



THE TOWNSHIP OF CENTRE WELLINGTON

WATER AUDIT AND CAPACITY BUY-BACK PROGRAM: **TERMS AND CONDITIONS**

Purpose

- 1) The Township offers this incentive to offset the capital costs incurred by an Applicant for the purchase and installation of technology or physical process changes that result in long-term reduction in water consumption.

Responsibility

- 2) Water Audit and Capacity Buy-Back Program (the Program) will be administered by the Infrastructure Services Department of the Township of Centre Wellington (The Township) effective May, 2026.
- 3) The Program is subject to the Township, at its sole discretion, allocating funding to support the Program.
- 4) The Program is subject to cancellation at any time, without notice.

Eligibility

- 5) To be eligible for participation in the Program, a facility must be:
 - a) Located within the Township boundary;
 - b) Connected to municipal water supply and municipal sewer infrastructure;
 - c) NOT have a private well, NOR a septic system in use on it's property;
 - d) Classified as an *Industrial, Commercial, Institutional* (ICI) or *Community* property, and;
 - e) Have an average monthly water use volume in excess of three-hundred cubic meters (>300m³).
- 6) Applications for the Program are processed on a first come, first served basis. Application submission does not guarantee successful participation in the Program. The Township reserves the right to accept or reject any application.

Water Audit

- 7) The Program includes a full facility water pre-audit to be conducted by a consultant arranged by the Township. The Applicant agrees to provide full support needed to complete the audit, including and not limited to attendance at a pre-consultation "kick-off" meeting, provision of an in-person facility tour, as well as participation as outlined below.
- 8) The water pre-audit will include the gathering of consumption data at the facility by means of strap-on meter, which will be set in place for a period of at least 1 week but no longer than 12 weeks. All equipment needed will be provided by the consultant.
- 9) The consultant will provide a report detailing the water consumption at the facility, including a water balance and a list of recommendations/ opportunities for water conservation within the facility.
- 10) This pre-audit and subsequent report costs will be fully funded by the Township.

Implementing Recommendations or Process Changes

- 11) Based on the results of the water pre-audit, an Applicant may choose to implement one or more of the recommendations/ opportunities for water conservation outlined in the summary report. This work must be fully completed no longer than three (3) years from the date of issue of the water audit summary report.
- 12) The following conditions must be met by the Applicant when implementing water conservation recommendations/ opportunities to be eligible for a Capacity Buy-Back incentive:
 - a) The Applicant shall adhere to any and all federal, provincial, and municipal laws and bylaws;
 - b) With regards to Section 11a, the Applicant must be in compliance with the Township's Water Supply Bylaw, Outdoor Water Use Bylaw and Sewer Use Bylaw, as may be amended or replaced from time to time, to be eligible for funding under the Program;
 - c) The water savings must be measured by the consultant who performed the initial water pre-audit and compared to the pre-implementation water use. The data will be compared to average monthly and average annual use to provide proof of long-term water use reduction;
 - d) Any cost savings from reduced water use must have a potential Return On Investment (ROI) of greater than one (1) year to qualify for a Capacity Buy-Back incentive. Any water reducing measures that are implemented that have a potential ROI of less than one (1) year are considered best practices and are therefore not eligible for the Capacity Buy-Back incentive.
- 13) Maintenance-related measures, such as the repair of leaks and appliances, or replacement of fixtures with low flow fixtures, as determined by the Township, are not eligible for the Capacity Buy-Back incentive.
- 14) Upon request, the Applicant agrees to provide the Township and consultant, the following:
 - a) Water billing records;
 - b) Access to the water meter and /or new equipment/ technology for the purposes of attaching and taking readings from temporary monitoring equipment at any time up to three (3) years after the implementation of the new equipment/ technology;
 - c) Access to their facility during the site visit, pre-audit and post-audit, and installation period and/ or after the installation for a period of up to one (1) year to verify the installation of the new equipment, technology, or process change;
 - d) Access to process equipment for the purpose of monitoring water use before and after the installation period for up to one (1) year if deemed necessary by the Township; and
 - e) Such further and other information as the Township may reasonably request.

Capacity Buy-Back

- 15) Once the Applicant has implemented one or more of the recommendations/ opportunities for water conservation outlined in the summary report and have adhered to the conditions laid out in this document, then the Applicant may be considered for a Capacity Buy-Back incentive.
- 16) If an Applicant chooses to implement more than one recommendations/ opportunities for water conservation, they will only receive a Capacity Buy-Back incentive based on the combined total water savings of technological upgrades or physical process changes completed. There will be no more than one (1) Capacity Buy-Back incentive paid per Applicant based on the recommendations/ opportunities for water conservation found in the summary report.

- 17) An Applicant, if successful in receiving a Capacity Buy-Back incentive, will be ineligible to apply again for the Program for a period of five (5) years from the date of the original Capacity Buy-Back incentive payment.
- 18) The Township will:
 - a) Conduct pre-audit and post-audit of water consumption and collect relevant information and/ or take any reasonable action the Township, in its sole discretion, deems necessary to verify the volume of water consumption and water saved;
 - b) Upon verification of the volume of water saved in accordance with the Program requirements and based on the Township's water savings calculations, pay the applicable ICI Capacity Buy-Back incentive to the Applicant within approximately one (1) year of such verification.

Payment of Incentive

- 19) Payment to the Applicant under the Capacity Buy Back Program will be conditional upon:
 - a) Acceptance of the Applicant into the Program by the Township;
 - b) Submission by the Applicant of proof of purchase and installation of any new equipment/ technology, which proof of purchase must be dated after the pre-audit in a form acceptable to the Township; and
 - c) Verification to the Township's satisfaction of the volume of water saved in accordance with the Program requirements.
- 20) The Township reserves the right to adjust the reported water savings or disqualify any of the proposed or submitted recommendations/ opportunities for water conservation.
- 21) Unless otherwise specified by the Township, the amount of incentive to be paid will be equal to:
 - a) One time incentive of up to **50% of retrofit cost** to a **maximum of \$10,000** calculated based on a rebate of **\$1000 per cubic meter (m³)** of water saved per average day, as verified by the pre-audit and post-audit of water consumption at the Applicant's facility.

Disclaimer and Release

The Applicant hereby releases and forever discharges each and all of the Township and its elected officials, officers, employees, agents, and invitees (collectively, the "Township's Releasees") from and against any and all claims, costs or demands whatsoever that the Applicant may now or ever have against the Releasees in relation to any loss, damage or injury (including death) that may occur indirectly, directly, or consequently as a result of or arising from or relating to the Applicant's participation in the Program, including but not limited to the work or activities conducted in relation thereto. Indemnity Clause The Applicant shall at all times defend, indemnify and save harmless each and all of the Township, elected officials, its officers, agents, employees, and invitees (collectively, the "Township Indemnitees") from and against any and all manner of claims, demands, losses, cost, charges, actions and other proceedings whatsoever made or brought against, suffered by or imposed on the Township Indemnitees or their property in respect of any loss, or damage or injury (including death) to any person or property directly or indirectly arising out of, resulting from or relating to the Applicant's participation in the Program or any act or omission of the Applicant in connection with or in relation to its participation in the Program, including, without limitation, the installation and operation of any equipment at the Applicant's facility.