

Working Group Series for Participating Contractors and Industry Partners

Session #15 | January 12, 2023, 9:00am-10:00am

**Please note: this document is intended to be a supplement to the slide deck posted on the Contractor Resources webpage.*

Agenda

- Meeting Procedures
- Welcome
- Safety Message
- Joint Management Committee (JMC) updates and discussion
 - Participating Contractor Reminders
 - Staff Interim Review Detail
 - Updated Program Manuals
 - Con Edison Program Relaunch
- Stakeholder Presentations
 - No submissions provided this quarter.
- Resources, Support, and Next Steps

Welcome

- Program representatives on the call today:
 - JMC Co-Chairs: Julie Hawkins (National Grid), Will Xia (NYSERDA)
 - JMC Members: Ray Cotto (Central Hudson), Toby Hyde (Con Edison), Jennifer Cross (National Grid), Nicole Williams (NYSEG, RG&E), Mark Maloney (Orange & Rockland)
 - Implementation Team (ICF): Mike L'Ecuyer, Kenn Latal
 - Working Group Support Team (Concentric Energy Advisors): Ben Davis, Pieter Zwart, Clara-Ann Joyce

Working Group Series: Review of Typical Meeting Format

- The intent of this Working Group Series is to create a forum for working meetings between participating contractors, industry partners, and other stakeholders with the NYS Clean Heat Program Administrators.
- The JMC wants to promote dialogue and discussion with a focus on transparency and communication.
 - The intent is to drive toward solution development
 - Emphasis here is on open communication with the industry. The JMC does want this to be a two-way process in terms of flagging and communicating issues.
- The idea is to have stakeholder-led presentations of pre-submitted topics in addition to updates from the JMC on topics discussed in previous sessions

Updates to the Clean Heat Program

Sizing and Design Training

- Last January, the JMC announced that all new ASHP contractors would be required to complete a cold climate air-source heat pump (ccASHP) sizing and design training.
- Effective March 1 of this year, all ASHP contractors will need to have a ccASHP sizing and design training on file with ICF.
 - These trainings are manufacturer-sponsored and implemented in partnership with distributors. An updated listing of available trainings will be kept on the Clean Heat Connect [website](#).
 - If you do not see a training listed for your manufacturer, please contact your distributor.
 - The program will be providing a grace period of three months after March 1 to allow contractors to comply with the new requirement.
 - If you were unable to obtain a manufacturer-sponsored sizing & design training and enrolled in 2022 with a HeatSpring course instead, you are now required to complete a manufacturer-sponsored course.

Contact Information

- The NYS Clean Heat Program is entering its third year. At this point, some of the contact information in our files may be outdated. Please reach out to your account manager or the ICF inbox at NYSCleanHeat@icf.com to provide your current contact information.

Con Edison Program Updates

- While Con Edison has instituted Contractor Allocations for residential ASHP and GSHP contractors, those allocations only apply to projects and incentives in the Con Edison service territory and do not apply to NYS Clean Heat projects in the territories of other utilities.
- Con Edison has discontinued Category 1 *ccASHP Partial Load* incentives for projects in Con Edison service territory. This discontinuation does not apply to NYS Clean Heat projects in the territories of other utilities.

Staff Interim Review Report

- As part of the NENY Interim Review process, DPS Staff was ordered to file an Energy Efficiency and Beneficial Electrification (EE/BE) report summarizing the portfolio performance.
 - This report was released in December and summarized performance of current ratepayer-funded programs as well as posed some questions for the future state of EE/BE programs through these channels. A notice soliciting public comment on the report was issued on January 9th.
 - The JMC invites all stakeholders here to provide input and file comments through the link in the presentation slides, or through the [NYS DMM system](#) under case number 18-M-0084.

Updated Program Manuals

- Updated Program Manuals have been posted to the [Cleanheat.ny.gov](https://www.cleanheat.ny.gov) website. There are now two Program Manuals: one for Con Edison service territory and one for the rest of the state.
 - Of note, in the Program Manual for the rest of the state, eligibility for Category 4a now includes an updated eligibility tier for New Construction
 - Both clean and redline versions of the Program Manuals will be posted publicly

Con Edison Relaunch and Training Sessions

- Con Edison will begin accepting applications for ASHP projects on January 17, 2023. Projects must be completed after January 17 in order to be eligible for incentives.
- Please see the presentation slides for additional detail regarding the timeline leading up to the relaunch, market feedback activities conducted, priorities for the relaunched program, and information on upcoming training sessions.

Q&A

For efficiency and clarity, the below summary reflects, as applicable, the verbal responses provided during the webinar and/or additional responsive information being provided now for the first time.

Question: What are the incentives for New Construction GSHP and DHW under the Con Edison relaunch?

Response: New Construction projects are eligible to receive incentives for GSHPs. Custom projects under Category 4 (space heating) and Category 6 (hot water heating) will be \$125/MMBtu.

Question: Are the Con Edison training events for both ASHP and GSHP contractors, or are some specific to ASHP?

Response: The trainings will cover all technologies – GSHP, ASHP, and HPWH – and will be a comprehensive download of the program at large.

Question: Some contractors have clients with equipment that is eligible under the relaunched program, but their projects were due to be installed just as the program went on hold, with no notice that the program would be put on pause. Some of these clients chose to go through with installation anyway, with the knowledge that a new program was coming. What information can be given to them?

Response: During the time that the program was on pause, Con Edison was not accepting applications for incentives. At this time, Con Edison is not accepting any applications for projects installed prior to relaunch.

Question: Some contractors have received a questionnaire from Con Edison looking to get a sense of what type of project volume Con Edison might expect from them. What is the connection between this questionnaire and the incentives available to that contractor? Are contractors able to apply for incentives above the amounts estimated in the questionnaire?

Response: Con Edison uses allocations by both contractor and segment for residential projects. Contractors may have received a request for their anticipated non-residential volume. That information

will help divide the \$10 million monthly budget across sectors (Residential ASHP, Non-Residential ASHP, Residential GSHP, Non-Residential GSHP).

Con Edison is also asking residential contractors to submit a request for their monthly allocation each quarter. Con Edison will use this information, along with other program performance factors, to assign monthly allocations to Participating Contractors. If you would like an allocation, but do not have one for Q1 2023 (January, February, and March), please reach out to your account manager at ICF.

Con Edison residential monthly allocation amounts are specific to the Con Edison program and do not impact contractors' ability to submit and receive incentives for work performed in any other utility's service territory.

Question: When will the new Program Manuals be posted?

Response: Updated Program Manuals were uploaded to the Contractor Resources [webpage](#) and to the official docket for [Case 18-M-0084](#) on January 12.

Question: Will the Statewide Clean Heat Custom Calculator tool also be updated?

Response: Version 2.2.1 of the [Statewide Clean Heat Custom Calculator](#) and accompanying [user guide](#) were posted to the Contractor Resources [webpage](#) on January 12.

Question: Is the SMB SMART submission tool similar to the Multifamily SMART tool?

Response: Yes. Programs for both of these sectors are being implemented by Willdan, and they utilize the same system. The information provided in the training for SMB is also applicable for Multifamily.

Question: Are ASHPs still eligible for new construction incentives in the Con Edison program?

Response: ASHP incentives are removed for new construction. Con Edison is only accepting applications for GSHPs for new construction.

Question: Are there existing projects that will receive funding from the new allocations? What is the amount of funding available, and is there still funding available for new projects or has it already been allocated?

Response: The Commission's August 11 Order included two streams of funding: one was a transfer of funding from the Con Edison Energy Efficiency portfolio to the Clean Heat program, and the second is a Continuity Funding Mechanism of \$10 million that is refreshed monthly. Funds from the first stream will primarily be used to fund incentives for applications that Con Edison received prior to the program's pause.

To support new incentive applications, Con Edison has a monthly budget of \$10 million through the Continuity Funding Mechanism for the foreseeable future, until an Order is issued as part of the Commission's Interim Review process. Con Edison will allocate this budget by sector so that the program does not exceed that monthly level. For example, a sectoral allocation of \$3.6 million per month has been set aside for residential ASHP projects.

Question: Do the incentive units refer to dollars per MMBtu saved, or dollars per MMBtu of capacity?

Response: Some category incentive rates in the Con Edison program are denominated in dollars per MMBtu of energy savings, primarily the Custom and Non-Residential categories.

Question: With the state's ambitious plan to push all customers from fossil fuels to electric, are there anticipated plans after 2030 for the program to offer substantially more money to incentivize people toward ASHPs?

Response: Much still remains to be determined and more will be shared in the future as Staff's Interim Review process continues. Slide 9 in the presentation slides includes a summary of that information. Stakeholders are encouraged to submit comments through that process if they are interested. The JMC should learn more from the PSC in the next several months regarding future thinking about the program.

Question: Is there a fixed incentive amount for a residential upgrade? Does it depend on decommissioning and/or does the size of the house affect the rebate?

Response: Appendix slides are included in the presentation deck that outline residential and other incentive rates in the Con Edison program. Con Edison rates are fixed at levels determined by project and building type. For example, an incentive of \$8,000 per single-family home is available for heat pump projects that include decommissioning. Smaller amounts will be offered for projects with integrated controls. Incentives for HPWH are migrating to a midstream model with incentives offered per tank. Con Edison is no longer offering incentives based on heat pump capacity. The size of the dwelling unit does not affect the incentive amount.

Question: Will it be required to submit a calculator with the application, as required before the relaunch?

Response: Calculators are no longer required for residential projects.

Question: How can I access the 10-question quiz for contractors who did not attend a Con Edison training?

Response: The quiz for residential contractors who did not attend a Con Edison in-person training session on January 10 or 13 is available [here](#).

Question: Is the 10-question quiz required if a representative has attended an in-person training session?

Response: If a representative from your organization has attended the in-person training, the 10-question quiz is not required.

Question: Is there a decommissioning requirement for Multifamily projects?

Response: Yes – for Multifamily projects, Con Edison requires decommissioning over the scope of the project. For example, if a building is being converted one wing at a time, each wing can be decommissioned separately.

Question: Is any home performance work required to qualify for an incentive?

Response: No. Upgrades to the home are not required – only installation of a heat pump with integrated controls or decommissioning.

Resources, Support, and Next Steps

- Reminder that meeting cadence has shifted from monthly to quarterly. Please continue to provide comments and feedback through our channels.
- The next PC&IP meeting will be held on Thursday, March 9th (9:00-10:00am)
 - All program-related inquiries can be submitted to nyscleanheat@ceadvisors.com
 - All project-specific inquiries can be submitted to nyscleanheat@icf.com or 844-212-7823
- For project inquiries, the first step should be to contact your account manager at ICF. If the account manager does not respond within three days, please contact nyscleanheat@icf.com or reach out to the utility's Program Manager. Contact information is listed in the presentation slides.
- Materials from the meeting will be distributed via email. Links to helpful Program resource pages are included in the presentation slides as well.

The JMC thanks all attendees for their participation and engagement.