



## **Existing Homes Energy Efficiency Upgrades Program**

### **GUIDELINES**

*Effective February 10<sup>th</sup>, 2009*



# Existing Homes Energy Efficiency Upgrades Program

## GUIDELINES

As of February 10, 2009

### 1. Objective

The objective of **Efficiency NB's Existing Homes Energy Efficiency Upgrades Program** (Upgrades Program) is to help New Brunswick homeowners make their homes more efficient so that they can:

- reduce their energy consumption,
- save money through lower home heating costs, and
- lessen the impact of energy use on the environment.

### 2. The Program

The Upgrades Program provides financial incentives to homeowners who make energy efficiency improvements to their homes as recommended through Natural Resource Canada's (NRCan) Residential Energy Assessment Service. Efficiency NB will subsidize the cost of the energy assessment, and provide either a grant or loan after the upgrades and a post-upgrade energy assessment have been completed. By participating in this program, homeowners are also eligible to receive financial incentives through the Federal government's **ecoENERGY** program. For more information on the ecoENERGY Program visit [www.nrcan.gc.ca](http://www.nrcan.gc.ca) or call 1-800 O-Canada.

#### **2.1 The Project Completion Timeline**

Some or all of the upgrades in the pre-upgrade report, as recommended by the energy advisor, must be completed and a post-upgrade assessment scheduled within 18 months of the date on the pre-upgrade report.

## **2.2 The Residential Energy Assessment Service**

Efficiency NB has signed service agreements with companies licensed by NRCAN who employ trained and qualified energy advisors to deliver the Residential Energy Assessment Service in New Brunswick. To be eligible for the grant or loan, homeowners must have an energy assessment performed on their home and agree to the following procedure:

- the homeowner contacts a licensed company to schedule an appointment for a pre-upgrade energy assessment;
- the energy advisor will conduct a whole home audit (lasting approximately 2-3 hours, depending on the size, age and construction style of the house) and provide the homeowner with an energy efficiency rating and detailed report. The report will identify areas of energy loss and list recommendations for upgrades that can be made to reduce energy consumption;
- the homeowner has up to **18 months** from the date on the report to make some or all of the upgrades recommended in the energy assessment report;
- the homeowner then contacts the energy advisor to schedule a post-upgrade home assessment to confirm the effectiveness of the upgrades;
- the energy advisor will conduct a second audit and provide the homeowner with a new report and energy efficiency rating, as well as a checklist which identifies all of the eligible upgrades performed, and then
- the homeowner sends the completed loan or grant application form and all appropriate documentation to Efficiency NB.

## **2.3 Cost of the Residential Energy Assessment Service**

The cost of the energy assessment is based on the size of the home and is subsidized by Efficiency NB in the form of a \$100 coupon and additional incentives paid directly to the energy advisor. The breakdown of costs is as follows:

<b>House Size</b>	<b>Cost of Service</b>	<b>Efficiency NB</b>	<b>Homeowner</b>
up to 2,000ft <sup>2</sup> (186m <sup>2</sup> )	\$450	\$300	<b>\$50</b> + \$100 coupon
2,001 – 3,000ft <sup>2</sup> (278m <sup>2</sup> )	\$500	\$300	<b>\$100</b> + \$100 coupon
3,001 – 4,000ft <sup>2</sup> (372m <sup>2</sup> )	\$550	\$300	<b>\$150</b> + \$100 coupon
greater than 4,000ft <sup>2</sup> (372m <sup>2</sup> )	\$600	\$300	<b>\$200</b> + \$100 coupon

The **\$100 coupon** is available in the program application kit provided by the energy advisor; the remaining **\$300** will be paid by Efficiency NB *directly to the energy advisor* after completion of the residential energy assessment. The homeowner fee is due at the time of the initial (or pre-upgrade) assessment and covers the pre-upgrade assessment, the report with recommended upgrades, and the post-upgrade assessment, report and energy efficiency rating.

The house size is based on its internal dimensions, and all heated space is counted, including the basement and excluding attached garages.

### 3. Financial Incentives

After completing recommended upgrades and receiving a post-upgrade energy assessment, homeowners are eligible to apply for either a grant or a loan, as well as the Home Heating System Upgrade Bonus, if applicable:

**3.1 The grant:** a rebate of 20% of costs (including HST), to a *maximum grant of \$2,000*.

Cheques are mailed directly to applicants within **2 weeks** of grant approval.

**3.2 The loan:** an **interest-free** financing alternative, to a *maximum loan of \$10,000*;

#### 3.2.1 Payments

- Loans are repaid over a term of up to 6 years based on the amount borrowed:

Loan Amount	Term	Maximum Payment
\$1,001 to \$2,000	24 months	\$83.33
\$2,001 to \$3,000	36 months	\$83.33
\$3,001 to \$4,000	48 months	\$83.33
\$4,001 to \$5,000	60 months	\$83.33
\$5,001 to \$10,000	72 months	\$138.00

Monthly payments are calculated by dividing the total amount borrowed by the repayment term of the loan (# of months). **Loans must be at least \$1,000.**

Loan applicants require a credit check and the homeowner must sign Efficiency NB's **Personal Loan Agreement** and a **Promissory Note** which outlines all payment details and penalties for defaulted loans and loan payments.

Once a completed application and all required supporting documentation are received, loan documents are drawn up and sent to the homeowner for signature. Loan amounts are transferred electronically to the applicant's bank account as soon as the signed **Personal Loan Agreement** and **Promissory Note** are returned to Efficiency NB. Loans are normally processed within 40 days of application, however shorter processing times are possible if all required documents are sent with the application and the signed loan documents are returned in a timely manner.

#### **3.3 The Home Heating System Upgrade Bonus:**

An additional \$500 Home Heating System Upgrade Bonus is available to active Existing Home program participants from November 5, 2008 until March 31, 2010 for the replacement of low efficiency home heating systems to high efficiency ENERGY STAR® or EPA rated systems. Homeowners can replace their heating system with an ENERGY STAR® rated central heating system (oil/natural gas furnaces, boilers or heat pumps) or replace a non EPA rated wood burning appliance with an EPA rated model or pellet burning device.

### **3.4 Application Process**

To apply for the Upgrades Program, a homeowner must provide the following:

- a completed application form;
- a copy of their pre-upgrade assessment report outlining all recommended upgrades;
- a copy of their provincial checklist for work completed (obtained from the energy advisor);
- a copy of their post-upgrade assessment report;
- originals or copies of all receipts relating to the upgrades performed; and
- the original or a copy of the receipt for the residential energy assessment service.

## **4. Eligibility**

All owners of residential properties up to 3 storeys high and no more than 600 m<sup>2</sup> (approximately 6500 ft<sup>2</sup>) are eligible to apply for the **Upgrades Program**, provided that they have had an energy assessment of their home. Ownership includes landlords and non-profit organizations or trusts. If you received a contribution from the Energy Efficient New Homes Program for your home you do not qualify.

### **4.1 Homes**

#### **4.1.1 Eligible**

Dwellings eligible for the Upgrades Program include:

- Dwellings in the province of New Brunswick;
- Low-rise residential dwellings including detached, semi-detached or row houses no more than three stories high, having a footprint of not more than 600 m<sup>2</sup> (approximately 6500 ft<sup>2</sup>), **or**
- Mobile dwellings on a permanent foundation (as defined under Parts 9 and 2 of the *National Building Code of Canada, 1995*);
- Dwellings that are structurally sound and capable of receiving an energy efficiency rating (if an energy advisor observes factors that, in their opinion, the building may be unsafe or may affect the health of occupants, the energy advisor shall have the authority to refuse to rate the house); and
- Recently constructed dwellings that have been continuously occupied for at least 6 months.

#### **4.1.2 Ineligible**

- Vacation properties and cottages.
- Homes that have received a grant through the New Homes program and continue to be occupied by the original owner.

An owner of an eligible dwelling may apply to the Upgrades Program only **once** for that dwelling.

## **4.2 Upgrades**

Costs which can be claimed toward a grant or loan through the Upgrades Program include the cost of equipment, supplies, labour and HST associated with upgrades as outlined in the following sections.

### **4.2.1 Eligible**

- Upgrades that meet or exceed the recommendations given in the report,
- upgrades listed in the ecoENERGY pamphlet "[Retrofit Your Home and Qualify for a Grant](#)",
- upgrades completed within **18 months** of the date of the pre-upgrade energy assessment report, and
- the cost of supplies and labour (including HST) if performed by a 3<sup>rd</sup> party.

### **4.2.2 Ineligible**

- The cost of labour if the work was completed by the homeowner;
- the cost of labour for any work done by a company in which the homeowner is affiliated or stands to gain financially or otherwise; and
- the cost of any supplies not stated above or listed in the following sections.

## **4.3 Foundation repairs**

### **4.3.1 Eligible:**

- Repair of minor cracks to prevent water seepage that could damage insulation
- Replacing an older foundation. 50 % of the cost of a new Insulated Concrete Form (ICF) foundation walls and footings are eligible for either the 20% grant or the interest-free loan option. (Other costs related to the installation of the new foundation such as excavation, drainage materials, floor slabs and other materials or labour are NOT eligible.)

### **4.3.2 Ineligible:**

- Any kind of foundation replacement other than Insulated Concrete Form (ICF)
- Costs related to the installation of the new foundation such as excavation, drainage materials, floor slabs and other materials or labour

## **4.4 Basement insulation**

### **4.4.1 Eligible:**

- Insulation of basement walls, floors, and header spaces including finish or repair of the interior wall or flooring (i.e. framing, moisture and vapour barriers, sealant, and drywall or sub-flooring).
- 50 % of the cost of a new Insulated Concrete Form (ICF) foundation, including walls and footings.

#### **4.4.2 Ineligible:**

- Insulation or repair of skirting around mobile or mini homes.
- Finishing of drywall, painting and trim.
- Finish flooring materials and labour, such as carpet, laminate flooring, or hardwood.
- Costs related to the installation of a new foundation (excavation, drainage, floor slabs, other materials and/or labour), with the exception of ICF.

#### **4.5 Wall Insulation**

##### **4.5.1 Eligible:**

- The addition of insulation to house walls.
- Repairing damage done to interior or exterior finished walls through the installation of insulation
- New air barrier and siding, only if a minimum of R-3.8 of insulation has been added

(Note: eligibility of insulation materials will be determined on the basis of Canadian Construction Materials Centre published values, which may not match values published by the manufacturer. Visit [www.irc.nrc-cnrc.gc.ca/ccmc](http://www.irc.nrc-cnrc.gc.ca/ccmc) or call Efficiency NB for more information.)

#### **4.6 Attic Insulation**

##### **4.6.1 Eligible:**

- The addition of insulation to attic or ceiling areas.
- Repairing damage done to interior finished ceilings through the installation of insulation.
- Repairs to flat roofs are eligible only if necessitated by the installation of insulation.

#### **4.7 Air Sealing**

##### **4.7.1 Eligible:**

- Caulking materials, spray foam, weather stripping and other air sealing supplies and labour

#### **4.8 Windows, Skylights and Doors**

##### **4.8.1 Eligible:**

- New ENERGY STAR® qualified windows or patio doors; or other windows or patio doors with a minimum of double glazing, low E glass, argon gas and insulated spacers.
- New ENERGY STAR qualified skylights or other skylights with double glazed low E glass, argon gas, with insulated spacers.
- New storm windows, interior or exterior, added to single glazed windows (seasonally attached);
- New ENERGY STAR qualified doors; or other insulated exterior doors with an allowance of \$100 for door hardware (knobs and locking mechanisms)

Products and Standards can be found at [www.energystar.gc.ca](http://www.energystar.gc.ca).

#### **4.8.2 Ineligible:**

- Replacement of storm windows

### **4.9 Ventilation**

#### **4.9.1 Eligible:**

- New heat recovery ventilators (HRVs), certified by the Home Ventilating Institute. [www.hvi.org](http://www.hvi.org)
- New ductwork
- New bathroom and kitchen fans

#### **4.9.2 Ineligible:**

- Replacement of any existing equipment or ductwork

### **4.10 Air Conditioning**

#### **4.10.1 Eligible:**

- Replacement of existing equipment (central and window units) with equivalent capacity new ENERGY STAR qualified equipment

#### **4.10.2 Ineligible:**

- Any new air conditioning equipment that is not replacing existing equipment

### **4.11 Heating Systems**

#### **4.11.1 Eligible:**

- Programmable thermostats (Eligible for 20% grant or loan, **NOT** eligible for Home Heating System Upgrade Bonus, section 3.3)
- Electronic thermostats that replace mechanical thermostats in houses with baseboard heaters. At least 5 Electronic thermostats must be installed to be eligible. (Eligible for 20% grant or loan, **NOT** eligible for Home Heating System Upgrade Bonus, section 3.3)
- New ENERGY STAR qualified oil/natural gas boilers or furnaces (replacement boilers and furnaces are accepted if the existing model is not ENERGY STAR) (Eligible for 20% grant or loan, **AND** eligible for Home Heating System Upgrade Bonus, section 3.3)
- New chimneys, ductwork and fuel storage tanks, if required as part of the installation of a new heating system. (Eligible for 20% grant or loan, **AND** eligible for Home Heating System Upgrade Bonus, section 3.3)
- New ENERGY STAR qualified or equivalent geothermal heat pumps (Eligible for 20% grant or loan, **AND** eligible for Home Heating System Upgrade Bonus, section 3.3)

- New ENERGY STAR qualified air source heat pumps. (Eligible for 20% grant or loan, **AND** eligible for Home Heating System Upgrade Bonus, section 3.3)
- New Ductless Mini-Split air source heat pumps which meet the following criteria:
  - ENERGY STAR qualified for Region V;
  - Provide a minimum of 70% of the post-upgrade Design Heat Loss requirement; and
  - Have at least one "head" or supply coil on each floor (basement NOT required).

(Eligible for 20% grant or loan, **AND** eligible for Home Heating System Upgrade Bonus, section 3.3)

- Replacement of non-EPA rated wood burning appliances with a model that meets EPA or CSA-B415.1-M92 standards. (Eligible for 20% grant or loan, **AND** eligible for Home Heating System Upgrade Bonus, section 3.3)
- In the case of Mobile Homes – electric baseboard or radiant heaters if replacing a forced air heating system with ductwork installed below the floor. (Eligible for 20% grant or loan, **NOT** eligible for Home Heating System Upgrade Bonus, section 3.3)

*Products and Standards can be found at [www.energystar.gc.ca](http://www.energystar.gc.ca)*

#### **4.11.2 Ineligible:**

- Any electric resistance heating system (including baseboards, convection heaters, radiant heating panels, furnaces and boilers)
- New supplementary heating systems such as gas fireplaces, inserts, wood stoves or pellet stoves
- Replacement of ductwork, chimneys and fuel storage tanks.

#### **4.11.3 Emergency Installation of heating systems**

In the case of an emergency furnace replacement, the homeowner must call a service organization within three days of the system replacement to schedule his/her pre-retrofit assessment and must keep sufficient information regarding the older furnace (see eligibility criteria below) to ensure proper disclosure.

Customers calling a service organization LATER THAN three days after the heating equipment has been replaced will not be considered.

## Eligibility criteria

As a rule, customers are required to have an energy assessment performed before they replace or install anything, including heating equipment, if they want that upgrade work to become eligible towards a grant.

However, NRCan has developed a policy specifically to help homeowners who find that their heating equipment needs to be replaced.

- a. The heating system must have been red flagged by the utility, service technician or building inspector for safety reasons, or
- b. The furnace cannot be repaired and needs to be replaced.

Homeowners wishing to apply for a grant towards the new equipment, but who did not have an energy assessment performed prior to the replacement, would be covered under this policy, provided they meet both the grant eligibility criteria and all of the following requirements:

1. The existing equipment must be replaced with equipment meeting the requirements listed in the ecoENERGY Retrofit Homes Eligible Improvements / Retrofits table.
2. A copy of the invoice indicating the information listed below must be provided to the energy advisor by the homeowner at the initial evaluation:
  - supplier's business name, address and phone number
  - date of installation (where no installation date is supplied on the invoice, the date of the invoice will be assumed to be the installation date)
  - manufacturer's product number, and
  - the stated efficiency of the product or a note indicating that it is ENERGY STAR qualified
3. The heating contractor must have provided the client with the following information about the equipment that is being removed, which must be provided to the energy advisor:
  - Fuel type (natural gas, propane or oil)
  - Type of system (forced air, hydronic or radiant)
  - Age of equipment (if known)
  - Type of venting (e.g., chimney, side vent, barometric damper)
  - Rated efficiency, output and input from the nameplate
  - Last upgrade, if any (e.g., oil burner gun/assembly)and,
4. The initial energy assessment must be completed within 30 calendar days of the installation date of the new heating system.

## **4.12 Domestic Hot Water**

### **4.12.1 Eligible:**

- Solar hot water systems with glazed flat plate or evacuated tube collectors that meet the CAN/CSA-F378-87 standard. (Must be rated for year round use)
- Natural gas or oil fired hot water heaters with an energy factor (EF) of 0.80 or better.
- Natural gas or oil fired instantaneous water heaters with an energy factor (EF) of 0.80 or better.
- Natural gas or oil fired indirect water heaters when installed with a NEW, ENERGY STAR rated boiler. Water heaters must be manufactured with a minimum 2" of insulation (water heater blankets applied to the exterior of the unit do not qualify).
- Grey or drain water heat recovery systems

### **4.12.2 Ineligible:**

- Any type of electric hot water heater
- Un-insulated indirect water heaters.

## **4.13 Water Conservation**

### **4.13.1 Eligible:**

- Low-flow or dual-flush toilets rated at 6 litres per flush or less

### **4.13.2 Ineligible:**

- Appliances such as clothes washers and dishwashers

*Efficiency NB reserves the right to modify the above guidelines as it deems necessary from time to time. Visit our website at [www.energycynb.ca](http://www.energycynb.ca) or call our toll free line 1-866-643-8833 if you have any questions.*

*Note: "ENERGY STAR" referenced products refers to products that are qualified products under the requirements of Natural Resources Canada's ENERGY STAR specifications. These products and standards are listed on the website [www.energystar.gc.ca](http://www.energystar.gc.ca).*