

NYS Clean Heat Working Group Series

for Participating Contractors & Industry Partners

Session #14

September 8, 2022 9:00 am–10:00 am

NYS Clean Heat
Joint Management Committee



NYS Clean Heat

Agenda

- > **Meeting procedures** (2m)
- > **Welcome** (2m)
- > **Safety Message** (2m)
- > **JMC updates and discussion**
 - Con Edison Relaunch Update with Q&A (30m)
 - Request for Feedback on Full-Load Electrification (2m)
 - Program Changes in Effect 9/1 (15m)
 - QA update (2m)
- > **Stakeholder Presentations**
 - None submitted
- > **Resources, support, and next steps** (5m)

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
 - > Select the Raise Hand icon in the bottom toolbar, or 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
 - > When using the Q&A function, please be sure that your question is directed to “All Panelists”, rather than one specific individual
 - > 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 NYSCleanHeat@ceadvisors.com



Welcome

Joint Management Committee (JMC) Co-Chairs:

- > **Mark Bremer**, National Grid
- > **Will Xia**, NYSERDA

> Other JMC Members:

- **Ray Cotto**: Central Hudson
- **Toby Hyde**: 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 (None this session)**
 - Presentation (5m)
 - Discussion time will vary by topic (5-30m)

Safety Message

- **Remain vigilant after extreme weather passes.** The storm maybe be over, but dangers remain, so watch out for downed power lines and damaged buildings, and always avoid floodwaters

After the Storm:
HAZARDS REMAIN

 **Be careful near damaged buildings**
Do not enter a damaged building until local authorities say it's safe. Leave your home if you hear shifting or unusual noises. If you smell gas, get outdoors immediately and call 911.

 **Watch out for power lines**
Stay far away from damaged power lines, whether they've fallen to the ground or are dangling overhead.

 **Don't walk or drive through floodwater**
They can contain harmful bacteria, chemicals, sharp objects, and reptiles/other animals. It only takes 12 inches of fast-moving water to sweep a car away.

weather.gov 



Con Edison Relaunch Update

Agenda

- > Overview of the Commission's Order
- > Preview of the Clean Heat Program Relaunch Workplan
- > Upcoming Small Group Sessions with Contractors

Summary of the Commission's August 11 Order

Funding

- Authorized transfers of \$518 million from other energy efficiency programs to support Clean Heat
- Authorized a \$10 million / month Continuity Funding Mechanism

Budget Management

- Con Edison commitments at relaunch will be capped at \$10 million / month
- Projects submitted after the cap has been reached shall be waitlisted and addressed in a subsequent month

Program Improvement

- Con Edison should update QA/QC and put a greater emphasis on pre-installation controls for appropriate equipment sizing and installation
- Must improve visibility into the pipeline such as a pre-application review for projects
- Con Edison must provide more frequent communication to market participants

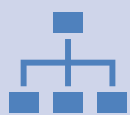
August 11 Order Implications



\$518 million will cover Con Edison's Clean Heat applications pre-pause

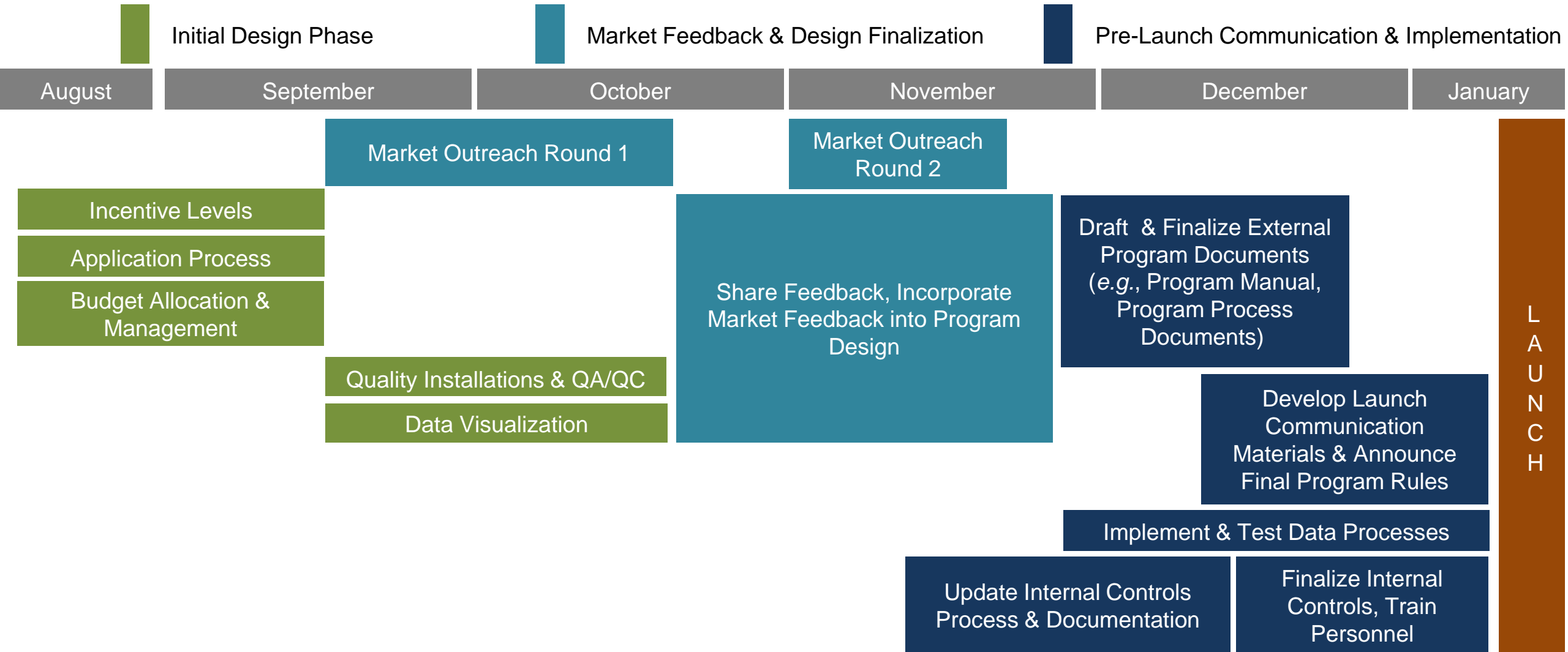


\$10 million / month will fund the Clean Heat Program across all sectors at relaunch



Con Edison will allocate its monthly budget according to the \$10 million cap

Draft Relaunch Workplan



Con Edison Outreach and Discussion in Fall 2022

- > Small Group Sessions
 - Discuss and hear feedback on:
 - Application process
 - Incentive levels
 - Allocation of funding
- > Monthly Webinars in October and November
- > How to Sign Up
 - Contact John Mirandette at mirandettej@coned.com

Planned Residential Small Group Sessions

| | |
|--------------|---------|
| September 19 | 1:00 PM |
| September 19 | 4:00 PM |
| September 21 | 1:00 PM |
| September 21 | 2:00 PM |

Planned Non-Residential Small Group Sessions

| | |
|--------------|---------|
| September 30 | 9:30 AM |
| September 30 | 1:00 PM |
| October 3 | 3:00 PM |
| October 4 | 2:00 PM |

Request for Feedback on Full-Load Electrification

- > Clean Heat incentivizes 90-120% Manual J building heating load (BHL) as “Full-Load”
- > Category 2b Full-load ccASHP with decommissioning requires 100% BHL
- > A significant number of full-load projects in the non-decommissioning categories were in the 90-100% BHL range.
- > The JMC would like to learn more about contractor sizing practices.
- > We will email a survey to NYS Clean Heat Participating Contractors on this topic. Please take the time to respond. We value your input!
- > Potential survey questions:
 - What factors are considered when designing below 100% BHL?
 - Which backup heating options are being utilized?
 - How would a program-wide minimum of 100% BHL impact your business or customers?

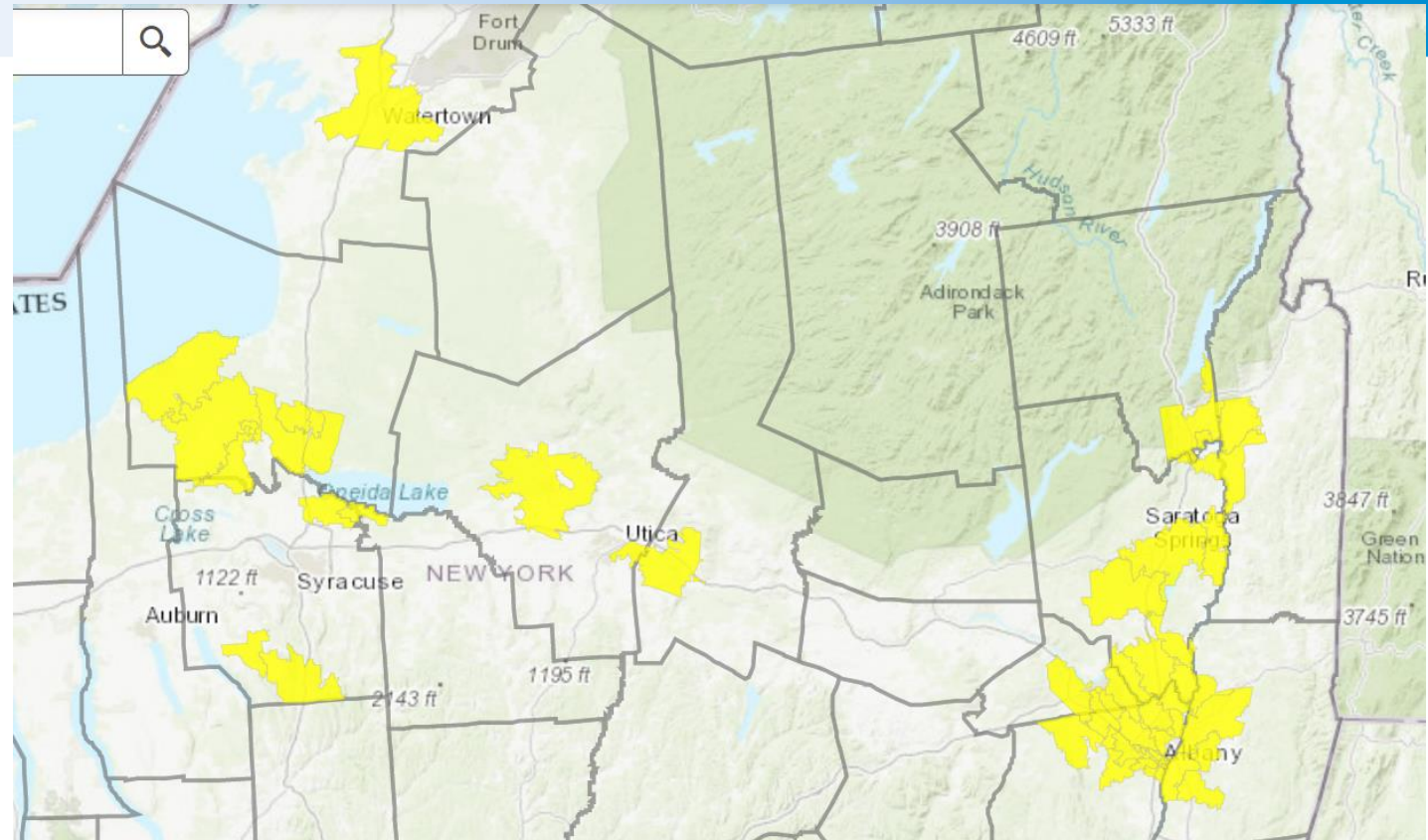
9/1/22 Program Manual Updates

- > Heat Pump Water Heater Midstream Incentive
 - All utilities with active ASHP programs added a midstream distributor incentive for HPWHs.
 - Details are located in Program Manual (PM) Table 2 pg. 24; Table 3 pg. 26; Section 4.2 pg. 77
- > Incentives for Decommissioning and Integrated Controls
 - All utilities in the state with active ASHP programs offer incentives for integrated controls and decommissioning for full load residential ccASHP systems (Categories 2a & 2b).
 - Details are located in PM Table 2 pg. 24; Table 3 pg. 26
- > For more information reference the NYS Clean Heat resources webpage
 - <https://saveenergy.ny.gov/NYScleanheat/resources/>

Kicker for Priority Electrification Areas

> Kicker for Priority Electrification Areas (PM Table 4, pg. 28)

- National Grid has a 25% kicker incentive for prescriptive projects in priority electrification areas to help customers reduce their reliance on natural gas
- To be eligible, a customer must be a National Grid electric and gas customer and **replacing gas as the existing fuel**
- Eligible equipment includes mini split heat pumps, air source heat pumps, ground source heat pumps, and heat pump water heaters (Categories 1,2,2a,2b,3,5,7,8)
- The current [list of qualifying Upstate NY zip codes](#) where this kicker applies is located on the [National Grid Electric Heating & Cooling webpage](#)



[Link to interactive map](#)

NYS Clean Heat Program Incentive Changes in Effect September 1, 2022

Central Hudson

| | | Total Incentives | | | Participating Contractor Reward ¹ | | Distributor Reward ³ | |
|----------|--|------------------|--------------------|-----------------|--|-------------------------------|---------------------------------|--------------------|
| Category | Description | Current | Effective 9/1/2022 | Unit | Current | Effective 9/1/2022 | Current | Effective 9/1/2022 |
| 2 | ccASHP: Full Load Heating | \$500 | \$500 | \$/10,000 Btu/h | \$300/Project | \$300/Project | - | |
| 2a | ccASHP: Full Load Heating with Integrated Controls | - | \$700 | \$/10,000 Btu/h | \$500/Project | \$500/Project | - | |
| 2b | ccASHP: Full Load Heating with Decommissioning | \$1,000 | \$1,000 | \$/10,000 Btu/h | \$500/Project | \$500/Project | - | |
| 5 | HPWH midstream *same customer incentive as retail \$1,000 – total incentive for midstream is \$1,100 to account for rewards | | \$1,100* | \$/Equip. Unit | - | \$50/Equip. Unit ² | \$50 | \$50/Equip. Unit |

| |
|------------------|
| Incentive Change |
| No Change |

National Grid

| | | Total Incentives | | | Participating Contractor Reward ¹ | | Distributor Reward ³ | |
|--------------------|--|------------------|--------------------|-----------------|--|-------------------------------|---------------------------------|--------------------|
| Category | Description | Current | Effective 9/1/2022 | Unit | Current | Effective 9/1/2022 | Current | Effective 9/1/2022 |
| 2 | ccASHP: Full Load Heating ² | \$1,000 | \$1,000 | \$/10,000 Btu/h | \$500/Project | \$500/Project | - | - |
| 2a | ccASHP: Full Load Heating with Integrated Controls | - | \$1,200 | \$/10,000 Btu/h | - | \$500/Project | - | - |
| 2b | ccASHP: Full Load Heating with Decommissioning | - | \$1,400 | \$/10,000 Btu/h | - | \$500/Project | - | - |
| 1,2,2a,2b, 3,5,7,8 | Kickers for priority electrification areas | | Additional 25% | %/Project | - | - | - | - |
| 5 | HPWH midstream *same customer incentive as retail \$700 – total incentive for midstream is \$800 to account for rewards | | \$800* | \$/Equip. Unit | - | \$50/Equip. Unit ² | - | \$50/Equip. Unit |

¹ A portion of the total incentive that may be retained by the Participating Contractor

² Contractors who receive this reward are not required to be Clean Heat Participating Contractors

³ A portion of the total incentive that may be retained by the distributor

NYS Clean Heat Program Incentive Changes in Effect September 1, 2022

NYSEG/RG&E

| Category | Description | Total Incentives | | | Participating Contractor Reward ¹ | | Distributor Reward ³ | |
|----------|--|------------------|--------------------|-----------------|--|-------------------------------|---------------------------------|--------------------|
| | | Current | Effective 9/1/2022 | Unit | Current | Effective 9/1/2022 | Current | Effective 9/1/2022 |
| 2 | ccASHP: Full Load Heating ² | \$1,000 | \$1,000 | \$/10,000 Btu/h | \$500/Project | \$500/Project | - | - |
| 2a | ccASHP: Full Load Heating with Integrated Controls | - | \$1,200 | \$/10,000 Btu/h | - | \$500/Project | - | - |
| 2b | ccASHP: Full Load Heating with Decommissioning | - | \$1,400 | \$/10,000 Btu/h | - | \$500/Project | - | - |
| 5 | HPWH midstream *same customer incentive as retail \$700 – total incentive for midstream is \$800 to account for rewards | | \$800* | \$/Equip. Unit | - | \$50/Equip. Unit ² | - | \$50/Equip. Unit |

| |
|------------------|
| Incentive Change |
| No Change |

Orange & Rockland

| Category | Description | Total Incentives | | | Participating Contractor Reward ¹ | | Distributor Reward ³ | |
|----------|--|------------------|--------------------|-----------------|--|-------------------------------|---------------------------------|--------------------|
| | | Current | Effective 9/1/2022 | Unit | Current | Effective 9/1/2022 | Current | Effective 9/1/2022 |
| 2 | ccASHP: Full Load Heating | \$700 | \$700 | \$/10,000 Btu/h | \$500/Project | \$500/Project | - | - |
| 2a | ccASHP: Full Load Heating with Integrated Controls | \$1,200 | \$1,200 | \$/10,000 Btu/h | \$750/Project | \$750/Project | - | - |
| 2b | ccASHP: Full Load Heating with Decommissioning | \$1,800 | \$1,800 | \$/10,000 Btu/h | \$1,000/Project | \$1,000/Project | - | - |
| 5 | HPWH midstream *same customer incentive as retail \$1,000 – total incentive for midstream is \$1,100 to account for rewards | | \$1,100* | \$/Equip. Unit | | \$50/Equip. Unit ² | - | \$50/Equip. Unit |

¹ A portion of the total incentive that may be retained by the Participating Contractor

² Contractors who receive this reward are not required to be Clean Heat Participating Contractors

³ A portion of the total incentive that may be retained by the distributor

9/1/22 Program Manual Updates (continued)

- > Multifamily Projects (PM Table 1 pg. 16; Sect. 4 pg. 67)
 - All multifamily projects with 5 or more units are to apply in Category 4: *Custom Space Heating Applications* to be eligible for an incentive
 - Multifamily projects that are currently under construction and preparing for a prescriptive incentive will have until November 1, 2022 to submit applications
 - Multifamily projects that are under construction but will not have their application submitted by November 1, 2022, must submit for a custom rebate and will be grandfathered with no pre-inspection requirement

9/1/22 Program Manual Updates (continued)

> Incentive Limitations

- For all projects, incentives are limited to 70% of project costs.
- A \$1 million cap for incentives is in place. For projects that request incentives above \$1 million, the utility reserves the right to limit incentives to \$1 million or offer incentives at a custom rate.
- Ground source projects in residential Category 3 are limited to total project incentives up to \$50,000.

> Preliminary Incentive Offer Letter (PIOL)

- Utilities are including a default incentive expiration date in the PIOL for non-residential projects. An applicant may request the utility's approval for an extension and adjustments may be made on a case-by-case basis.

> Non-residential refinements

- Utilities may adjust incentive levels to differentiate projects in new construction versus existing buildings with specific incentive levels by heat pump technology.

Note: Above topics addressed in PM, Section 2.2 (p. 29)

QA Update

- > GSHP Startup/design document requirements will be clarified in a forthcoming communication
- > Cold-Climate ASHP Sizing Design Training
 - Required for all *new* NYS Clean Heat participating contractors
 - Anticipated that NYS Clean Heat will require the training for *existing* contractors also starting Jan 1, 2023
 - Offered / Available through ***distributors and manufacturers***
 - *Not* available through NYS Clean Heat program administrators or NYSERDA
 - *Check with your distributor or preferred manufacturer first to learn of offerings*
 - Find more information about trainings on Clean Heat Connect
 - <https://cleanheatconnect.ny.gov/>

Reminder: Meeting Cadence

- > The JMC has moved PC&IP meeting cadence to quarterly, with meetings scheduled in early June, September, January and March.
 - Aligns with future program announcements and updates moving forward
 - Continuous feedback is still encouraged through program representatives and NYS Clean Heat email inboxes
 - Lengthening time between meetings will allow stakeholders more time to prepare topics and engage with the JMC individually and in small groups on discussion topics
- > Utilities expect to increase engagement and outreach with individuals and small groups to align on potential program adjustments and get additional feedback from the industry

Resources, Support, and Next Steps

- > Next PC&IP meeting on **January 12th, 2023** (9:00 AM-10 AM)
 - Please submit potential topics for the next Working Group by **January 5th** via email to NYSCleanHeat@ceadvisors.com or directly to your utility partner.
- > **Email blasts** – twice per quarter
 1. Early week following Working Group: next steps, including slides, meeting notes and Q&A
 2. Week prior to meeting: Agenda items and report-out on prior items
- > 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 Edison:** Toby Hyde, Section Manager, Phone: (917) 565-6911, Email: hydett@coned.com, Dan Krupa, Sr. Specialist, Phone: (917) 509-8631, Email: krupad@coned.com
- > **National Grid:** Jennifer Cross, Lead 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

Additional Resources

> Co-chair contacts

- **Mark Bremer**, National Grid: Phone: (315) 440-1770 (m), Email: mark.bremer@nationalgrid.com
- **Will Xia**, NYSERDA: Phone: (332) 323-8368 (m) , Email: William.Xia@nyserda.ny.gov

- > 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>)
- > Additional program resources are available on the Clean Heat Connect website (<https://cleanheatconnect.ny.gov/>)

Thank you!

