

NYS Clean Heat Working Group Series

for Participating Contractors & Industry Partners

Session #15

January 12, 2023 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**
 - PC Reminders (5m)
 - Staff Interim Review detail (10m)
 - Updated Program Manuals (5m)
 - Con Edison Training Sessions (30M)
- > **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:

- > **Julie Hawkins**, 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: Winter Weather Car Preparedness

- Every vehicle should carry an emergency supply kit year-round
- Kits should be checked every 6 months- follow daylight savings schedule
- Replace expired items regularly

What to include in your winter car emergency kit



JMC Updates

- > PC Reminders (5m)
 - Sizing and Design Training Reminder
 - Updates to contact information
- > Staff Interim Review detail (10m)
- > Updated PMs have been filed (5m)
- > Con Edison Training Sessions (30M)

Participating Contractor Reminders

➤ ASHP Manufacturer-Sponsored Cold Climate Air Source Heat Pump Sizing and Design Training

- Effective **March 1, 2023**, completion of an ASHP manufacturer-sponsored cold climate air source heat pump sizing and design training will be required for **ALL** ASHP Participating Contractors. Previously, this requirement was mandatory only for new ASHP Participating Contractors.
- If you were unable to obtain a manufacturer-sponsored ccASHP Sizing & Design Training and enrolled in 2022 with a HeatSpring Ins and Outs of Selecting Cold Climate Heat Pumps course instead, you are now required to take a manufacturer-sponsored course and submit it by the deadline.
- A grace period of three months will be implemented following the effective date to allow time for contractors to comply with the new requirement. To help contractors find trainings that meet the requirement, known available trainings will be posted on the Clean Heat Connect [trainings calendar](#) and updated regularly.

➤ Contact Information

- Review and update organization contact information on file with the NYS Clean Heat Program Implementation team, ICF, by contacting your account manager or by sending an email to NYSCleanHeat@icf.com.

Interim Review Report

- > September 15, 2022- the Public Service Commission initiates the New Efficiency New York (NE:NY) Interim Review and orders the Department of Public Service staff (Staff) to file an Energy Efficiency and Building Electrification Report (EE/BE) summarizing portfolio performance.
- > December 20, 2022- Staff files the EE/BE Report. The report summarizes performance of current rate-payer funded EE/BE programs administered by the Utilities and NYSERDA.
- > January 9, 2023- Notice Soliciting Comment filed seeking public input on topics related to the future of the State's EE/BE programs. Interested persons are invited to submit comments on the EE/BE Report by March 6, 2023.

Case 18-M-0084 et al. can be accessed via [NYSDPS DMM](#)

Updated Program Manuals

New York State Clean Heat

Program Manual for
Central Hudson Gas & Electric Corporation,
National Grid,
New York State Electric & Gas Corporation,
Orange and Rockland Utilities, Inc., and
Rochester Gas and Electric Corporation



Version 8
January 11, 2023

New York State Clean Heat

Con Edison Heat Pump Program Manual



Version 1

January 11, 2023

- > Two separate documents to help avoid confusion
- > Unique incentives, rules and requirements for Clean Heat in the Con Edison service territory
- > Basic equipment and project eligibility remains the same
- > The program manuals will be posted here:

<https://cleanheat.ny.gov/contractor-resources/>

Updated Program Manuals

- > Sizing and Design training requirement
- > O&R PIOL: 12-month expiration
- > Like-for-like incentive eligibility
- > Updates to gut-rehab incentive baseline and New Construction eligibility threshold for Category 4a

Table 9: Eligibility Tiers for Category 4a

| Construction type | Eligibility Criteria | Tier 1 Requirement | Tier 2 Requirement | Incentive Baseline |
|--------------------------------|--|--------------------|--------------------|--|
| Existing buildings | Exceed existing condition | 5% - 30 % | >30% | Existing condition |
| Existing buildings – gut rehab | Applicable code (ECCCNYS or municipal/local) | >5% | >10% | Existing Condition |
| New Construction | Applicable code (ECCCNYS or municipal/local) | >5% | >10% | Applicable code (ECCCNYS or municipal/local) |

Con Edison Clean Heat Program Relaunch Timeline

August

September

October

November

December

January

August 11

Order Approving
Funding for Clean
Heat Program

Initial Design

Market Outreach Round 1

Design Updates

Market Outreach Round 2

Update Program Documentation

January 17 - Relaunch
Accepting ASHP applications;
Revised GSHP Program

Con Edison Market Outreach Feedback



30+ Meetings with Market Participants in Fall 2022

Virtual and In-Person

Small Group Sessions, 1-1 Discussions, and Large-Scale Webinars

Met with contractors of varying sizes across all sectors, trade organizations, and other entities



Extensive and Thorough Market Feedback

100+ Participants

Feedback covered incentive levels, allocations, Con Edison's timelines, etc.

Con Edison and its partners made programmatic changes where possible, to be discussed later in this presentation

Priorities for Relunched Con Edison Clean Heat Offerings

- > Encourage decommissioning of existing fossil heating systems
- > Simplify incentive calculations for contractors and customers
- > Facilitate budget management
- > Streamline application review

Upcoming Con Edison Clean Heat Relaunch Training Sessions

| | C&I Clean Heat Program Kickoff | Con Edison Clean Heat Program session | MF Clean Heat Program Orientation | SMB Clean Heat SMART Training | SMB Clean Heat Tool Training |
|--------------|--|---|--|--|--|
| Date | Thursday, 1/12/23 | Friday, 1/13/23 | Wednesday, 1/18/23 | Thursday, 1/19/23 | Friday, 1/20/23 |
| Time | 2:00pm – 3:00pm | 9:00am – 3:00pm | 10:00am – 11:30am | 9:00am – 11:00am | 9:00am – 11:00am |
| Location | Virtual | Con Edison Rye Service Center 511 Theodore Fremd Ave, Westchester, Rye, NY, 10580 | Virtual | Virtual | Virtual |
| Contact Info | Cleanheatcommercial@coned.com | info@conedisonresidential.com | ConEdMultiFamilyCHP@willdan.com Or LDeSouza@willdan.com | ConEd-SMBProgram@willdan.com | ConEd-SMBProgram@willdan.com |

Stakeholder Updates

- > No formal submissions received. Additional topics coordinated via JMC through nyscleanheat@ceadvisors.com

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 **March 9th, 2023** (9:00 AM-10 AM)
 - Please submit potential topics for the next Working Group by **March 2nd** 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://cleanheat.ny.gov/contractor-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

- **Julie Hawkins**, National Grid: Phone: (315) 776-1006, Email: Julie.Hawkins@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://cleanheat.ny.gov/contractor-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!



Appendix

Con Edison Residential ASHP & GSHP incentives post January 2023

- > Residential incentives for buildings with 1-4 dwelling units, or for projects electrifying 1-4 units in multifamily (5+ units) buildings

| Category | Single Family Home/Whole Building Rate | Per unit in 2-4 dwelling unit projects |
|----------------------------|---|--|
| ASHP + Decommissioning | \$8,000 / dwelling unit | \$3,000 / dwelling unit |
| ASHP + Integrated Controls | \$2,500 / dwelling unit | \$1,000 / dwelling unit |
| GSHP + Decommissioning | \$20,000 / building | |
| Midstream HPWH Incentive | \$1,000 / tank to customer \$100 / tank to PC \$100 / tank to distributor or retailer | |

- > ASHP incentives will only be available to existing buildings, including gut rehab
- > Across all categories in the residential sector, incentives will be capped at the lower of the calculated incentive or **50% of total project cost**

Con Edison Non-GSHP Multifamily incentives post January 2023

> Buildings with 5+ units qualify for Multifamily incentives

| Category | Category Description | Status on Relaunch | Incentives on Relaunch |
|----------|------------------------|---|--|
| 2C | Full-load ASHP | Available to buildings with 50 and fewer dwelling units | \$4,000 / dwelling unit |
| 4 | Custom | Existing buildings only | \$200 / MMBtu |
| 4a | Custom ASHP + Envelope | Existing buildings only | Tier 1 - \$200 / MMBtu Tier 2 - \$225 / MMBtu |
| 5 | Heat pump water heater | Shift to midstream program | \$1,000 / equipment unit |
| 6 | Custom HPWH | Offer split HPWH technologies at custom rate | \$200 / MMBtu |

> Decommissioning will be required for all ASHP projects

> Incentives will be capped at \$1M or 50% of total project cost, whichever is lower

> Incentives are for projects in existing buildings only

> These incentives cover all eligible non-GSHP technologies, including ASHP, VRF, HPWH

Con Edison Non-residential GSHP Incentive Post January 2023

| Category Number | Description | GSHP | |
|-----------------|---|-----------------------------|---|
| | | New Construction (\$/MMBtu) | Existing Buildings incl. Gut Rehab (\$/MMBtu) |
| 4 | Custom Full Load Space Heating Applications | \$125 | \$200 |
| 4a | Custom Full Load Space Heating Applications + Envelope - Tier 1 | \$125 | \$200 |
| | Custom Full Load Space Heating Applications + Envelope - Tier 2 | \$150 | \$225 |
| 6 | Custom Hot Water Heating Applications | \$125 | \$200 |
| 10 | Custom Partial Load Space Heating Applications | N/A | \$100 |

- > Non-residential new construction is eligible to receive Clean Heat incentives for GSHP installations
- > Incentives will be capped at \$1M or 50% of total project cost, whichever is lower

Con Edison Non-GSHP SMB & C&I incentives post January 2023

| Category | Status on Relaunch | SMB | C&I |
|----------|---|---|--|
| 2D | SMB only | \$2,500 / project (<1,000 SF) \$5,000 / project (1,001-2,500 SF) | N/A |
| 4 | Existing buildings only | \$150 / MMBtu | \$120 / MMBtu |
| 4a | SMB: one rate C&I: two rates | Tier 1 - \$150 / MMBtu Tier 2 – N/A | Tier 1 – \$120 / MMBtu Tier 2 – \$150 / MMBtu |
| 5 | Shift to midstream program | \$1,000 / unit | \$1,000 / unit |
| 6 | Offer split HPWH technologies at custom rate | \$200 / MMBtu | \$200 / MMBtu |
| 10 | Offer new incentive category for part-load projects | N/A | \$70 / MMBtu |

- > These incentives are only available to existing buildings
- > These incentives cover all eligible non-GSHP technologies, including ASHP, VRF, HPWH

Con Edison SMB Prescriptive ASHP Incentives: Two Offerings

SMB Prescriptive Incentives

| Floor area (sf) | Incentive per project | Share of '21-22 sectoral project count |
|-----------------|-----------------------|--|
| ≤ 1,000 | \$2,500 | 9% |
| 1,001 - 2,500 | \$5,000 | 30% |

*based on projects acquired from 2021 and 2022

- > Projects above 2,500 sf follow custom path at \$150 / MMBtu
- > Requires decommissioning
- > New construction not eligible
- > Incentives capped at 50% of project costs
- > Incentives cover all eligible non-GSHP technologies, including ASHP and VRF