-27</b> (Apr 1 to Mar 31)	<b>Total</b>
Projected funding required for Retroactive period	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Eligible expenditures incurred to date for the retroactive period	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Funding for Eligible Measures	\$15,000,000	\$110,250,000	\$160,650,000	\$196,635,600	\$0	<b>\$482,535,600</b>
Funding for EnerGuide evaluations	\$3,000,000	\$22,050,000	\$32,130,000	\$39,327,120	\$0	<b>\$96,507,120</b>
<b>Total</b>	<b>\$18,000,000</b>	<b>\$132,300,000</b>	<b>\$192,780,000</b>	<b>\$235,962,720</b>	<b>\$0</b>	<b>\$579,042,720</b>



**Total Eligible Expenditures for the Proposal (\$)**

	<b>FY2022-23</b> (Apr 1 - Mar 31)	<b>FY2023-24</b> (Apr 1 - Mar 31)	<b>FY2024-25</b> (Apr 1 - Mar 31)	<b>FY2025-26</b> (Apr 1 - Mar 31)	<b>FY2026-27</b> (Apr 1 - Mar 31)	<b>Total</b>
<b>Eligible Expenditures for Co-Delivery Activities</b>						
<b>Salaries and benefits</b> on the payroll of the Eligible Recipient for the actual time spent by the employees on the project	\$2,013,999	\$3,625,198	\$3,697,702	\$3,771,656	\$961,772	<b>\$14,070,327</b>
<b>Contracted services</b> - professional, scientific, technical, management, data collection and contracting services	\$495,264	\$413,824	\$498,443	\$552,109	\$56,222	<b>\$2,015,862</b>
<b>Travel expenditures</b> , including meals and accommodation, based on National Joint Council Rates	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Advertising, recruitment and training</b> (including facilitator fees, costs of training development, promotion, deployment and evaluation)	\$1,833,925	\$4,053,735	\$4,991,610	\$5,091,442	\$0	<b>\$15,970,712</b>
<b>Capital expenditures – informatics hardware and software*</b>	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Capital Expenditures</b> – Retrofitting and upgrading of existing capital and construction of new capital, purchase and installation of equipment *	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Material, supplies and equipment*</b>	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Overhead expenditures provided that they are related to the conduct of the project and can be attributed to it*</b>	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Taxes</b> - GST, PST or HST, net of any tax rebate to which the Eligible Recipient is entitled	\$302,795	\$580,783	\$713,707	\$733,662	\$7,309	<b>\$2,338,255</b>
<b>Total Costs</b>	<b>\$4,645,983</b>	<b>\$8,673,539</b>	<b>\$9,901,462</b>	<b>\$10,148,869</b>	<b>\$1,025,303</b>	<b>\$34,395,156</b>
<b>Total Funding requested from NRCan</b>	<b>\$22,645,983</b>	<b>\$140,973,539</b>	<b>\$202,681,462</b>	<b>\$246,111,589</b>	<b>\$1,025,303</b>	<b>\$613,437,876</b>

\*Included in Salaries and benefit line item

### **Other Sources of Funding (\$ Million)**

<b>Other Contributors</b>	<b>Cash**</b>	<b>In-kind*</b>	<b>Total (\$)</b>
Enbridge Gas (Ontario) DSM Incentive Contributions	\$107,321,963	\$0	\$107,321,963
Enbridge Gas (Ontario) DSM Audit Contributions	\$0	\$0	\$0
Enbridge Gas (Ontario) Expenditures for Co-Delivery Activities	\$0	\$10,729,281	\$10,729,281
<b>Total</b>	<b>\$107,321,963</b>	<b>\$10,729,281</b>	<b>\$118,051,245</b>

**\*\*Estimate based on filed Residential Whole Home program offering budget for 2023-2027, excluding budget for participants that are not the owner's primary residence funded by Enbridge Gas. Amount may change based on the pending OEB decision for the proposed 2023-2027 DSM Plan**

Enbridge Gas notes that this proposal has several important assumptions, forecasts, and estimates which are believed to be appropriate, but intends to charge incurred costs based on the cost sharing described in this proposal.

### **Funding Flow and Reconciliation Process**

#### **Advance Funding Transfers:**

As per the funding transfer agreement, quarterly funding installments would be provided to Enbridge Gas from NRCan, based on a quarterly forecast and funding request provided by Enbridge Gas 60 days prior to the beginning of the reporting period. NRCan will deposit funds, subject to a 10% holdback<sup>4</sup>, to Enbridge Gas no later than 40 business days following submission of the funding request and quarterly forecast. Subsequent quarterly forecasts and funding requests will be adjusted by Enbridge Gas based on prior periods actual results and best available forecast information. Enbridge Gas will provide a funding request template and back up forecast information prepared in a format mutually agreed upon by both parties.

#### **Tracking of Financial Activity:**

The quarterly funding deposits from NRCan will be recorded in a separate account within the books and records of Enbridge Gas. Expenditure transactions related to the enhanced CGHG will be tracked as an offset in this separate account above, which enables visibility into the balance due to/due from NRCan for each reporting period.

#### **Quarterly Reconciliation/Procedures:**

Following completion of quarterly reconciliation procedures of energy savings, spending and other reporting requirements:

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<sup>4</sup> The 10% holdback will only apply to the Project Management funds as defined in Schedule B in the Contribution Agreement

- Enbridge Gas will populate the reporting templates with the completed quarter's activity
- Enbridge Gas will compare this to the funding received for the completed quarter (which was subject to the 10% holdback mentioned above)
- The net balance due to/due from NRCAN related to the completed quarter's activity will be disclosed as part of the quarterly financial reports to NRCAN

Enbridge Gas will provide NRCAN with the completed reporting requirements on the first business day of the second month following the quarter closing (see table in Implementation plan for distribution of funds section). NRCAN will acknowledge receipt and approval of completed reporting requirements to Enbridge Gas by the 20<sup>th</sup> business day following submission of reports, which entails the following:

- NRCAN has reviewed and acknowledges that the homes, associated savings and associated spending for the reporting period are considered complete and final
- If a net funding balance is due to/from Enbridge Gas (i.e., the funding deposit exceeded the costs reported for the past quarter, or vice versa) Enbridge Gas will adjust the next available quarterly funding request based on the best information available when the quarterly funding request is prepared

#### **Reconciliation/Procedures:**

In addition to the process described above for the quarterly reconciliation the following will also be performed following completion of the enhanced CGHG:

- Enbridge Gas will compute the required Holdback Release amount due via the following formulae:
  - $A - B = C$ , whereby
  - $A = 10\%$  Holdback from all prior quarterly reporting periods
  - $B =$  The difference in actual spend vs forecast spend on Project Management expenses for the same periods (as defined in Schedule B of the contract)
  - $C =$  Holdback Release due to EGI
- Any interest due may be included as an offset as described under Interest section below

Reconciliation and holdback release process requirements may be changed if both parties agree in writing during the term of the agreement.

#### **Interest:**

Interest will be recorded by Enbridge Gas on the month end balance due, consistent with the approach and rate used for deferral accounts as prescribed by the Ontario Energy Board. Interest due as a result of the project will be tracked in a separate account within the books and records of Enbridge Gas.

- If interest is due at the completion of the agreement, Enbridge Gas will either:
  - Remit the interest balance back to NRCAN
  - Utilize the funds for enhanced CGHG related expenditures or to offset the amounts to be cleared as part of the 10% holdback release

## Signatures

I hereby certify that by signing this proposal the information is true and accurate, and that I have the authority to submit it to Natural Resources Canada for the Canada Greener Homes Grant on behalf of Enbridge Gas Inc.

Name of Signing Authority	Signature	Date (dd/mm/yyyy)

Appendix A: Administrative Details - Measure Rebates for the Enhanced CGHG Initiative  
 Version 1: July 8, 2022

Measure	On Grid Community			Off Grid Community	Description
	Rebate for All Eligible Participants	Enhanced Rebate for Eligible Participants in Enbridge Gas Franchise		Rebate Funded by Federal Government	
	Rebate Funded by Federal Government	Rebate Funded by Enbridge Gas	Total Rebate in Enhanced CGHG		
Attic Insulation	\$1,800	\$200	\$2,000	\$2,340	Increase attic insulation to at least R50 from R12 or less
	\$600	\$400	\$1,000	\$780	Increase attic insulation to at least R50 from greater than R12 up to R25
	\$250	\$600	\$850	\$325	Increase attic insulation to at least R50 from greater than R25 up to R35
	\$600	\$400	\$1,000	\$780	Increase cathedral/flat roof insulation to at least R-28 from R12 or less
	\$250	\$600	\$850	\$325	Increase cathedral/flat roof insulation to at least R-28 from greater than R12 up to R25
	\$600	\$400	\$1,000	\$780	Upgrade uninsulated cathedral ceiling/flat roof to at least R20 from R12 or less
Exterior Wall Insulation	\$5,000	\$2,500	\$7,500	\$5,000	For adding insulation value of at least greater than R20 for 100% of building
	\$3,800	\$1,700	\$5,500	\$4,940	For adding insulation value greater than R12 up to R20 for 100% of building
	\$3,300	\$1,200	\$4,500	\$4,290	For adding insulation value of R7.5 up to R12 for 100% of building
Basement Insulation	\$1,500	\$1,000	\$2,500	\$1,950	For adding insulation value greater than R22 to 100% of basement
	\$1,050	\$450	\$1,500	\$1,365	For adding insulation value of R10 to R22 to 100% of basement
	\$1,300	\$700	\$2,000	\$1,690	For adding insulation value greater than R22 to 100% of exterior crawl space wall area, including header
	\$1,040	\$460	\$1,500	\$1,352	For adding insulation value of R10 to R22 to 100% of exterior crawl space wall area, including header
	\$800	\$400	\$1,200	\$1,040	For adding insulation value greater than R24 to 100% of crawl space ceiling
	\$240	\$110	\$350	\$312	For sealing and insulating at least 80% of the basement header to add a minimum R20
	\$400	\$200	\$600	\$520	For sealing and insulating at least 50% of the entire basement slab by a minimum of R3.5

Measure	On Grid Community			Off Grid Community	Description
	Rebate for All Eligible Participants	Enhanced Rebate for Eligible Participants in Enbridge Gas Franchise		Rebate Funded by Federal Government	
	Rebate Funded by Federal Government	Rebate Funded by Enbridge Gas	Total Rebate in Enhanced CGHG		
Exposed Floor Insulation	\$350	\$150	\$500	\$455	For adding insulation value of at least R20 for entire exposed floor area (minimum area of 11 square meters or 120 square feet).
Air Sealing	\$1,000	--	\$1,000	\$1,300	Achieve 20% or more above base target
	\$810	--	\$810	\$1,053	Achieve 10% or more above base target
	\$550	--	\$550	\$715	Achieve base target
Window/Door	\$250	--	\$250	\$325	Replace windows or sliding glass doors with ENERGY STAR® most efficient models: U-Factor of 1.05 W/m²K or less or Energy Rating of 40 or more Selection must be on one the following lists: <a href="#">windows</a> or <a href="#">sliding glass doors</a>
	\$125	--	\$125	\$162.50	Replace windows or sliding glass doors with ENERGY STAR® certified models: U-Factor of 1.22 W/m²K or less or Energy Rating of 34 or more Selection must be on one the following lists: <a href="#">windows</a> or <a href="#">sliding glass doors</a>
	\$125	--	\$125	\$162.50	Replace hinged doors, with or without sidelites or transoms with ENERGY STAR® certified models: U-Factor of 1.22 W/m²K or less or Energy Rating of 34 or more Selection must be on the following list: <a href="#">hinged doors, sidelites and transoms</a>
Domestic hot water heat pump	\$1,000	--	\$1,000	\$1,300	Replace domestic water heater with an ENERGY STAR® certified domestic hot water heat pump. Energy efficiency performance and installation: <b>Capacity ≤ 55 gal</b> <ul style="list-style-type: none"><li>EF ≥ 2.00 with FHR ≥ 50 gallons per hour or UEF ≥ 2.00 FHR ≥ 45 gallons per hour</li></ul> <b>Capacity &gt; 55 gal</b>

Measure	On Grid Community			Off Grid Community	Description
	Rebate for All Eligible Participants	Enhanced Rebate for Eligible Participants in Enbridge Gas Franchise		Rebate Funded by Federal Government	
	Rebate Funded by Federal Government	Rebate Funded by Enbridge Gas	Total Rebate in Enhanced CGHG		
					<ul style="list-style-type: none"><li>EF ≥ 2.20 FHR ≥ 50 gallons per hour or UEF ≥ 2.20 FHR ≥ 45 gallons per hour</li></ul>
Space heat pump	\$5,000	--	\$5,000	\$5,000	<p>Install a ground source heat pump – full system. The system capacity must be ≤ 40 kW.</p> <p><b>Open systems</b></p> <ul style="list-style-type: none"><li>Heating COP<sub>h</sub> ≥ 3.6 with 10°C entering water</li><li>Cooling COP<sub>c</sub> ≥ 4.75 with 15°C entering water</li></ul> <p><b>Closed loop systems</b></p> <ul style="list-style-type: none"><li>Heating COP<sub>h</sub> ≥ 3.1 with 0°C entering water</li><li>Cooling COP<sub>c</sub> ≥ 3.93 with 25°C entering water</li></ul> <p><b>Product eligibility list</b> Heat pump must be listed here: <a href="#">ground source heat pump–full system</a> Direct expansion (DX) systems are not eligible.</p>
	\$3,000	--	\$3,000	\$3,900	<p>Replace a ground source heat pump – heat pump unit only. The system capacity must be ≤ 40 kW.</p> <p><b>Open systems</b> Heating COP<sub>h</sub> ≥ 3.6 with 10°C entering water Cooling COP<sub>c</sub> ≥ 4.75 with 15°C entering water</p> <p><b>Closed loop systems</b> Heating COP<sub>h</sub> ≥ 3.1 with 0°C entering water Cooling COP<sub>c</sub> ≥ 3.93 with 25°C entering water</p> <p><b>Product eligibility list</b> Heat pump must be listed here: <a href="#">ground source heat pump–pump equipment</a></p>

Measure	On Grid Community			Off Grid Community	Description
	Rebate for All Eligible Participants	Enhanced Rebate for Eligible Participants in Enbridge Gas Franchise		Rebate Funded by Federal Government	
	Rebate Funded by Federal Government	Rebate Funded by Enbridge Gas	Total Rebate in Enhanced CGHG		
					Direct expansion (DX) systems are not eligible.
	\$5,000	--	\$5,000	\$5,000	Install a complete new or replacement variable capacity cold climate air source heat pump (ccASHP) system, intended to service the entire home. The newly installed system must meet the following criteria: compressor must be of variable capacity with three or more distinct operating speeds, or continuously variable speed minimum total rated heating capacity at 8.3 °C of 3.52 kW (12,000 BTU/h) HSPF (AHRI Climate Region Zone IV) ≥ 10 central system or minimum three indoor heads for ductless COP ≥ 1.8 at -15 °C (5 °F) (at maximum capacity operation); Capacity maintenance (Max -15 °C (5 °F)/Rated 8.3 °C (47 °F)) ≥ 70% <a href="#">heat pump must be on the list of eligible products</a>
	\$4,000	--	\$4,000	\$5,000	Install a complete ENERGY STAR certified new or replacement air source heat pump (ASHP) system, intended to service the entire home. The newly installed system must meet the following criteria: <ul style="list-style-type: none"><li>• minimum total rated heating capacity at 8.3 °C of 3.52 kW (12,000 Btu/h)</li><li>• HSPF (AHRI Climate Region Zone IV) ≥ 10</li><li>• central ducted system or minimum three indoor heads for ductless units</li><li>• <a href="#">heat pump must be on this list of eligible products</a></li></ul>



Measure	On Grid Community			Off Grid Community	Description
	Rebate for All Eligible Participants	Enhanced Rebate for Eligible Participants in Enbridge Gas Franchise		Rebate Funded by Federal Government	
	Rebate Funded by Federal Government	Rebate Funded by Enbridge Gas	Total Rebate in Enhanced CGHG		
	\$2,500	--	\$2,500	\$3,250	<p>Install a complete ENERGY STAR certified new or replacement air source heat pump (ASHP) system or a variable capacity cold climate air source heat pump (ccASHP) system. <b>The system must be intended to service the entire home.</b> The newly installed system must meet the following criteria:</p> <ul style="list-style-type: none"><li>• minimum total rated heating capacity at 8.3 °C of 3.52 kW (12,000 Btu/h)</li><li>• HSPF (AHRI Climate Region Zone IV) ≥ 10</li><li>• two indoor heads ductless unit</li><li>• <a href="#">heat pump must be on the list of eligible products</a></li></ul> <p>In addition, the cold climate air source heat pump (ccASHP) system must meet the following criteria: compressor must be of variable capacity with three or more distinct operating speeds, or continuously variable speed COP ≥ 1.8 at -15 °C (5 °F) (at maximum capacity operation); Capacity maintenance (Max -15 °C (5 °F)/Rated 8.3 °C (47 °F)) ≥ 70%</p>
Replace oil-fired boiler with an ENERGY STAR certified residential oil-fired boiler	--	--	--	\$3,500	<p>ENERGY STAR certified with AFUE ≥ 87% Capacity input rate ≤ 87.92 kW (300,000 Btu/h) <a href="#">Boiler must be on the list of eligible products</a></p>
Replace a boiler with an ENERGY	--	--	--	\$1,600	<p>Energy Star certified with AFUE ≥ 90%</p> <ul style="list-style-type: none"><li>• Capacity input rate ≤ 87.92 kW (300,000 Btu/h)</li></ul>

Measure	On Grid Community			Off Grid Community	Description
	Rebate for All Eligible Participants	Enhanced Rebate for Eligible Participants in Enbridge Gas Franchise		Rebate Funded by Federal Government	
	Rebate Funded by Federal Government	Rebate Funded by Enbridge Gas	Total Rebate in Enhanced CGHG		
STAR certified residential gas-fired boiler					<ul style="list-style-type: none"><li><a href="#">Your boiler must be on the list of eligible products</a></li></ul>
Replace oil-fired furnace with an ENERGY STAR certified residential oil-fired furnace	--	--	--	\$3,500	ENERGY STAR certified with AFUE ≥ 95% Capacity input rate ≤ 65.92 kW (225,000 Btu/h) <a href="#">Furnace must be on the list of eligible products</a>
Replace a furnace with an ENERGY STAR certified residential gas-fired furnace	--	--	--	\$1,600	ENERGY STAR certified with AFUE ≥ 97% Capacity input rate ≤117.23 kW (400,000 Btu/h) <a href="#">Furnace must be on the list of eligible products</a>
Renewable energy systems	\$1,000 per kW	--	\$1,000 per kW	\$1,300 per kW	Install solar panels (photovoltaic system) equal to or greater than 1.0 kW DC
Resiliency Measures	\$1,000	--	\$1,000	\$1,300	Batteries connected to Photovoltaic systems to provide standby power for home
	\$150	--	\$150	\$195	Roofing membrane—self-adhering roofing underlayment applied to entire roof
	\$875	--	\$875	\$1,137.50	Foundation water-proofing
	\$600	--	\$600	\$780	Moisture proofing of 100% of crawlspace floor, walls and headers
Programmable Thermostat	\$50	--	\$50	\$65	Programmable thermostat replacing manual thermostat
Adaptive Thermostat	\$50	\$75	\$125	\$65	Natural gas heated participants in the Enbridge franchise area will be eligible for an enhanced \$75 rebate (or \$125 rebate if

Measure	On Grid Community			Off Grid Community	Description
	Rebate for All Eligible Participants	Enhanced Rebate for Eligible Participants in Enbridge Gas Franchise		Rebate Funded by Federal Government	
	Rebate Funded by Federal Government	Rebate Funded by Enbridge Gas	Total Rebate in Enhanced CGHG		
					Moderate Income eligible), all other participants will be eligible for the \$50 rebate.

Appendix B: Administrative Details - Order of Application of Federal Government Funding By Measure  
 Version 1: July 8, 2022

Order of Federal Government Measure Funding	Measures
	<b>Federal Government Funding Only - Not Eligible For Enbridge Gas Funding (Maximum of \$5,000 for these measures / participant)</b>
1	Solar photovoltaic panels
	Programmable Thermostat
	Resiliency – batteries, roofing membrane, basement wall water-proofing, moisture proofing of crawlspace floor, walls and headers
	Boiler, furnace (off-grid communities)
	<b>Eligible for Enbridge Gas Funding</b>
2	Heat pump water heater
3	Geothermal heat pump
4	Air source heat pump and cold climate air source heat pump
5a	Windows/doors
5b	Doors
6	Exposed floor insulation
7	Exterior wall insulation
8	Attic/cathedral ceiling/flat roof insulation
9a	Basement slab insulation
9b	Foundation insulation (basement / crawl space including the header area)
10	Basement header insulation
11	Air sealing
12	Smart thermostat

## 1. Agreement Overview

### 1.1 Impacts to the Enbridge Gas DSM Plan application

During the Presentation Day and confirmed during the Oral Hearing, the Company anticipated that the agreement with NRCan would not alter the proposed DSM budget, scorecard structure or metrics on the scorecard, but expressed uncertainty if there would need to be an adjustment to the proposed targets as the attribution between NRCan and Enbridge Gas had not been finalized. The Company can now confirm that it is not proposing any adjustment to the proposed targets or any other elements of the DSM Plan application as filed based on the final executed agreement with NRCan.

Enbridge Gas maintains, as articulated during the Oral Hearing, that as the Program Administrator, the Company may adjust programs as required. This includes implementing changes to the incentive levels and measures incented, in order to adapt to market conditions and to meet the objectives of the OEB which are embodied in the approved DSM Framework and DSM Plan scorecard metrics. The Company recognizes that some parties expressed opinions that some measures should no longer be provided incentives. Although the Company is expressly not seeking OEB approval of the specific measures or incentive levels within the Whole Home program offering as part of the DSM Plan application, to be transparent with the OEB and other parties, Enbridge Gas notes that current planning is to no longer offer incentives for gas furnaces, gas boilers or water heaters within the Residential Program.

### 1.2 High Level Details of Agreement

Enbridge Gas has entered into an agreement with the Department of Natural Resources (“NRCan”) in order to administer a single co-funded Ontario-wide energy efficiency program. Home occupants, regardless of fuel type, will be able to access the enhanced Canada Greener Homes Grant (“enhanced CGHG”) initiative. The joint initiative has been enhanced by bringing together the separate funding and processes of the CGHG and Enbridge Gas Whole Home (marketed as Home Efficiency Rebate or “HER”) offering to provide higher rebates for Enbridge Gas customers with natural gas as a space heating fuel, as well as process and cost efficiency to drive ease of participation, deep energy savings, and simplicity through the coordinated delivery of funding.

The initiative is administered by Enbridge Gas via a single registration point, allowing for:

- “One-window” program access for all Ontarians
- Consistent and clear rebate levels to avoid confusion in the market and ease of participation.
- The enhanced CGHG will serve all Ontarians by:
  - Aligning criteria for measure rebates to the CGHG level to replace the existing Enbridge Gas Whole Home offering criteria.
  - Aligning measure rebates to be at the minimum level of the CGHG and replacing the separate Enbridge Gas Whole Home offering rebate levels.

- For homes outside of the Enbridge Gas franchise area, or that are within the franchise area that are not customers of the Company or that do not use natural gas as a space heating source, rebates will be at the CGHG level where the home is the owner's primary residence.
- For homes in the Enbridge Gas franchise area with natural gas as a heating fuel in the pre-retrofit home energy assessment and who remain an Enbridge Gas customer at the time of the post-retrofit energy assessment, will provide enhanced rebates for insulation, smart thermostats and enhance the maximum rebate a participant may receive for upgrading efficiency measures throughout their home to \$10,000 to encourage participants to deeper energy savings levels.
  - o Aligning most rebates and criteria to the enhanced CGHG offering level for homes that are not the owner's primary residence in the Enbridge Gas franchise area with natural gas as a heating fuel to provide consistency in the market. These participants are not eligible for Federal Government funding.
- A single consistent process for contractors and Registered Energy Advisors ("REAs")
- Efficiencies in applicant processing, program delivery, and rebate payment
- All budgeting, forecasting, and funding allocations between NRCan and Enbridge Gas to occur on the back end, allowing Service Organizations and REA's to focus on delivery of the initiative

The following table outlines the differences between participant groups and provides an overview of how their projects will be managed through the joint initiative.

Table 1: Enhanced CGHG Overview

Prior Eligibility	CGHG Only	CGHG and HER	HER Only
<b>Participant Group</b>	Owner Primary Residence and Home uses a heating fuel other than natural gas, or outside of Enbridge Gas franchise	Owner Primary Residence and Home uses natural gas as heating fuel in the Enbridge Gas franchise	Not Owner Primary Residence and Home uses natural gas as heating fuel in the Enbridge Gas franchise
<b>Enhanced CGHG Eligible Rebates</b>	Current CGHG rebate levels for all measures	Current Canada Greener Homes Grant rebate levels + Insulation rebate enhancement + Smart thermostat rebate enhancement	Rebates aligned with owner primary residence for market simplicity  Not eligible for renewables, resiliency, programmable thermostat, or heat pump if switching entirely off natural gas
<b>Maximum Rebates Available</b>	EnerGuide Evaluations: \$600 Measure Rebates: \$5,000	EnerGuide Evaluations: \$600 Measure Rebates: \$10,000	EnerGuide Evaluations: \$600 Measure Rebates: \$10,000

<b>Source of Funding</b>	Funded by Federal Government	Rebate portion funded by Federal Government: - EnerGuide Evaluation - CGHG measure rebate level up to max \$5,000 per participant  Rebate portion funded by Enbridge Gas: - Rebate enhancements beyond CGHG level - Measure rebates beyond \$5,000	Funded by Enbridge Gas
<b>Attribution of Results</b>	Attributed to Federal Government	Percentage of results attributed on a per measure level will align with percentage of rebate source funding	Attributed to Enbridge Gas

## 2. Budget

### 2.1 Impact to Proposed Budget

Enbridge Gas is not requesting any changes to the budget proposed for the 2023-2027 DSM Plan Years.

### 2.2 Enhanced CGHG Funding Summary

A summary of the Federal Government funding requirements of the joint enhanced CGHG initiative in the Contribution Agreement, and Enbridge Gas Whole Home offering budget filed in the DSM Plan and available for the initiative is outlined in the tables below.

- The budget has been displayed based on the fiscal period of each entity. The fiscal year for the Federal Government is April 1 – March 31, the fiscal year for Enbridge Gas is January 1 – December 31.
- The Contribution Agreement participation, and associated NRCan funding, has been forecasted to seek to ensure adequate budget in the 2023 – March 31, 2026 fiscal periods. Participation in the enhanced CGHG may extend into the 2026-2027 Federal Government fiscal period. Re-allocation of budget between fiscal periods would be assessed by NRCan and Enbridge Gas over the term of the Contribution Agreement, with associated amendment(s) to the forecast shown as required.
- The Enbridge Gas Whole Home budget available to support the enhanced CGHG initiative is consistent with the budget filed for the 2023 – 2027 DSM Plan Years.

Table 2: Budget for the Enhanced CGHG Initiative

Fiscal Year	2022-23	2023-24	2024-25	2025-26	2026-27	TOTAL (\$)
NRCAN Funding						
Total NRCAN Budget	\$22,645,983	\$140,973,539	\$202,681,462	\$246,111,589	\$1,025,303	\$613,437,876
Fiscal Year	2023	2024	2025	2026	2027	Total
Enbridge Gas DSM Funding						
Total Enbridge <sup>1</sup> Gas Whole Home Offering Budget	\$30,629,918	\$31,384,304	\$32,011,990	\$32,652,230	\$33,305,274	\$159,983,716

## 2.3 Cost Attribution

Costs are to be classified as: measure incentive costs, EnerGuide evaluations, contracted services, advertising, recruitment and training, or salaries and benefits. Attribution of measure incentive costs are detailed in the Program Design Section below.

### EnerGuide Evaluations

The offering includes a rebate of up to \$600 for the pre-retrofit D assessment and the post-retrofit E assessment. The rebate for EnerGuide evaluations will be funded by the Federal Government for all eligible participants within the Contribution Agreement. The pre-retrofit home energy assessment must be completed in advance of the eligible retrofits.

Participating properties that are not the owner's primary residence are not eligible for Federal Government funding and are out of scope of the Contribution Agreement. The rebate for EnerGuide evaluations of up to \$600 for these participants will be funded by Enbridge Gas.

### Contracted services

Contracted services that are directly attributed to the requirements of the Federal Government, such as systems set-up or data costs, will be funded by the Federal Government. All other contracted services costs incurred by Enbridge Gas in the delivery of the enhanced CGHG offering will be allocated on a 50% basis between Enbridge Gas and the Federal Government.

### Advertising, recruitment and training

Advertising, recruitment and training costs that are directly attributed to the requirements of the Federal Government, are outside of the Enbridge Gas franchise area or targeted to residential energy users that do not use natural gas as a heating fuel will be funded by the Federal Government. All other

<sup>1</sup> The amounts shown include DSM budget amounts for non-owner-occupied homes and therefore differ from the amounts shown in the NRCAN Contribution Agreement and Proposal Documentation which exclude non-owner-occupied homes



costs incurred by Enbridge Gas will be allocated on a 50% basis between Enbridge Gas and the Federal Government.

#### Salaries and benefits

Salaries and benefits of Enbridge Gas staff required to deliver the enhanced CGHG offering will be funded 50% by Enbridge Gas and 50% by the Federal Government based on a fully allocated cost basis that aligns with standard practices approved by the OEB.

## 2.4 Accounting Practices and Funding Flow

The agreement does not impact accounting practices and current accounting practices will remain unchanged.

#### Tracking of Financial Activity

The funding deposits from NRCan will be recorded in a separate account within the books and records of Enbridge Gas. Expenditure transactions related to the enhanced CGHG will be tracked as an offset in this separate account above, which enables visibility into the balance due to/due from NRCan for each reporting period.

It should be noted that this account does not require OEB approval as ratepayer funds will not be used.

## 3. Target

### 3.1 Impact to Proposed Target

Enbridge Gas is not requesting any changes to the targets proposed for the 2023-2027 DSM Plan Years.

### 3.2 Attribution of Results

It should be noted that the agreement does not alter the proposed gross measurement methodology in the DSM Plan.

Attribution of savings will be determined based on the following rules. Attributable results include the amount of annual energy saved by the enhanced CGHG initiative and the associated amount of annual GHG emissions avoided by the enhanced CGHG initiative.

Savings will be determined based on the HOT2000 outputs as provided through the .JSON file received from NRCan for the enhanced CGHG upgrades modelled at the D and E evaluations following the ERS procedures (insulation, air sealing, windows/doors, water heating, space heating upgrades and renewables). In principle the savings of each general measure (e.g. space heating, space cooling, water heating, renewables) are coming from the savings calculated for that measure by HOT2000. The savings for measures applied on envelope components affecting space heating and cooling (e.g. walls, foundations, air leakage, ventilation) are calculated following the weight of the yearly heat losses from that component over the total heat losses. The parties may update this methodology from time to time based on mutual agreement in writing.

The resiliency and thermostat upgrades are either not generating savings or are not included in the HOT2000 results. Savings for the thermostat upgrades will be based on prescriptive savings assumptions. In the case of Enbridge Gas this is based on the most current Ontario Technical Reference Manual. In the case of the Federal Government this is based on the NRCan endorsed fixed rate average for programmable and adaptive thermostats.

The savings of the enhanced CGHG offering, on a per measure basis, will be attributed to Enbridge Gas and/or the Federal Government based on the share of the measure incentives funded by each party.

Therefore:

1. 100% of the results from participants outside of the Enbridge Gas franchise area will be attributed to the Federal Government.
2. 100% of the results from participants within the Enbridge Gas franchise area that do not use natural gas as a heating fuel in the pre-retrofit energy assessment or who do not remain a customer of Enbridge Gas at the time of the post-retrofit energy assessment will be attributed to the Federal Government.<sup>2</sup>
3. 100% of the results for eligible participants that are not the owner's primary residence within the Enbridge Gas franchise area will be attributed to Enbridge Gas. These participants are not eligible for Federal Government funding and are out of scope for the Contribution Agreement.
4. The results from participants within the Enbridge Gas franchise area that use natural gas as a heating fuel in the pre-retrofit energy assessment and remain a customer of Enbridge Gas at the time of the post-retrofit energy assessment will be attributed to Enbridge Gas and the Federal Government based on the measure incentive funding share of each entity for each measure. For example, where a participant upgrades two measures where the incentive for measure 1 is funded solely by the Federal Government and incentive for measure 2 is funded 60% by the Federal Government and 40% by Enbridge Gas:
  - 100% of the results for measure 1 and 60% of the results for measure 2 will be attributed to the Federal Government
  - 0% of the results for measure 1 and 40% of the results for measure 2 will be attributed to Enbridge Gas

The following framework is intended to ensure that the pre-existing Enbridge Gas program offering will yield the minimum cost effectiveness per dollar contribution consistent with principles outlined by the Ontario Ministry of Energy in the request for NRCan and Enbridge Gas to consider co-delivery of programming in Ontario.

On an annual basis, Enbridge Gas and NRCan will review the attribution savings framework and other program parameters and make adjustments as mutually agreed with a view to ensuring both Enbridge Gas and NRCan meet their respective performance targets. For clarity, should the savings attributed to

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<sup>2</sup> Participants in the process of converting space heating to natural gas, such as in community expansion areas, natural gas main extensions or on-main conversions, will be modelled with natural gas space heating in the pre-retrofit energy assessment with associated attribution rules.

Enbridge Gas for any calendar year be below 0.34 gross annual natural gas m<sup>3</sup> savings per incentive dollar contributed by Enbridge Gas to the enhanced CGHG offering, adjustments would be made to the attribution to result in a minimum 0.34 m<sup>3</sup>/incentive dollar attributed to Enbridge Gas.

In order to best serve the Ontario market, the enhanced CGHG program offering will be communicated to all potential participants, service organizations and contractors as a single program offering. All participants will be reported to NRCan, with appropriate break outs of the funding of participants so NRCan can report on progress in meeting the objectives of the Federal Government. For the purposes of reporting requirements for the OEB, all participants co-funded by Enbridge Gas will be reported by Enbridge Gas with savings as per the attribution above for reporting under the DSM Plan.

## 4. Program Design

### 4.1 Eligibility

With the funding from the Federal Government, Enbridge Gas will target all homes within the province which are the owner's primary residence with the exception of Indigenous on reserve homes. This includes homes that use natural gas, oil, propane, electricity or wood as their primary heating fuel. Homes that are not the owner's primary residence that use natural gas as a heating fuel in the Enbridge Gas franchise area will continue to be eligible for the offering funded solely by Enbridge Gas, and the Company plans to align most rebates and criteria to the level of the enhanced CGHG offering to provide consistency in the market.

### 4.2 Rebates

A summary of the measure incentives by applicant type of the enhanced CGHG initiative is provided.

Applicant Type	Occupancy Type	Measure Eligibility	Measure Incentive Level
In Enbridge Gas franchise area with natural gas as a space heating fuel in the pre-retrofit energy assessment who remain a customer at the time of the post-retrofit energy assessment	Owner's Primary Residence	CGHG measure criteria	CGHG level with enhanced rebates for insulation measures and smart thermostat  Maximum of \$10,000
	Not the Owner's Primary Residence	CGHG measure criteria excluding eligibility for: <ul style="list-style-type: none"> <li>• programmable thermostat</li> <li>• renewables</li> <li>• resiliency measures</li> </ul>	
Outside of the Enbridge Gas franchise area, or that are within the franchise area that are not customers of the Company or that do not use natural gas as a space heating source	Owner's Primary Residence	CGHG measure criteria	CGHG level rebates  Maximum of \$5,000

Within the enhanced CGHG measure incentive costs and the funding entity for participants that are the owner's primary residence and eligible for funding by the Federal Government are shown in Appendix A of the Agreement.

In relation to the CGHG, for homes in the Enbridge Gas franchise area with natural gas as a space heating fuel in the pre-retrofit home energy assessment who remain an Enbridge Gas customer at the time of the post-retrofit energy assessment, rebates have been enhanced for insulation measures and smart thermostats.<sup>3</sup> Where these properties are not the owner's primary residence, they will have access to rebates consistent with the enhanced CGHG initiative level rebates for insulation and smart thermostats, with the exception of programmable thermostats, renewables and resiliency measures which will not be eligible for these participants. Homes that are the owner's primary residence but do not meet the criteria above have access to the CGHG rebate level funded by the Federal Government through the enhanced CGHG initiative.

The maximum rebate payment for measure incentives is:

- \$5,000 for homes outside of the Enbridge Gas franchise area, those that do not use natural gas as a heating fuel in the pre-retrofit energy assessment or do not remain an Enbridge Gas customer at the time of the post-retrofit energy assessment.
- \$10,000 for homes in the Enbridge Gas franchise area who use natural gas as a heating fuel in the pre-retrofit energy assessment and remain an Enbridge Gas customer at the time of the post-retrofit energy assessment.

Where a home that is the owner's primary residence meeting the \$10,000 maximum measure rebate criteria above exceeds \$5,000 in eligible measure rebates from the Federal Government, an order of funding will apply for the measure incentives up to the maximum of \$5,000 funded by the Federal Government. Measure rebates beyond this level will be funded by Enbridge Gas up to a maximum of an incremental \$5,000 for a total maximum rebate to the participant of \$10,000. The order of application of NRCan funding is shown in Appendix B of the Agreement.

In the case of multi-unit residential buildings ("MURB"), the maximum allowable amount for building envelope measures will be calculated based on the number of units within the building. Individual homeowners within the low-rise MURB must apply for individual grants based on the single EnerGuide evaluation undertaken for the entire structure. The MURB multiplier for the enhanced CGHG is shown in the table below.

Table 1: MURB Multiplier for the Enhanced CGHG Offering

Number of Dwelling Units per MURB	2-3	4-6	7-9	10-12	13-16	17+
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<sup>3</sup> Participants in the process of converting space heating to natural gas, such as in community expansion areas, natural gas main extensions, or on-main conversions, will be modelled with natural gas space heating in the pre-retrofit energy assessment and be eligible for the enhanced CGHG measure incentives.

MURB Multiplier	1.0	1.5	2.0	2.5	3.0	4.0
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At any point during the term of the enhanced CGHG initiative, Enbridge Gas or the Federal Government may find it necessary to adjust rebate levels, measure criteria, or introduce new measures in response to market changes, budgetary considerations or lessons learned by mutual agreement for participants that are the owner's primary residence.

## 5. Question and Answer

### **How will co-ordination impact achievement on the Residential scorecard target?**

As described in 3.2 Attribution of Results, NRCan and Enbridge Gas have agreed upon an attribution mechanism whereby results are attributed, on a per measure basis, to Enbridge Gas based on the share of the measure incentives funded by Enbridge Gas. Further, the threshold that has been agreed to of 0.34 m<sup>3</sup>/incentive dollar contributed by Enbridge Gas was calculated based on the 2023 gross annual natural gas savings target, incentive costs and post-retrofit energy assessment delivery costs for the Residential Whole Home offering filed for the 2023 – 2027 DSM Plan Years, excluding forecasted costs and results from participants that are not the owner's primary residence out of the scope of the Contribution Agreement. This approach ensures:

- Enbridge Gas's allocated share of natural gas savings in the Contribution Agreement is on a "percentage of total measure incentive dollars spent" basis and based on the uptake of holistic insulation improvements, smart thermostat upgrades, and driving deep energy savings through multi-measure participants beyond the \$5,000 previously available in the stand-alone offerings.
- the cost-effectiveness of the previous Whole Home offering on a m<sup>3</sup>/incentive dollar basis is maintained in co-delivery and Enbridge Gas's attributed results for the DSM budget contribution are not displaced.

As a result, Enbridge Gas' ability to achieve the target in the Residential Scorecard continues to be based on volume of participation and in depth of energy savings upgrades in the enhanced CGHG initiative.

### **How will this coordination impact Enbridge's TRC-Plus cost effectiveness for the Residential Program?**

The measures supported by Enbridge Gas in the enhanced CGHG initiative will be different than the Whole Home offering filed for the 2023 – 2027 DSM Plan Years, and the TRC-Plus will reflect this. Enbridge Gas rebate funding enhancements are targeted to cost-effective thermal envelope and smart thermostat measures and Enbridge Gas anticipates the offering will continue to be cost effective on a TRC-Plus basis.

In terms of the impact on the proposed Net Benefits Shared Savings Mechanism, Enbridge Gas anticipates any resulting change will have an immaterial impact on total DSMI as the Residential

Whole Home offering has a relatively modest contribution to the Net Benefits of the entire DSM Portfolio. The forecasted 2023 Net Benefits of the stand-alone Whole Home offering of \$27,970,866<sup>4</sup> represents 7.7% of the forecasted \$364,502,976<sup>5</sup> for the entire portfolio.

**Will there be a change to the Gross Measurement approach identified in the Application?**

Enbridge Gas is not requesting any changes to the Gross Measurement approach proposed in the 2022-2027 DSM Plan Application.

**Will there be a change to the eligibility criteria identified in the Application?**

Yes. In addition to the eligibility outlined in the application, small multi-unit residential buildings (three storeys or less with a footprint of 600m<sup>2</sup> or less) that are not retirement homes and either stacked (up/down) or have a common area will be eligible for the enhanced CGHG initiative and Enbridge Gas funding under the Residential Program where they are a customer heated by natural gas. Consistent with the Application residential Enbridge Gas customers whose residence (which may include detached house, semi-detached house, row house, townhouse, or a mobile home with a permanent foundation) heated with natural gas will continue to be eligible for the offering and Enbridge Gas funding, inclusive of properties that are not the owner's primary residence.

Properties that are not customers of Enbridge Gas and/or who heat with a fuel other than natural gas will not be eligible for Enbridge Gas funding but will be eligible for the enhanced CGHG initiative administered by the Company where they meet all other qualifying criteria.

**Are Indigenous people eligible for the offering?**

Based on discussions with NRCan, Enbridge Gas understands that the approach to Indigenous communities will be a separate area of focus/process within the Canada Greener Homes Grant Initiative and Enbridge Gas will not formally be delivering the Indigenous portion.

For clarity, Enbridge Gas would not be specifically communicating or targeting Indigenous participants for the enhanced CGHG program but would process any Indigenous applicants based on the established program eligibility criteria and make rebate payments based upon the program rules (i.e., they would not be excluded from the initiative). Once NRCan has finalized the program details and delivery approach for Indigenous programming in the CGHG, Enbridge Gas will work with NRCan to discuss any process, communications or marketing material adjustments that may be required (i.e., communication of enhanced rebates if available or alternative delivery channels that address specific barriers to participation, or any other aspects that provide additional support for Indigenous groups).

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<sup>4</sup> Table 1: Exhibit D, Tab 1, Schedule 4

<sup>5</sup> 2023 – 2027 DSM Plan. Exhibit D, Tab 1, Schedule 4, Page 2 of 2, Table 1, as updated February 18, 2022

**How many participants are forecasted for this initiative for the Contribution Agreement?**

Total participants in the joint initiative are forecasted as follows:

Program Year	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	TOTAL
Participants	5,000	35,000	50,000	60,000	0	150,000

**Is fuel switching allowed through this initiative?**

Yes, in some instances. If a participant is completely removed from the natural gas system at the time of the post-retrofit EnerGuide assessment, they are not eligible to be funded by Enbridge Gas, nor will any results be attributed to Enbridge Gas as a result. However, if that participant is eligible for NRCAN funding (i.e., it is the owner's primary residence) then that participant can fuel switch through the initiative. Please see Appendix A for details.

**Will participants be eligible for rebates for installing electric equipment?**

Yes. Participants are eligible for rebates for electric heat pumps.

**Will participants be eligible for rebates for installing gas-fired equipment?**

It is currently contemplated that rebates previously available for high efficiency natural gas furnace, boiler, or water heater upgrades in the Enbridge Gas Whole Home program offering will not be available in the enhanced CGHG initiative to harmonize the eligibility with the measure criteria of the CGHG. Rebates currently available in the CGHG for off-grid communities for oil-fired or gas-fired boilers and furnaces will continue to be available funded by and attributed to the Federal Government. Enbridge Gas and NRCAN are expecting to assess changes to measures and/or rebate levels over the term of the agreement in order to target their respective policy goals.

**Will the rebate levels be changed over the life of the joint program?**

At any point during the term of the enhanced CGHG initiative, Enbridge Gas or the Federal Government may find it necessary to adjust rebate levels, measure criteria, or introduce new measures in response to market changes, budgetary considerations or lessons learned by mutual agreement for participants that are the owner's primary residence.

**Does the joint program have a multi measure requirement?**

No, as the offer criteria has been aligned with the CGHG there is no requirement to install multiple measures.

**Will there be administrative efficiencies as a result of the joint delivery?**

Enbridge Gas anticipates there will be administrative efficiencies.

- NRCAN, Service Organizations and participants will realize efficiencies from a single process administered by Enbridge Gas.

- Enbridge Gas anticipates DSM budget cost efficiencies as a result of the joint delivery through cost sharing of contracted services which make up a relatively modest proportion of Delivery Costs, and also some Admin Costs efficiencies. Any actual efficiencies achieved will be redirected to DSM program offerings or returned to ratepayers via the DSM Variance Account through the proposed DSM Framework elements that are consistent with the current DSM Framework and practices.

#### **How was the 50/50 overhead allocation arrived at?**

The 50% cost sharing methodology for contracted services and advertising, recruitment and training costs not directly attributed to the requirements of the Federal Government, as well as salary costs, reflects an equal sharing of joint incurred costs while ensuring ratepayers do not fund costs that are required solely by the Federal Government or directed to potential participants outside of the Enbridge Gas franchise area.

While a greater share of the attributed results in co-delivery will be directed to the Federal Government than Enbridge Gas due to the relative amount of funding provide by each party, the Federal Government has not been allocated a greater share of joint Project Management costs. This reflects the fact that the Federal Government is providing support outside of these joint Project Management costs incurred in co-delivery that will benefit ratepayers for elements such as the EnerGuide Evaluations, national marketing campaigns and the HOT2000 modelling and file management system which will transfer modelled energy savings and CGHG level rebate calculations to the Enbridge Gas tracking system. Enbridge Gas and the Federal Government have established the cost sharing methodology to reflect an appropriate and balanced sharing of costs in co-delivery.

#### **Why do the program years span two years (i.e. 2023-2024)?**

NRCan uses a fiscal year that runs from April 1 to March 31, as a result, the program years span the same timeframe. Enbridge Gas will continue to report results according to its January 1 to December 31 program years, but will work with NRCan to fulfill reporting requirements according to NRCan's fiscal year as per the Agreement requirements.



## Appendix A: Administrative Details - Measure Rebates for the Enhanced CGHG Initiative

Version 1: July 8, 2022

Measure	On Grid Community			Off Grid Community	Description
	Rebate for All Eligible Participants	Enhanced Rebate for Eligible Participants in Enbridge Gas Franchise		Rebate Funded by Federal Government	
	Rebate Funded by Federal Government	Rebate Funded by Enbridge Gas	Total Rebate in Enhanced CGHG		
Attic Insulation	\$1,800	\$200	\$2,000	\$2,340	Increase attic insulation to at least R50 from R12 or less
	\$600	\$400	\$1,000	\$780	Increase attic insulation to at least R50 from greater than R12 up to R25
	\$250	\$600	\$850	\$325	Increase attic insulation to at least R50 from greater than R25 up to R35
	\$600	\$400	\$1,000	\$780	Increase cathedral/flat roof insulation to at least R-28 from R12 or less
	\$250	\$600	\$850	\$325	Increase cathedral/flat roof insulation to at least R-28 from greater than R12 up to R25
	\$600	\$400	\$1,000	\$780	Upgrade uninsulated cathedral ceiling/flat roof to at least R20 from R12 or less
Exterior Wall Insulation	\$5,000	\$2,500	\$7,500	\$5,000	For adding insulation value of at least greater than R20 for 100% of building
	\$3,800	\$1,700	\$5,500	\$4,940	For adding insulation value greater than R12 up to R20 for 100% of building
	\$3,300	\$1,200	\$4,500	\$4,290	For adding insulation value of R7.5 up to R12 for 100% of building
Basement Insulation	\$1,500	\$1,000	\$2,500	\$1,950	For adding insulation value greater than R22 to 100% of basement

Measure	On Grid Community			Off Grid Community	Description
	Rebate for All Eligible Participants	Enhanced Rebate for Eligible Participants in Enbridge Gas Franchise		Rebate Funded by Federal Government	
	Rebate Funded by Federal Government	Rebate Funded by Enbridge Gas	Total Rebate in Enhanced CGHG		
	\$1,050	\$450	\$1,500	\$1,365	For adding insulation value of R10 to R22 to 100% of basement
	\$1,300	\$700	\$2,000	\$1,690	For adding insulation value greater than R22 to 100% of exterior crawl space wall area, including header
	\$1,040	\$460	\$1,500	\$1,352	For adding insulation value of R10 to R22 to 100% of exterior crawl space wall area, including header
	\$800	\$400	\$1,200	\$1,040	For adding insulation value greater than R24 to 100% of crawl space ceiling
	\$240	\$110	\$350	\$312	For sealing and insulating at least 80% of the basement header to add a minimum R20
	\$400	\$200	\$600	\$520	For sealing and insulating at least 50% of the entire basement slab by a minimum of R3.5
Exposed Floor Insulation	\$350	\$150	\$500	\$455	For adding insulation value of at least R20 for entire exposed floor area (minimum area of 11 square meters or 120 square feet).
Air Sealing	\$1,000	--	\$1,000	\$1,300	Achieve 20% or more above base target
	\$810	--	\$810	\$1,053	Achieve 10% or more above base target
	\$550	--	\$550	\$715	Achieve base target
Window/Door	\$250	--	\$250	\$325	Replace windows or sliding glass doors with ENERGY STAR® most efficient models:  U-Factor of 1.05 W/m²K or less or Energy Rating of 40 or more Selection must be on one the following lists: <a href="#">windows</a> or <a href="#">sliding glass doors</a>

Measure	On Grid Community			Off Grid Community	Description
	Rebate for All Eligible Participants	Enhanced Rebate for Eligible Participants in Enbridge Gas Franchise		Rebate Funded by Federal Government	
	Rebate Funded by Federal Government	Rebate Funded by Enbridge Gas	Total Rebate in Enhanced CGHG		
	\$125	--	\$125	\$162.50	Replace windows or sliding glass doors with ENERGY STAR® certified models:  U-Factor of 1.22 W/m²K or less or Energy Rating of 34 or more Selection must be on one the following lists: <a href="#">windows</a> or <a href="#">sliding glass doors</a>
	\$125	--	\$125	\$162.50	Replace hinged doors, with or without sidelites or transoms with ENERGY STAR® certified models:  U-Factor of 1.22 W/m²K or less or Energy Rating of 34 or more Selection must be on the following list: <a href="#">hinged doors, sidelites and transoms</a>
Domestic hot water heat pump	\$1,000	--	\$1,000	\$1,300	Replace domestic water heater with an ENERGY STAR® certified domestic hot water heat pump. Energy efficiency performance and installation:  <b>Capacity ≤ 55 gal</b> <ul style="list-style-type: none"><li>EF ≥ 2.00 with FHR ≥ 50 gallons per hour or UEF ≥ 2.00 FHR ≥ 45 gallons per hour</li></ul> <b>Capacity &gt; 55 gal</b> <ul style="list-style-type: none"><li>EF ≥ 2.20 FHR ≥ 50 gallons per hour or UEF ≥ 2.20 FHR ≥ 45 gallons per hour</li></ul>
Space heat pump	\$5,000	--	\$5,000	\$5,000	Install a ground source heat pump – full system. The system capacity must be ≤ 40 kW.  <b>Open systems</b>

Measure	On Grid Community			Off Grid Community	Description
	Rebate for All Eligible Participants	Enhanced Rebate for Eligible Participants in Enbridge Gas Franchise		Rebate Funded by Federal Government	
	Rebate Funded by Federal Government	Rebate Funded by Enbridge Gas	Total Rebate in Enhanced CGHG		
					<ul style="list-style-type: none"><li>• Heating <math>COP_h \geq 3.6</math> with 10°C entering water</li><li>• Cooling <math>COP_c \geq 4.75</math> with 15°C entering water</li></ul> <b>Closed loop systems</b> <ul style="list-style-type: none"><li>• Heating <math>COP_h \geq 3.1</math> with 0°C entering water</li><li>• Cooling <math>COP_c \geq 3.93</math> with 25°C entering water</li></ul> <b>Product eligibility list</b> Heat pump must be listed here: <a href="#">ground source heat pump–full system</a> Direct expansion (DX) systems are not eligible.
	\$3,000	--	\$3,000	\$3,900	Replace a ground source heat pump – heat pump unit only.  The system capacity must be $\leq 40$ kW. <b>Open systems</b>  Heating $COP_h \geq 3.6$ with 10°C entering water Cooling $COP_c \geq 4.75$ with 15°C entering water <b>Closed loop systems</b>  Heating $COP_h \geq 3.1$ with 0°C entering water Cooling $COP_c \geq 3.93$ with 25°C entering water <b>Product eligibility list</b>

Measure	On Grid Community			Off Grid Community	Description
	Rebate for All Eligible Participants	Enhanced Rebate for Eligible Participants in Enbridge Gas Franchise		Rebate Funded by Federal Government	
	Rebate Funded by Federal Government	Rebate Funded by Enbridge Gas	Total Rebate in Enhanced CGHG		
					Heat pump must be listed here: <a href="#">ground source heat pump—pump equipment</a> Direct expansion (DX) systems are not eligible.
	\$5,000	--	\$5,000	\$5,000	Install a complete new or replacement variable capacity cold climate air source heat pump (ccASHP) system, intended to service the entire home. The newly installed system must meet the following criteria:  compressor must be of variable capacity with three or more distinct operating speeds, or continuously variable speed minimum total rated heating capacity at 8.3 °C of 3.52 kW (12,000 BTU/h) HSPF (AHRI Climate Region Zone IV) ≥ 10 central system or minimum three indoor heads for ductless COP ≥ 1.8 at -15 °C (5 °F) (at maximum capacity operation); Capacity maintenance (Max -15 °C (5 °F)/Rated 8.3 °C (47 °F)) ≥ 70% <a href="#">heat pump must be on the list of eligible products</a>
	\$4,000	--	\$4,000	\$5,000	Install a complete ENERGY STAR certified new or replacement air source heat pump (ASHP) system, intended to service the entire home. The newly installed system must meet the following criteria:  <ul style="list-style-type: none"><li>• minimum total rated heating capacity at 8.3 °C of 3.52 kW (12,000 Btu/h)</li></ul>

Measure	On Grid Community			Off Grid Community	Description
	Rebate for All Eligible Participants	Enhanced Rebate for Eligible Participants in Enbridge Gas Franchise		Rebate Funded by Federal Government	
	Rebate Funded by Federal Government	Rebate Funded by Enbridge Gas	Total Rebate in Enhanced CGHG		
					<ul style="list-style-type: none"><li>HSPF (AHRI Climate Region Zone IV) ≥ 10</li><li>central ducted system or minimum three indoor heads for ductless units</li><li><a href="#">heat pump must be on this list of eligible products</a></li></ul>
	\$2,500	--	\$2,500	\$3,250	<p>Install a complete ENERGY STAR certified new or replacement air source heat pump (ASHP) system or a variable capacity cold climate air source heat pump (ccASHP) system. <b>The system must be intended to service the entire home.</b> The newly installed system must meet the following criteria:</p> <ul style="list-style-type: none"><li>minimum total rated heating capacity at 8.3 °C of 3.52 kW (12,000 Btu/h)</li><li>HSPF (AHRI Climate Region Zone IV) ≥ 10</li><li>two indoor heads ductless unit</li><li><a href="#">heat pump must be on the list of eligible products</a></li></ul> <p>In addition, the cold climate air source heat pump (ccASHP) system must meet the following criteria:</p> <p>compressor must be of variable capacity with three or more distinct operating speeds, or continuously variable speed COP ≥ 1.8 at -15 °C (5 °F) (at maximum capacity operation);</p>

Measure	On Grid Community			Off Grid Community	Description
	Rebate for All Eligible Participants	Enhanced Rebate for Eligible Participants in Enbridge Gas Franchise		Rebate Funded by Federal Government	
	Rebate Funded by Federal Government	Rebate Funded by Enbridge Gas	Total Rebate in Enhanced CGHG		
					Capacity maintenance (Max -15 °C (5 °F)/Rated 8.3 °C (47 °F)) ≥ 70%
Replace oil-fired boiler with an ENERGY STAR certified residential oil-fired boiler	--	--	--	\$3,500	ENERGY STAR certified with AFUE ≥ 87%  Capacity input rate ≤ 87.92 kW (300,000 Btu/h) <a href="#">Boiler must be on the list of eligible products</a>
Replace a boiler with an ENERGY STAR certified residential gas-fired boiler	--	--	--	\$1,600	Energy Star certified with AFUE ≥ 90%  <ul style="list-style-type: none"><li>Capacity input rate ≤ 87.92 kW (300,000 Btu/h)</li><li><a href="#">Your boiler must be on the list of eligible products</a></li></ul>
Replace oil-fired furnace with an ENERGY STAR certified residential oil-fired furnace	--	--	--	\$3,500	ENERGY STAR certified with AFUE ≥ 95%  Capacity input rate ≤ 65.92 kW (225,000 Btu/h) <a href="#">Furnace must be on the list of eligible products</a>
Replace a furnace with an ENERGY STAR	--	--	--	\$1,600	ENERGY STAR certified with AFUE ≥ 97%  Capacity input rate ≤ 117.23 kW (400,000 Btu/h)

Measure	On Grid Community			Off Grid Community	Description
	Rebate for All Eligible Participants	Enhanced Rebate for Eligible Participants in Enbridge Gas Franchise		Rebate Funded by Federal Government	
	Rebate Funded by Federal Government	Rebate Funded by Enbridge Gas	Total Rebate in Enhanced CGHG		
certified residential gas-fired furnace					<a href="#">Furnace must be on the list of eligible products</a>
Renewable energy systems	\$1,000 per kW	--	\$1,000 per kW	\$1,300 per kW	Install solar panels (photovoltaic system) equal to or greater than 1.0 kW DC
Resiliency Measures	\$1,000	--	\$1,000	\$1,300	Batteries connected to Photovoltaic systems to provide standby power for home
	\$150	--	\$150	\$195	Roofing membrane—self-adhering roofing underlayment applied to entire roof
	\$875	--	\$875	\$1,137.50	Foundation water-proofing
	\$600	--	\$600	\$780	Moisture proofing of 100% of crawlspace floor, walls and headers
Programmable Thermostat	\$50	--	\$50	\$65	Programmable thermostat replacing manual thermostat
Adaptive Thermostat	\$50	\$75	\$125	\$65	Natural gas heated participants in the Enbridge franchise area will be eligible for an enhanced \$75 rebate (or \$125 rebate if Moderate Income eligible), all other participants will be eligible for the \$50 rebate.



## Appendix B: Administrative Details - Order of Application of Federal Government Funding By Measure

Version 1: July 8, 2022

Order of Federal Government Measure Funding	Measures
	<b>Federal Government Funding Only - Not Eligible For Enbridge Gas Funding (Maximum of \$5,000 for these measures / participant)</b>
1	Solar photovoltaic panels
	Programmable Thermostat
	Resiliency – batteries, roofing membrane, basement wall water-proofing, moisture proofing of crawlspace floor, walls and headers
	Boiler, furnace (off-grid communities)
	<b>Eligible for Enbridge Gas Funding</b>
2	Heat pump water heater
3	Geothermal heat pump
4	Air source heat pump and cold climate air source heat pump
5a	Windows/doors
5b	Doors
6	Exposed floor insulation
7	Exterior wall insulation
8	Attic/cathedral ceiling/flat roof insulation
9a	Basement slab insulation
9b	Foundation insulation (basement / crawl space including the header area)
10	Basement header insulation
11	Air sealing
12	Smart thermostat