From: NYS Clean Heat

Subject: Program Change Announcements for June 1, 2023 and PC&IP Webinar Announcement

Date: Thursday, June 1, 2023 2:18:48 PM

NYS Clean Heat Participating Contractors, Industry Partners, and Stakeholders,

The NYS Clean Heat Program is reaching out to announce updates to the NYS Clean Heat Program Manual for Central Hudson, National Grid, NYSEG, O&R, and RG&E, and to the NYS Clean Heat Con Edison Heat Pump Program Manual. Under current practice, the Clean Heat Joint Management Committee (JMC) announces major program changes on June 1 and December 1 of each year, with these changes implemented on September 1 and March 1 of each year, respectively. The program changes listed below will be implemented on September 1, 2023. For incentive level changes, refer to the tables attached here.

Stakeholders are also invited to attend meetings of the Participating Contractors and Industry Partners (PC&IP) Working Group Series to hear more about these changes and other current topics. The next meeting will be held on **Monday**, **June 12**. Details can be found on the NYS Clean Heat Contractor Resources <u>webpage</u> under the Working Group Series drop-down section, including a <u>registration link</u>. Stakeholders are also invited to provide feedback and inquiries at any time to the centralized inbox at NYSCleanHeat@ceadvisors.com.

- Incentive Level Changes: Starting September 1, incentive levels will be updated in
 the service territories of Central Hudson, National Grid, NYSEG/RG&E, and O&R
 as summarized in the table linked here. All projects installed prior to the effective
 date of September 1 will be eligible to receive the current incentive levels.
 Applications for these projects must be submitted by September 30, 2023.
- Heat Recovery Chillers and Heat Pump Chillers: The NYS Clean Heat Program will
 clarify rules and requirements for projects that include electric heat recovery chillers
 and heat pump chillers. Contractors who are considering a project with these
 technologies should reach out to their <u>utility program administrator</u>. Only Con
 Edison, National Grid, and NYSEG will begin accepting projects with these
 technologies, effective September 1.
- <u>Project Incentive Caps for All Projects</u>: Incentives on all projects for all utilities will now be capped at 50% of project costs.
- <u>Project Incentive Cap for Custom Projects</u>: Central Hudson, NYSEG, RG&E, and O&R will adjust the cap on incentives for custom projects to the lesser of 50% of project costs or \$700,000.
- <u>Air-to-Water Heat Pumps for Residential Space Heating</u>: Pending upcoming approval by the Technical Resource Manual Management Committee, the NYS Clean Heat Program will begin accepting projects involving air-to-water heat pumps. Incentive rates and structures will be made available as soon as possible, no later than in conjunction with the next Program Manual update on September 1.
- Minimum Eligibility for Custom Projects: The JMC will adjust the eligibility requirements for custom projects such that projects must displace at least 50% of the existing on-site fossil fuel consumption, or they must contribute at least 4,000 MMBtu of savings annually.

The JMC extends its thanks to the manufacturer, contractor, and stakeholder community for all of their input and dialogue as the program advances the transition to heat pumps for

space and water heating and bu New York State. We look forwal continues to evolve.	uilds the market infrastructure for a low-carbon future in rd to further collaboration and engagement as the program
Best Regards, The NYS Clean Heat Joint Management Committee	
You are receiving this email because of the NYS	your participation or expressed interest in NYS Clean Heat as identified by Clean Heat Joint Management Committee.