

1. OVERVIEW

- 1.1. These Terms and Conditions (“**Terms and Conditions**”) are for the Residential and Non-Residential *Furnace, Boiler, or Water Heater Replacement Program* (the “**Program**”) offered by Pacific Northern Gas Ltd. and Pacific Northern Gas (N.E.) Ltd. (collectively “**PNG**”) which is designed to reduce natural gas consumption, greenhouse gas (“**GHG**”) emissions and associated operating costs in residential homes.
- 1.2. The Program provides a Rebate to Eligible Participants to help cover the cost of a new high efficiency natural gas or propane furnace, boiler, or water heater, replacing an existing low efficiency natural gas or propane furnace, boiler, or water heater.

THE PROGRAM IS EFFECTIVE JANUARY 1, 2025 AND ENDS ON THE EARLIER OF DECEMBER 31, 2027 OR WHEN FUNDING AVAILABLE FOR THE PROGRAM HAS BEEN FULLY ALLOCATED OR WHEN OTHERWISE MODIFIED BY PNG AND/OR PROVINCIAL LEGISLATION.

2. DEFINITIONS

- 2.1. **Application** means the Program application form as amended from time to time.
- 2.2. **Application for Pre-Approval** means the Program pre-application form as amended from time to time.
- 2.3. **Association** is as defined in section 1 (1) of the Cooperative Association Act.
- 2.4. **Climate Zone** for the purpose of this application is a scale determined by the amount of heating required, as defined in the definitions and section 1.2 (1) of the Utilities Commission Act Demand-Side Measures Regulation B.C. Reg. 326/2008.

Details and map can be found from CleanBC: [What is my climate zone? - Better Homes BC](#).
- 2.5. **Community Housing** means Non-Profit Housing or Public Housing that is owned by a Local Government, a Society, an Association, or a governing body of an Indigenous Peoples.
- 2.6. **Eligible Contractor** means an HVAC contractor who meets all the requirements of section 3.4.
- 2.7. **Eligible Participant** means a Participant who meets all the requirements of section 3.1.
- 2.8. **Indigenous Governing Body** has same meaning as in the [Declaration on the Rights of Indigenous Peoples Act](#); and means an entity that is authorized to act on behalf of Indigenous peoples that hold rights recognized and affirmed by section 35 of the [Constitution Act, 1982](#);
- 2.9. **Local Government** means the administration of a particular town, county, or district, with representatives elected by those who live there.
- 2.10. **Long-term Lease Holder** means a legal person who occupies the building that is subject of an application to the Program, under a 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. NOTE: Upon request, the Long-term Lease Holder will provide, in a form satisfactory to PNG in its sole discretion, landlord details and confirmation of a long-term lease with respect to the

proposed building or facility, including permission granted by the landlord to the Long-term Lease Holder to install, repair and/or upgrade the heating system.

- 2.11. **Non-Profit Housing** means rental housing that is owned and operated by community-based, non-profit societies or local governments and regional districts. The mandate is to provide safe, secure, affordable accommodation to households with low to moderate incomes.
- 2.12. **Participant** means a PNG customer who has applied to the Program.
- 2.13. **Property Manager** means a legal person who manages the building that is the subject of an application to the Program on behalf of the Property Owner or Long-term Lease Holder. The Property Manager must have legal authority and permission to bind the Property Owner or Long-term Lease Holder to these Terms and Conditions. PNG, in its sole discretion, may request the Property Manager to provide proof of such legal authority in any form satisfactory to PNG. If the Property Manager is unable to provide proof satisfying PNG of said legal authority, as determined by PNG in its sole and absolute discretion, PNG may refuse to grant entry to the Program. The Property Manager acknowledges that by entering into the Program the Property Manager agrees to be bound to these Terms and Conditions of the Program as if the Property Manager were the Property Owner or Long-term Lease Holder, including, but not limited to, the right of recovery of the full Rebate provided under this Program. The Rebate(s) under this Program will only be provided to the Property Owner or Long-term Lease Holder.
- 2.14. **Property Owner** means a legal person who holds registered title to the building that is the subject of an application to the Program. PNG, in its sole discretion may request the Property Owner to provide proof of such registered title.
- 2.15. **Public Housing** means housing that is jointly funded by the provincial and federal governments and predominantly managed by BC Housing.
- 2.16. **Rebate** is as defined in section 4.
- 2.17. **Society** is as defined in section 1 of the Societies Act other than a member-funded society as defined in section 190 of that Act.
- 2.18. **Terms and Conditions** is as defined in section 1.1.
- 2.19. *Utility Commission Act Demand-Side Measures Regulation* means the British Columbia [B.C. Reg. 326/200](#) and updates.

3. ELIGIBILITY CRITERIA

- 3.1. Eligible Participants
 - 3.1.1. To be eligible to receive a rebate, Participants:
 - 3.1.1.1. must receive natural gas or piped propane service from PNG under rate schedule RS1 on reserve land, or be a First Nations Band owned or operated Public Building or Community Housing receiving natural gas or piped propane service from PNG under any rate schedule; and
 - 3.1.1.2. must meet the eligibility exemption requirements for a class B demand-side measure as set out in section 1.1 (2) of the *Utilities Commission Act Demand-Side Measures Regulation* at the time of application; as of June 30, 2023 this means participant homes or buildings must:
 - 3.1.1.2.1. be located in climate zone 6, 7A, 7B or 8, and
 - 3.1.1.2.2. be (i) housing owned or operated by an Indigenous governing body or located on

reserve land; or (ii) a public building owned or operated by an Indigenous governing body, on a non-residential rate schedule.

3.1.1.3. must use a natural gas or propane furnace or boiler as the primary source of space or water heating (as applicable for the rebate applied for).

3.1.2. PNG customers are NOT eligible to apply for a Rebate through the Program, unless all amounts owing by such customer to PNG are paid in full and there are no past due balances outstanding.

3.2. Eligible Buildings

3.2.1. The building where the furnace is to be installed must:

3.2.1.1. be located within the PNG service territories; and

3.2.1.2. be an existing building with an existing natural gas or propane heating system. Newly constructed buildings are NOT eligible.

3.3. Eligible Heating System

3.3.1. To qualify for a Rebate under the Program, the equipment that is being installed must:

3.3.1.1. be a natural gas or propane fired furnace, boiler, or water heater with an annual fuel utilization efficiency (AFUE) of 95% or greater; and

3.3.1.2. be replacing an operational non-condensing natural gas or propane fired furnace, boiler, or water heater with an annual fuel utilization efficiency (AFUE) of 80% or less; and

3.3.1.3. have the same or a smaller input rating as the equipment it is replacing, and be properly sized and selected using a heat loss calculation; and

3.3.1.4. serve as the primary source of thermal input for the building or facility's space or water heating. A primary heating system must have the capacity to heat a minimum of 50% of the building for the entire heating season to 21C (or minimum of 50% of water heating for the building); and

3.3.1.5. be listed as an Energy Star certified product on the Energy Star Product Finder website at: <https://www.energystar.gov/productfinder/>, and

3.3.1.6. be installed by an Eligible Contractor in accordance with the manufacturer's specification and must comply with all applicable laws, orders, regulations, ordinances standard, codes and other rules, licenses and permits of all lawful authorities; and

3.3.1.7. furnaces must have a two-pipe direct vent system installed and verified through the submission of a photograph; and

3.3.1.8. furnaces must have a new, compatible thermostat.

3.3.2. Emergency replacements of furnace, boiler, or water heater are NOT eligible for rebates. If the Eligible Contractor deems the existing furnace or boiler to require over \$2,000 (pre-tax, including parts and labour) in repairs, the new furnace/boiler will be considered an emergency replacement.

3.4. Eligible Contractor

3.4.1. An Eligible Contractor is a contractor who:

3.4.1.1. is a PNG Preferred Contractor; or

3.4.1.2. is registered with the Home Performance Contractor Network (HPCN).

3.5. Eligible Costs

3.5.1. Eligible Costs are costs incurred in the purchase and installation of the Eligible Heating System.

4. REBATES

4.1. Rebates (each a "Rebate") are available for multiple Eligible Heating Systems in a single building and will be calculated as follows:

4.1.1. Subject to the Eligibility Criteria of section 3 the Rebate payable per Eligible Furnace or Boiler (Heating System) installed in homes is limited to the lesser of:

4.1.1.1. 100% of the Eligible Cost; and

4.1.1.2. \$5,000.

4.1.2. Subject to the Eligibility Criteria of section 3 the Rebate payable per Eligible Water Heater installed in homes is limited to the lesser of:

4.1.2.1. 100% of the Eligible Cost; and

4.1.2.2. \$2,500, or

4.1.2.3. \$4,000 in multi-unit community housing retrofits on any PNG rate schedule other than rate schedule RS1.

4.1.3. Subject to the Eligibility Criteria of section 3 the Rebate payable per Non-Residential Rate Schedule Eligible Boiler (Heating System) installed in Public Buildings or Housing Owned or Operated by First Nations is limited to the lesser of:

4.1.3.1. \$9 per MBH output of the Eligible Boiler,

4.1.3.2. Or \$11,000.

4.1.4. The rebate payable per Eligible Heating System Boiler installed in Community Housing Owned or Operated by First Nations is limited to the lesser of:

4.1.4.1. \$15 per MBH output of the Eligible Boiler,

4.1.4.2. Or \$18,000.

4.2. A single Rebate will be provided per Application. Only one (1) Eligible Participant is entitled to receive a Rebate per installation of an Eligible Heating System.

4.3. **The maximum rebate payable to an Eligible Participant in any calendar year period is \$22,000.**

4.4. **The maximum Community Housing rebate payable to an Eligible Participant in any calendar year period is \$36,000.**

4.5. Rebates will only be issued when all required documentation is received and deemed acceptable by PNG in its sole discretion.

5. APPLICATION PROCESS

5.1. The Participant may seek and receive pre-approval from PNG for admission into the Program prior to the purchase and installation of the Eligible Heating System(s).

5.2. The Participant or Participant's authorized agent must return a copy of the completed Application for Rebate that includes proof of purchase and payment, including the deduction of any other applicable rebate, proof of completion, proof of permits, proof of right sizing and/or proof of

commissioning, and proof of other eligibility criteria which may change from time to time at the sole discretion of PNG.

5.3. Upon receipt of an Application for Pre-Approval, PNG reviews documents for completeness.

5.3.1. If all documents are in order and the Participant has met all the requirements of the Program, PNG will email a notification to proceed to the Eligible Participant and to the Eligible Contractor.

5.4. The Participant must then use an Eligible Contractor to have the Eligible Heating System(s) installed within 3 months after receiving approval from PNG.

5.5. The Participant must then return a copy of the completed Application and supporting documentation to PNG. The completed Application, including the proof of purchase, payment, and installation must be received within six (6) months of the installation date to avoid changes in eligibility resulting from over subscription or other program or regulatory changes.

5.6. Upon receipt of an Application, PNG reviews documents for completeness.

5.6.1. If all documents are in order and the Participant has met all the requirements of the Program and there are no material changes from the Application for Pre-Approval, PNG will issue a rebate to the Eligible Contractor.

5.7. Where PNG is invoiced by the Eligible Contractor, The Participant is responsible for paying to the Eligible Contractor, all costs less the Eligible Rebate.

5.8. Eligible Contractors provide an invoice to PNG for the rebate amount.

5.9. PNG will issue Rebates to an Eligible Contractor by a cheque.

5.10. PNG is not responsible for lost, delayed, damaged, illegible, or incomplete Applications.

5.11. PNG reserves the right to refuse Applications which it determines, in its sole discretion, are incomplete, inaccurate, or otherwise do not meet Program requirements.

6. RESPONSIBILITIES OF ELIGIBLE CONTRACTORS

6.1. Eligible Contractors must provide a quote to the Participant for the installation of the Eligible Heating System that is included in the Application for Pre-Approval.

6.2. Eligible Contractors shall install the Eligible Heating Systems only upon receiving authorization to proceed from PNG.

6.3. Eligible Contractors must apply the Rebate as a credit to the total less any other applicable rebates shown on the invoice to the Participant.

6.4. Eligible Contractors provide an invoice to PNG for the rebate amount.

7. REPRESENTATION AND WARRANTIES

7.1. The Participant represents, warrants, acknowledges, and agrees that:

7.1.1. The Participant or the Participant's authorized representative has read all the eligibility requirements as set forth in these Terms and Conditions (the "Eligibility Requirements") and the Participant fully meets all such requirements to participate in the Program set out herein;

7.1.2. All products, equipment and materials installed by the Participant pursuant to this Program will fully qualify and comply with the Eligibility Requirements; and

7.1.3. All information submitted by the Participant to PNG in the Application and otherwise communicated to PNG with respect to the Program are true and correct.

8. REPAYMENT OF FUNDING

8.1. The Eligible Contractor acknowledges and agrees that PNG may, at its sole discretion, require the Eligible Contractor to repay all or part of the Rebate(s) provided by PNG under the Program within 90 days of receipt by the Participant of a notice from PNG in the event of any of the following:

8.1.1. PNG determines, in its sole discretion, that any information provided by the Participant or Eligible Contractor is incorrect or untrue, including but not limited to failure to install the Eligible Heating System(s) and any misrepresentation as to the specifications, energy efficiency or installation particulars of the Eligible Heating System(s); or

8.1.2. PNG determines, in its sole discretion that the Participant or Eligible Contractor has failed to comply with these Terms and Conditions.

8.2. The decision by PNG to provide any Rebates under this Program to the Eligible Contractor is based on the information provided by the Participant and Eligible Contractor to PNG. In the event there is any change to such information after submission of an Application, the Participant or Eligible Contractor will notify PNG immediately, and PNG may, in its sole discretion, recalculate the amount of Rebate that the Participant is eligible for, void the Application and terminate any obligation to pay any Rebate to the Eligible Contractor, or demand repayment of any funds already disbursed to the Eligible Contractor.

9. ADDITIONAL TERMS AND CONDITIONS

9.1. PNG may amend, modify, or terminate this Program and these Terms and Conditions at any time based on funding limitations or for any other reason, without notice. PNG will honour any Rebates earned to the date of termination.

9.2. The Participant acknowledges that PNG 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 rebates is subject to the approval of the British Columbia Utilities Commission ("BCUC") on terms satisfactory to PNG, 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 PNG, in its sole discretion, PNG may terminate the Program and the Participant acknowledges and agrees that PNG shall be under no obligation to pay any Rebate to the Participant.

9.3. Provision of a Rebate under this Program does not constitute PNG assuming any ownership interest, either in whole or in part, of Eligible Heating System(s) that is the subject of the Rebate.

9.4. PNG, NOT BEING THE DESIGNER OR MANUFACTURER OF THE ELIGIBLE HEATING SYSTEM(S), MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED AS TO THE FITNESS, DESIGN OR CAPABILITY OF THE MATERIAL, EQUIPMENT OR WORKMANSHIP OF THE ELIGIBLE HEATING SYSTEM(S), NOR ANY WARRANTY THAT THE ELIGIBLE HEATING SYSTEM(S) WILL SATISFY THE REQUIREMENTS OF THE PARTICIPANT OR ANY LAW, SPECIFICATION, OR CONTRACT.

9.5. THE PARTICIPANT DOES HEREBY INDEMNIFY AND SAVE HARMLESS PNG AND ITS DIRECTORS, OFFICERS, AGENTS AND

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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 OFFER, RECEIPT OF REBATE(S) OR ACTUAL OR ALLEGED PREPARATION OR INSTALLATION OR USE OF THE ELIGIBLE HEATING SYSTEM(S), INCLUDING ANY ACTIONS OR OMISSIONS BY THIRD PARTY CONSULTANTS OR CONTRACTORS IN THE PREPARATION OR INSTALLATION OF THE ELIGIBLE HEATING SYSTEM(S).

- 9.6. PNG does not endorse any particular consultant, manufacturer, product, system, design, contractor, supplier or installer in promoting this Program.
- 9.7. The Participant acknowledges and agrees that the Participant is responsible for the disposal of all hazardous materials that may result from the installation of the Eligible Heating System(s), and such disposal will be conducted in accordance with all applicable government regulations and the Participant agrees that PNG has no responsibility with respect to same.
- 9.8. The Participant is solely responsible for any tax liability imposed as a result of payment of the Rebate.
- 9.9. The Participant is responsible for complying with all applicable laws, regulations and bylaws regarding permits, codes, restrictions, and inspections in relation to any product or equipment installed for this Program.
- 9.10. The Program is independent of other incentives and rebates by PNG and/or other utilities, manufacturers, or government incentive Programs or grants.
- 9.11. Rebates cannot be assigned or transferred. Rebates will be payable to the Eligible Participant only.
- 9.12. PNG reserves the right to limit the number of Rebates it provides under the Program; Rebates will be paid on a first come first serve basis.
- 9.13. The Participant does hereby agree to allow PNG to publish the Participant's business name, a general description of the project and resulting energy performance and payback period for the purpose of promoting the Program. The Participant further agrees not to use the PNG name or any of its trademarks or logos without the express written consent of same, such approval not to be unreasonably withheld.
- 9.14. The Participant agrees to acknowledge the assistance provided by PNG in all publications, publicity material and other forms of release or communication pertaining to the installation of the Eligible Heating System(s). All such communications mentioning PNG must first be submitted to and approved in writing by PNG before publication.
- 9.15. PNG's decisions relating to the Program, including without limitation product acceptability, customer eligibility and amount of any Rebates, shall be final and binding and not subject to appeal.
- 9.16. For the purposes of this Program and these Terms and Conditions, "Participant Information" means all information disclosed by the Participant in any Program application materials, as well as any data respecting billing, energy use and consumption, and, if applicable, relevant data and/or sub-metered gas data, at the building which is the subject of

application to the Program. By applying for this Program, the Participant acknowledges that and hereby consents to allow PNG to:

- 9.17.1. Collect and use the Participant Information for the purposes of processing, administering, and evaluating the Program and developing other PNG energy-efficiency programs;
 - 9.17.2. Contact the Participant in the future to review the effectiveness of the Program, which may include surveys;
 - 9.17.3. Retrieve the Participant's billing, energy use and consumption information from the PNG customer account database for a 24 month period beginning 12 months prior to the date of the Participant's Application to the Program, for the purposes of analyzing consumption behavior and energy savings attributable to the Program;
 - 9.17.4. Disclose the Participant Information, Program Application, all supporting documentation, and any other information pertaining to the Program Application in the possession of PNG to an agent or service provider who will review and approve or decline the Program Application on behalf of PNG; and
 - 9.17.5. Disclose Participant Information amongst PNG and evaluation service contractors for the purposes of administering and evaluating this Program as described herein and developing other PNG energy-efficiency programs.
- 9.18. Subject to sections 9.14 and 9.17 PNG will keep confidential any confidential business, technical, financial or personal information or records made available to PNG by the Participant in connection with matters arising under the Program, and will not disclose such information except as may be required by the law.
 - 9.19. Any installations found eligible to receive a Rebate may be inspected by PNG or one of its authorized agents prior to the Rebate being issued. The Participant shall provide PNG and its authorized employees, contractors, and agents with full access to the building, facility or premises in which the Eligible Heating System(s) have been installed, and all relevant equipment within, for the purposes of performing an on-site inspection of the installed Eligible Heating System(s). The Eligible Heating System(s) must be complete, operational, and accessible at the time of the inspection. PNG agrees to provide 48 hours prior notice to the Participant in order to make arrangements for access to the building, facility or premises for such inspection purposes. The Participant will take all reasonable measures and actions to ensure that such building, facility, or premise is safe for PNG and its authorized employees, contractors and agents to enter for inspection purposes.
 - 9.20. IN NO EVENT WILL PNG BE LIABLE WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, WARRANTY OR OTHERWISE FOR SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES CONNECTED WITH OR RESULTING FROM PARTICIPATION IN THE OFFER.
 - 9.21. THE PARTICIPANT AGREES TO WAIVE ANY RIGHT THE PARTICIPANT MAY HAVE TO COMMENCE OR PARTICIPATE IN ANY CLASS ACTION AGAINST PNG RELATED TO ANY CLAIM WHERE SUCH WAIVER IS PERMITTED. WHERE APPLICABLE, THE PARTICIPANT ALSO AGREES TO OPT OUT OF ANY CLASS PROCEEDINGS AGAINST PNG.
 - 9.22. If any provision of these Terms and Conditions is held by a court of competent jurisdiction to be invalid or unenforceable, that provision shall be deemed severable and not invalidate or render unenforceable the remainder of these Terms and Conditions. In this event, such provision

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shall be changed and interpreted so as to best accomplish the objectives of such invalid or unenforceable provision within the limits of applicable law.

- 9.23. The validity, interpretation, construction and performance of these Terms and Conditions shall be governed by the laws in force in the Province of British Columbia (without reference to any conflict of law principles that might result in the application of the laws of another jurisdiction). The competent courts in the Province of British Columbia shall have the exclusive jurisdiction over all disputes relating to these Terms and Conditions. Each of the parties hereto irrevocably attorns and consents to the jurisdiction of the courts.

10. CONTACT INFORMATION

Any questions? Please contact us at the email and phone number below.

Email: savingenergy@png.ca

Toll-free: 1-800-667-2297

Please send completed Applications to:

residentialrebates@png.ca

Note: If you cannot forward your Application documents via email please contact PNG at the phone number above to arrange an alternate method of delivery.