

2022 New Home Construction HERS Rating Company Program Participation Application and Terms and Conditions

DTE

CleanVision

Program overview

DTE Energy (DTE) is committed to reducing our environmental impact, one household at a time. The DTE New Home Construction Program (Program) supports the residential new construction industry in building energy efficient homes within the DTE service territory that have a Home Energy Rating System® (HERS®) score of 60 or less and exceed state energy code minimum energy efficiency levels.

To achieve this goal, the Program provides participating builders with technical, marketing, and training support and financial incentives, as described below. All Builders must work with a program-participating HERS Rating Company. HERS Rating Companies must submit Builder's rebate application/s to the Program on Builder's behalf.

Financial incentives

The 2022 incentives are available for homes that have a rough HERS inspection on or after January 1, 2022. The 2022 incentive structure posted on michiganrebates.com/newhomes will be available provided the Builder and the subject home meet all requirements and project milestones under the Program. Homes with an earlier rough HERS inspection date qualify under the 2021 Program guidelines and incentives.

The maximum level of incentives allowed for <u>detached housing</u> are as follows:		
(HERS 60 or less)		
	Standard	ENERGY STAR®
Electric	\$1,500	\$1,800
Combo	\$2,100	\$2,450
Gas	\$1,300	\$1,650
(HERS 45 or less, and a cold-climate heat pump must be used as the primary heating/cooling equipment)		
	Standard	ENERGY STAR
Electric*	\$3,500	\$3,800
Combo	\$3,500	\$3,850
*If home's only energy provider is DTE, then DTE will honor \$350 ENERGY STAR bonus		

Eligible connected housing (townhomes, condominiums, duplexes, apartments, row houses, flats, cooperatives) will receive a 25% discounted rebate on equipment and ENERGY STAR bonuses.

Maximum incentive levels are also discounted by 25% compared to the detached housing maximum level of incentives.

Homes qualifying for an ENERGY STAR bonus must comply with ENERGY STAR Version 3.1.

How this incentive structure works

All homes must meet a Home Energy Rating System® (HERS®) Index score of 60 or less. After that prerequisite is met, participating builders are eligible for a performance incentive. The performance incentive will pay \$10/MCF of natural gas saved and \$0.25/kWh of electricity saved over building code minimums. Savings are calculated based on the HERS Rater submission in the program's online incentive system.

Additionally, ENERGY STAR® homes will receive a supplemental \$350 bonus for natural gas or combo homes and \$300 bonus for electric only homes.

In addition, participating builders may also earn supplementary incentives through three bonus tiers – Silver Tier, Gold Tier, and Platinum Tier (listed on michiganrebates.com/newhomes). Each of the incentives is a la carte and independent. Builders can mix and match silver, gold, and platinum measures to maximize their incentive, up to the maximum incentive levels in the adjacent table.

Example

An ENERGY STAR combo house built with:

- Confirmed MCF savings of 55
- Confirmed kWh savings of 1,500
- Silver: 96% AFUE furnace
- Gold: Natural gas water heater with 0.82 UEF
- Silver: 3.25 ACH50 infiltration
- Gold: 100% LED lighting



Total incentive to the Builder = \$1,750

Program Participation Requirements

Home eligibility requirements

- Homes must be in DTE combo, electric, or gas service territory as evidenced by town, ZIP Code, and DTE meter number
- Qualifying structures include:
 - Site-built single-family residential homes
 - Modular homes
 - Detached condominiums
 - Townhomes – defined as a single-family dwelling unit constructed in a group of three or more attached units in which each unit extends from the foundation to the roof and with open space on at least two sides
 - Connected housing with individual meters for natural gas and/or electricity, individual heat and domestic hot water equipment, and individual entrances to each unit. Additionally, the connected housing must be four units or fewer
 - Condominiums, apartments, duplexes, flats, row houses, and cooperatives
- Manufactured homes are not eligible
- Homes must satisfy all Program requirements in effect on the date the building permit is issued

Performance Milestones

Production Builders (Builders building more than 20 homes a year)

Production Builders are required to meet the following performance milestones from the date of the Builder's Program Application submittal:

- **One month** – Homes for which building permits have been issued must be registered in the Portal (Registered Homes)
- **Three months** – At least 20% of homes submitted on the Program Application must be Registered Homes
- **Six months** – At least 50% of homes submitted on the Program Application must be Registered Homes
- **Nine months** – At least 80% of homes submitted on the Program Application must be Registered Homes
- **Twelve months** – 100% of homes submitted on the Program Application must be Registered Homes

Homes must be registered in the Portal within 30 days of the building permit date so that the Program can track the homes for quality assurance purposes.

If the Production Builder fails to meet the performance milestone requirements listed above, DTE reserves the right to reduce the total number of homes in a Program Application for which incentives have been reserved. If DTE withdraws potential incentive payments, it may, at its sole discretion, allow for the reclamation of a portion of any withdrawn incentive. At each milestone, a good faith update is to be provided outlining expectations for meeting future milestones.

Custom Builders (Builders building fewer than 20 homes a year)

Custom Builders are required to provide quarterly updates on the number of homes they plan to complete for the remainder of the Program year.

Homes must be registered in the Portal within 30 days of the building permit date so that the Program can track the homes for quality assurance purposes.

If the Custom Builder fails to meet the performance quarterly update requirements, DTE reserves the right to reduce the total number of homes in a Program Application for which incentives have been reserved. If DTE withdraws potential incentive payments, it may, at its sole discretion, allow for the reclamation of a portion of any withdrawn incentive. At each quarter, a good faith update is to be provided outlining expectations for meeting future quarterly updates.

HERS Rating Company Benefits

The relationship between the Program and the HERS Rating Company is designed to benefit both parties. Both groups are working towards the common goal of increasing the energy savings of homes built in the Michigan market on behalf of DTE.

ICF provides marketing support and additional visibility to HERS Rating Companies who are in good standing by complying with the HERS Rating Company Commitments herein. HERS Rating Companies in good standing are listed on the Certified HERS Rater list which is available on the DTE website for Builders. In addition, ICF provides technical and marketing training to Rating Companies in the Program.

Rating Companies are crucial to the Program's success by serving as the liaison between DTE and its Builders. HERS Rating Companies work with the Program by producing accurate and on time reports and savings analysis, and by adhering to HERS Rating Company Commitments for Home Incentive Applications processed through the Program. HERS Rating Companies help their businesses and DTE grow by continuously recruiting new Builders and homes into the Program.

HERS Rater (Rater) Definition

In order to work within the Program, the HERS Rating Company must complete and adhere to the following:

- All Verifier companies must maintain credentials as a certified RESNET HERS Rater
- HERS Rating Company must sign and execute the 2022 New Home Construction HERS Rating Company Program Participation Application and Terms and Conditions
- Return a completed W-9 Form
- New HERS Rating Companies must participate in Orientation Training
- Maintain status as an Active HERS Rating Company through submission of a minimum of 1 project per calendar year.

HERS Rating Company Commitments

HERS Rating Companies who work within the Program are required to abide by the following Commitments. Failure to meet these Commitments will result in the suspension or termination of the HERS Rating Company Agreement by ICF.

1. The Rater will provide verification services to participants in DTE as evidenced by DTE meter. All verification services must be aligned with the Program Participation Requirements herein.
2. Verification services will validate that a home is completed by participating Builder and achieves the minimum energy performance specifications necessary to qualify for incentives outlined on michiganrebates.com/newhomes.
3. The Rater shall adhere to all principles and standards of conduct as set forth in the RESNET Rating Code of Ethics.
4. The Rater must be active and certified by a RESNET accredited Provider.
5. The Rater shall accurately represent the Program, and its Terms and Conditions.
6. The Rater will accurately explain to the Builder the availability of incentives, as well as their role in the incentive process and the Program.
7. The Rater will act as the liaison between DTE and the Builder. Changes to existing DTE Eligibility Requirements shall be communicated to the Builder by the Rater.

8. HERS Raters are responsible for meeting the following reporting and communication requirements set forth by DTE and the Lead Vendor (ICF).

- a. The Rater is responsible for submitting complete, accurate, and timely project information including, but not limited to:
 - i. Accurate registered data via Portal, including the Online home data entry fields
 - ii. Accurate inspection data via Portal
 - iii. Rating Software Files
 - iv. Adhere to the Forecasting Policy – Raters will keep Estimated Completion Dates accurate with fewer than 15% of homes outdated for any given month.
 - v. Complete a monthly review of your company pipeline in order to update estimated completion dates and cancel inactive projects.

b. All Incentive Application information will be submitted via Portal. Projects are required to be registered within 30 days of the building permit date.

c. Raters will uphold professional decorum at all times.

d. All questions or concerns shall be communicated to ICF via the **dtenevhomes@icf.com** inbox. Any specific questions, comments, or issues will be escalated by ICF to DTE and/or HERS Rater Panel as needed.

9. Rater participation in the Program does not constitute an endorsement of any kind on the part of DTE or ICF.

10. Provide list of HERS Rating Company employees working on behalf of the Program including both Raters and office staff personnel.

Online home data entry

When the Rater registers a home in the Portal, a set of basic home data will be required in the Incentive Application, including:

- Project, Community, or Building Name
- Lot Number/Unit
- Street Address (must match the address on the Ekotrope or REM/Rate file and Fuel Summary Report)
- City
- ZIP Code
- County
- Permit Date
- Expected Start Date
- Expected Close-In Date
- Expected Completion Date for Homes in the Current Program Year
- House Type
- House Square Footage
- House Plan Name/Number
- Floor Number (if multifamily unit)
- DTE Natural Gas Meter Number
- DTE Electricity Meter Number

As the home moves through the construction process and onto DTE's system and the meter is set, the remainder of the Incentive Application must be completed by the Rater in its entirety. Completed Incentive Applications will be processed by the Program on a twice monthly basis. As Raters complete the information required for an Incentive Application, they must update the status of all other Registered Homes for which an Incentive Application has been submitted.

For online Incentive Applications to be considered complete, the Rater must upload the following supporting documentation:

- An Ekotrope or REM/Rate file for each Registered Home
- A PDF of Registered Home plans, upon request

Rater Accountability

ICF is tracking Rater activity and communications closely in 2022. Continuous failure to uphold the HERS Rating Company Commitments listed above, or gross misrepresentation by the HERS Rating Company, will result in ICF terminating this Agreement and the HERS Rating Company will no longer be able to participate in the Program.

ICF has implemented an accountability policy to ensure Commitments are upheld. Violation of a HERS Rating Company Commitment will result in the process below.

1. Warning:

- a. Written communication of violation and defined set measures to improve.
- b. Rater given one month to follow set measures and return to good standing.
- c. After one month, if said measures have not been implemented, Rater will go on suspension.

2. Suspension

- a. Forecasting Compliance
 - i. Forecasting compliance suspensions will remain in effect until the Rater updates their pipeline to have fewer than 15% outdated Incentive Applications.
 - ii. During this suspension Incentive Applications will no longer be accepted or processed until said measures have been implemented.

iii. It is the Rater's responsibility to notify ICF via **dtenewhomes@icf.com** that applications have been updated.

b. Other

- i. Rater will be removed from the DTE Rater List and suspended for two months. Incentive Applications will no longer be accepted or processed.
- ii. ICF meets with the Rater in person or via teleconference to outline violation and suspension status.
- iii. HERS Provider and Third-Party QA/QC Vendor will be notified of suspension. If applicable, feedback from Third-Party QA/QC Vendor will be required.
- iv. Comprehensive measures will be implemented and tracked to return to good standing.
- v. After two months, if said measures have not been implemented, Rater will be terminated from the Program.

3. Termination

- a. Rater will be removed from the Program.
- b. After 6 months, Rater may request to work within the Program.
- c. Rater will be subject to increased QA/QC to ensure compliance upon reinstatement.

HERS Rater Information

Please provide the following information about your company:

Company Name:		
Street Address:		
City:	State:	ZIP:
RESNET Cert. #:		
Primary Contact:		
Phone:	Fax:	
Email:		

Additional Rater #1:

Name:
Email:
RESNET Cert. #:

Additional Rater #2:

Name:
Email:
RESNET Cert. #:

Additional Rater #3:

Name:
Email:
RESNET Cert. #:

Additional Rater #4:

Name:
Email:
RESNET Cert. #:

Additional Rater #5:

Name:
Email:
RESNET Cert. #:

HERS Provider Information

Please provide the following information about your company:

Company Name:		
Street Address:		
City:	State:	ZIP:
RESNET Cert. #:		
Primary Contact:		
Phone:	Fax:	
Email:		
Quality Assurance Designee:		
Designee Phone:	Designee Fax:	
Designee Email:		
Account Manager Name:		
Account Manager Email:		
Account Manager Phone:		

Terms and Conditions

PROGRAM APPLICATION: This Program Application and all required additional documentation, including the Incentive Application, must be filled out completely, truthfully, and accurately on behalf of the Builder. Raters are advised to retain a copy of this application and any accompanying documentation submitted to the Program. DTE will not be responsible for lost documentation pertaining to this application request. Funds for incentives are limited and available on a first-come, first-served basis. If the Program is modified, the Rater has the right to terminate its participation in the Program, with written notice to DTE.

APPROVAL, VERIFICATION, AND INSPECTION: Prior to any payment of Builder incentives, DTE reserves the right to verify the completion of homes to the level of the requested incentive, as well as other applicable Program requirements. The Builder (not DTE) is wholly responsible for compliance with applicable building codes, zoning laws, and local, state, and federal requirements. A sampling of completed homes (selected by DTE) will also be selected for a Program quality control inspection by DTE. Such inspection is not intended to be a safety inspection and no warranty of any kind is provided or implied by such inspection. The Rater consents to any other inquiry to verify or confirm information provided in this Program Application or otherwise provided under the Program.

ELIGIBILITY: Eligible DTE residential homes applying for incentives through the Program must receive natural gas and/or electric distribution service from DTE. Qualifying structures are new construction, site-built single-family residential homes, modular homes, and detached condominiums, connected housing (duplexes, flats, connected condominiums, townhouses, row houses, cooperatives) with individual meters for natural gas and/or electricity, individual heat and domestic hot water equipment, and individual entrances to each unit. Townhomes are defined as a single-family dwelling unit constructed in a group of three or more attached units in which each unit extends from the foundation to the roof and with open space on at least two sides. Townhome eligibility does not have a unit count limitation. All other connected housing will be eligible for up to four units. Manufactured homes are not eligible for Program incentives.

For the sake of clarification, only work performed on new construction structures is eligible.

LIMITED FUNDS: The Program has a limited budget. Incentive Applications will be processed until allocated funds are spent in the Program year. DTE reserves the right not to pay the incentive if funds are not available at the time of the application approval, or if the form and all required additional information are not filled out accurately.

Raters must certify that the Program's financial assistance is the only way that the Builder can afford to increase the efficiency of each home submitted for a rebate. The builder must increase the efficiency of participating homes above and beyond what would have taken place without the support of the Program.

PAYMENT: The required completed information on each home and supporting documentation must be submitted in compliance with Program Participation Requirements listed on page 3 of this Program Agreement, through the Portal, for Builder to receive incentive payment. DTE will verify that information and documentation meets Program requirements within ten business days of receipt of Incentive Application request and will notify the Rater of any discrepancies. Incentive Applications submitted will be processed during the second or fourth week of the month. Builders will receive payment within six to eight weeks of Incentive Application processing, provided all Program requirements have been met.

NO WARRANTIES OR REPRESENTATIONS: (a) None of the DTE or DTE affiliates, employees, or agents ("DTE Parties") guarantees the energy savings under this Program nor makes any warranties associated with the measures eligible for incentives under this Program. DTE has no obligations regarding, and does not endorse, guarantee, or warrant any claims, promises, work, or equipment made, performed, or furnished by any contractor or equipment vendor that sells or installs any energy efficiency measure under this Program. DTE makes no warranties or representations of any kind, whether statutory, expressed, or implied, including without limitations, warranties of merchantability or fitness for a particular purpose regarding any product or service rendered by any person under this Program. All such products and services shall be accepted by applicant "AS IS" with respect to DTE. DTE has no obligation to make any incentive described herein. In no event shall DTE's implementation contractor be liable for any incidental or consequential damages.

(b) The Rater agrees and acknowledges that DTE is not a manufacturer of, or regularly engaged in the sale or distribution of, or an expert with regard to, any equipment, home construction, or work.

(c) The provisions of this Section shall survive the termination, cancellation, or completion of the Rater's participation in the Program.

TAX LIABILITY: DTE will not be responsible for any tax liability that may result from the payment of incentives. Contact your tax advisor for more information.

CHANGES TO PROGRAM: This application is effective and valid from Jan. 1, 2022, until further notice. The existence of the Program and all Program details, incentive levels, and Terms and Conditions are subject to change or cancellation, and the Application is subject to termination by DTE without prior notice, at DTE's sole discretion. Funds for incentives are limited and available on a first-come, first-served basis. If the Program is modified, the Rater has the right to terminate its participation in the Program.

RELEASE/INDEMNIFICATION: Payment of incentives under the Program and/or evaluation of applications for incentives shall not deem DTE Parties to be responsible for any work completed in connection herewith. Applicant fully releases DTE Parties from any and all claims it may have against DTE Parties in connection with this application, the incentives, or the work performed in connection with them. In addition, Applicant agrees to defend, indemnify, and hold DTE Parties harmless from and against any and all claims, losses, demands, or lawsuits by any third parties acting in connection with this application, the payment or nonpayment of incentive, or any work performed in connection with them. Claims or lawsuits referenced in the foregoing sentence may include, but not be limited to, those arising out of, resulting from, or related to the Rater's acts or omissions (or the acts or omissions of any third party, directly or indirectly employed by the Rater or its contractors for whose acts the Rater or its contractors may be liable); participation in the Program; breach of any law or code; breach of these Terms and Conditions; construction, sale, or lease of a Program home; or the performance of any other activity in connection with the Program. The provisions of this Section shall survive the termination, cancellation, or completion of the Rater's participation in the Program.

LICENSED AND INSURED: The Rater represents and warrants that it and its subcontractors carry all necessary and applicable licenses and certifications and that the Rater and its subcontractors will maintain such licenses and certifications for their duration of participation in the Program. The Rater shall carry all insurance required by any applicable law or regulation. The Rater shall also carry all commercially reasonable types and levels of insurance given the nature of its business operations. The Rater shall provide proof of all such coverage to DTE upon request.

LIMITATION OF LIABILITY: DTE's total liability is limited to the amount of the incentive payment specified in the submitted Incentive Application. In no event will DTE 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 Program. The provisions of this Section shall survive the termination, cancellation, or completion of the Rater's participation in the Program.

CONFIDENTIALITY AND OWNERSHIP OF MATERIALS: The Rater may only release limited Program-related information hereunder; specifically, the Rater may only release HERS scores and HERS Rating Certificates to the Builder that retained the Rater to perform energy rating services, and the Rater may only release such information that relates to homes built by such Builder. Notwithstanding the foregoing, the Rater may not release or disseminate to anyone other than DTE or its Program consultant, Ignite Social Media, the results of any work or information obtained from Program work performed. Reports, correspondence, and other documents relating to Program work are exclusively DTE property and are to be considered as proprietary and confidential during the term and after completion of the Rater's participation in the Program.

PROPERTY RIGHTS: The Rater represents that the Builder has the right to complete and/or install the energy-savings measures on the property on which those measures are completed and/or installed and that any necessary consent has been obtained.

TERM: The term of the Rater's participation in the Program will be from the effective date of Program Application approval by DTE and will continue through the end of the Program year, which expires on Dec. 31 of the current calendar year, unless otherwise terminated as provided for herein. Homes not completed by Dec. 31 may be rolled over to the next Program year and must go through the application and approval process for the following Program year, if any.

Program Application submittal and acceptance of Terms and Conditions

In consideration of the Rater's participation in the Program, the mutual promises set forth herein and other good and valuable consideration, the Rater and DTE agree to the Program requirements and provisions identified in this Program Application and the Terms and Conditions. This Program Application, including all Program requirements and the Terms and Conditions, constitute a binding agreement between the Rater and DTE.

BY CLICKING THE "YES" CHECKBOX BELOW OR SIGNING IN THE SPACE PROVIDED BELOW YOU ARE "SIGNING" THE PROGRAM APPLICATION AND ACCEPTING THE TERMS AND CONDITIONS ON BEHALF OF THE RATER. By clicking the "YES" checkbox or otherwise signing below, you are agreeing that:

- The information supplied on this Program Application is true, correct, and complete
- The projects/homes you are submitting for incentives meet the Program eligibility requirements
- You have read, understand, and agree to abide by the Program rules, requirements, and the Terms and Conditions set forth in this Program Application
- The person signing this Program Application has been duly authorized to sign it on behalf of the Rater
- The Rater accepts the effectiveness of its electronic or manual signature of its authorized representative set forth below and acknowledges its agreement to these Terms and Conditions
- DTE, in the sole discretion, may reject or accept each Program Application. Only upon expressed notification of approval (e.g., by letter, email) will the Rater be a participant in the Program

Signature (required)

Signature:	
Rater's Name:	Signer's Name and Title:
Date:	<input type="checkbox"/> I Agree "Yes

The Rater is advised to print a copy of this completed Program Application and retain the copy for its records.