

# Market-Rate Builder Trade Ally Participation Agreement

## Program Overview

Consumers Energy offers a portfolio of programs and pilots that promote energy efficiency, incorporating rebates and energy education. The Consumers Energy Super-Efficient, All-Electric New Home Construction pilot program encourages the residential new construction industry to build homes within the Consumers Energy electric and combination service (natural gas and electric) territories that meet one of the following standards:

- ENERGY STAR® NextGen™
- U.S. Department of Energy (DOE) Zero Energy Ready Home™
- Passive House Institute™/Phius™

To achieve these goals, the program provides participating builders with technical, marketing and training support in addition to financial incentives.

Builders interested in participating in the Consumers Energy All-Electric New Home Construction pilot program must complete this Trade Ally Participation Agreement. Additional information can be found in the Pilot Program Guide.

## Getting Started

If this is your first ENERGY STAR, DOE Zero Energy Ready Home or Passive House Institute/Phius project, our team can help you get started.

To participate in the pilot program, builders should be aware of these steps:

1. Builder will need to submit this Trade Ally Participation Agreement for each submitted home.
2. We recommend that you incorporate the incentivized standards in design considerations as early as possible to qualify for incentives.
3. Builder should work with a local HERS or Passive House Institute/Phius certified rater. Your rater will submit rebate applications on your behalf.
4. Applicant must submit proposed home design(s) to the program portal (via your designated rater) within seven days.
5. Consumers Energy will review the application, income-qualified eligibility and home design(s).
6. If Consumers Energy approves the application and home design(s), incentives will be reserved based on the proposed home design(s) registered to the program.
7. Builder will build the home as proposed and will obtain the HERS rating.
8. Builder will register the home with the Residential Energy Services Network (RESNET®) and submit the final HERS rating to the program portal (via HERS Rater).
9. Builder will submit a completed home that meets ENERGY STAR NextGen, DOE Zero Energy Ready Home or Passive House Institute/Phius certification standards.

## Important

The information completed in the “Builder and Rater Information” section of the Trade Ally Participation Agreement will be the information included in the Trade Ally Directory. By signing this Trade Ally Agreement, you are agreeing that you have been trained on the program and will offer it to your customer. Trade Allies will be removed from the program for noncompliance.

10. Builder will submit a completed [ENERGY STAR NextGen Certified Homes](#) National Rater Field Checklist, Version 1.0, or [DOE Zero Energy Ready Home PV-Ready Checklist](#).
11. If all requirements are met, the incentive will be paid to the builder, based on the home's final HERS rating.

## Requirements for Passive House Institute/Phius

Single-family homes, duplexes and eligible townhomes can qualify for incentives by completing either of the following two pathways to certification. All qualifying homes must have Consumers Energy electric service as their primary heating source. Projects must be all-electric to qualify for the pilot.

### Phius Prescriptive Path

1. Can be single-family home or duplex. Must be all-electric.
2. Requires a Certified Passive House Consultant (CPHC) for the design submission and a Phius Rater to verify the construction and provide testing.
3. No energy modeling is required.
4. Design review, checklist submission and diagnostic testing are required by a certified professional.
5. ENERGY STAR, DOE Zero Energy Ready Home and Indoor airPLUS are required as co-requisites.

### Standard Phius Certification

1. Can be single-family home, duplex or multifamily home.
2. Requires a CPHC for the design submission and a Passive House Institute/Phius Rater to verify the construction and provide testing.
3. Energy modeling is required, and certain trade-offs are allowed.
4. ENERGY STAR, DOE Zero Energy Ready Home and Indoor airPLUS are required as co-requisites.

## Trade Ally Participation Terms and Conditions

### Home Eligibility

This Trade Ally Participation Agreement is between the listed Trade Ally and Consumers Energy. This agreement defines the terms under which the Trade Ally agrees to participate in the Consumers Energy Super-Efficient, All-Electric New Home Construction pilot program.

- Home must be in the Consumers Energy electric or combination service (natural gas and electric) territory as evidenced by town, ZIP code and Consumers Energy meter number.
- Qualifying structures must be site-built, single-family residential homes, duplexes or townhomes.
  - Mobile homes and manufactured homes are not eligible.
- Home must show proof of being net-zero energy ready with completion of DOE's Zero Energy Ready Home Photovoltaic (PV)-Ready Checklist.
- Home must have Consumers Energy electric for the primary heating and water heating fuel type.

- Home must use a cold climate heat pump for heating and cooling.
  - Program highly encourages builders to use cold climate heat pumps listed on the [Northeast Energy Efficiency Partnerships Cold Climate Air Source Heat Pump \(ccASHP\) Product List](#).
  - This HERS score must be achieved before the addition of solar PV, if applicable.
  - This HERS score is determined by Ekotrope HERS Rating Software.
  - Passive House certification requires a certified builder, rater and consultant for eligibility.
- Home must be permitted on or after April 15, 2024.
- Home must receive a HERS rating, rough/pre-drywall inspection and final inspection.
- Home construction, PV-Ready Checklist and final HERS rating must be completed by Dec. 31, 2025.
- Incentive application must be updated to include the final HERS rating and be resubmitted to the portal by Dec. 31, 2025.
- Program funds are intended to help offset the cost of energy efficient upgrades.

## Performance Milestones

- Homes must be registered in the portal within seven days of Program Application submission so the program can approve and track the homes for quality assurance purposes.
- Home construction and final HERS rating must be completed and submitted to the program by Dec. 31, 2025.
- If the builder fails to meet the performance milestone requirements listed above, Consumers Energy reserves the right to withdraw potential incentive payments. At its sole discretion, Consumers Energy may reclaim a portion of any withdrawn incentive.

## Financial Incentives

| Home Certification Pathway        | Incentive From Consumers Energy | Eligible for Federal Tax Credit* |
|-----------------------------------|---------------------------------|----------------------------------|
| ENERGY STAR NextGen               | \$5,000                         | \$2,500                          |
| <b>DOE Zero Energy Ready Home</b> | <b>\$10,000</b>                 | <b>\$5,000</b>                   |
| Passive House Institute/Phius     | \$20,000                        | \$5,000                          |

\*Consult with a qualified tax professional on how to claim the Section 45L New Energy Efficient Home Credit.

For homes that meet all the program requirements (as detailed in the Home Eligibility section above and in the Pilot Program Guide), have received the necessary and applicable permits, have been submitted in the program’s online incentive system (portal) and have been permitted on or after April 15, 2024, Consumers Energy will provide incentives to builders.

## Incentive Reservation

This incentive application and home design must be registered in the portal and be pre-approved by the program. Upon approval, allocations will be reserved for the home(s). Any modifications to the home design may result in a gain or loss of allocation.

## Builder and Rater Information

Please provide the following information about your company.

|   |                           |
|---|---------------------------|
| Building Company Name:                      |                           |
| Primary Contact:                            | Primary Contact Phone:    |
| Primary Contact Email:                      |                           |
| Production Contact:                         | Production Contact Phone: |
| Production Contact Email:                   |                           |
| Website:                                    |                           |
| HERS/Passive House or Phius Rating Company: |                           |
| Rater Name:                                 | Rater Email:              |

## Mechanical/HVAC Provider Information

|  |        |  |        |
|--|--------|--|--------|
| Company Name of Primary HVAC Provider: |        | Michigan Mechanical License #:   |        |
| Primary Contact Name:                  |        | Email:   |        |
| Address:                               |        | City:  | State: |
| ZIP:                                   | Phone: | Does this company carry ENERGY STAR for New Homes credentials?<br><input type="checkbox"/> Yes <input type="checkbox"/> No* <input type="checkbox"/> Not Sure*<br><small>*If you select No or Not Sure, we may reach out with resources to help you become accredited.</small> |        |

## Home Details

|   |                                      |
|---|--------------------------------------|
| Home Address(es):   |                                      |
| Estimated Home Square Footage:  |                                      |
| Do you have a preferred insulation supplier? <input type="checkbox"/> Yes <input type="checkbox"/> No | If yes, please provide company name: |

## Trade Ally Participation Terms and Conditions

This Trade Ally Participation Agreement is between the listed Trade Ally and Consumers Energy. This agreement defines the terms under which the Trade Ally agrees to participate in the Super-Efficient, All-Electric New Home Construction pilot program.

### Consumers Energy agrees to offer the following:

- Information sessions for participating Trade Allies on program procedures, requirements and qualifying equipment specifications.
- Rebates to eligible Trade Allies as filed with the Michigan Public Service Commission (and as funds are available).

Through a Consumers Energy sponsored website, [ConsumersEnergyeed.com](http://ConsumersEnergyeed.com), Trade Allies can have their company name and information linked to an approved website directory of residential builders. This is subject to the terms and conditions herein. Therefore, in consideration of the mutual promises contained and the mutual benefit to be obtained, the parties agree as follows:

- Trade Allies' contact information will be placed on the participating Trade Ally list on the Consumers Energy Super-Efficient All-Electric New Home Construction pilot program website for customers once the Trade Ally Participation Agreement is complete.
- All Trade Allies acknowledge and agree that Consumers Energy provides the list of ENERGY STAR providers solely for informational purposes. Consumers Energy makes no warranty of any kind whatsoever, including, without limitation, the warranty of merchantability or fitness for a particular purpose.
- Under no circumstance or legal theory, whether as a result of a breach of contract, warranty or tort (including negligence, strict liability or otherwise), will Consumers Energy be liable to any Trade Allies for any indirect, special, consequential, punitive or exemplary damages. License, insurance and bonding shall remain the sole responsibility of the Trade Allies.
- The relationship between Consumers Energy and the Trade Ally shall be that of owner and independent contractor, and all Trade Allies agree that nothing shall operate to change or alter such relationship. Trade Allies shall have no actual or apparent authority to bind, represent or work on behalf of Consumers Energy and may not represent or imply such authority verbally or through use of any Consumers Energy logo, trademark or service mark (including logos, trademarks or service marks of Consumers Energy's parent or affiliates).
- Trade Allies shall comply with all applicable laws and codes. Failure of any Trade Ally to comply with applicable laws, codes or Consumers Energy guidelines or any failure to resolve customer concerns may (at the sole discretion of Consumers Energy) lead to such Trade Ally's removal from the program.

Trade Ally status does not imply a utility endorsement of the contractor in any way; rather, it simply provides a way to identify those contractors who have completed the required program training and are committed to offer high efficiency homes to their customers as well as actively promote the program.

### Trade Ally agrees to perform the following:

- Follow all directives as outlined in the Trade Ally Participation Agreement.
- Hold and maintain required licenses and insurance coverage while participating in the program.
- Install all qualifying equipment for which incentives are provided in a professional manner, consistent with industry standards and in accordance with all applicable building codes; zoning laws, local, state and federal requirements; and other relevant requirements.
- Maintain and retain accurate business records relating to the installation of qualifying equipment according to customary industry practice for at least one year following home completion.
- Will not use the Consumers Energy Super-Efficient, All-Electric New Home Construction pilot program promotional materials (including the Consumers Energy logo) without the express written consent of Consumers Energy.
- Use a RESNET-approved HERS Rater(s) to provide testing and certification of program homes. Trade Ally's chosen rater(s) must be registered with—and approved by—the program in order to be eligible to submit rebate 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 complete the rater Program Participation Agreement.
- Prior to any payment of builder incentives, Consumers Energy reserves the right to verify the completion of homes for the requested incentive, as well as other applicable program requirements.

### Confidentiality Agreement

All information, including invoicing data to Consumers Energy, will be kept confidential within the Consumers Energy Super-Efficient, All-Electric New Home Construction pilot program and will only be used in aggregate form, as required, by the Michigan Public Service Commission and for associated evaluation, measurement and verification purposes.

## Trade Ally Signature

Trade Ally has read, understands and agrees to all the definitions, terms and conditions that are part of this Trade Ally Participation Agreement.

By signing below, Trade Ally agrees: (1) It has been trained on the program and will offer the program to its customers; (2) Consumers Energy reserves the right to end Trade Ally participation in this pilot program at any time; (3) Trade Ally does not have any unresolved or outstanding complaints before the Michigan Department of Licensing and Regulatory Affairs or any other applicable regulatory agency, or a pattern of outstanding litigation that involves their work; and (4) It shall indemnify and hold harmless Consumers Energy from and against losses, liabilities, expenses, attorney fees, damages and injury (including death) to persons arising out of or in any manner connected with its participation in this pilot program.

Trade Allies found in violation of any of the terms of the agreement and/or policies and procedures will be subject to removal or restricted pilot program participation.

## Company Representative

|               |       |
|---------------|-------|
| Printed Name: |       |
| Title:        |       |
| Signature:    | Date: |

## Rebate Reassignment Payment Release Authorization

**Complete this section ONLY if the incentive payment is to be paid to an entity other than the builder.**

Check should be made payable to

|                        |                        |      |
|------------------------|------------------------|------|
| Payee:                 |                        |      |
| Mailing Address:       |                        |      |
| City:                  | State:                 | ZIP: |
| Primary Contact Email: | Primary Contact Phone: |      |
| Payee Signature:       | Date                   |      |

**Please email this agreement to**  
**[CENewHomes@icf.com](mailto:CENewHomes@icf.com) or [Rob.Murawski@icf.com](mailto:Rob.Murawski@icf.com)**

**For questions, please contact:**

Rob Murawski  
Mobile: 586-212-4689  
Office: 517-768-6316  
**[Rob.Murawski@icf.com](mailto:Rob.Murawski@icf.com)**