

NYS Clean Heat Working Group Series

for Participating Contractors & Industry Partners

Session #11

March 10, 2022, 8:30 am–10 am

**NYS Clean Heat
Joint Management Committee**



NYS Clean Heat

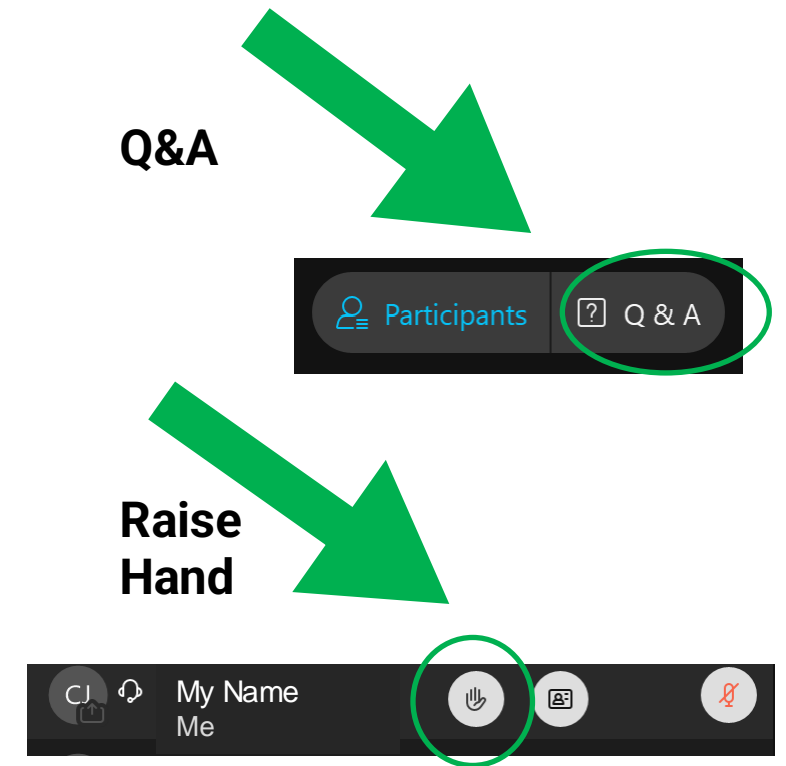
Agenda

- > **Meeting procedures**
- > **Welcome**
- > **Safety Message**
- > **JMC updates and discussion**
 - Program Manual Update – 3/1
 - Contractor Responsibilities in the Clean Heat Program
 - Common Application Action Required Issues and How to Avoid Them
 - Online Intake Tool (OIT) Improvements Status Update
 - ICF Process Cycle Times for Completed Prescriptive Projects
- > **Stakeholder Presentations**
 - Contractor Financing (*NY-GEO*)
 - Category 4 Phased Payments (*NY-GEO*)
- > **Resources, support, and next steps**

Meeting procedures

Before beginning, a few reminders:

- > **All attendees will be muted**
- > For questions or comments throughout, please use either the Raise Hand or Q&A functions
 - > Hover your mouse over your name in the Attendees list in order to see the Raise Hand icon displayed
 - > When you have finished asking your question, select the Raise Hand icon again to lower your hand
- > If an attendee opts to use the Raise Hand function to ask a question or make a comment, the meeting moderator will call on that attendee and unmute individually
- > Q&A function is private – the team will share public responses as appropriate
- > Slides, notes, and a compilation of Q&As will be posted after the meeting
- > If technical issues arise, please contact Paul Dauderis
pdauderis@ceadvisors.com



Welcome

Joint Management Committee (JMC) Co-Chairs:

- > **Toby Hyde**, Con Edison
- > **Will Xia**, NYSERDA

> Other JMC Members:

- **Ray Cotto**: Central Hudson
- **Steve Coulter**: Con Edison
- **Jennifer Cross**: National Grid
- **Nicole Williams**: NYSEG, RG&E
- **Mark Maloney**: Orange & Rockland

> Our implementation team today:

- **Mike L'Ecuyer**: ICF
- **Kenn Latal**: ICF

> Our Working Group support team:

- **Ben Davis**: Concentric
- **Pieter Zwart**: Concentric
- **Clara-Ann Joyce**: Concentric

Working Group Series

Review of typical meeting format

- > **Working meetings between Participating Contractors, industry partners, and other stakeholders with the NYS Clean Heat Program Administrators**
- > To foster:
 - Transparency
 - Coordination and communication
 - Prioritization
 - Solution development

Working Group Series

Review of typical meeting format

- > **Updates on previous topics** (various)
- > **Stakeholder presentations**
 - Presentation (5m)
 - Discussion time will vary by topic (5-30m)

Safety Message

> **LIGHTS**

- Keep your headlights and clearance lights clean and on when driving. Being visible is important to your safety.

> **SUNGLASSES**

- Blinding glare caused by low sun, sunlight reflecting off snow, other vehicles and/or buildings can be potentially lethal. This danger can be greatly reduced by wearing sunglasses with polarized lenses that filter glare. Choose sunglasses that have curved lenses to protect in front and to the sides, and thin frames to free up peripheral vision. Always remove sunglasses when entering tunnels.

> **CRUISE CONTROL**

- Do not use cruise control in less-than-ideal conditions. Using cruise control can be dangerous on wet or icy roads, as well as in areas where many speed corrections need to be made, such as on winding or hilly roads, in heavy traffic, and in urban areas.

Program Manual Update – 3/1

- > **NYS Clean Heat Program Manual Version 6 (March 1st, 2022) posted on NYS Clean Heat [website](#)**
 - Posted under the Program Development, Approvals and Process Documents drop-down section
 - A redline version of the program manual is posted on the website as well
- > **Updated version of the Program’s Quality Policies & Procedures [document](#) posted**
 - Available under the Standards and Field Assessments drop-down section
- > **Updated Decommissioning Checklist for Category 2b posted**
 - Available under the Air Source Heat Pump (ASHP) drop-down section
- > **Previously Announced Con Edison, Central Hudson, Orange & Rockland Incentive Changes are effective for projects installed on or after March 1, 2022**
 - For ccASHP Category 1, 2, 2a and 2b residential (1-4 unit) projects installed on or after March 1, 2022
 - Central Hudson will begin offering a 2b adder incentive for ASHP full load heating + decommissioning on March 1, 2022
 - Con Edison Natural Gas-constrained Area Kicker Incentive
- > **Application Deadlines for Process Improvement in effective for applications submitted on or after March 1, 2022**
 - 45-day deadline for contractors to resolve applications with errors
 - Deadline to submit new prescriptive project applications within 60 days after project is commissioned

Contractor Responsibilities in the Clean Heat Program

- > The Clean Heat Program Manual details all manner of Clean Heat Program operations including expectations of NYSERDA, Joint Efficiency Providers and Participating Contractors
- > Contractor statuses are given in section 6
 - Provisional
 - Full
 - Probationary
 - Suspended
 - Terminated
- > Projects that do not comply with requirements listed in the program manual are not eligible for incentives

Program Manual Requirements

5. Program Compliance and Field Assessments

5.1 Compliance with Manufacturers' Installation Requirements, Laws and Codes

Under the NYS Clean Heat Program, all ASHPs, GSHPs, HPWHs, system components, and installations must comply with any and all manufacturers' installation requirements and applicable laws, regulations, codes, licensing, and permit requirements, and must follow best practices for all aspects of installation, including appearance of the property.⁵¹ These include the New York State Environmental Quality Review Act, the New York State Building Code, or New York State Residential Code, New York State Plumbing Code, New York State Mechanical Code, New York State Energy Code, the National Electric Code, Fire Codes, and all applicable state, city, town, or local ordinances or permit requirements. In the City of New York, all relevant New York City Codes and NYC Department of Environmental Protection requirements apply.

5.2 Execution of Work Requirements

All equipment and accessories must be installed in a competent and professional manner.

If the Manual is unclear, please ask

- > If the Clean Heat Program Manual is unclear on a particular topic, please contact your utility program manager
- > While we seek to avoid conflicts between the Manual and any laws, regulations or guidelines, conflicts may arise. Please bring these to our attention so that we can adjust Clean Heat Program documentation to resolve any inadvertent conflicts.

Common Application Action Required Issues & How to Avoid Them



Missing or Incorrect Rebate Amount Listed on Customer Acknowledgment Form



Let the prescriptive calculator (Your Best Friend) calculate the customer portion and get that signature!



Invoice information does not match Utility Account Holder Information



If a utility bill can be shared, that's always best. In any case, take a few extra minutes to confirm this info with your customer. It's worth it for everyone involved.



Unclear or Missing Photographs



Talk to your installation staff about this step! Providing clear photos is an easy way to help expedite your project.



Manual J Design Temps not within 5 Degrees of Weather Station Temp



Use that calculator! Input the project zip code and the recommended design temps are shown immediately.



HP Output Capacity at Design Temp is incorrect



If it's not an even 5 degrees from the NEEP certificate, use the calculator to determine this capacity. If it's below the temps listed by NEEP, obtain manufacturer data.



Missing Serial Numbers



Serial numbers for all HP's and HPWH's should be captured in photos and listing them on invoices is an added step that helps avoid any question

Online Intake Tool (OIT) Improvements Status Update

Previous sprint items completed in 2021 and in January 2022

- > 2021: Filtering on dashboard, exporting data, adjusting columns, premise info in emails, deploy text messages, coordination of messaging with OIT changes, HPWH OIT alternatives, status glossary, tips on fields, aging of current status
- > January 2022
 - Added fields for Con Edison and ORU Category 2A and 2B; fields for NYSEG and RGE special LMI projects
 - Added a note/comment field for contractors to fill out on new applications, as requested
 - One item (add total project aging) was challenging and moved back to the 5/1 OIT sprint as a report

Improvement	Feasibility	Notes	ETA
Smarter existing equipment type entries, based on fuel type entry	Medium	Inquiry underway on feasibility of restricting equipment type DDL based on fuel type field	5/1/2022
Column for Project Number not wide enough	High	Columns can be hidden to widen remaining columns; other option is to export to Excel manually. IT team is redesigning layout.	5/1/2022
Add total project aging on the OIT dashboard	Medium	Alternative report solution will provide more functionality than adding a column	5/1/2022
Include equipment model and serial number for contractor to check before submitting	Medium	Allow contractor to check on the equipment in their project before submitting - looking at summary vs. improvement page for the location	5/1/2022
Cloning Measures	Medium	Planning to develop such that only serial number will need to be entered for the cloned equipment	5/1/2022
Make all versions of OIT identical	High	Harmonize order of fields across OITs— early stage to move some fields so that order is the same	5/1/2022

OIT Improvements – Acceleration of the “One-OIT” Stage of Development

- > First stage: Realignment of the 5/1 sprint – some items have been accelerated and some will be implemented with the work to migrate to a single statewide OIT framework
- > Second stage: begin statewide OIT unification project two months early
 - Taking on the challenge of accommodating small differences in the programs that may still persist beyond 9/1
 - Configure in any 9/1 program changes that are necessary and shoot for rollout around the same time, while handling small differences
- > Third stage: develop bulk upload tools for large users and potential new construction

OIT Improvements Status Update

Improvement	Feasibility	Notes	ETA
Smarter existing equipment type entries, based on fuel type entry	Medium	Inquiry underway on feasibility of restricting equipment type DDL based on fuel type field	Done
Column for Project Number not wide enough	High	Columns can be hidden to widen remaining columns; other option is to export to Excel manually. IT team is redesigning layout.	Done
Add total project aging on the OIT dashboard	Medium	Alternative report solution will provide more functionality than adding a column	3/18/2022
Make all versions of OIT identical	High	Harmonize order of fields across OITs - early stage to move some fields so that order is the same	5/1/2022
Include equipment model and serial number for contractor to check before submitting	High	Allow contractor to check on the equipment in their project before submitting - looking at summary vs. improvement page for the location	8/31/2022
Cloning Measures	High	Planning to develop such that only serial number will need to be entered for the cloned equipment	8/31/2022
Make all versions of OIT identical	High	Longer term: common OIT platform, combined w better JMC program design harmonization	8/31/2022
Deploy bulk upload tool like the one deployed for Con Ed	High	The OIT bulk upload tool is complex b/c of attachment capability - requires one OIT platform.	9/30/2022

- > Two items already done, one coming soon, two moved back – difficulty of implementing them in current individual OITs would take up time better used for acceleration of the most important and permanent change to a unified OIT platform

OIT Improvements – Equipment Type

Before

- Heating Equipment Type:
- Boiler, Hot Water, Gas Fired - GT 2500 kBtuh - Serving 2+ Units
 - Boiler, Hot Water, Gas Fired - GTE 300 kBtuh LTE 2500 kBtuh - Serving 2+ Units
 - Boiler, Hot Water, Gas Fired - LT 300 kBtuh - Serving 2+ Units
 - Boiler, Hot Water, Gas Fired - Serving 1 Unit
 - Boiler, Hot Water, Oil Fired - GT 2500 kBtuh - Serving 2+ Units
 - Boiler, Hot Water, Oil Fired - GTE 300 kBtuh LTE 2500 kBtuh - Serving 2+ Units
 - Boiler, Hot Water, Oil Fired - LT 300 kBtuh - Serving 2+ Units
 - Boiler, Hot Water, Oil Fired - Serving 1 Unit
 - Boiler, Steam, Gas Fired - Serving 1 Unit
 - Boiler, Steam, Gas Fired, All Except Nat Draft - GTE 300 kBtuh - Serving 2+ Units
 - Boiler, Steam, Gas Fired, All Except Nat Draft - LT 300 kBtuh - Serving 2+ Units
 - Boiler, Steam, Gas Fired, Nat Draft - GTE 300 kBtuh - Serving 2+ Units
 - Boiler, Steam, Gas Fired, Nat Draft - LT 300 kBtuh - Serving 2+ Units
 - Boiler, Steam, Oil Fired - GTE 300 kBtuh - Serving 2+ Units
 - Boiler, Steam, Oil Fired - LT 300 kBtuh - Serving 2+ Units
 - Boiler, Steam, Oil Fired - Serving 1 Unit
 - Warm Air Furnace, Gas Fired - GTE 225 kBtuh - Serving 2+ Units
 - Warm Air Furnace, Gas Fired - LT 225 kBtuh - Serving 2+ Units
 - Warm Air Furnace, Gas Fired - Serving 1 Unit
 - Warm Air Furnace, Oil Fired - GTE 225 kBtuh - Serving 2+ Units
 - Warm Air Furnace, Oil Fired - LT 225 kBtuh - Serving 2+ Units
 - Warm Air Furnace, Oil Fired - Serving 1 Unit
 - Warm Air Unit Heaters, Gas Fired - Serving 2+ Units
 - Warm Air Unit Heaters, Oil Fired - Serving 2+ Units

After

- Heating Equipment Type:
- Boiler, Hot Water, Oil Fired - GT 2500 kBtuh - Serving 2+ Units
 - Boiler, Hot Water, Oil Fired - GTE 300 kBtuh LTE 2500 kBtuh - Serving 2+ Units
 - Boiler, Hot Water, Oil Fired - LT 300 kBtuh - Serving 2+ Units
 - Boiler, Hot Water, Oil Fired - Serving 1 Unit
 - Boiler, Steam, Oil Fired - GTE 300 kBtuh - Serving 2+ Units
 - Boiler, Steam, Oil Fired - LT 300 kBtuh - Serving 2+ Units
 - Boiler, Steam, Oil Fired - Serving 1 Unit
 - Warm Air Furnace, Oil Fired - GTE 225 kBtuh - Serving 2+ Units
 - Warm Air Furnace, Oil Fired - LT 225 kBtuh - Serving 2+ Units
 - Warm Air Furnace, Oil Fired - Serving 1 Unit
 - Warm Air Unit Heaters, Oil Fired - Serving 2+ Units

OIT Improvements – Column Width

Rebate Applications

Submitted Applications

Applications that have been submitted

All Applications

Needs Attention! **0**

In Progress Applications

Approval **0**

Submitted Applications

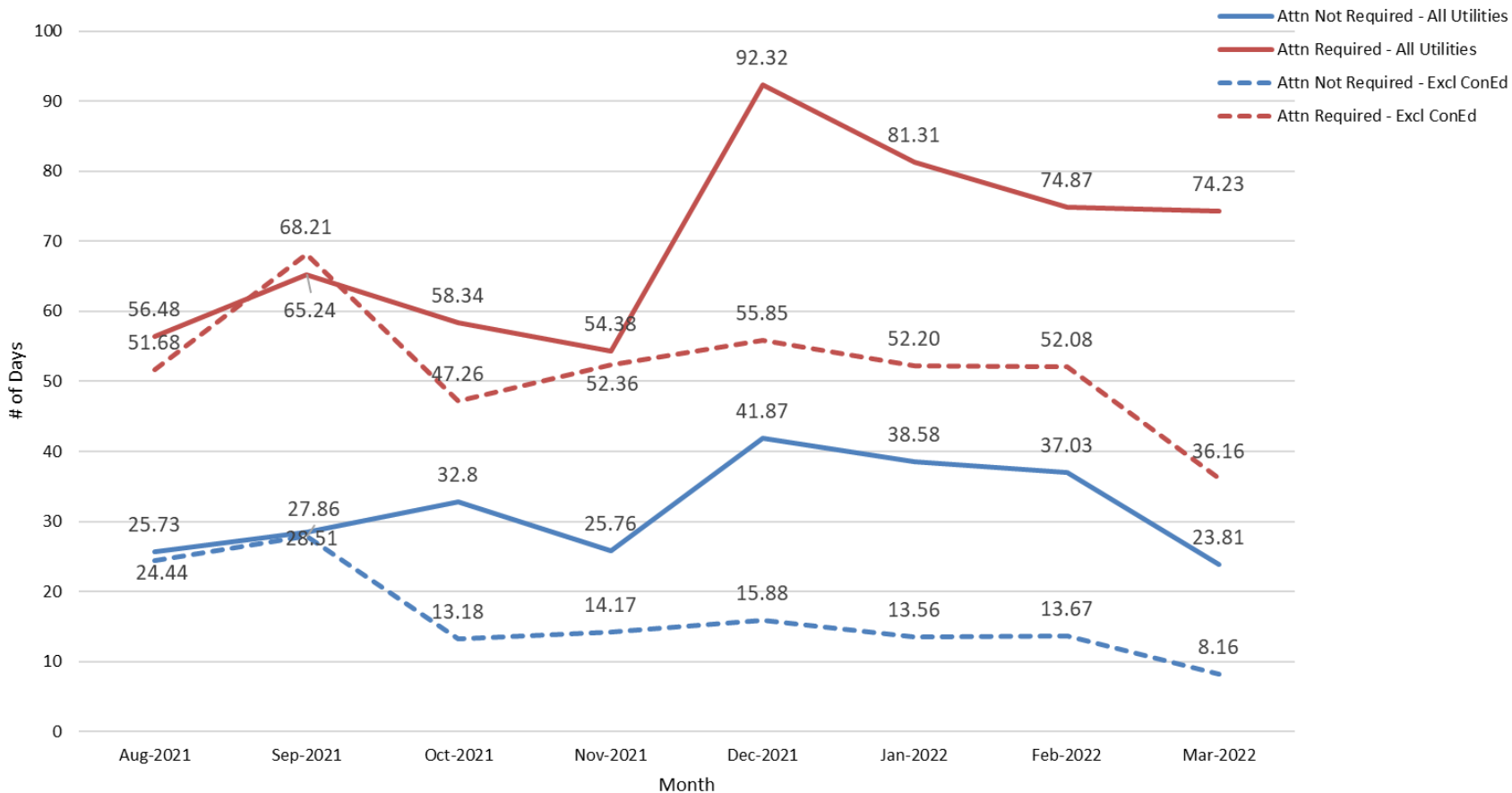
Mobile Apps

Vision ID	Project Number	Proj... Na...	User Name	Elec... Acc...	Gas Acc...	Stat...	Cus...	Pro... Na...	Add...	City	Sub...	Stat... Up...	Action
CNDMSCH_Test_51224	CIRAPS1548716080	testing 2A 22222	carolyn.sica@icf.com	4444444...		Applicati... Cancelled	c s	NYS Clean Heat Program	4 test	test	2/22/2022	2/23/2022	▼
CNDMSCH_Test_51222	CIRAPS1548712944	testing 6987	carolyn.sica@icf.com	2222222...		Applicati... Cancelled	c s	NYS Clean Heat Program	5 test	test	2/21/2022	3/1/2022	▼



ICF Process Cycle Times for Completed Prescriptive Projects

Processing Time (Avg Days) from Receipt to ICF Approval Through 3/7/22



- > Working on oldest jobs sends averages up in short run and should decrease over time
- > Projects not requiring attention for all utilities went up in Dec during clean-up/clemency at Con Ed
 - Smaller uptick for other utilities, but they came back down <14 days in Jan and Feb
- > Projects requiring attention also went up during same period then have also come down in early 2022
- > Encouraging start to March – still aged projects to work on but we continue to whittle them down

Stakeholder Presentations

> NY-GEO (2)

Working Group Series

Stakeholder input template (1 of 4)

> Speaker and stakeholder(s) represented:

>

> Issue and context:

> Proposed change / solution requested:

Kevin Moravec, NY-GEO, geothermal contractors

Cash flow continues to be a major issue for companies that offer discounted prices based on Clean Heat program incentives.

Incentive Advance Proposal - Qualify contractors who have demonstrated high quality installations and compliance with Clean Heat program protocols to receive incentives upfront upon submission of a signed contract and pre-approval application for full load, fossil fuel displacement installations.

Working Group Series

Stakeholder input template (2 of 4)

> Suggested priority level (High, Medium, or Low) with explanation:

> Requested timing for change / solution:

High – Contractors are experiencing financial hardship. After investing in equipment purchases for a project, contractors face equipment lead times (6-8 weeks), actual installation time (2-4 weeks), lead times on vertical loop installation (2-4 months), incentive processing time after project completion (2-6 weeks), processing time for payment after final project approval (3-4 weeks). The resulting cash flow issues are hindering success of the Clean Heat program and are a barrier to entry for new contractors

As soon as possible

Working Group Series

Stakeholder input template (3 of 4)

> Who else this issue affects:

All stakeholders are affected. Slow cash flow stymies growth and slow growth makes it more difficult to meet the challenges that the Clean Heat program is designed to address. In particular, the capacity of contractors, distributors and manufacturers to meet both the needs of customers and NY State's greenhouse gas reduction goals is being shackled by slow incentive payments.

Working Group Series

Stakeholder input template (4 of 4)

The Incentive Advance proposal is designed to incentivize contractors to earn the right to receive incentive payments quickly.

Contractors would need to qualify by three consecutive timely rebate submissions without any major or critical faults.

Incentive advance for a project requires a signed contract with the customer and submission of a pre-application through the Online Intake Tool including all incentive application items currently required except the serial # of heat pump, date of installation completion and final installation photos; which will be provided at project completion.

The result:

Increased demand for heat pumps can only be met by growth and growth can be severely limited by slow cash flow.

The Clean Heat program has an opportunity to reward contractors who effectively help the program meet its goals

This proposal would initiate a process that allows contractors the ability to focus on the primary significant challenges faced by the industry, including but not limited to workforce development, training, customer education, service after the sale, procurement, employee retention, and talent attraction.

Working Group Series

Stakeholder input template (1 of 3)

> Speaker and stakeholder(s) represented:

> Issue and context:

> Proposed change / solution requested:

Zachary Fink for the NY-GEO Board

Issue: The payment timing for Category 4 and 4a installations requires installer to cover costs without payment until the installation is complete, creating cash flow difficulties.

Proposed change –

10% - On Application Acceptance

30% - Loopfield Completion

30% - Heat Pump Installation

30% - System Commissioning

Working Group Series

Stakeholder input template (2 of 3)

- > Suggested priority level (High, Medium, or Low) with explanation:
- > Requested timing for change / solution:
- > Who else this issue affects:

High

30 Days – Allowing utilities time to establish administrative mechanisms.

This issue affects the entire supply chain of a geothermal installation. When an installer/developer is unable to pay suppliers and/or employees the process becomes far more difficult and expensive

Working Group Series

Stakeholder input template (3 of 3)

Larger projects are by nature months-long processes that incur expenses along the way. There are several milestones within large geothermal projects that represent progress involving financial outlays that would be appropriate points for partial payment. When payment of incentives comes upon project completion, it leaves all involved in the project in a financially vulnerable position.

Resources, support, and next steps

- > Next PC&IP meeting on **Thursday, April 14th, 2022** (8:30 AM-10 AM)
 - Proposals for discussion at the next Working Group must be received by **April 4th** and can be submitted to NYSCleanHeat@ceadvisors.com.
- > NYSCleanHeat@ceadvisors.com – for *program*-related inquiries
- > NYSCleanHeat@icf.com and (844) 212-7823 for *project*-related inquiries
- > NYS Clean Heat Website - (<https://saveenergy.ny.gov/NYScleanheat/resources/>)

NYS Clean Heat Project Status Inquiry Process

Project inquiries

1. Contractor reaches out to their dedicated account manager (AM) for issue resolution first
2. If the AM does not respond within three days contact NYSCleanHeat@icf.com or the Utility Program Manager as listed below. These Program Managers work for their respective utilities, which have contracted with ICF to handle applications.

Utility Program Manager contacts

- > **Central Hudson:** Ray Cotto, Assoc. Energy Efficiency Program Manager
Phone: (845) 486-5750, Email: RCotto@cenhud.com
- > **Con Ed:** Steve Coulter, Program Manager, Phone: (646) 899-1917, Email: coulters@coned.com
- > **National Grid:** Jennifer Cross, Senior Program Manager
518-433-5034, Email: Jennifer.Cross@nationalgrid.com
- > **NYSEG/RG&E:** Nicole Williams - Program Manager, Conservation and Load Management
Phone: 585-484-6592, Email: nicole.williams@nyseg.com
- > **Orange & Rockland:** Mark Maloney Phone: (845) 577-2368, Email: maloneym@oru.com

Resources, support, and next steps

- > **Email blasts** – twice per month
 1. Early week following Working Group: next steps, including PowerPoint and meeting notes
 2. Week prior to meeting: Agenda items and report-out on prior items
- > All program documents are located on the NYS Clean Heat Resources page (<https://saveenergy.ny.gov/NYScleanheat/resources/>)
- > All regulatory proceeding documents are located on the NYS DMM (<http://documents.dps.ny.gov/public/MatterManagement/CaseMaster.aspx?Mattercaseno=18-M-0084>)

Thank you!

