



PARTICIPANT AGREEMENT

Participant's Certification Statement:

I am an authorized signatory, and certify on behalf of the Participant:

- 1) all information in the Application, including all attached documentation, is true, accurate and complete;
- 2) the Participant, the Chilled Water System and the Commissioning Agent meet all of the eligibility criteria set out in Schedule 1A. The Participant agrees that the IESO may provide the LDC with information on its participation in previous programs for the purpose of confirming the Participant's eligibility.
- 3) the Facility(ies) (as set out in the Application) is/are customer(s) of the LDC;
- 4) the Participant understands and agrees that if the Implementation Phase cannot reasonably be completed, as determined by the LDC, or has not been completed by September 30, 2019, unless otherwise approved by the LDC, in its sole discretion, the LDC may terminate this Participant Agreement at any time without payment of any Participant Incentive.
- 5) the Participant would not otherwise have undertaken the Commissioning Phase(s) without the financial support and participation of the LDC;
- 6) the Participant understands and agrees to the terms and conditions as set forth in this Application and the Participant Agreement;
- 7) the Participant understands and agrees that if this Application is accepted by the LDC, it will be bound by the terms and conditions set out below; and
- 8) the Participant understands and agrees that by submitting this Application, whether or not this Application is accepted: (a) it hereby consents to the collection, use, disclosure and other handling of any information it provides to the LDC or the IESO or their respective service providers (collectively, the "Program Operators"), including personal information and records showing historical energy use and consumption (the "Participant Information") by the Program Operators for purposes relating to the operation, administration or assessment of the Initiative or this Application or the Agreement, and in connection with any reporting activities relating to the Initiative, which shall include, without limitation:
 - i) sharing of Participant Information among the Program Operators;
 - ii) use by the Program Operators of the Participant Information provided by the Participant to conduct, analyze and report on the results of surveys and modify the Initiative based on such surveys; and
 - iii) disclosure to the Ontario Energy Board, the Ontario Ministry of Energy or the Ontario Environmental Commissioner or their respective successors; and
 - iv) (b) it will indemnify and save harmless each of the Program Operators and their respective directors, officers and employees from any and all liability and all claims, losses, damages (including indirect or consequential damages), expenses and proceedings for personal injury (including death) or property damage of any person



relating to, in connection with, resulting from, or arising out of the Initiative, including by reason of the actual or alleged implementation of any Project and its operation or any other matter contemplated by this Application or the Agreement.

- 9) It hereby consents that in connection with surveys, and audits, the Program Operators may contact the Participant directly. The Participant also consents to the Program Operators contacting the Participant by email and other electronic communication for purposes of follow-up surveys, studies and audits, future conservation programs, customer satisfaction surveys and other related purposes. The Participant may withdraw this consent at any time by contacting the LDC at saveonenergybusiness@powerstream.ca or the IESO at saveonenergy@ieso.ca.
- 10) The Program Operators are committed to protecting the personal information in its custody or control in accordance with applicable privacy laws. The Participant may access the PowerStream Inc. privacy policy at http://www.powerstream.ca/ContentMgr/images/PowerStream_Privacy.pdf, the Collus PowerStream Corp. privacy policy at www.colluspowerstream.ca/privacy, and the IESO privacy policy at www.ieso.ca/Pages/Privacy-Policy.aspx.

Contact information

PowerStream Inc.

Mailing Address:

161 Cityview Blvd.

Vaughan, ON L4H 0A9

Email: saveonenergybusiness@powerstream.ca

Website: www.powerstream.ca/forbusiness

Independent Electricity System Operator

Mailing Address:

120 Adelaide Street West, Suite 1600

Toronto, ON M5H 1T1

Toll Free: 1- 877-797-9473

Email: saveonenergy@ieso.ca

Website: www.ieso.ca



Participant Agreement:

The Participant has applied for a Participant Incentive pursuant to the Application (the “Application”) submitted to the LDC under the Existing Building Commissioning Initiative.

- 1) COMMISSIONING PHASES: The Participant shall sequentially complete each of the below listed phases (each a “Commissioning Phase” and together the “Commissioning Phases”). To complete each Commissioning Phase the Participant shall do the following:
 - a) THE SCOPING STUDY PHASE: the Participant shall, through a person or firm who meets the Commissioning Agent Eligibility Criteria set out in Schedule 1A (a “Commissioning Agent”), undertake an analysis of the Chilled Water System (as set out in the Application) to produce the Scoping Study Commissioning Report containing the requirements set out in Schedule 3A (the “Scoping Study Phase”);
 - b) THE INVESTIGATION PHASE:
 - i) the Participant shall install a data acquisition system (“Data Acquisition System”) to log data from the Chilled Water System and must comply with the Metering Data Point Requirements;
 - ii) the Participant shall, through the Commissioning Agent, undertake an analysis to produce the Investigation Phase Commissioning Report containing the requirements set out in Schedule 3B (the “Investigation Phase”), which shall include recommendations for measures (“Efficiency Measures”) applicable to the Chilled Water System to reduce electricity consumption (kWh) and peak demand (kW);
 - iii) the Participant shall complete (i) and (ii) within twelve months after the Scoping Study Phase;
 - c) THE IMPLEMENTATION PHASE:
 - i) the Participant shall implement any Efficiency Measures that would have a Project Payback (as calculated in Schedule 2C) of two years or less;
 - ii) the Participant shall, through the Commissioning Agent, undertake an analysis to produce the Implementation Phase Commissioning Report containing the requirements set out in Schedule 3C (the “Implementation Phase”);
 - d) THE HAND-OFF/COMPLETION PHASE
 - i) the Participant shall, through the Commissioning Agent, undertake an analysis to produce the Hand-off/Completion Phase Commissioning Report containing the requirements set out in Schedule 3D (the “Hand-off/Completion Phase”).



The Scoping Study Phase Commissioning Report, the Investigation Phase Commissioning Report, the Implementation Phase Commissioning Report and the Hand-off/Completion Phase Commissioning Report are collectively referred to as the “Commissioning Phase Reports”.

- 2) WITHIN 150 DAYS AFTER COMPLETION OF EACH COMMISSIONING PHASE AND IN ANY EVENT NO LATER THAN FEBRUARY 28, 2020, OTHER THAN THE HAND-OFF/COMPLETION PHASE, or unless otherwise approved by the LDC, the Participant shall submit a Phase Completion Report to the LDC together with:
 - a) the Commissioning Phase Report signed by the Commissioning Agent,
 - b) the invoice from the Commissioning Agent clearly stating the amount of fees payable or paid by the Participant for preparing the Commissioning Phase Report,
 - c) for the Investigation Phase only, invoices supporting the cost of the Data Acquisition System,
 - d) for the Investigation Phase only, the Project M&V Plan (as defined in Schedule 3B);
 - e) for the Implementation Phase only, invoices supporting the Eligible Costs (as defined in Schedule 2B) of implementing the Efficiency Measures with a Project Payback of more than two years; and
 - f) any other evidence as the LDC may reasonably require.

- 3) APPROVAL OF COMMISSIONING PHASE REPORT. The LDC may reject the Commissioning Phase Report and/or information/evidence provided under Section 2 above where
 - a) the Commissioning Phase Report does not contain, at minimum, the information specified in Schedule 3A, 3B, 3C, or 3D, as applicable, or is not signed by the Commissioning Agent;
 - b) any information in the Application is materially untrue, incomplete or inaccurate;
 - c) the operating hours of the Chilled Water System are unreasonable, as determined by the LDC;
 - d) any estimated or actual costs of the Efficiency Measures with a Project Payback of more than two years are unreasonable, as determined by the LDC;
 - e) the Investigation Phase Energy Savings or Investigation Phase Demand Savings are unreasonable, as determined by the LDC;
 - f) for the Investigation Phase Commissioning Report, the Project M&V Plan (as defined in Schedule 3B) is unreasonable, as determined by the LDC;
 - g) for the Implementation Phase Commissioning Report, the Participant did not implement any Efficiency Measures required to be implemented under Section 1(c)(i);



- h) the Implementation Phase Energy Savings or Implementation Phase Demand Savings are unreasonable, as determined by the LDC; or
 - i) any supporting information provided by the Participant is unreasonable, as determined by the LDC.
- 4) CONDITIONS PRECEDENT TO PAYMENT OF PARTICIPANT INCENTIVE: Within 60 days after receipt of the Commissioning Phase Report and other evidence/information required under Section 2 above, and subject to approval of the same, the conditions precedents below, and the other terms and conditions of this Agreement, the LDC shall pay the Participant Incentive corresponding to that Commissioning Phase and calculated pursuant to Schedule 2 as a lump sum payment. In addition to the other provisions hereof, payment of the Participant Incentive is subject to and conditional upon the following terms and conditions:
- a) the Participant, the Chilled Water System and the Commissioning Agent meet all applicable Eligibility Criteria specified in Schedule 1;
 - b) the Participant is not in material breach of any term or condition of this Participant Agreement, including, for certainty those listed under Section 1; and
 - c) the Participant has completed or is reasonably scheduled to complete the Implementation Phase on or before September 30, 2019;

The Scoping Study Phase Incentive will be payable where the Scoping study Phase commissioning Report: (i) satisfies the Scoping Study Phase Commissioning Report Minimum Requirements, and (ii) is executed by the Commissioning Agent.

The Investigation Phase Incentive will be payable when:

- i The Investigation Phase Data Acquisition Phase System is installed to record data points;
- ii The Investigation phase Commissioning Report: (A) satisfies the Investigation Phase Commissioning Report Minimum Requirements, and (B) is executed by the Commissioning Agent;
- iii The site visit confirms: (A) the Chilled Water System equipment is in compliance with the Application; (B) the operating hours are reasonable; (C) the eligible costs of Measures are reasonable; and (D) the Investigation Phase Energy Savings calculation is reasonable;
- iv The Advanced Evaluation and Incentive Report completed by the LDC or its designated third party service provider supports the Investigation Phase Energy Savings;
- v The Project M&V Plan is approved by the Project Evaluator; and
- vi The Investigation Phase is completed within twelve months of the completed Scoping Study Phase.

The Implementation Phase Incentive will be payable where:

- i All efficiency measures that would have a project payback, calculated as per Schedule 2C, of 2 years or less are implemented;



- ii The Implementation Phase Commissioning Report: (A) satisfies the Implementation Phase Report Minimum Requirements; and (B) is executed by the Commissioning Agent;
- iii The Implementation Phase Energy Savings are reasonable; and
- iv The Final Evaluation and Incentive Report completed by the Project Evaluator supports the Implementation Phase Energy Savings.

The Hand-Off/Completion Phase Incentive will be payable where the Hand-Off/Completion Phase Commissioning Report: (i) satisfies the hand-Off/Completion Phase commissioning Report minimum Requirements; and (ii) is executed by the Commissioning Agent.

- 5) PROCEEDING TO NEXT PHASE: The Participant shall not proceed to the next Commissioning Phase unless it has received notice from the LDC that it may proceed.
- 6) OPTION TO TERMINATE AFTER EACH COMMISSIONING PHASE: The LDC may terminate this Participant Agreement:
 - a) after the Scoping Study Phase, if the Scoping Study Phase Commissioning Report recommends replacement of all or substantially all of the Chilled Water System within next four years;
 - b) after the Investigation Phase, if the Investigation Phase Commissioning Report recommends replacement of all or substantially all of the Chilled Water System within next four years;
 - c) after the Implementation Phase, if the Efficiency Measures required to be implemented under Section 1(c)(i) have not been implemented; and
 - d) at any time, if the Implementation Phase cannot reasonably be completed before September 30, 2019, unless otherwise approved by the LDC.

Notwithstanding the termination, the LDC shall pay the Participant Incentive to the Participant for the completed Commissioning Phase, provided that all other requirements for payment under this Agreement have been met.

- 7) EVENTS OF DEFAULT. An event of default shall occur:
 - a) if the Participant does not materially perform or comply with any term or condition of this Agreement, and such non-compliance is not corrected within 30 days after notice from the LDC; or
 - b) if any representation, warranty or certification made by the Participant in the Application or in connection with this Agreement is materially untrue, incomplete or inaccurate and is not corrected within 30 days after notice from the LDC;



(each an “Event of Default”). If an Event of Default occurs, the LDC may refuse to approve the Commissioning Phase Report, or withhold payment of the Participant Incentive until the Event of Default is remedied, or may terminate this Agreement immediately upon written notice to the Participant without payment of any amount, liability or any other obligation.

- 8) **PUBLICITY:** With the Participant’s prior consent, the LDC and the Independent Electricity System Operator (the “IESO”) may publicize the Participant’s participation in the Initiative.
- 9) **REPRESENTATIONS AND WARRANTIES:** The Participant represents, warrants and agrees that (a) it owns the Chilled Water System or has the authority to carry out the Commissioning Phases, including implementing any Efficiency Measures; and (b) except as set out in the Application, it has not received, is not receiving nor will receive any financial incentives generally funded by energy ratepayers or taxpayers of the Province of Ontario or rebates from manufacturers or wholesalers or other supply chain participants for performing the activities.
- 10) **EVALUATION, MEASUREMENT AND VERIFICATION, AUDIT:** The Participant will participate in any surveys, studies, audits, evaluations or verifications conducted by the Program Operators in connection with the Initiative, including for the purpose of proper administration, monitoring and verification of this Agreement or evaluation of the Initiative, and will provide to the Program Operators reasonable access to the Participant’s records and Facilities for such purposes.
- 11) **ENVIRONMENTAL ATTRIBUTES:** All right, title and interest in and to all benefits or entitlements associated with decreased environmental impacts now or in the future, direct or indirect, arising as a result of, relating to or in connection with the electricity savings or demand savings for which the Participant Incentive has been paid, and the right to quantify and register these, including without limitation, any energy efficiency certificate, renewable energy certificate, credit, reduction right, offset, allocated pollution right, emission reduction allowance (collectively, the “Environmental Attributes”) are hereby transferred and assigned, or to the extent transfer or assignment is not permitted, held in trust for, by the Participant to the LDC and its successors and assigns. The LDC shall be entitled, unilaterally and without the consent of the Participant, to deal with such Environmental Attributes in any manner it determines. The Participant acknowledges that the LDC has further transferred and assigned to the IESO, or may further transfer and assign to the IESO, such Environmental Attributes and that the IESO may direct the Participant in the same manner as the LDC and that the IESO or the LDC may direct the Participant to take such actions and do all such things necessary to certify, obtain, qualify and register with the relevant authorities or agencies such Environmental Attributes for the purpose of transferring such Environmental Attributes to the IESO. Notwithstanding the foregoing, the Participant may market, report and publish the environmental benefits and savings results associated with its participation in the Initiative.

Participant will be entitled to reimbursement of the cost of complying with such direction, provided that the LDC, acting reasonably, has approved such cost in writing prior to the cost being incurred by the Participant.

- 12) **NO WARRANTY:** Except as specifically set forth or referenced in this Agreement, there are no representations, warranties, or conditions of either party to this Agreement, express, implied, statutory or otherwise, regarding any matter, including any implied warranties or conditions of quality, workmanship, safety, legal compliance or fitness for a particular purpose. Without limiting the generality of the foregoing, the Participant acknowledges that its participation in the Initiative is based upon its own assessment of the Initiative and not on any reliance



on anticipated or projected results, and that such participation may not result in the achievement of any electricity savings or demand savings, which are expressly disclaimed by the Participant.

- 13) ASSIGNMENT: This Agreement will enure to the benefit of and be binding upon the parties and their respective successors and assigns. This Agreement will not be assigned by the Participant to another person other than an affiliate except with the prior written consent of the LDC, which consent may not be unreasonably withheld or delayed.
- 14) SUBCONTRACTING BY THE LDC: The LDC may subcontract any of its responsibilities under this Agreement to an affiliate or a third party.
- 15) MISCELLANEOUS: Except as otherwise provided, this Agreement constitutes the entire agreement between the parties in connection with its subject matter and supersedes all prior representations, communications, negotiations and understandings, whether oral, written, express or implied, concerning the subject matter of this Agreement. This Agreement may not be varied, amended or supplemented except by an agreement executed by both of the parties. Each of the parties will, from time to time, on written request of the other party, do all such further acts and execute and deliver or cause to be done, executed and delivered all such further things as may be reasonably required in order to fully perform and to more effectively implement the terms of this Agreement. This Agreement will be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. The invalidity, unenforceability or illegality of any provision in this Agreement will not, to the extent permitted by applicable law, affect the validity, enforceability or legality of any other provision of this Agreement, which will remain in full force and effect.
- 16) TERM AND TERMINATION: Except as provided in this Agreement, this Agreement will terminate on the earlier of: (i) upon payment of all applicable Participant Incentives, (ii) upon notice from the LDC following an Event of Default or pursuant to Section 6, or as otherwise determined by the LDC in its sole discretion, or (iii) December 31, 2020. Sections 8 of the Participant Certification Statement, and Sections 8, 10, 11, 12, 17 and 18 of this Participant Agreement will survive the termination of this Agreement.
- 17) THIRD PARTY BENEFICIARIES: Except as provided in Section 8 of the Participant Certification Statement, and Sections 8, 10, 11 and 12, this Agreement is solely for the benefit of:
 - a) the LDC, and its successors and assigns, with respect to the obligations of the Participant under this Agreement, and
 - b) the Participant, and its successors and permitted assigns, with respect to the obligations of the LDC under this Agreement;and this Agreement will not be deemed to confer upon or give to any other person any claim or other right or remedy.
- 18) COVENANT NOT TO INCREASE RENT: If the Participant is an owner or operator of a Facility which permits tenants to occupy rental units subject to the *Residential Tenancies Act, 2006* (the "RTA"), the Participant shall



not use the Participant Incentives as a basis for applying to the Landlord and Tenant Board (being the “Board” in the RTA), for an increase in the annual rent amounts paid by such tenants above the annual rent-increase guideline permitted under the RTA.

- 19) **COMPLIANCE WITH LAWS:** Each party to this Agreement will comply, in all material respects, with all laws and regulations required to be complied with in the performance of its obligations hereunder.

FACSIMILE/ELECTRONIC SIGNATURES: This Agreement may be executed and delivered by facsimile transmission or by any other method of electronic execution and the parties may rely upon all such signatures as though such signatures were original signatures.



SCHEDULE 1A: ELIGIBILITY CRITERIA

1) Participant Eligibility Criteria

- a) The Participant must be an electricity consumer that is directly connected to, or behind the meter of another electricity consumer connected to, the LDC's distribution system and is in the LDC's service area;

The Participant must not be classified as "residential" in the most recent *Yearbook of Electricity Distributors* published by the LDC, or must be a farm property that possesses a Farm Business Registration FBR number, being the 6 or 7- digit number that is administered by Agricorp, an agency of the Government of Ontario, and housed by Agricorp., the Ontario Ministry of Food, Agriculture and Rural Affairs, Municipal Property Assessment Corporation and the municipalities;

- b) The Participant must: (i) own the Chilled Water System; or (ii) have all the required rights and authority to carry out the Commissioning Phases, including implementing any Efficiency Measures; and
- c) The Participant must agree to all terms and conditions in the Participant Agreement.

2) Chilled Water System Eligibility Criteria

To be an Eligible Chilled Water System, the Chilled Water System must:

- a) be more than three years old;
- b) not be replaced within the next two years and not have been retrofitted or refurbished within the past three years. Notwithstanding the foregoing, the LDC, acting in its sole discretion, may approve minor equipment replacements to the Chilled Water System;
- c) cool Facility (ies) that are individually or bulk metered by the LDC, and that meter is the subject of a General Service > 50 kW Account or a Large User Account; and
- d) not be an Ineligible Chilled Water System.

The following Facilities shall be an "Ineligible Chilled Water System":

- e) A Chilled Water System for which a binding commitment was entered into to carry out any activity contemplated in a Commissioning Phase (including preparing Commissioning Reports or installing efficiency measures) before the Participant Agreement was signed except that the LDC is not required to reject an Application where an applicant can establish that an intent to apply to or participate in the Initiative with respect to a Chilled Water System existed prior to entering into such binding commitment, as determined by the LDC, acting reasonably;
- f) A Chilled Water System that has previously participated in this Initiative within the last three years; and



- g) A Chilled Water System that has previously participated in the Chilled Water Plant Ongoing Commissioning Pilot offered by the IESO;

3) Commissioning Agent Eligibility Criteria

To be a Commissioning Agent,

- a) The person or firm must have either: (i) a commissioning certificate from any of the Association of Energy Engineers, the American Society of Heating, Refrigerating and Air-Conditioning Engineers or the Building Commissioning Association; or (ii) experience as a project manager of a chilled water system commissioning project pursuant to the following standards: Leadership in Energy and Environmental Design, or Canadian Standards Association Z318 (Commissioning of Health Care Facilities), or under the Chilled Water Plant Ongoing Commissioning Pilot offered by the IESO, as supported by two letters of reference from the owner or lessor of the chilled water plant; and
- b) the person or firm must be an at arm's length third party retained by the Participant.



**SCHEDULE 2A
CALCULATION OF PARTICIPANT INCENTIVES**

- 1) The total Scoping Phase Participant Incentive shall be the lesser of:
- (a) the amount actually owing and paid to the Commissioning Agent for preparing the Scoping Study Phase Commissioning Report excluding applicable taxes, which amount must be supported with an the invoice from the Commissioning Agent to the Participant clearly indicating the work performed; and

- (b) \$2,500

in each case, less any financial incentives provided by energy ratepayers or tax payers in the Province of Ontario for conducting the Scoping Study Phase other than any incentives received pursuant to this Participant Agreement.

- 2) The Investigation Phase Participant Incentive will be calculated as
- (a) \$18 per ton of cooling of the Chilled Water System studied up to a maximum of 75% of the amount actually owing and paid to the Commissioning Agent for preparing the Investigation Phase Commissioning Report excluding applicable taxes, which amount must be supported with an the invoice from the Commissioning Agent to the Participant clearly indicating the work performed,

plus

- (b) \$6 per ton of cooling of the Chilled Water System studied up to a maximum of 75% of the Eligible Costs (as defined in Schedule 2B) of acquiring and installing the Data Acquisition System, which amount must be supported with invoices and/or receipts,

up to a maximum of \$30,000, and less any financial incentives provided by energy ratepayers or tax payers in the Province of Ontario for conducting this Investigation Phase other than any incentives received pursuant to this Participant Agreement.

- 3) The total Implementation Phase Participant Incentive will be calculated as:
- (c) The lesser of:
 - (i) the amount actually owing and paid to the Commissioning Agent for preparing the Implementation Phase Commissioning Report excluding applicable taxes, which amount must be supported with an the invoice from the Commissioning Agent to the Participant clearly indicating the work performed, and
 - (ii) \$5,000,



in each case, less any financial incentives provided by energy ratepayers or tax payers in the Province of Ontario for conducting the Implementation Phase other than any incentives received pursuant to this Participant Agreement,

plus, **only where the Participant implemented Efficiency Measures with a Project Payback of more than two years:**

- (d) The lesser of
 - (i) the greater of Implementation Phase Energy Savings x \$0.10/kWh, and Implementation Phase Demand Savings x \$800/kW, in either case less any financial incentives provided by energy ratepayers or tax payers in the Province of Ontario for conducting the Implementation Phase other than any incentives received pursuant to this Participant Agreement; and
 - (ii) 50% of (A – B), where A = the Eligible Costs of purchasing and installing the Major Measures, excluding Applicable Taxes, which amount must be supported with a third party invoice clearly indicating the work performed or equipment purchased; and B = the total of any financial incentives provided by energy ratepayers or tax payers in the Province of Ontario for conducting the Implementation Phase other than any incentives received pursuant to this Participant Agreement.

4. The total Hand-off/Completion Phase Participant Incentive shall be the lesser of:

- (e) the amount actually owing and paid to the Commissioning Agent for preparing the Hand-off/Completion Phase Commissioning Report excluding applicable taxes, which amount must be supported with an the invoice from the Commissioning Agent clearly indicating the work performed; and
- (f) \$2,500,

in each case, less any financial incentives provided by energy ratepayers or tax payers in the Province of Ontario for conducting this Hand-off/Completion Phase other than any incentives received pursuant to this Participant Agreement.



SCHEDULE 2B ELIGIBLE COSTS

To be an “Eligible Cost”, a cost must be reasonable and actually incurred to an arm’s length third party, payable by the Participant, and one of the following costs:

- a) cost of purchasing equipment (including shipping, delivery and duties);
- b) costs of labour for the installation;
- c) costs of disposing, decommissioning or recycling and residual material;
- d) costs of inspections required by Laws and Regulations;
- e) required design, engineering and/or architecture;
- f) project management costs;

In each case, for the purchase and installation of the Data Acquisition System equipment or the equipment for the Efficiency Measures, as applicable.

For certainty, costs which are not Eligible Costs are, without limitation:

- g) internal costs of the Participant (employee costs, overhead);
- h) financing costs;
- i) insurance costs;
- j) costs of spare parts, spare equipment or other inventories;
- k) purchase or lease of hand or power tools;
- l) HST;
- m) costs (or part thereof) that were paid by any person other than the Participant; or
- n) any costs that were incurred prior to the date of the Participant Agreement.



**SCHEDULE 2C
PROJECT PAYBACK**

“**Project Payback**” means the time period (in years) calculated as follows:

$$(A - B) / C$$

A = the estimated Eligible Costs of implementing the energy efficiency measure

B = the estimated financial incentives provided by energy ratepayers or tax payers in the Province of Ontario for conducting the Implementation Phase other than any incentives received pursuant to this Participant Agreement.

C = The estimated reduction in annualised energy costs (electricity and other fuels), annualised reductions in operating and maintenance costs and other annualised avoided costs as a result of implementing the energy efficiency measure.