

Terms and conditions: Water Smart Business program

Overview

Through the Water Smart Business Program (“Program”), industrial, commercial, and institutional (ICI) businesses can partner with the City of Guelph (“City”) to complete a Water Use Review or Water Use Audit, to evaluate potential opportunities for optimizing water usage. The program connects ICI businesses to valuable incentives (“Incentives”) to optimize their water use through facility and infrastructure upgrades to save the applicant money on utilities long-term.

The City reserves the right to alter, cancel, or discontinue the Program at any time. Please check the City’s website at guelph.ca/watersmartbusiness for the current status of the Program.

Participant eligibility

To qualify for a Rebate the Applicant must:

- be located in the City of Guelph;
- have an active water account in good standing and be connected to the municipal water supply;
- be classified by the City as an industrial, commercial, and institutional (ICI) building, e.g. office, retail outlet, hotel, hospital, factory, condo, warehouse, manufacturing, government, school, etc.; and
- Submit the completed application forms as required for the program.

Water Smart Business program standards

Participants in the Water Smart Business Program are required to complete a Water Use Review or Audit, depending on the size of the business, water usage (liters per day), and system complexity.

- ICI Customers that use less than 10 M³ per day of municipal water via internal water systems and processes are provided a Water Use Review conducted by the City of Guelph over a 30-day period at no cost to the ICI customer (**see Appendix A**).

- ICI Customers that use more than 10 M³ per day of municipal water and possess complex internal water systems qualify to hire a reputable, third-party consultant to conduct a Water Use Audit, to be paid for through cost recovery on a 50/50 basis with the City of Guelph to a maximum of \$10,000. To apply for an Audit cost recovery, the applicant must submit a letter of intent from the consultant in advance of completing the Audit that is to the satisfaction of the City. The Audit should be completed over a 7-14 days period. (**See Appendix B**).

A completed Water Use Review or Audit shall include recommendations to optimize the ICI's facility water use including upgrades to their equipment, operations, or infrastructure and return on investment. The applicant may then access the Water Smart Business Incentive. Qualified and completed water efficiency upgrade projects with greater than a one (1) year payback period may qualify for a capacity buyback incentive of \$750 per cubic metre per day of reclaimed municipal water supply saved to a maximum of \$100,000 per project not exceeding the total project costs (**see Appendix C**). Pre-installation water use measurements and water-saving estimates will be determined by way of the Water Use Audit or Review (**see Appendix D**). Following project completion, monitoring and verification of municipal water use will be required to verify savings before the total amount of the incentive can be released by the City.

All participants in the Water Smart Business Program will work with the Water Smart Business Program Coordinator from start to finish, i.e., application to a final evaluation of water savings. By participating in the program, businesses agree to their projects being profiled to promote the Water Smart Business Program and other water conservation initiatives facilitated by the City of Guelph.

Monitoring and evaluation

- Pre-monitoring: establish a baseline of water consumption for the applicant during the past year. This includes water audits or reviews.
- Upgrade: Applicant's water-efficient upgrade to process/facility (**no monitoring required**).
- Post-monitoring: verify savings can occur in one of two ways:
 - Utilize Applicant's billing data for a period of up to six (6) months to verify the water saved following the facility upgrade; or
 - Provide the City a 3rd party verification report to the city (an audit) at the cost to the Applicant.

Payment of the Incentive will be completed following post-monitoring verification agreeable to the City of Guelph.

Agreement

In consideration of the City of Guelph receiving and considering the application to the Water Smart Business Program, the Applicant acknowledges and agrees:

- The Applicant hereby releases and forever discharges the City and its officers, employees, agents, and elected officials (the "Released Parties") from and against any and all claims, costs, or demands whatsoever, that it may now or ever have against the Released Parties in relation to any loss, damage or injury (including death) that may occur indirectly, directly or consequently as a result of or arising from the Applicant's participation in the Program, including but not limited to the work or activities in relation hereto.
- The Applicant shall at all times defend, indemnify and save harmless the City, its officers, agents, employees, invitees, and elected officials (all of which are hereinafter called the "City indemnities") from and against any and all manners of claims, demands, losses, cost, charges, actions and other proceedings whatsoever made or brought against, suffered by or imposed on the City indemnities or their property in respect of any loss, or damage or injury (including fatal injury) to any person or property directly or indirectly arising out of, resulting from or sustained as a result of the Applicant's participation in the Program or the performance of the Applicant of anything in furtherance of its participation in the Program, including the installation and operation of any equipment at the Applicant's facility or anything else in the relation to this agreement.
- To refund the funds to the City of Guelph on request, if the application contains any material misstatement or misrepresentation on the Applicant's behalf, or if the Applicant breaches any of these terms and conditions, including fraudulent reporting of water savings.
- The City shall notify the Applicant in writing of its acceptance through each phase of the program. This includes the Water Review or Water Audit, Water Smart Business Incentive, and any pre/post municipal water use monitoring.

Appendix A – Water Smart Business review description

The Water Smart Business Water Use Review includes a site inspection, process or facility data logging (as needed), and review of facility water use completed by the City of Guelph. A Water Use Review will include a final report for the applicant including recommendations to optimize facility water use including upgrades to their equipment, operations, or infrastructure, and outline return on investment, or identify if a further Water Use Audit may result in further efficiencies.

Applicant's responsibility

- Pre-monitoring to establish a baseline of water consumption for the applicant during the past year. This includes water audits or reviews.
- Applicant's water-efficient upgrade to process/facility (**no monitoring required**).
- Applicant shall provide the City with:
 - Access to its facility and water billing records during and following the Water Use Review;
 - A knowledgeable representative from the facility as an escort during the Water Use Review; and
 - Access to process equipment and water meters for the purpose of attaching process meters and /or measuring or recording water use during and after the Water Use Review period for up to thirty (30) days as deemed necessary by the City.

City's responsibility

- The City Shall:
 - Notify the Applicant in writing of its acceptance in the Water Use Review process; and
 - Make necessary arrangements to complete a water review, monitoring for a period of 7-14 days, as determined by the City of Guelph.
 - Provide a final written report of the Applicant's water use during the period of monitoring, make recommendations to optimize facility water use including upgrades to their equipment, operations or infrastructure and outline return on investment, or identify if a further Water Use Audit may result in further efficiencies.

Appendix B- Water Smart Business water audit description

The Water Smart Business Water Use Audit provides a cost recovery on a 50/50 basis of up to \$10,000 per facility for an Applicant to hire a qualified, 3rd party consultant to assess water using processes or equipment, to make recommendations to optimize facility water use including upgrades to their equipment, operations or infrastructure and outline return on investment.

Applicant's responsibility

- Provide the City with the following to be considered for the rebate:
 - Water Use Audit proposal including background description of the consultant, citing its qualification and previous work experience showing competency in water efficiency or water use auditing (typically provided by the consultant)
 - Detailed schedule/timeline to complete
 - Quote for the Water Use Audit
- Once pre-approved for the Water Smart Business Water Use Audit rebate, the Applicant must:
 - Provide access to its facility during and following the Water Use Audit period for a period of up to thirty (30) days to verify the results of the Audit, if the City so requests; and access to the process equipment and water meters for the purpose of attaching process meters and/or measuring or recording water use during and after the Water Use Audit for a period of up to thirty (300) days, if the City so requests; and
- Submit a copy of the invoice marked 'paid' and the completed Water Use Audit Report which will include the following:
 - Detailed water balance report including the required data collected, proposed technological process, work-flow, or other changes
 - Recommendations to optimize facility water use including upgrades to its equipment, operations, or infrastructure, and
 - Calculate the estimated water reductions for each new equipment and estimate the water reductions for each new equipment/technology change proposed. Included in this report shall be the current water use profile for the site and the end-use, process, or system proposed to be changed.
 - The Applicant shall ensure that the monitoring methodology is adhered to as described in Appendix D

City's responsibility

- The City will make the financial payment to the applicant within 30 days of receipt of the completed application, Water Use Audit Report and 3rd party consultant invoice that is satisfactory to the City.
- Unless otherwise specified by the City, the amount of the financial incentive for the Water Use Audit shall be no more than \$10,000, not to exceed 50% of the total cost paid by the Applicant.
- The City reserves the right to provide a portion of the incentive to the Applicant prior to the completion of the final Water Use Audit Report.
- The City shall notify the Applicant in writing of its acceptance of the Water Use Audit Rebate.

Proof of compliance and conditions of payment

- Each Applicant must assume all financial and other responsibility in relation to the application and participation in the Water Use Audit Rebate, including the cost of the Audit prior to reimbursement from the City.

Appendix C- Water Smart Business incentive description

The Water Smart Business Incentive provides funding to offset the capital cost incurred when completing projects outlined in a Water Smart Business Water Use Review or Audit. The incentive is a one-time payment per project at a rate of \$750 per cubic meter per day of verified municipal water savings up to a maximum of \$100,000 not exceeding the total project costs.

Applicant's responsibility

- The Applicant shall provide the City with access to:
 - the facility before, during, and following project completion for a period of up to one (1) year to verify the installation of the new equipment, technology, or process change, if the City so requests; and
 - process equipment for the purpose of attaching process meters before and after project completion for a period of up to one (1) year, if the City so requests; and
 - the water meter and/or new equipment/technology for the purpose of attaching and taking readings from temporary monitoring equipment at any time up to two (2) years after the installation of the new equipment/technology, if the City so requests.

- The Applicant shall:
 - Supply the City with itemized written estimates regarding expected water savings and estimated payback periods, e.g. The Water Audit Report.
 - assume all financial and other responsibilities in relation to the application and participation in the Program including but not limited to:
 - the purchase and installation of the new equipment/technology to reduce water use, including any preparatory and repair work that is required for the proper installation of this new equipment/technology;
 - any costs associated with the specialized metering and monitoring for verification of the water consumption as specified by the City (if necessary); and
 - collecting all available information and/or taking any reasonable action the City, at its sole discretion, deems necessary to verify the quantity of water saved; and
 - For expedited verification of savings, provide the City with a third-party verification report to the city (an audit) at the cost to the Applicant (as outlined in Appendix D.)

City's responsibility

- Allocate the funds required to pay the Water Smart Business Program participant an incentive depending on verification of the volume of water saved and make payment of any financial incentives due under the Water Smart Business program within approximately one (1) year of incentive approval in accordance with the Program requirements and water savings calculations, pending budget approvals. The City may, at its sole discretion, provide a portion of the monetary incentive, as agreed upon by the Applicant and the City, to the Applicant prior to the commencement of recommended process change(s); and
- Utilize Applicant's billing data for a period of up to six (6) months to verify the water saved following the facility upgrade.
- Notify the Applicant in writing of its acceptance of a Water Smart Business incentive and the value of its one-time incentive payment based on the volume of water saved per single average day.

Proof of compliance and conditions of payment

- The Applicant agrees to implement any and all water efficiency initiatives identified by the Water Use Audit Report that have a simple payback period not exceeding one (1) year and are deemed to be reasonable by the Applicant, in consultation with the City, within 1 year of completion of the Water Use Audit Report unless otherwise agreed by the City. Any such water efficiency measures the participating applicant implements shall be at their own cost.
- The City shall allocate the funds required to pay the Applicant upon acceptable verification of the water savings. Payments under the program will be conditioned upon:
 - Acceptance into the program; and
 - Submission by the Applicant of proof of payment and installation of any new equipment/technology by an invoice to the City.
- The City reserves the right to adjust the reported water savings or disqualify any of the proposed or submitted projects at the City's sole discretion.
- Unless otherwise specified by the City, for water efficiency initiatives that have a simple payback period exceeding one year, the amount of the financial incentive for the Water Smart Business Program shall be based on \$750 for every cubic metre (1000 liters) of water saved on a single average day as verified post-installation and reviewed by the City, excluding consumables, to a maximum one-time payout per project of \$100,000 not exceeding the total project costs.
- Unless otherwise specified by the City, applications for the Water Smart Business Incentives for projects that have a simple payback period of less than one (1) year will be accepted on a case-by-case basis only where it can be clearly demonstrated that implementing the water-efficient technology would place significant financial hardship on the Applicant.

Appendix D- Monitoring and evaluation methodology

To qualify for Water Use Audit Rebate or Project Incentive, the following outlines the required monitoring and evaluation methodology required by a third-party consultant. The City of Guelph will adhere to the same methodology during a Water Use Review or verification, as appropriate.

Phase one: Data collection

When conducting the pre-monitoring to establish the Water Use Balance, the Applicant shall ensure that the following tasks are performed:

- Calculate the average daily demand (m³/day) based on actual 7 day/week water billing information for each of the past two years.
- Manually read or data log the main municipal water meter(s) and prepare for a 24-hour/day 7-day water demand profile for the site over a period of 7 to 14 days.
- Use standard industry-accepted metering/monitoring/data logging methods on any end-use, process, or system with a potential for water reduction to produce a 24-hour/day 7-day profile that is typical for that process.
- Record water consumption readings for each sub-water meter and the dates and times when read. For a period of 7- 14 days.

Phase two: Installation

If the application is approved by the City, the Applicant shall install the equipment/technology/processes that have been identified and described in the Applicant's Water Use Audit/Review.

Phase three: Post-monitoring and verification

When conducting the post-monitoring and verification the City of Guelph shall determine a new average daily demand (M³/day) based on water meter billing information over a period of six (6) months. The City of Guelph reserves the right to manually read or data log the municipal water meter and will follow the prescribed steps as outlined in Phase One of this Appendix if it deems necessary.

If the Applicant wishes to expedite the Incentive, it must provide a third-party verification report (at a cost to the Applicant) for the facility water use including upgrades completed to their equipment, operations, or infrastructure in alignment with Phase One of this Appendix.