



September 1, 2015

City of Kelowna
 c/o Brydan Tollefson
 1435 Water Street
 Kelowna, BC
 V1Y 1J4

**COMMERCIAL CUSTOM DESIGN PROGRAM - Retrofit Projects
 Capital Incentive Approval Letter**

SUBJECT: CDPRa_000059 / CCDP- 101, Rutland Arena, Kelowna

FortisBC Energy Inc. is pleased to advise you that your Energy Study Report dated **July 9, 2015** for building site address **Rutland Arena, 645 Dodd Road, Kelowna, BC V1W 4Z1** has been approved and a cheque in the amount of **\$8,100** will be sent to you shortly. Based on FortisBC's review, the following Energy Conservation Measures have been found eligible for FortisBC incentives in the following estimated amounts:

Capital Incentive Funding					
Approved energy conservation measures		Est. cost per measure (\$)	Est. annual natural gas savings (GJ/yr)	Est. Incentive amount per measure (\$)	
ECM 2	RTU Optimization	\$45,000	920	\$15,581	
ECM 3	New Low Temp Desiccant	\$103,919	1,380	\$48,463	
ECM 4	Ice Plant Heat Reclaim	\$80,000	1,380	\$37,186	
TOTAL		\$228,919	3,680	\$101,230*	

Implementation Bonus Funding

In order to qualify for implementation bonus funding of **\$8,100**, you must implement enough of the measures indicated above to achieve at least 51% (**1,877 GJ/year**) of the approved estimated annual natural gas savings.

Optional Measures

Should you implement **ALL** of the measures identified in the Capital Incentive Funding table above, you may choose to further implement any of the optional measures listed below and receive the associated incentive funding.

Optional Measures					
Approved energy conservation measures		Est. cost per measure (\$)	Est. annual natural gas savings (GJ/yr)	Est. Incentive amount per measure (\$)	
ECM 1	Condensing Boiler	\$20,000	160	\$5,619	
TOTAL		\$20,000	160	\$5,619*	

**Subject to the attached General Terms and Conditions, please note that the incentive payments listed above will only be paid if the Energy Conservation Measures have been installed as described in the approved Energy Study and the final incentive amounts will be adjusted to suite measure cost underruns, system design or equipment changes which materially impact the natural gas savings identified in the approved Energy Study.*

Next steps

The General Terms and Conditions attached to this offer of Capital Incentive Funding are provided with this letter. Please review them in their entirety. In order to receive the above funding, you must submit the following to FortisBC:

- A signed and dated copy of this Capital Incentive Approval Letter indicating your acceptance of the General Terms and Conditions and your intention to implement approved energy conservation measures **within 30 days** of receipt.
- Approved energy conservation measures must be installed and operational **within 18 months** of signing this Capital Incentive Approval Letter
- Invoice copies and supporting documentation must be received **within 180 days** of energy conservation measures becoming operational.

Please refer to sections two and three of the attached General Terms and Conditions for additional details pertaining to the payment of the approved funding. Note that the funding will only be paid if the conditions laid out in the General Terms and Conditions are satisfied.

Questions

If you have additional questions, please consult the attached General Terms and Conditions or speak directly with a Commercial Custom Design Program representative by calling **1-866-884-8833** or by emailing customdesign@fortisbc.com

Applicant declaration

I, the Applicant, declare that:

- I am the owner or long-term lessee of or a duly authorized representative of the owner or long-term lessee of the building(s) described within the Energy Study Report.
- The information in the Energy Study Report is accurate and completed and that I will promptly notify FortisBC in writing if any information in the Energy Study Report ceases to remain true and correct.
- I represent and warrant that I have reviewed the Capital Incentive Funding Eligibility Requirements and both I and the building(s) described in the Energy Study Report fully comply with the same.
- I have read and understood the Capital Incentive Funding General Terms and Conditions and agree to comply with same.
- If I apply for and/or receive funding from any other organization for conducting an Energy Study and/or implementing approved Energy Conservation Measures, I will notify FortisBC in writing, providing the name of the funding organization(s) and the amount of funds that will be made available by each funding organization.
- I have not already ordered or purchased any of the materials or equipment required to implement the energy conservation measures described in the Energy Study Proposal.

If there is an expected date that the energy conservation measures will be implemented by please state the **approximate completion date here:**_____.

Applicant name (please print)

Position/title

Signature

Date (Yr/Mth/Day)

**Mail to: Energy Efficiency & Conservation
FortisBC Energy Inc. 16705 Fraser Highway
Surrey, B.C. V4N 0E8**

**Fax to: 604-592-7618
Email to: customdesign@fortisbc.com**

Commercial Custom Design Program – Retrofit

Capital cost incentive overview and program eligibility terms and conditions



PROGRAM OVERVIEW

FortisBC Energy Inc., FortisBC Energy (Vancouver Island) Inc. and FortisBC Energy (Whistler) Inc. (together “FortisBC”) wish to work with owners and long-term tenants of existing buildings in British Columbia to encourage greater energy efficiency in the province’s existing building stock. The **Commercial Custom Design Program – Retrofit** (the “Program”) provides an opportunity to qualifying commercial, institutional and light industrial building owners and qualifying long-term lease holders (each, an “Applicant”) to minimize their operating costs and improve whole building performance of their facilities through the more efficient use of natural gas for space and domestic water heating. The purpose of the Program is to provide funding assistance to natural gas energy efficiency projects that are beyond the scope of other incentive programs currently offered by FortisBC. Such projects may include, but are not restricted to energy conservation measures (“Energy Conservation Measures”) that will:

- improve building envelope performance;
- use more efficient equipment or systems;
- recover and reuse energy that is currently lost;
- capture and use solar energy for heating air or water;
- reduce the rate of energy consumption by systems or equipment in low occupancy periods; and
- eliminate unnecessary energy usage by shutting off idling or unneeded equipment.

Before applying to this Program, Applicants are required to have obtained an energy study for the building or facility which is the subject of this application, and which meets the following requirements (each, an “Energy Study”):

- conforms to the requirements of the FortisBC Commercial Custom Design Program **Energy Study Guide – Retrofit Projects**;
- completed before application to this Program (the date of completion of the Energy Study must not be more than 12 months prior to its submission for review to FortisBC);
- identifies those Energy Conservation Measures for which the Applicant requests funding assistance under this Program; and
- accepted and approved in writing by a FortisBC Commercial Custom Design Program Representative.

PROGRAM ELIGIBILITY REQUIREMENTS

In order to be eligible for funding assistance towards capital upgrades under the Program (“Funding”), Applicants must sign the applicant declaration on the capital incentive approval letter (the “Approval Letter”) and satisfy the following requirements:

- Proposed projects must be quantitatively analyzed using industry standard engineering techniques, tools and/or software and the results submitted to, and approved by, FortisBC in the form of an Energy Study. For Energy Study requirements please refer to Commercial Custom Design Program **Energy Study Guide - Retrofit Projects**.
- Proposed projects must be located within the FortisBC service territories. Proposed projects must be subject to one of the following Rate Schedules, as amended from time to time: 2, 2.1, 2.2, 2U, 3, 3U, 4, 5, 7, 22, 23, 25, 27, AGS, SCS-1, SCS-2, LCS-1, LCS-2, LCS-3.
- Proposed projects must demonstrate reduced natural gas consumption for space and/or potable hot water heating in existing buildings or facilities. Manufacturing/transformation process and similar heating loads are not eligible except where waste heat from processes is used to offset space or domestic hot water heating requirements.
- Buildings and facilities wherein the proposed Energy Conservation Measures will be implemented must be commercial, institutional, multi-unit residential (MURB), or light industrial in nature.

- Such buildings or facilities must use natural gas as a space heating and/or domestic hot water heating fuel source, either solely or in tandem with other lower carbon energy sources after the proposed Energy Conservation Measures have been implemented or installed.
- Proposed projects must not achieve natural gas savings by switching to higher carbon energy sources, electric resistance heating, or to electric boilers.
- Proposed Energy Conservation Measures must specify the use of products and/or equipment that are new, CSA-approved or certified by a recognized accredited independent organization.
- Proposed Energy Conservation Measures and all their components, applications and installations must meet or exceed the requirements of the *Energy Efficiency Act* (British Columbia) and the *Energy Efficiency Act* (Canada), as amended from time to time, and any applicable regulatory requirements in British Columbia, as determined by FortisBC, in its sole discretion.
- The proposed building or facility must be owned by the Applicant or leased by the Applicant under a Long Term Lease. “Long Term Lease” means a commercial lease with a term of 120 months or more, with an option to renew for at least a further 60 months, which lease will continue for at least 36 months prior to expiry at the time of the Application.
- Upon request, the Applicant will provide, in a form satisfactory to FortisBC, in its sole discretion, proof of ownership or details and landlord confirmation of a Long Term Lease with respect to the proposed building or facility. Proof of ownership may include a recent title search.
- The Applicant must be a customer of FortisBC in good standing, the accounts of which are not in arrears at the time of payment of Funding.

In addition to the above, only one Funding commitment shall be extended per 12 month period per eligible building or facility.

In order to qualify for Funding, the Applicant must receive approval in writing from an authorized FortisBC Commercial Custom Design Program Representative and accept these General Terms & Conditions by signing the applicant declaration on the Approval Letter and sending a signed copy back to FortisBC before installation of any Energy Conservation Measures. FortisBC, in its sole discretion, reserves the right to approve or reject any Application.

GENERAL TERMS AND CONDITIONS

1. **General**
 - 1.1. **By its submission of an Application, the Applicant agrees to all terms and conditions herein, as amended from time to time.**
 - 1.2. **The decisions of FortisBC Energy Inc., FortisBC Energy (Vancouver Island) Inc., and/or FortisBC Energy (Whistler) Inc. (together, “FortisBC”) with respect to this Application, including but not limited to, decisions relating to the proposed Energy Conservation Measures, Applicant eligibility, energy saving potential of the proposed Energy Conservation Measures, and amount of Funding, are final and binding on all Applicants. If FortisBC, acting reasonably, rejects an Application or any part thereof, FortisBC will, upon request, provide the Applicant with reasons for such rejection.**
 - 1.3. **The Applicant acknowledges and agrees that in order to qualify for Funding under the Program, the Applicant has received approval from FortisBC of an Energy Study with respect to the building or facility that is the subject of this Application, that such an Energy Study has been completed and such Energy Study identifies those Energy Conservation Measures for which the Applicant requests Funding. The Applicant will provide a copy of such Energy Study to FortisBC upon FortisBC’s request, within 30 days of the request being made.**

- 1.4. **The Applicant acknowledges and agrees that in order to qualify for Funding, the Applicant must receive approval in writing from an authorized FortisBC Commercial Custom Design Program Representative and accept these General Terms & Conditions before installation of any Energy Conservation Measures and the Applicant will not order or purchase any of the materials or equipment required to implement such Energy Conservation Measures without the prior written approval of FortisBC. Written approval shall be communicated to the Applicant via the Capital Incentive approval letter (“Approval Letter”).**

2. Funding

- 2.1. Upon approval of the Energy Study in its sole discretion, FortisBC will identify and communicate to the Applicant the Energy Conservation Measures approved by FortisBC and the amount of Funding available to the Applicant with respect to the installation of such Energy Conservation Measures, subject to the terms and conditions herein. Upon receipt of the Approval Letter identifying the Funding available, the Applicant will read and accept these terms and conditions, and sign the Applicant Declaration on the Approval Letter, and return a copy to FortisBC. The signed Applicant Declaration must be returned to FortisBC within 3 months from the date of the Approval Letter. The Applicant may then commence installation of the Energy Conservation Measures forthwith.
- 2.2. Subject to the terms and conditions herein, the Energy Conservation Measures eligible to receive Funding and the associated Funding amounts are identified in the Approval Letter. The amount of Funding available to the Applicant pursuant to this Application will be limited to, and will not exceed, the amount approved by FortisBC as identified in the Approval Letter.
- 2.3. Within **180 days** of the approved Energy Conservation Measures becoming operational, the Applicant will provide to FortisBC the following:
- 2.3.1. executed Completion Declaration Form.
 - 2.3.2. a completed invoice reconciliation document in the form as attached to the Approval Letter; and
 - 2.3.3. all requested supporting documentation as described in Section 2.5.
- 2.4. In the event the Applicant fails to submit to FortisBC all information and documentation set out in section 2.3 within **180 days** of the approved Energy Conservation Measures becoming operational, any and all obligations of FortisBC with respect to the Program and the Applicant will terminate, and any obligations of FortisBC to the Applicant, including any obligation to advance Funding will cease.
- 2.5. At the request of FortisBC, in its sole discretion, the Applicant will supply supporting evidence that the Energy Conservation Measures have been installed, in accordance with these terms and conditions, which evidence may include:
- 2.5.1. with respect to the Energy Conservation Measures, copies of supporting itemized invoices and documentation detailing the following: contractor/vendor name, address, phone and invoice numbers; purchaser name and address where installed; date of purchase; manufacturer makes(s) and model no(s) and quantities; itemization of costs;
 - 2.5.2. written Declaration of Substantial Completion by the architect, mechanical engineer and electrical engineer where applicable;
 - 2.5.3. a copy of the Occupancy Permit;
 - 2.5.4. equipment shop drawings, installation permits, start up reports, and the results of any commissioning tests;
 - 2.5.5. inspection activity reports and final acceptances by building inspectors and/or the British Columbia Safety Authority where applicable; and
 - 2.5.6. any other applicable permits.

FortisBC will advance the Funding in full to the Applicant upon receipt and approval of all documentation set out in section 2.3, including all requested supporting information set out in section 2.5 and completion of the following items to the satisfaction of FortisBC, in its sole discretion:

- 2.5.7. on-site inspection/audit by FortisBC of the installation of the approved Energy Saving Measures; and
 - 2.5.8. final acceptance and written approval of FortisBC of the installation of the Energy Saving Measures; where FortisBC shall complete such items within 60 days of receipt and approval of all information set out in section 2.3.
- 2.6. **Where the total final value of the Funding does not exceed \$149,999, FortisBC will advance the Funding in full to the Applicant upon receipt and approval of all documentation set out in section 2.3 and completion of the items set out in section 2.8.**
- 2.7. **Where the total final value of the Funding exceeds \$149,999, the Funding will be subject, in part, to a Pay for Performance payment structure. In such cases FortisBC will advance the Funding as follows:**
- 2.7.1. **Where 80% of the final value of the Funding does not exceed \$149,999, FortisBC will advance \$149,999 to the Applicant upon receipt and approval of all documentation set out in section 2.3 and completion of the items set out in item 2.7.3.**
 - 2.7.2. **Where 80% of the final value of the Funding exceeds \$149,999, FortisBC will advance 80% of the final value of the Funding to the Applicant upon receipt and approval of all documentation set out in section 2.3 and completion of the items set out in section 2.8. The remainder of the Funding will be provided as set out in item 2.7.3.**
 - 2.7.3. **The remainder of the Funding will be held in reserve, to be paid in direct proportion to the natural gas savings realized at the Applicant's building or facility, as determined in accordance with section 4. Any additional portion of such Funding to which the Applicant is found to be eligible shall be paid to the Applicant no less than 12 months, but no greater than 18 months after the payment of the portion of the Funding set out in item 2.7.1 or 2.7.2.**
- 2.8. **The following items must be completed to the satisfaction of FortisBC, in its sole discretion:**
- 2.8.1. **on-site inspection/audit by FortisBC of the installation of the approved Energy Conservation Measures; and**
 - 2.8.2. **final acceptance and written approval of FortisBC of the installation of the Energy Conservation Measures;**
- where FortisBC shall complete such items within 60 days of receipt and approval of all information set out in section 2.3.**
- ### 3. Installation Requirements of Energy Conservation Measures
- 3.1. The approved Energy Conservation Measures must be installed by the Applicant and operational within 18 months of the date of the Applicant's signature of the Applicant Declaration.
 - 3.2. FortisBC may conduct a pre-installation inspection of the project as described in the Application, to verify the existing condition of the building(s) / facilities and existing equipment.
 - 3.3. The Applicant will install all Energy Conservation Measures in accordance with all applicable laws, orders, regulations, ordinances standard, codes and other rules, licenses and

permits of all lawful authorities. HVAC and control redesigns should adhere to applicable ASHRAE guidelines and calculation procedures.

- 3.4. If the Applicant proposes to install the Energy Conservation Measures in a building or facility that is held by the Applicant pursuant to a Long Term Lease, the Applicant will provide to FortisBC the written consent of the landlord/owner prior to installation of such Energy Conservation Measures. Written consent shall clearly indicate the term of the lease, the number of months remaining prior to expiry and a confirmation that the Applicant is entitled to implement the approved Energy Conservation Measures.
- 3.5. The Applicant agrees to operate the Energy Conservation Measures for a period of at least 36 months following installation.
- 3.6. The Applicant agrees to allow periodic inspections of the Energy Conservation Measures and the premises on which they are installed, by representatives of FortisBC, during normal business hours, anytime from the date of the Application until 36 months after the Energy Conservation Measures are complete and operational.
- 3.7. FortisBC will have no right, title or interest in the equipment or systems which comprise the Energy Conservation Measures which are eligible for and which ultimately receive Funding.

4. Warranties and Agreements

- 4.1. The Applicant represents, warrants and agrees that:
 - 4.1.1. the Applicant's authorized representative has read the Program Eligibility Requirements and the Applicant fully meets all such requirements to participate in the Program set out therein;
 - 4.1.2. all products, equipment and materials forming the Energy Conservation Measures installed by the Applicant pursuant to this Program will fully qualify and comply with the Program Eligibility Requirements; and
 - 4.1.3. all information submitted by the Applicant to FortisBC pursuant to the Application and otherwise communicated to FortisBC with respect to the Program will be true and correct.

The Applicant acknowledges and agrees that FortisBC reserves the right to amend these terms and conditions without notice or terminate this Program at any time.

5. Adjustment and Repayment of Funding

- 5.1. The Applicant will immediately notify FortisBC in writing if the Applicant receives contributions or contribution commitments toward completion of the approved Energy Conservation Measures through financial incentive programs from organizations other than FortisBC ("Third Party Contributions"), and the Applicant will advise FortisBC of the nature and extent of the Third Party Contributions.
- 5.2. Subject to 6.3, the maximum eligible incentive is the Incremental Cost of the Energy Conservation Measures approved by FortisBC pursuant to this Application less an amount equal to the dollar value of the expected energy savings. The "Incremental Cost" means the additional cost born by the Applicant to implement the approved Energy Conservation Measures in lieu of a less efficient, otherwise equivalent option (the "Baseline"). Generally, the Baseline shall be those equipment, system designs, and operating strategies as required by all applicable codes, laws or standards. The Incremental Cost shall include additional costs to purchase equipment for the Energy Conservation Measures, as well as additional labour cost to install/implement the Energy Conservation Measures. Energy Conservation Measures which cost less than the Baseline are not eligible for Funding. If at any time, the combined total of the Funding and all Third Party Contributions exceeds the maximum eligible incentive the Applicant will, upon demand by FortisBC, repay FortisBC for the full amount of the excess within 30 days of such demand, which amount will not exceed the total amount of Funding received by the Applicant.
- 5.3. **The maximum amount that any customer entity shall be entitled to receive in combined energy study funding and**

capital upgrade funding is limited to \$500,000 per calendar year, where a customer entity is defined as any public or private sector organization, or individual, that owns, leases or otherwise occupies a building or facility.

- 5.4. The Applicant will be responsible for all commitments and costs to implement the approved Energy Conservation Measures and all cost overruns are the sole risk of the Applicant and will be borne by the Applicant. Any cost underruns in excess of 10% of the costs described in the FortisBC approved Energy Study, as determined on an aggregate basis by FortisBC at its sole discretion, will be shared equally by the Applicant and FortisBC. FortisBC may deduct from the Funding or otherwise recover from the Applicant any amount owing to FortisBC in respect of cost underruns.
 - 5.5. The Applicant will advise FortisBC promptly if, during the course of the design, tender or construction of the Energy Conservation Measures, changes are made which eliminate or substantially change the design and operation of the approved Energy Conservation Measures. In the event of such changes, the Applicant must have the approved Energy Study updated to reflect such modifications, must forward the results to FortisBC for review and the Applicant shall be responsible for the full cost of the updates to the Energy Study. FortisBC will make adjustments to the Funding pursuant to the amended Energy Study accordingly, in its sole discretion.
 - 5.6. The Funding is conditional upon FortisBC's on-site inspection, final acceptance and written approval of the installed Energy Conservation Measures. If FortisBC determines, at its sole discretion, that the installed Energy Conservation Measures differ substantially from the approved Energy Conservation Measures, the Applicant must have the approved Energy Study updated to reflect such modifications, and must forward the results to FortisBC for review. The Applicant shall be responsible for the full cost of the updates to the Energy Study. FortisBC will, at its sole discretion, make adjustments to the Funding accordingly. Should the Applicant fail to have the approved Energy Study updated, FortisBC will adjust the Funding accordingly, in its sole discretion.
 - 5.7. The Funding is conditional upon the building or facility in which the approved Energy Conservation Measures are installed remaining a natural gas consuming customer for a minimum period of 36 months from the date of payment of the Funding. In the event that such building or facility ceases to be a natural gas customer prior to the expiry of the said 36 month period, the Applicant shall forthwith repay to FortisBC a pro rata payment equivalent to 1/36th of the total incentive, multiplied by the number of months or partial months remaining in the 36 month period.
 - 5.8. The Applicant agrees that any repayment amounts incurred pursuant to these terms and conditions will be billed to the Applicant via a separate invoice, payable within 90 days of receipt.
- #### **6. Measurement & Verification**
- 6.1. Pursuant to section 3.6, the Applicant agrees to periodic inspection of the Energy Conservation Measures and the premises wherein they are installed by FortisBC or its authorized representatives to verify that the Energy Conservation Measures have been installed and are operational, and to cooperate with FortisBC thereafter to gather information necessary to assess the success of the Program.
 - 6.2. The Applicant agrees that FortisBC, at its sole discretion, may require the Energy Conservation Measures which receive Funding pursuant to this Agreement be subjected to a measurement and verification protocol. FortisBC shall communicate this requirement to the Applicant in writing.
 - 6.3. Upon receiving written notification of the above, the Applicant shall work with FortisBC to develop a measurement and verification plan, which plan must include the estimated costs for implementing the plan. Upon approval of the measurement and verification plan by FortisBC, the Applicant will implement the plan forthwith. FortisBC will pay for 50% of the cost to implement the approved measurement and verification plan. The Applicant agrees that it will not unreasonably withhold its approval of and cooperation with such a plan.

7. Inspection of Premises and Energy Conservation Measures

7.1 Pursuant to sections 2.6, 3.2, 3.6 and 6, the Applicant does hereby grant a non-exclusive license to FortisBC and its authorized employees, contractors and agents to access the building, facility or premises in which the approved Energy Conservation Measures are to be or have been installed for the purposes of performing an on-site inspection of such building, facility or premises and the Energy Conservation Measures. If the approved Energy Conservation Measures are the subject of inspection, the Energy Conservation Measures must be complete, operational and accessible at the time of the inspection. FortisBC agrees to provide 48 hours prior notice to the Applicant in order to make arrangements for access to the building, facility or premises for such inspection purposes.

8. Termination and Repayment

- 8.1. The Applicant acknowledges that FortisBC is a "public utility" as defined in the Utilities Commission Act, R.S.B.C 1996, c. 473, and further acknowledges and agrees that payment of the Funding as set forth in section 2 is subject to the approval of the British Columbia Utilities Commission ("BCUC") on terms satisfactory to FortisBC, acting in its sole discretion. In the event that the BCUC withdraws approval or changes the terms and conditions of such approval either with respect to this Program or energy efficiency funding generally, on terms and conditions not satisfactory to FortisBC, in its sole discretion, FortisBC may terminate any and all agreements with the Applicant with respect to this Program upon 30 days notice and the Applicant acknowledges and agrees that FortisBC shall be under no obligation to pay any further Funding to the Applicant.
- 8.2. In the event that the Applicant fails to comply with any of these terms and conditions, or becomes insolvent or bankrupt, FortisBC may, in addition to any other right or remedy available to it, terminate any relationship with the Applicant created pursuant to these terms and conditions and any obligation to provide Funding by giving notice to the Applicant.
- 8.3. Upon such termination, the Applicant will repay FortisBC in full for any Funding provided by FortisBC to the Applicant and such amount shall constitute a debt due and owing to FortisBC.

9. Liability and Indemnity

Notwithstanding that FortisBC or its employees, representatives or agents may have reviewed the information contained in the Application and any associated Energy Study, the Applicant acknowledges and agrees that FortisBC, not being a contractor, system designer, manufacturer or installer of any of the features incorporated into the Energy Conservation Measures, makes no representations or warranties with respect to the Energy Conservation Measures whatsoever, express or implied, as to the quality of design or installation, workmanship, merchantability and fitness for a particular purpose, nor with respect to the expected or anticipated natural gas consumption, nor does FortisBC warrant that any Energy Conservation Measures approved for Funding will satisfy the requirements of any law, rule specification or contract.

- 9.1. The Applicant does hereby indemnify and save harmless FortisBC Energy Inc., FortisBC Energy (Vancouver Island) Inc., FortisBC Energy (Whistler) Inc. and their respective directors, officers, agents, and employees from all liability, damages, claims, demands, expenses and costs for claims, costs for injury or death of any person, damage to or destruction of property, and all economic loss suffered by any person arising from or occurring by reason of the Program, receipt of Funding or actual or alleged preparation or installation or use of the approved Energy Conservation Measures, including any actions or omissions by third party consultants or contractors in the preparation or installation of such Energy Conservation Measures.
- 9.2. FortisBC will not be responsible for any tax liability imposed on the Applicant as a result of any payment of Funding.
- 9.3. FortisBC does not endorse any particular consultant, manufacturer, product, system, design, contractor, supplier or installer in promoting this Program.
- 9.4. The Applicant acknowledges and agrees that the Applicant is responsible for the disposal of all hazardous materials that may

result from the installation or Energy Conservation Measures, and such disposal will be conducted in accordance with all applicable government regulations and the Applicant agrees that FortisBC has no responsibility with respect to same.

- 9.5. Approval of this Application or the provision of Funding does not constitute approval of the British Columbia Safety Authority, approval of a building inspector, or any other required approval.

10. Additional Terms and Conditions

- 10.1. The Application, these terms and conditions and any agreements formed by acceptance of the Application by FortisBC pursuant to the Approval Letter (the "Contract Documents") will be governed by and interpreted in accordance with the laws of the Province of British Columbia.
- 10.2. The Contract Documents embody the entire Agreement between the parties with regard to the subject matters dealt with herein, and no understanding or agreements, oral or otherwise, exist between FortisBC and the Applicant except as contained in the Contract Documents.
- 10.3. Subject to section 10.8 below, unless otherwise earlier terminated according to sections 2.4 or 8, the Contract Documents will expire upon completion of the disbursement of the Funding as described in section 2 of this Agreement.
- 10.4. The Contract Documents may not be modified except in writing signed by both parties.
- 10.5. The Applicant does hereby agree to allow FortisBC to publish the Applicant's business name, a general description of the Energy Conservation Measures implemented and installed and resulting energy performance and payback period for the purpose of promoting the Program. The Applicant will review and approve any promotional material prior to publication, such approval not to be unreasonably withheld. The Applicant further agrees not to use FortisBC's name or any of its trademarks without the express written consent of same, such approval not to be unreasonably withheld.
- 10.6. The Applicant agrees to acknowledge the assistance provided by FortisBC in all publications, publicity material and other forms of release or communication pertaining to the project. All such communications mentioning FortisBC must first be submitted to and approved in writing by FortisBC before publication.
- 10.7. Subject to section 10.5 FortisBC will keep confidential any confidential business, technical or financial information or records made available to FortisBC by the Applicant in connection with matters arising under the Program, and will not disclose such information except as may be required by law.
- 10.8. Sections 0, 8.3, 9, 10.1 and 10.2 and any rights and obligations of the parties under this Agreement which are by their nature continuing, will survive expiry or termination of this Agreement.
- 10.9. A notice that either party may be required or may desire to give the other party will be in writing and will be given to and received by the addressee on the day when it is delivered, by hand, by courier, or by prepaid mail, at the following addresses:

If to FortisBC:

FortisBC Energy Inc.

Attention: Energy Efficiency and Conservation

16705 Fraser Highway

Surrey, BC V4N 0E8

If to Applicant: at the name and address provided by the Applicant in the Application

Either party may from time to time change its address for notice by giving notice to the other party.