

# 2024 New Home Construction Builder Program Participation Application and Terms and Conditions

# 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 participating in the Program are referenced as Builders – this includes both Production Builders (Builders building more than 20 homes a year) and Custom Builders (Builders building less than 20 homes a year). The first step to participating in the Program is for Builders to complete this mandatory Program Participation Application (Program Application). Next, the builder must reach out to a Rater to establish a contract, provide home plans, and inform the Rater that the site is ready for inspection. HERS Rater services encompass a rough inspection and a final inspection that includes diagnostic blower door and duct testing. Homes must have the rough inspection performed after the Program Application is submitted to qualify for incentives. Any homes with a rough inspection prior to the Program Application are not eligible. Please refer to the DTE and Consumers Energy Rater Directory for Participating Raters.

## Financial incentives

The incentives are available for homes that have a rough HERS inspection on or after Jan. 1, 2024. The 2024 incentive structure posted on [michiganrebates.com/newhomes](https://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 2023 Program guidelines and incentives.

| The maximum level of incentives allowed for detached housing are as follows:                          |          |              |
|---|----------|--------------|
| (HERS 60 or less)   |          |              |
|   | Standard | ENERGY STAR® |
| <b>Electric</b>   | \$1,500  | \$1,800      |
| <b>Combo</b>  | \$2,100  | \$2,450      |
| <b>Gas</b>  | \$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  |
| <b>Electric*</b>  | \$3,500  | \$3,800      |
| <b>Combo</b>  | \$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](https://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
- Home must be registered in RESNET National Registry and have Registry ID

### Performance milestones

#### Production Builders

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

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.

## Use of RESNET- and program-approved HERS Rater

Builders must use a RESNET-approved HERS Rater to provide testing and certification of Program homes. The Builder's chosen Rater must be registered with – and approved by – the Program, in order to be eligible to submit program incentive applications (Incentive Applications) on behalf of the Builder. **If the Builder is working with a Rater that is not already on the Program's list of participating Raters, the Builder's Rater must submit the online Rater Program Participation Application.**

## 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 (multifamily units)
- 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. If there is a construction delay greater than 30 days that affects the completion date of a Registered Home, the expected completion date must be updated in the Builder's Incentive Application in the Portal. Raters must perform data entry on behalf of the Builders.

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

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

## Training and marketing

Builders are required to participate in the technical and marketing training provided under the Program. These trainings can occur at the Builder's site and may be done on homes that are under construction. Builders will be required to participate in at least two training sessions per Program year. Training will be offered in a combination of online and in-person settings. Builders shall make available information concerning DTE New Homes Construction by displaying such information in prominent locations on their website and in their marketing materials, sales offices, and model homes. Displayed information must be reviewed and approved by DTE.

## Builder Information

Please provide the following information about your company:

|                        |                        |
|------------------------|------------------------|
| Primary Contact:       | Primary Contact Phone: |
| Primary Contact Email: |                        |
| Building Company Name: |                        |
| Marketing Contact:     | Marketing Phone:       |
| Marketing Email:       |                        |
| Production Contact:    | Production Phone:      |
| Production Email:      |                        |
| Website:               |                        |
| HERS Rating Company:   |                        |
| Rater Name:            |                        |
| Rater Email:           |                        |

### 2024 home completion forecast:

|  |                               |                       |
|--|-------------------------------|-----------------------|
| DTE Gas Only Home Count:   | DTE Electric Only Home Count: | DTE Combo Home Count: |
| Do you build ENERGY STAR certified homes? <input type="checkbox"/> Yes <input type="checkbox"/> No |                               |                       |
| If yes, who is your HVAC Contractor?   |                               |                       |

## 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. Builders 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, Builder 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. 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. Builder 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 an 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.

Builders 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 the 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 Builder 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 Builder'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, 2024, 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 Builder 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, the 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 Builder's acts or omissions (or the acts or omissions of any third party, directly or indirectly employed by the Builder or its contractors for whose acts the Builder 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 Builder's participation in the Program.

**LICENSED AND INSURED:** The Builder represents and warrants that it and its subcontractors carry all necessary and applicable licenses and certifications and that the Builder and its subcontractors will maintain such licenses and certifications for their duration of participation in the Program. The Builder shall carry all insurance required by any applicable law or regulation. The Builder shall also carry all commercially reasonable types and levels of insurance given the nature of its business operations. The Builder 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 Builder's participation in the Program.

**CONFIDENTIALITY AND OWNERSHIP OF MATERIALS:** The Builder 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 Builder's participation in the Program.

**PROPERTY RIGHTS:** The Builder 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 Builder'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 Builder's participation in the Program, the mutual promises set forth herein and other good and valuable consideration, the Builder 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 Builder and DTE.**

**BY CLICKING THE "YES" CHECK BOX BELOW OR SIGNING IN THE SPACE PROVIDED BELOW, YOU ARE "SIGNING" THE PROGRAM APPLICATION AND ACCEPTING THE TERMS AND CONDITIONS ON BEHALF OF THE BUILDER. By clicking the "YES" check box 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 Builder
- The Builder 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 Builder be a participant in the Program.

## Signature (required)

|               |   |
|---------------|---|
| Signature:    |   |
| Builder Name: | Signer's Name and Title:                      |
| Date:         | <input type="checkbox"/> I Agree <sup>†</sup> |

<sup>†</sup>The Builder is advised to print a copy of this completed Program Application and retain the copy for its records.