

Working Group Series for Participating Contractors and Industry Partners

Session #21 | June 13, 2024 9:00am-10:00am

Summary Report

**Note: This document is intended to be a supplement to the slide deck presented during the webinar on June 13th and posted to the Contractor Resources webpage.*

Agenda

- Meeting Procedures
- Welcome
- Safety Message
- Joint Management Committee (JMC) updates and discussion
 - 6/1 Program Announcements
 - Upcoming Training Opportunities
- Stakeholder Presentations
 - No submissions provided this quarter
- Resources, Support, and Next Steps

Program Representatives

- JMC Co-Chairs: Ray Cotto (Central Hudson), Will Xia (NYSERDA)
- JMC Members: Toby Hyde (Con Edison), Julie Hawkins (National Grid), Jim MacMartin (National Grid), Nicole Williams (NYSEG, RG&E), Sean Dooley (NYSEG, RG&E), Chris Trenard (Orange & Rockland), Karen Kao (NYSERDA)
- Implementation Team (ICF): Kenn Latal, Tim Walsh
- Working Group Support Team (Concentric Energy Advisors): Ben Davis, Pieter Zwart, Clara-Ann Joyce

Introduction

- The intent of the Participating Contractor and Industry Partner (PC&IP) 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.

JMC Updates – Key Takeaways

The following section provides a summary of key points from the content presented by the JMC.

6/1 Program Announcements

The Joint Management Committee released a program announcement on June 1, 2024, which outlined changes that will be incorporated into the next Program Manual release on September 1, 2024. The following bullet points summarize those updates:

- For the utilities other than Con Edison, a new Category 4B will be introduced for custom space heating projects in multifamily buildings with 5-99 dwelling units. Incentives will be paid on a dollar per dwelling unit basis and applications will follow the custom process and eligibility criteria. Note that Con Edison already offers these incentives in their existing Category 2C.
- For the utilities other than Con Edison, a new Category 6A will be introduced for custom DHW projects in multifamily buildings with 5-99 dwelling units. Incentives will be paid on a dollar per dwelling unit basis and applications will follow the custom process and eligibility criteria. Note that Con Edison already offers these incentives in their existing Category 6A.
- The utilities have submitted proposals for energy efficiency and building electrification portfolios for the period 2026-2030 as part of the New Efficiency: New York Interim Review process. The Public Service Commission is currently considering these proposals. For any projects seeking utility incentives that will be completed after 2025, contractors are encouraged to contact their Program Administrator.
- Con Edison released an updated Program Manual on June 3, which included the following updates:
 - The 2024 Limited-Time Offers expired on May 31, 2024 and are no longer active
 - Revisions were made to the disciplinary process and exceptions
 - The Small-Medium Business program will now be known as the Con Edison Small Business & Nonprofit Program, or “Small Biz”

There are also several upcoming training opportunities for contractors:

- Free online training with Wrightsoft on July 10th, hosted by ICF
- Free online training/demonstration with Amply on July 22nd, hosted by ICF
- School of Clean Heat webinar recordings are available on demand
- School of Clean Heat Shorts is a series of short videos (10 minutes or less) that focus on particular issues that contractors may run into. These are available on demand and links will also be posted on Clean Heat Connect.
- Please see the presentation slides for links to these online resources and training calendars

Q&A

Questions were asked and responses given both verbally and through the written Q&A function.

Question: What is the timeline for projects that will be completed after 12/31/2025? Does the current rebate program end on that date or earlier?

Response: All projects must be installed and applications submitted for rebate by 12/31/2025 to be considered under the current NYS Clean Heat program.

Question: With projects where rebate dollars are a significant percentage of project costs, some contractors are running into cash flow issues, especially as projects are flagged for QA inspection and

rebate dollars are not distributed until after the inspection is completed. Is there a way to release payments to contractors in good standing before those QA inspections are completed?

Response: The JMC takes the QA process very seriously and is committed to a robust process. At the same time, we acknowledge these comments and will take them into consideration.

Question: Does the 100% BHL requirement mean that geothermal systems must meet 100% of load with ground-source heat pumps?

Response: In accordance with Section 3.4.3, page 32 of the NYS Clean Heat Program Manual, geothermal projects may include electric resistance heating not to exceed 10% of BHL.

Question: Does this provision for auxiliary heating strips apply to air-source projects as well?

Response: At this time, auxiliary heating strips do not count towards 100% BHL for air-source projects.

Question: I am encouraged to see a decommissioning requirement for multifamily projects and full load requirements across categories in that it does not promote a hybrid heating approach, where heat pumps are used for part of the load and backup gas or fossil fuel systems are used for the rest of the load. The hybrid approach seems to be favored in many of the utilities' Gas Long-Term Plans. Can you provide more information about this seeming contradiction?

Response: The JMC agrees that a decommissioning requirement in many cases simplifies program participation and administration, and provides certainty of the impact of the installed heat pump. There are customer segments, regions of the state, and scenarios where full electrification may be particularly expensive or challenging. The non-Con Edison utilities accommodate these scenarios through the prescriptive and custom incentive categories. Partial electrification with the use of integrated controls is preferred to the alternative of new fossil fuel heating equipment, which in many cases is the alternative. The heat pumps eligible under the NYS Clean Heat program must be cold-climate models, and incentives are available for projects that install integrated controls, which prioritize the clean heating solution when fossil fuels are left in place.

Resources, Support, and Next Steps

- The next PC&IP meeting is scheduled for Thursday, September 12th (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.
- Links to additional program resources are included in the presentation slides.

The JMC thanks all attendees for their participation and engagement.