

Con Edison Clean Heat Monthly Webinar

February 9, 2023

Agenda

- Relaunch Status
- Con Edison Program Documentation
- Inspections & Oversight
- January Budget & Achievement
- FAQ
- Upcoming Attractions

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The Con Edison Clean Heat Program is open

- Con Edison began accepting application for ASHP projects on January 17, 2023
- Clean Heat incentives will only be available for projects that have installed eligible heat pump equipment after Jan 17th
- To find more information about the relaunched Con Edison Clean Heat program, please visit <https://cleanheat.ny.gov/contractors/>

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Required documentation to become a 2023 Participating Contractor

All contractors must submit an updated Con Edison Participating Contractor Agreement with Attestation Form

New Participating Contractors must also submit:

- NYS Participating Contractor Application
- IRS Form W-9
- Certificate of Insurance Policy (minimum \$1 million)
- Sector-specific documentation (see tables on the following slides)

For additional information on the NYS Clean Heat Program Contractor enrollment, visit [Become a Participating Contractor: NYS Clean Heat](#) webpage

Con Edison has released a full suite of documentation to support Clean Heat

- Con Edison Program Manual
- Updated Statewide calculator tool and user guide
- Updated residential decommissioning checklist
- Non-residential decommissioning checklist
- Updated ASHP and GSHP inspection checklists

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Updates to the residential field inspection process for post-January 17, 2023 projects

- We target 10% of residential applications by contractor for *Programmatic* inspection
- We have revised the inspection checklists to focus on major risks associated with the installation
- Projects will be flagged for *Programmatic* inspection during the application process, before payment is issued
- Any single item on the revised checklists will result in a Failed inspection
 - Projects with Failed inspections must remediate any issues before payment is issued
- Applications not selected for inspection will be passed through for payment

QAQC inspections supplement programmatic inspections

- In addition to Programmatic Inspections, which occur before payment, Con Edison will conduct QAQC inspections
- The rates of QAQC inspections may vary by sector
- The QAQC inspections monitor program processes and performance and inform continuous improvement
- Some projects, and many large projects will receive two inspections, a Programmatic Inspection and a QAQC Inspection

Non-residential ASHP and GSHP program controls and QAQC processes

Programmatic Inspections

- All Non-Residential projects in existing buildings are subject to a pre-installation and post-installation inspection
- Pre-Pause C&I and MF Clean Heat projects underwent programmatic pre-installation and post-installation inspections
- Upon relaunch, these programmatic controls will continue, and be adopted for SMB Clean Heat
- Payment will not be issued until programmatic inspections are complete and onsite issues are remediated

QAQC Inspections

- Program-specific QAQC inspection criteria will be developed with input from existing core programmatic QAQC activities
- These QAQC inspections will be conducted pre project payment and will also be used to monitor IC performance, identify trends, and inform continuous improvement

Disciplinary process across all segments

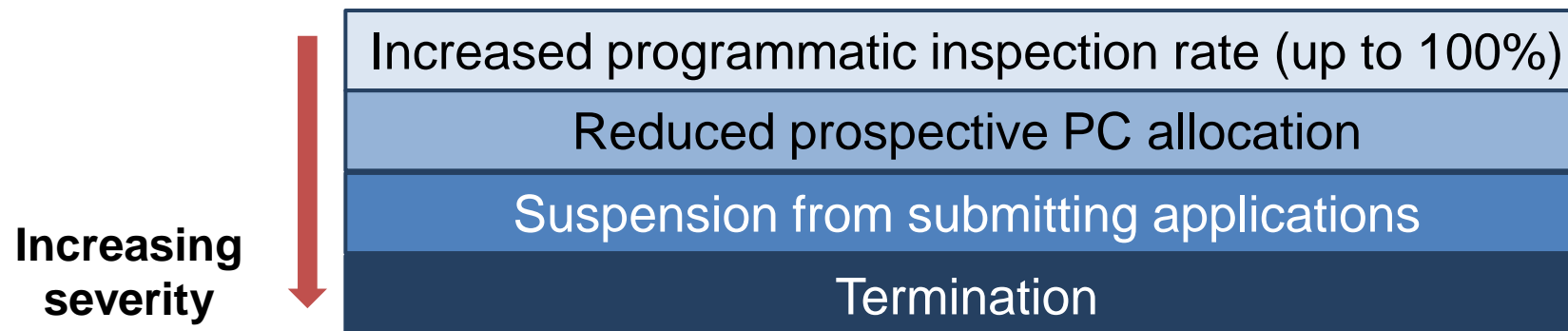
Results of programmatic inspections within a rolling 6-month timeline:

1st Fail: Required coaching/reinforcement training

2nd Fail: Warning letter

3rd Fail: Disciplinary escalation based on severity of identified issues

Illustrative Disciplinary Actions



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We use sectoral allocations to manage our budget

- Sectoral allocations manage our budget and guide Program achievement
- There are five allocations for incentives and a sixth for non-incentive administrative costs
- We plan to adjust the sectoral allocations quarterly
- Non-residential includes Multi-family, C&I and SMB

Customer Segment	Allocation (\$)
Residential GSHP	\$1.25M
Non-Residential GSHP and Custom Water Heaters	\$0.9M
Non-Residential ASHP and Custom Water Heaters	\$3.15M
Residential ASHP	\$3.6M
Midstream HPWH	\$0.1M
Program Administration	\$1.0M
Total	\$10M

SAMPLE January Achievement – Contractor Dashboard

SAMPLE

Incentives (\$)	Residential ASHP	Residential GSHP	Non-Residential ASHP & Custom WH	Non-Residential GSHP	Midstream WH	Total
Allocation	3,600,000	1,250,000	3,150,000	900,000	100,000	9,000,000
+ Approved rollover from previous months	-	-	-	-	-	-
Total allocation	3,600,000	1,250,000	3,150,000	900,000	100,000	9,000,000
- Commitments	XXX,XXX	XXX,XXX	XXX,XXX	XXX,XXX	XXX,XXX	XXX,XXX
Balance	XXX,XXX	XXX,XXX	XXX,XXX	XXX,XXX	XXX,XXX	XXX,XXX

Con Edison will publish updated sectoral allocations twice monthly.

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FAQ – Allocations

- Will submitting the application lock in that month's allocated funds?
 - Yes, once you submit a completed ASHP application it will automatically subtract the allocated funds from the monthly allocation in the month that it was submitted
- If we sign a second job in a month, do we need to wait to submit the application or can we ask for additional rebate funds?
 - If you have available money in your allocation, you do not have to wait!
 - If you have already submitted up to your monthly allocation, or your additional job exceeds the amount remaining under your allocation, you must wait OR reach out to your Account Manager to request additional allocation for the current month.
- When requesting additional funds, how long do you anticipate we would have an answer to see if funds will be available?
 - We expect to provide a response within one week.

FAQ – Incentives & eligibility

- What are the appropriate rebates for decommissioning for one-dwelling unit in a four-family building and moving to ASHP?
 - \$3,000/dwelling unit
- What are the incentives for a two-family building with two separate gas units both getting decommissioned and moving to ASHP?
 - If the jobs are done together, they would receive \$8,000/home in incentives.
 - If the jobs are installed at different dates, they are treated as separate projects and would receive \$3,000/dwelling unit
- Are project incentives capped due to project cost?
 - Yes, incentives are capped at 50% of project cost.
- Are Gut Rehab projects eligible?
 - Yes, Gut Rehab is eligible for residential incentives.

FAQ – Application process

- If we sign a job and begin the installation but it exceeds the 30-day window to have installation finished, possibly due to electrical upgrade, what happens to the funds for that job?
 - An ASHP project draws down the allocation during the month that the completed application is submitted to Con Edison.
 - Applications must be submitted within 30 days of project installation completion.
- Can ICF accept applications in mixed-use buildings?
 - Yes. ICF will accept applications for up to 4-dwelling units (apartments, condos, etc.) in a single mixed-use building where the first floor is a commercial space.
- How many dwelling units can I submit on a single application?
 - Projects completing both dwelling units in a two-unit building at the same time should put both units on the same application.
 - All other projects should submit each dwelling unit on their own application
 - HINT: use the “Copy Project” tool in OIT when submitting 3-4 units in a single building

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Upcoming engagement

- Con Edison will be hosting **monthly** webinars throughout 2023 to discuss Clean Heat activity
- If you have any questions about the content discussed today, please contact:
 - Toby Hyde hydet@coned.com
 - Dan Krupa krupad@coned.com

Webinar Dates	Time
March 15, 2023	10:00 AM
April 12, 2023	10:00 AM
May 17, 2023	10:00 AM
June 14, 2023	10:00 AM



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FOR DISCUSSION