

SCOPING AUDIT CUSTOMER INCENTIVES

Scoping Audit incentives will be determined on an actual cost-basis, subject to Custom Energy Solutions approved percentage of compensation, customer caps, eligibility, and deliverable requirements. While Program Allies may provide Scoping Audit services and apply for incentives on behalf of customers, payments will be issued to participating customers only.

This incentive structure is in effect through to March 31, 2019, and incentives are available on a first-come, first-served basis.

Scoping Audits are intended to achieve the breadth and depth of an audit that falls between the definition of an ASHRAE Level I and II Audit, are not necessarily intended to encompass an entire facility, and should focus on high-savings / GHG reduction opportunities. They seek to identify and estimate potential GHG reductions from measures across all equipment and some operations within a given facility. While not an investment-grade audit, it provides more tangible direction and ability to prioritize potential projects for deeper study, investigation or project implementation.

A Scoping Audit is primarily intended to assist customers to move forward with a Custom Projects so a portion of the Scoping Audit incentive (Payment 2) will be contingent upon pre-approval of a Custom Project Implementation Incentive application(s). If customers do not fulfill the minimum commitment of 5%* of previous year's GHG emissions, Custom Energy Solutions will issue a pro-rated payment of the remaining amount based on the minimum goal.

A customer may – as an outcome of a Scoping Audit – move on to another offer, such as a deeper Engineering Study or Retro and Re-Commissioning Investigation.

Scoping Audit Incentive Rates

Offer	Incentive	Caps, Limitations & Requirements	Payment Schedule
Scoping Audit	<ul style="list-style-type: none"> Up to 100% of Scoping Audit cost 	10,000 tonnes or more in annual GHG emissions in subject facilities: <ul style="list-style-type: none"> Up to \$8,000 of eligible costs T&M estimate and invoice required from contractor to determine eligibility and cap Audit must be completed by pre-approved external contractor. Must gain pre-approval for Custom Project Implementation Incentive(s) resulting in GHG reduction equal to or greater than 5%* of previous year's emissions to obtain full amount of Payment 2 	<ul style="list-style-type: none"> Payment 1: 50% paid upon completion of pre-approved Scoping Audit Payment 2: 50% paid upon pre-approval of Custom Project Implementation Incentive application
		Less than 10,000 tonnes in annual GHG emissions in subject facilities: <ul style="list-style-type: none"> Up to \$4,000 of eligible costs T&M estimate and invoice required from contractor to determine eligibility and cap Audit must be completed by pre-approved external contractor. Must gain pre-approval for Custom Project Implementation Incentive(s) resulting in GHG reduction equal to or greater than 5%* of previous year's emissions to obtain full amount of Payment 2 	

*as determined by a scoping audit