



The Power Commission of the City of Saint John

325 Simms Street, Saint John NB, E2M 3L6
Tel (506) 658-5252 Long distance – 1-877-907-5550
E-mail: customer.service@sjenergy.com

HEAT PUMP RENTAL, INSTALLATION and SERVICE CONTRACT

(the “Agreement”)

Customer Number:

*to be completed by office

Account Number:

*to be completed by office

Date:

Customer Information:

Phone Number:

_____, _____, _____
(Last) (First) (Middle)

_____, _____, _____
(Last) (First) (Middle)

OR

(Corporate Name — must match Corporate Registry)

OR

_____ as general partner of _____
(General Partner Name) (Limited Partnership Name — must match Corporate Registry)

(each hereinafter, the “Customer”)

Installation Address (the “Premises”):

- Rental.** The Customer agrees to rent from Saint John Energy and Saint John Energy agrees to rent to the Customer the heat pump(s) set out in Appendix A of this Agreement (each a “Unit”), together with all related equipment, including the exterior condenser unit, interior evaporator unit, line set, wiring, remote control and all other fittings, parts and connections supplied by Saint John Energy (collectively, the “Equipment”). Saint John Energy reserves the right to refuse to rent the Equipment where: i) the proposed installation site is unsafe and/or impractical; ii) Saint John Energy determines, at its sole discretion, that the Customer has an unacceptable payment history with Saint John Energy; iii) where the Equipment will be the only source of heating at the Premises; or iv) the rental is otherwise unacceptable to Saint John Energy.
- Installation.** A subcontractor of Saint John Energy (the “Installer”) will provide all standard labor and materials for installation of the Equipment. The Customer acknowledges that the Equipment must be installed as directed by the manufacturer of the Equipment and will require the installation of piping extending from the interior to the exterior of the Premises. By accepting installation of the Equipment, the Customer hereby agrees that Saint John Energy shall not be liable for any damages of any kind whatsoever caused directly or indirectly by the installation of the Equipment or resulting modification to the Premises. Any additional costs associated with a non-standard modification to the Premises, excessive installation materials, or an elevated installation location (as determined in the sole discretion of Saint John Energy) required in connection with the installation and thereafter, the maintenance of the Equipment, shall be the responsibility of the Customer.
- Maintenance, Repair and/or Replacement.** Saint John Energy/the Installer will provide periodic inspection as well as conduct maintenance, repairs and/or replace the Equipment as needed from time to time, as determined in their sole discretion (the “Services”). The Customer will promptly notify Saint John Energy if Services are required. Following such notice, and within a reasonable time during regular business hours, Saint John Energy/the Installer will provide the Services. Saint John Energy or the Installer shall bear the costs for the Services unless such Services are due to (the “Excluded Events”):
 - the Customer’s failure to maintain the Equipment in accordance with the instruction manual (the “Manual”) or otherwise from negligence, abuse, vandalism, tampering or modifications, alterations and/or repairs performed by unauthorized persons;
 - a defect in materials, suitability, workmanship or design of the materials associated with the Equipment that were not provided for or installed by Saint John Energy or the Installer under this Agreement; or
 - theft, fire, flood, wind, freezing, power failure, inadequate power supply, unusual atmospheric conditions, acts of war, acts of nature or other insurable risks.

In the event that the Services are required due to an Excluded Event, the Customer shall be solely responsible for all costs associated therewith, including termination costs pursuant to the terms of this Agreement.

- Access and Care.** The Customer will provide to Saint John Energy/the Installer, and their representatives, employees and agents, reasonable access to the Equipment including access to the internal evaporator unit to perform the Services. The Customer shall not permit removal, relocation, alterations, or repair of or tampering with the Equipment without the written permission of Saint John Energy, except for repairs in case of emergency when it is impossible or impracticable to obtain permission. The Customer must notify Saint John Energy within 2 days after any emergency repairs have been made.
- Policies, Terms & Conditions.** This agreement and the provision of the Equipment and Services hereunder are subject to the policy and rates manual as adopted from time to time by Saint John Energy (available at www.sjenergy.com) (the “Policies”). By entering into this Agreement, the Customer agrees that Saint John Energy may update the terms and

conditions of this Agreement from time to time in its discretion, including but not limited to fees payable and customer obligations. Saint John Energy will provide notice by mail, email, or by posting the change of terms online. The use of the Equipment and Services and payment of the Rental Payment by the Customer after the effective date of the change of terms will constitute the Customer's acceptance of such amendment. If the Customer does not agree to the change of terms or updated Policies, they may terminate this agreement in accordance with paragraph 10.

6. **Customer Responsibilities.** The Customer acknowledges receipt of the Manual and the Customer agrees to:
- (a) make all payments under this agreement via a preauthorized payment plan and to provide to Saint John Energy updated account payment information and forms as may be requested from time to time—this term is only applicable to customers with a service address outside the city of Saint John, NB;
 - (b) read the Manual and ensure that at all times the Equipment is maintained in accordance with the provisions of the Manual, including but not limited to cleaning the filters on the Equipment;
 - (c) keep the exterior condenser unit, and the area above, below and around the exterior condenser unit, free of debris, ice, snow, vegetation or other material that could impede airflow through and around the Equipment;
 - (d) promptly call Saint John Energy regarding operating system issues that cannot be resolved through the troubleshooting section of the Manual or in the event of a malfunction such as a burning smell, or leakage of refrigerant; and
 - (e) maintain effective operation of the primary heating system(s) in all areas of the Premises.
7. **Monthly Rental Payment.** The Customer shall pay the following amount(s) to Saint John Energy for each rented Unit in accordance with the following table (the “Rental Payment”):

Rate Code	Description	Rate (\$/Month)
Saint John Energy Customers		
HP4	9,000 BTU Heat Pump	\$ 55.36 per month
HP5	12,000 BTU Heat Pump	\$ 55.93 per month
HP6	15,000 BTU Heat Pump	\$ 56.50 per month
HPD	15,000 BTU Floor Model Heat Pump	\$ 61.01 per month
HPE	12,000 BTU Floor Model Heat Pump	\$ 59.31 per month
HPF	9,000 BTU Floor Model Heat Pump	\$ 58.75 per month
HPG	24,000 BTU Heat Pump	\$ 70.35 per month
Customers Outside Saint John Energy Territory		
HP0	9,000 BTU Heat Pump	\$ 66.66 per month
HP8	12,000 BTU Heat Pump	\$ 67.23 per month
HP9	15,000 BTU Heat Pump	\$ 67.79 per month
HPA	15,000 BTU Floor Model Heat Pump	\$ 72.31 per month
HPB	12,000 BTU Floor Model Heat Pump	\$ 70.61 per month
HPC	9,000 BTU Floor Model Heat Pump	\$ 70.05 per month
HPH	24,000 BTU Heat Pump	\$ 85.20 per month

which amount shall be due on the due date specified in the Customer's Saint John Energy utility bill. Saint John Energy reserves the right to increase or decrease the Rental Payment in accordance with paragraph 5, and all present rentals will be subject to the rate change provided that the cumulative increase shall not be more than the annual increase in cost of living plus 3%.

8. **Base Rental Period.** The rental of the Equipment shall be subject to a base rental period of 36 months (the “Base Rental Period”) which shall commence on the date of the installation of the Equipment at the Premises (“Installation Date”). At the end of the Base Rental Period and any date thereafter, the Customer may either (a) request removal of the Equipment as set forth in paragraph 10 and pay the associated removal fees in connection; or (b) leave the Equipment in place and continue to make Rental Payments due on the due date of the Customer's monthly bill.
9. **Termination.** Saint John Energy may terminate this Agreement for the Customer's failure to comply with any provision of this Agreement including the failure to pay any outstanding Rental Payments (a “Breach”). Upon a Breach, Saint John Energy has the right, but not the obligation, to terminate power to the Premises or the Equipment, to disconnect the Equipment, remove the Equipment and/or pursue any other remedies at law. Saint John Energy's failure to exercise these rights is not a waiver of default or any future default. Upon a Breach, the Customer shall pay the associated disconnection fees set out in the Policies (if applicable) and the applicable removal and termination fee set out in paragraph 10 .
10. **Request for Removal and Termination Fees.** The Customer may cease renting the Equipment upon sixty (60) days' notice to Saint John Energy and the customer's payment of the following amounts:
- (a) **Prior to expiry of Base Rental Period.** i) all payments which were due or overdue at the time of termination; plus ii) the sum of the remaining Rental Payments in the Base Rental Period; plus iii) the positive sum of the following: Number of Units x (\$1,000.00 – (\$6.94 x number of months since Installation Date));
 - (b) **After Base Rental Period.** i) all payments which were due or overdue at the time of termination; plus ii) the positive sum of the following: Number of Units x (\$1,000.00 – (\$6.94 x number of months since Installation Date));

11. **Customer Obligation on Removal.** Upon a Termination Event, or upon a request by the Customer for removal of the Equipment in accordance with paragraph 10, the Customer shall arrange for the admittance of Saint John Energy/the Installer to the Premises for the purpose of removing the Equipment. Saint John Energy/the Installer shall not remove the line set connecting the exterior condenser unit and the interior evaporator unit—no repairs to the interior or exterior wall will be made.
12. **Ownership of Equipment.** The Equipment shall be and remain the property of Saint John Energy. The Equipment shall not form or be part of any security or be encumbered under any mortgage, charge, lien, or other encumbrance of any kind or nature whatsoever of the Premises nor shall the Equipment be liable to be seized for arrears or taxes, or under execution, bankruptcy proceeding or other legal process against the Customer. The Customer agrees and covenants that the Equipment shall remain movable personal property without the need for third party consent or waiver to remove the Equipment from the Premises. The Customer consents to the registration of Saint John's Energy's interest in the Equipment (in the discretion of Saint John Energy) including registrations on the real property and personal property registries under the laws of the Province of New Brunswick. The Customer agrees to pay the applicable registration and discharge fees if and when incurred and waives the requirement for Saint John Energy to deliver any verification statement of such security registration(s) filed in respect of this Agreement.
13. **Liability.** Saint John Energy shall not be liable for any direct, indirect, special or consequential damages to any persons or property resulting from or arising out of any installation, use, repair, delay in repairing, replacement, modification or removal of the Equipment, including, without limitation, any damages caused by water leakage, or in connection with Saint John Energy's supply of electricity to the Customer (including any interruption or disconnection thereof), and the Customer hereby agrees that their sole remedy is the repair and maintenance by Saint John Energy of the Equipment as provided herein.
14. **Warranties.** Except as expressly stated herein, or as provided by the manufacturer in the Manual, to the extent permitted by law, Saint John Energy expressly waives any and all warranties, express or implied, including the warranty of merchantability and fitness for a particular purpose.
15. **Indemnification.** The Customer shall indemnify and hold harmless Saint John Energy for any injury or damage to any persons or property, including the Equipment, arising from the installation or use of the Equipment and/or caused by any breach of this Agreement by the Customer or by the negligence of the Customer or of his or her household members, agents servants, employees, tenants, licensees, invitees, or independent contractors. The Customer shall not permit the removal, relocation, tampering with, alteration, modification or repairing of the Equipment or the removal or defacing of the nameplate identifying the Equipment as the property of Saint John Energy.
16. **Insurance.** During the entire term of rental, the Customer shall maintain property insurance on the property where the Equipment is installed. In the event that Equipment is damaged or destroyed, the Customer agrees it shall pay to Saint John Energy the balance of the undepreciated cost of the Equipment to Saint John Energy and the applicable termination fee in accordance with paragraph 10.
17. **Sale of Premises.** A sale of the premises where the Equipment is installed shall be considered a Termination as set forth in paragraph 10 unless the Customer arranges for the new owner to assume all of the Customer's rights and obligations under this Agreement by execution of a Saint John Energy assumption agreement. The Customer shall notify Saint John Energy of any sale or transfer of the premises fourteen (14) days in advance of said sale. The Customer consents to the disclosure of this executed Agreement to the new owner.
18. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, legal representations, administrators, successors and assigns. The Customer agrees that no affirmation, representation or warranty by any agent, employee, or representative of Saint John Energy or the Installers shall bind Saint John Energy or be enforceable by the Customer unless it is specifically included in this Agreement.
19. **Assignment.** Saint John Energy may assign all or any portion of its rights, benefits and obligations under this Agreement to any third party.

The undersigned is the registered owner(s) of the Premises.

The undersigned acknowledges receipt of the manufacturer’s Manual.

Dated this _____ day of _____, 20____.

Individual(s):

_____	_____	_____
Customer #1	Witness	Accepted for the Commission

_____	_____	_____
Customer #2	Witness	Accepted for the Commission

Corporation:

I/we hold the office(s) specified below in the Corporation, and am/are authorized to sign this Agreement on behalf of the Corporation.

[insert corporate name]

Per: _____
Name: _____
Title: _____

Accepted for the Commission

Limited Partnership:

I/we hold the office(s) specified below in the General Partner, and am/are authorized to sign this Agreement on behalf of the General Partner, in its capacity as general partner of the Limited Partnership.

_____ in its capacity
as general partner of _____

Per: _____
Name: _____
Title: _____

Accepted for the Commission

Appendix A: Rental Heat Pump Units

[illegible]