NYS Clean Heat Working Group Series

for Participating Contractors & Industry Partners

Session #4

August 12, 2021, 8:30 am–10 am

NYS Clean Heat
Joint Management Committee

NEW YORK STATE OF OPPORTUNITY. | NYS Clean Heat

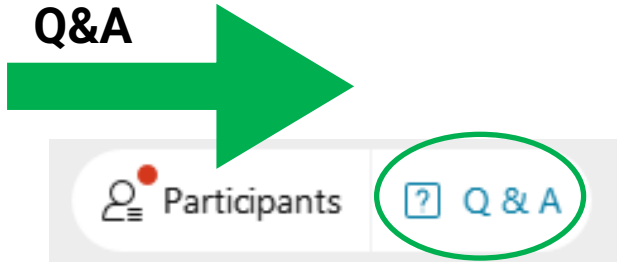
Agenda

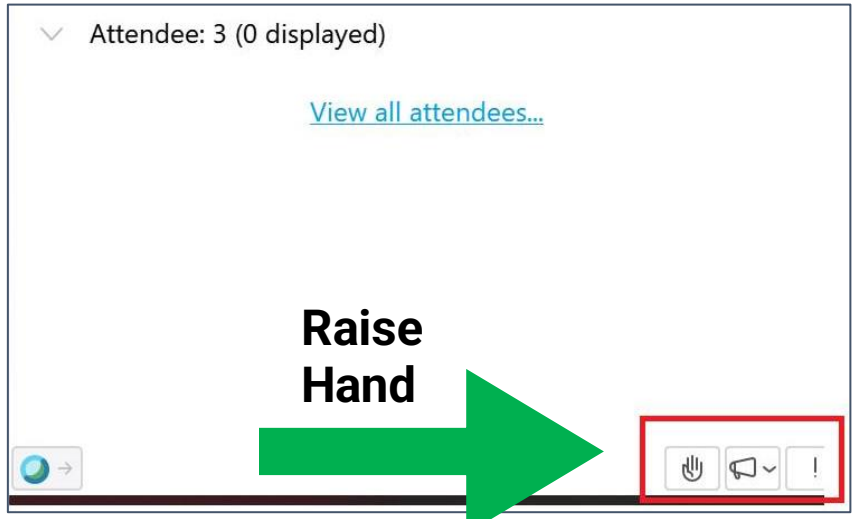
- **Meeting procedures** (2m)
- **Welcome** (3m)
- **Stakeholder-initiated topics for discussion** (30m)
  - Timely payments (NY-GEO)
- **JMC update and discussion** (50m)
  - Status updates on process improvements
  - Adder incentive updates and project examples
  - July 27th Field Assessment Webinar follow-up
  - Statewide project database
- **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
  - 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:

> **William Xia**, Con Edison

> **Wendy MacPherson**, NYSERDA

> *Other JMC Members:*

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

> *Our implementation team today:*

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

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

Working Group Series
Stakeholder input template

> Speaker and stakeholder(s) represented:

> Issue and context:

> Proposed change / solution requested:

Bill Nowak, Executive Director, NY-GEO on behalf of NY-GEO contractor members and stakeholders & Rona Banai, Dandelion Energy

Issue: Timely payment for gshp installations. In the summer of 2020 NY-GEO and the JMC communicated about timing and the JMC said they would work towards payments within 20 days of paper work being finalized.

An accessible database where project status is recorded & displayed, quick processing of paperwork and certification of completion, an All Hands on Deck process when 15 days is reached. Completion and publicizing of electronic payment availability.

Working Group Series
Stakeholder input template

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

Very high - Late payments mean bills go unpaid, the industry gets disrupted, employees go without pay and contractors reject the rebate program and/or leave or stay away from renewable heating in favor of fossil fuel heating.

- Requested timing for change / solution:

All Hands on Deck commitment – immediately

Database accessible to contractors with password for their data – by September 1st

Monthly reports showing time performance starting September 1st, filed 10 days after month's end

Electronic payment – hopefully currently available – publicity by mid August

Response as to completeness of application and for subsequent revisions – 3 business days

- Who else this issue affects:

Building owners, suppliers, employees, drillers, installation contractors and all who need NY to meet its climate goals.

Working Group Series
Stakeholder input template

Contractors willing to give examples of payment delays:

Dandelion Energy

Lake Country Geothermal

Buffalo Geothermal

WaterFurnace International

NP Environmental

Halco Energy

VanHee Mechanical

Phoenix Energy

GeoTherm

Working Group Series
Stakeholder input template

20-day timeline definition needs to be revisited – Contractors had understood it to start running from their submission of a completed application. It has been interpreted by utilities to be the time from when ICF submits the completed information to the utility. ICF responsibilities need to be integrated. Perhaps contract with ICF needs to be amended.

Contractors should be able to see their own applications with number of days since last contractor action required.

ICF needs to show how much time it takes for applications to get processed by its personnel, understand how many applications are getting submitted on a weekly basis, and assess how many people they need to employ in order to meet the 20-day goal.

ICF and Utilities need to report monthly on the number of days it is taking for applications to get processed, with some accountability on the part of ICF for applications that get incorrectly marked as flawed. Monthly reporting will give accountability and pressure to meet the goals set by JMC last summer.

Working Group Series
Stakeholder input template

Proposed Fields in Database

- Contractor Submits Application
- ICF Requests Amendment (1)
- Contractor Submits Amendment
- ICF Requests 2nd Amendment
- Contractor Submits 2nd Amendment
- ICF Requests 3rd Amendment
- Contractor Submits 3rd Amendment
- ICF Notifies Contractor of Completion
- Utility Receives Application
- Utility Deposits or Sends Payment

Proposed database fields will be filled with dates.

If no 1st 2nd or 3rd amendment is needed, ICF notifies contractor of completion and submits completed application to the utility within 3 days .

ICF will come back with a complete listing of issues per amendment.

If more than 3 amendments needed, application goes to Solutions Committee comprised of ICF, JMC, DPS, NY-GEO and contractor.

We propose no more than 3 business days between any of these steps

Monthly reports will show average number of days between each step and number of instances broken down by utility

Status updates on process improvements

- Utilities have not changed the definition of the “20-day” goal for payments – ICF received the instruction to measure aging from project processing completion to payment.
  - Processing completion is the point at which all documentation has been submitted and reviewed for completeness and accuracy, and we can pay the incentive
  - 2021 statistics through June (July National Grid data still in transition)

	January	February	March	April	May	June	YTD
Average Number of Days	9.85	14.80	13.75	19.53	15.83	22.99	17.44

- ICF working to bring cycle times down across the board
  - We agree with the comment that we should aspire to review and take action on applications within 3 business days that the contractor submits an application or provides additional information in response to a request
  - Working with contractors to minimize projects that need more documentation or clarification
  - Have added a large number of new staff since Q1
  - Working with all of the participating contractors on NY-GEO list as well as many, many others

Status updates on process improvements (cont.)

- OIT now has status – contractors can view them on each project:
  - Processing Application
  - Attention/Action Required
  - Eligibility Under Review
  - Account Verification
  - Application Updated
  - Application Cancelled
  - Final Review
  - Application Rejected
  - Payment Issued
  - Potential Program Transfer and Transferred Program
- Date stamps for the latest status changes are next step in development – ICF's IT team is identifying the specifics of where they can import the data, as well as the timeline for going into production– it's a data pull from ICF tracking system to the OIT environment

Statewide Project Database

- Objectives of a statewide database
  - Consolidated Clean Heat tracking and reporting
  - All JMC utility data in one place
  - Access to partners and stakeholders for marketing, contractor outreach and recruitment
- Database Access and Sharing Constraints
  - Protection of Customer Personal Identification Information (PII)
  - Protection of sensitive business information
- Process: JMC Working Group on project database commencing during second half of 2021
  - Input from manufacturers and contractors on what they need and what they don't want shown publicly
  - Credentialed access at appropriate levels (e.g., manufacturer view of data filtered to show only projects with their equipment)
  - Site linked to the statewide Clean Heat resource website

Incentive Updates – Category 2a (Con Edison and Orange & Rockland)

- Integrated Controls objective: drive up heating savings realization rate by increasing heating use
  - Have the capability to control all heat pumps in a single system simultaneously, and
  - Automatically switch the source of heating between the heat pumps and an ancillary, second stage system
- First qualified products to be included are Mitsubishi Kumo Cloud and Flair Puck Pro
  - Eligibility criteria for other products is under development
- Con Edison Example: 57,000 BTUH capacity (~100% BHL) – can't exceed total job cost!
  - General service territory: $3,500 x 5.7 = $19,950
  - Gas Moratorium areas: $4,500 x 5.7 = $25,650
- Orange & Rockland: Same capacity as above – also can't exceed total job cost!
  - $2,400 x 5.7 = $13,680 + $1500 EAM bonus per project = $15,180

Incentive Updates – Category 2b (Con Edison and Orange & Rockland)

- Decommissioning objective: drive up heating savings realization rate by decommissioning or removing fossil heating system
- HP system must satisfy at least 100% of BHL (as opposed to 90% under other categories)
- All existing fossil fuel heating must be decommissioned in place or removed altogether
  - Special legal requirements when taking oil systems out of service – driven by NYS laws
  - Guidance document under development, due out soon!
- Con Edison Example: 57,000 BTUH capacity (~100% BHL) – can't exceed total job cost!
  - General service territory: $5,000 x 5.7 = $28,500
  - Gas Moratorium areas: $6,500 x 5.7 = $37,050
- Orange & Rockland: Same capacity as above – also can't exceed total job cost!
  - $2,400 x 5.7 = $13,680 + $1500 EAM bonus per project = $15,180

July 27th Field Assessment Webinar follow-up

- Checklist updates
  - ASHP and HPWH checklist items updated to reflect major vs minor nonconformance items, and common discrepancies to date
  - Refrigerant line set protection, top vs bottom clearance, ductwork sealing, snow depth guidance, etc.
- Assessment scheduling
  - Updated approach to encourage customers to allow for contractor participation during visits
  - Ultimate decision rests with customer
  - Minimum 5-day notice provided to installer for onsite visit scheduling
- GSHP Working Group
  - Additional revisions needed to streamline the GSHP process.
  - If interested in participating in working group, please reach out NYSCleanHeat@ceadvisors.com
- Assessment goal to highlight corrective actions needed and future improvement
  - Corrective and collaborative > punitive

July 27th Field Assessment Webinar follow-up

Checklist Item C10 and C10B collectively govern refrigerant line protection.

> All refrigerant lines shall be insulated fully.

> No compression or gaps.

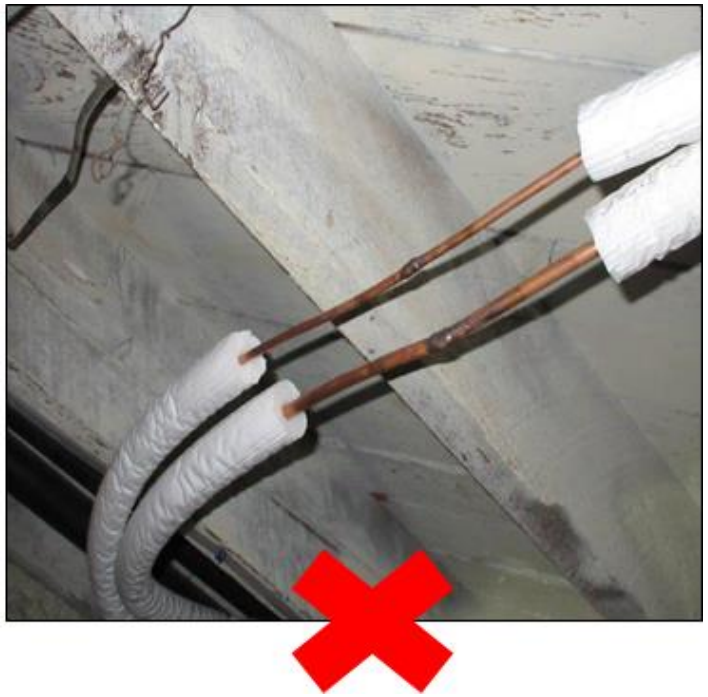
> Insulation is to be appropriately connected and secured for long-term performance.

> Outdoor refrigerant lines shall have UV protection.

> An insulation sleeve, or an insulation product that is also UV rated will comply.

Assessment Best Practices – Refrigerant Line Protection

> C10 - Major non-conformance: Large gaps; entirely uninsulated sections; non-UV-protective foams outside



Assessment Best Practices – Refrigerant Line Protection

> C10B - Minor non-conformance – gaps of under 12” (and over 1”) at the outdoor unit

Assessment Best Practices – Indoor Unit Clearances

Checklist Item C14 and C14B collectively govern indoor unit clearances.

> C14 – Major non-conformance - clearances above and below
> Necessary for adequate airflow through the unit
> Follow manufacturer's guidance

C14B – Minor non-conformance – clearance from the side

> Can impact service panel access
> Will impact air circulation
> Bounce-back may fool the unit's temperature sensors
> Follow manufacturer's guidance

Assessment Best Practices – Snow Protection

Checklist Item C15 and C15B collectively govern snow protection.

> To provide heating load - outdoor units must be clear of snow and ice buildup all winter.

> Snow protection from above (C15)

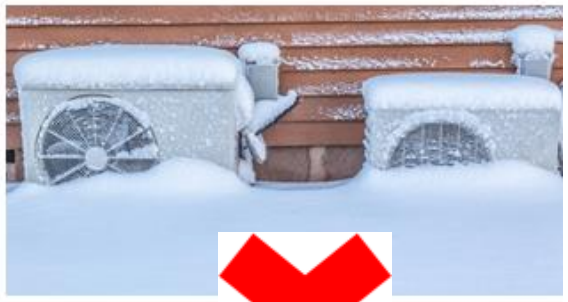
– Place the unit on a gable end or below a flat roof.

– If on an eave end – *completely* covered by the eave, or protected with a snow-deflector.

- Gutters, shingles, low-slope roofs do *not* provide long term durable protection from snow slide/sluff.

Assessment Best Practices – Snow Protection

> Checklist item C15 – Snow protection from above. Snow guards/deflectors. Necessary if on an eave end



Assessment Best Practices – Snow Protection

> Checklist Item C15B: Snow protection from below. 6”, 12” or 18” depending on weather-station. Or place under a deck

Resources, support, and next steps

- Next PC&IP meeting on **Thursday, September 9, 2021** (8:30 AM-10 AM)
  - Proposals for discussion at the next Working Group must be received by **August 30th**
- 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/)

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!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