

Working Group Series for Participating Contractors and Industry Partners

Session #5 | September 9, 2021 8:30am-10:00am

Agenda

- Meeting Procedures
- Welcome
- Stakeholder-initiated topics for discussion
 - Increasing contractor participation in the program (NY-GEO and BPCA)
- Joint Management Committee (JMC) update and discussion
 - ICF detail on implementation items
 - 10/1 Program Manual update
- Resources, support, and next steps

Action Items/Commitments

Information in colored text throughout the document corresponds to the action items listed below.

- If stakeholders are interested in joining a stakeholder-led working group to discuss ways to foster more contractor participation in the NYS Clean Heat program, please send your name, company, and contact information to NYSCleanHeat@ceadvisors.com.
 - A JMC representative is available to join meetings like this in a “Product Manager” style role (as referenced below)
- The JMC will look into the Otter Tail Power program as mentioned by NY-GEO and the BPCA
- A stakeholder group, led by NY-GEO and BPCA representatives as present on today’s call, will put together a list of specific recommendations for modifying the application process and share with the JMC, so that the JMC can begin to prioritize and take action

Welcome

- Program representatives on the call today:
 - JMC Co-Chairs: William Xia (Con Edison), Wendy MacPherson (NYSERDA)
 - JMC Members: Ray Cotto (Central Hudson), Ayomide Balogun (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

- As outlined in previous meetings, 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.
 - Emphasis is on the “working group” nature of these calls, with focus on clarifying issues, pain points, affected parties, and proposed solutions

- The JMC wants to promote dialogue and discussion with a focus on transparency and communication
 - The intent is to drive toward solution development
- The desired format is to have stakeholder-led presentations of pre-submitted topics, followed by updates from the JMC on topics discussed in previous sessions

Increasing Contractor Participation (NY-GEO and NY BPCA)

- Representatives from NY-GEO and NY BPCA spoke about potential barriers for contractors to participate in the NYS Clean Heat program
- Members of the BPCA and NY-GEO have expressed that the level of paperwork and detail required of contractors is a deterrent to participating in the program
 - It is difficult and time-consuming to wait for the paperwork to go back and forth, and in turn to wait for the rebate checks to come in
 - Fossil fuel contractors are continuing to install fossil fuel systems, and the high level of frustration among Clean Heat contractors will cause some to turn back to installing fossil fuel systems where they get paid immediately, or to install heat pumps and find a way around the rebate program
- NY-GEO and the BPCA propose creating a working group to foster a more welcoming environment that will encourage more contractors to participate in the program
 - The proposed timeline is to establish this working group by September 16 so that the group can put together recommendations in time for the October and November monthly Participating Contractors and Industry Partners Working Group Series meetings
- A representative from Con Edison noted that the JMC encourages the formation of a working group between industry stakeholders to discuss best practices and lessons learned, but there does not seem to be a need for the JMC to be regularly involved
 - *The JMC is happy to facilitate formation of this working group – if attendees of the call were interested in participating, they were instructed to provide their name, company, and contact information through the private Q&A meeting function (Note: Names collected from the meeting have been sent to the representatives from NY-GEO and the BPCA. Anyone wishing to participate who did not provide details during the meeting can send their name, company, and contact information to NYSCleanHeat@ceadvisors.com)*
 - The intent of this currently implemented monthly meeting series is to do exactly as proposed by NY-GEO and the BPCA
- The representatives from NY-GEO and the BPCA expressed their desire for clear communication with the utilities. They have taken the state’s clean energy goals very seriously and have contractors who in the beginning embraced the program and took advantage of it, but have now gotten to the point where they are tired of the process.
- It would be helpful for the JMC to have more insight into what specific pieces of paperwork are burdensome and why
- Time- and effort-consuming processes of the program, as identified by NY-GEO and the BPCA, include:
 - The paperwork required to apply for rebates, which is further complicated by Category 4 and/or larger projects

- Application paperwork, though it is positive to see some effort by ICF and the JMC in seeking to address stakeholder concerns on that front
- Shepherding applications to approval
 - This topic was raised in more detail in last month's meeting. There was talk about a 3-day turnaround window being established as a goal, as well as a backlog in ICF's queue.
 - Some of the contractors are reporting some improvements on timeline from application submission to payment, but there are still pieces that need work
- A burdensome field assessment process
 - Contractors report that in the field some of the process is getting better
 - NY-GEO put an enormous amount of effort into revising the GSHP checklist last time around
 - It has been reported that there will be a revision to that checklist, but there has been no word on further progress
 - The JMC has been taking some good steps to respond to NY-GEO's proposals on the timing of application approvals, and they look forward to the revision of the field assessment process
- More specific details on issues with the application process were communicated:
 - Frequent changes to the application process are hard to track, especially for people out in the field who do not necessarily have time to absorb all the different changes
 - It is not desired to have changes released on just a yearly basis or more infrequently than they are now, but the ask is to have the information communicated more clearly
 - There is redundancy in the application process – contractors must submit the same information numerous times
 - The Online Intake Tool ("OIT") being used to process applications sometimes spits back a mechanical response that is too vague for the contractor to understand what they must do to get their application back on track
 - Contractors have different ways of communicating, and some would prefer phone communication over the email format that is currently in use
- The overall goal is to foster more participation from fossil fuel HVAC contractors while not losing the renewable HVAC contractors already participating
- NY-GEO and the BPCA propose a joint listening session to get the fossil fuel contractors' perspectives on their perceptions about transitioning to renewables
 - They also tentatively propose to set up a mentoring program for contractors that are switching to renewable heating
- Services that could be provided/contracted for by the utilities to help equipment installers would also be beneficial
 - An example from Otter Tail Power (Minnesota) was cited: for commercial installations, the utility pays for a consultation with some design experts
 - So far, 15 projects have gone through the program, 8 of which likely would not have had heat pumps otherwise
 - More detail will be provided in the next NY-GEO newsletter

- NYSERDA noted that they have been running “voice of customer” roundtables regarding market transformation. One has already been conducted with large HVAC contractors that may or may not be currently installing heat pumps to understand their thoughts about the market.
 - A topic that has come up at these roundtables is the inside work vs. outside work for geothermal, since the loop is more complicated than the interconnection
 - NYSERDA is looking to have a roundtable with the fossil fuel companies in the next month or so to understand their thinking, how they are viewing the shift to electrification, and what they envision for their role in the new market. NYSERDA has not engaged much with the fossil fuel industry yet and would be interested to hear what NY-GEO and the BPCA have done.
 - NY-GEO noted that they had prepared a grant proposal for NYSERDA and were told that NYSERDA was moving forward with an independent contractor to do the work
 - NY-GEO had heard that the fossil industry had questioned why they would participate in the Clean Heat program if they can install a fossil fuel system and get paid immediately with less hassle
- The JMC will take a look at the Otter Tail example and consider the mentoring program

Verbal Question – Dandelion Energy

- To add color to the point that NY-GEO and the BPCA were making about challenges with the application process: there are five utilities with unique OIT tools and subtle differences, which makes it easier to make mistakes
 - It is great that Con Edison has the ability to upload a spreadsheet to process multiple projects at a time – it would be great to see that across all utilities
 - A uniform OIT across all utilities would be beneficial as well
 - This tool could function in a “smarter” way with pre-filled line items so contractors don’t have to put in the exact same information in multiple places
 - As NY-GEO said earlier, there is a long list of recommendations and not enough time here to go into each of them
- **Response:** The JMC requests that this group get together and put together a list of these recommendations, so that the JMC can group similar topics and prioritize what to address first.
 - The JMC hears loud and clear that there are pain points along the way, and requests this information in a format that is actionable/addressable so that the JMC can begin to take some action
- The stakeholder group here will put together recommendations for the application process and submit them to the JMC (*note: please send any recommendations to NYSCleanHeat@ceadvisors.com*)

Verbal Question – BlocPower

- To the point of the proposed working group mentioned earlier: the stakeholders know how to get together and discuss what is most important. It is suggested that someone from the utility or ICF side join the meeting to help prioritize items, in a “Product Manager”-type role. The mindset could be that the JMC is putting out a product (the Clean Heat Program) and that they are taking the customers’ opinions and viewpoints into account when designing the product.
 - The stakeholders need to know what constraints the JMC has to help prioritize what should be at the top of the list as well. It feels as though many of the suggested

improvements voiced today are somewhat obvious, such as the annoyance of having to put in the same information multiple times.

- It feels very much like a black box on the other side – contractors send in their information and receive a few emails here and there, and no one gets to talk much on meetings like this since they are so short.
- **Response:** The JMC agrees and would be glad to provide this type of guidance on prioritization of what can be acted upon right away vs. what might need longer lead times
 - Some more detail shared beforehand on the issues discussed here would be beneficial so that the JMC can align internally on what is easiest to implement before meeting with the stakeholder group to share thoughts
 - The timeline for a process like this will need to be discussed – it is likely not feasible to put this together by Sept. 16 as proposed earlier

Verbal Question – En-Tech Associates

- From a contractor’s perspective, what is important is that we as the contractors are putting in and accounting for the make and model of the units with ASHRAE and NEEP performance data and all of that matches with the heating and cooling loads. The customer needs this fundamental information. It is less important to me what happens on the back end with checklists and how the program uploads information into a spreadsheet to account for how the money is spent. It is hard for contractors, especially small operations, to comply with all of this paperwork when the process is such that an internal staff is needed to communicate back and forth.

Additional Written Question Related to Complications of the Application Process (not addressed verbally in the meeting):

Summary of Question: How can the burden of paperwork associated with program applications be reduced?

Response: The JMC is grateful for the feedback received regarding the complexity of paperwork and the lengthy timelines associated with different aspects of the Clean Heat program. As this feedback has been discussed in several meetings, the JMC has been working to identify solutions to the general concerns. When stakeholders experience continued challenges, please provide details such as specific documents, information requests, vendor communication examples, or other specific barriers to success. Providing information on specific challenges, rather than general comments, will help us to better identify specific processes that need to be improved. The JMC appreciates your partnership with this program and is committed to resolving these issues.

ICF Improvements

- Everything ICF has been working on in terms of improvements and updates recently has been in response to feedback received from stakeholders
 - This is a complex process, as many have noted today, and the calculations are complicated as well. The utilities have a huge fiduciary responsibility to show the energy savings of the half billion dollars they are spending on this program.

- In turn, ICF is responsible for proper distribution and allocation of these funds, and there have been instances in which ICF has had to pay out of pocket for incorrect claims
- It is a challenge to be responsible for this much money and pay everyone right away while simultaneously figuring out the back end
- Since the last webinar, ICF has been focusing on tracking project aging and has developed internal reports on a project basis to analyze where internal project aging is greatest
 - For example, there has been a backlog around some of the program rules that have changed, such as stipulations around projects that are >120% of BCL
 - ICF is working on putting together additional data
- Improvements are being made to the OIT
 - The OIT was put in place to replace paper applications, which themselves are a problem for a complex program like this
 - ICF will certainly take into consideration the suggestion made earlier by Dandelion Energy to make the OIT completely uniform across all utilities – many of the subtle differences have been hammered out already, but ICF will take another look
 - A current status age is being added to reflect the number of days a project has been in the current status in the OIT
 - Updates have also been made to the zonal load fields
 - ICF has received many records in which the loads do not balance out
 - These fields are now optional – **when in doubt, leave it out!** The system will calculate the zonal loads automatically even if you leave those fields blank
 - ICF is interested to hear the feedback on what the perceived areas of duplication are
- Communication methods are being diversified, recognizing that not everyone is an email person
 - Phone calls as a primary means of communication can be difficult, since outgoing calls often catch people when they are doing something else. ICF has tried this in the past and it was not a successful method.
 - If contractors have questions about automated messages they receive from the system, they can call the hotline **(844-212-7823)** to connect with a live person who will get into the project record during the phone call and provide more clarification
 - Sending the email as a preliminary notification and letting contractors reach out to ICF allows contractors to call when they have their records together and are ready to talk
 - ICF is also exploring the option to send text message notifications in addition to the emails. This capability will likely be ready to deploy in mid-October.
- ICF understands that there is still work to do, but it is good to hear from some of the stakeholders today that there has been some improvement

Additional Written Questions Related to Application Process (not addressed verbally in the meeting):

Summary of Question: What is the process for contractors who desire one-on-one training from ICF regarding navigation of the program?

Response: Contractors who desire training on the application process may contact their ICF Account Manager or request training through the statewide email inbox, NYSCleanHeat@icf.com. AS the JMC and ICF review the OIT for further harmonization in 2022 (based on decisions by individual utilities regarding incentive categories being offered), ICF will work to consolidate the OIT platform and the training content across utilities, with the ultimate goal of having one common OIT training slide deck and content repository.

Summary of Question: How do I find out who my dedicated account manager is?

Response: If you are unsure of who your account manager is, please contact NYSCleanHeat@icf.com.

5 Tips for Submitting a Successful Application

- To the point made earlier by Dandelion Energy regarding the functionality in Con Edison's application tool to upload a spreadsheet, ICF's IT team has been working on a bulk upload tool for all utility applications to enable multiple projects to be uploaded at the same time.
- In a recent training conducted for a particular contractor, one of the takeaways was that there are some things that contractors can specifically focus on to help things go more smoothly. These items are outlined in this section.
- Customer sign-off:
 - Customer sign-off is required for any application installed on or after August 15, 2021. This requirement was specifically requested by DPS Staff.
 - It allows people to make a decision on whether they would like to get paid via an instant discount or pass payment on to a third party, among other things
 - Other details such as the status of remaining existing heating equipment are captured as well
 - Contractors should be sure to grab this customer signature when going through the sales process
- Equipment photos:
 - The purpose of submitting equipment photos is to minimize on-site QA/QC
 - Customers should submit a nameplate photo as well as a step-back photo
- QA/QC checklist:
 - Customers are encouraged to review and use the Field Assessment (formerly known as QA/QC) checklists to make sure all equipment is installed properly at the outset with program guidelines in mind. This can avoid the need to correct things later, which can cause more delays in payment. *(note: Field Assessment checklists are available on the NYS Clean Heat Resources [webpage](#) under Standards and Field Assessments)*
- Manufacturer data or Clean Heat Calculator:
 - Equipment capacity at the project's Manual J design temperature is the primary piece of information here
 - Manufacturer data can be used for this, or the Clean Heat Calculator tool
- Name and Address:

- The name/address on the utility account must match the name/address on the invoice and in the OIT
- For example, Party A living at the house may be the one handling all the contracting paperwork, but Party B also living there has the utility bill in their name and the names don't match in the system
- It is recommended that the contractor get a copy of the utility bill to double check the names

NYS Clean Heat Project Status Inquiry Process

- For project inquiries, the contractor should reach out to their dedicated account manager as a first option
 - If the account manager does not respond within three days, contractors can contact NYSCleanHeat@icf.com and/or the utility program manager
 - If needed, the issue can be escalated further through the utility program manager and other channels, but the goal is not to need to do that
- Utility program managers and contact information are listed in the slide deck

Program Manual Update

- A new version of the Program Manual will be released on October 1
- A preview of the forthcoming changes was given here
- For Con Edison and Orange & Rockland, additional details around Category 2A and 2B (Integrated Controls and Decommissioning adders) announced in July will be released
 - A qualified product list for integrated controls has been posted [here](#)
 - A decommissioning checklist has been posted [here](#)
 - Please keep in mind that these are **live** documents that will be updated as more details are put in place. It is recommended to bookmark these links and revisit online rather than downloading a static document.
- Category 4A: HP + Envelope
 - Thresholds for eligibility will be added to this category, along with a process for calculating energy savings
 - A savings calculator for envelope measures will be released
 - It will be made clearer that Multifamily projects, normally found under Category 2, are eligible for Category 4A
- Incentive updates
 - Most updates to the incentive sections will follow the changes released in the errata page from late July
 - Con Edison Category 1 has decreased from \$500/unit to \$250/unit including a \$125 per unit contractor reward
 - Con Edison Category 2 has decreased from \$2,000/10,000 Btuh to \$1,000/10,000 Btuh including a \$500 per project contractor reward
- Clarity on eligibility criteria for other Category 4 heat pump technologies, including single package vertical heat pumps, ground source VRF, and energy recovery ventilators (ERVs), will also be provided

Verbal Question – Gree Mechanical

- The determination of the NYS Clean Heat program to push heat pump technology is appreciated, but the same comments about delays in process timing and complexity of paperwork are echoed. Notifications are sent for flaws identified in the first round. What happens after the flaws are fixed?
- There are two main issues: the age of the project and transparency of communication.
 - For example, I am not able to obtain details on the decommissioning change in Con Edison territory. I am working closely with the Asian community, who are one of the fastest groups adopting heat pump technology. When talking about decommissioning, there is not a clear process yet. When decommissioning propane and oil, what licenses do we need?
- **Response:** The JMC notes your concerns and someone from Con Edison will follow up.

Additional Written Response Related to Decommissioning of Propane and Oil (not addressed verbally in the meeting):

Summary of Question: When decommissioning propane and oil, what licenses are needed?

Response: Licensing and permitting requirements vary across different New York State municipal jurisdictions. Contractors should contact the local jurisdiction that oversees licensing and permitting to ask about whether there are specific requirements needed to cover decommissioning/removal work. Checking in with local authorities will provide the most accurate information, which the contractor can then use going forward.

Verbal Question – HeatSmart Tompkins

- The contractors that are part of a program like HeatSmart Tompkins are those who are more committed to heat pump technology than the average contractor. I want to second all of the feedback already said today. The smaller contractors especially don't have the staff and the time to attend these meetings regularly and give detailed feedback. There was a process with NYSERDA that seemed to be working, and that seems to have been complicated by the switch to this new program format.
- **Response:** The JMC hears your concerns.

Verbal Question – Absolute Comfort

- As a small business I agree with the points made just now. As an example, an application of mine was recently rejected because the photos I submitted did not show a front view of the equipment. The equipment was obviously on a balcony and therefore it was not possible to take a photo of the full front view. It doesn't seem like a human touch is there to look at what is submitted. I also echo the concerns made about the delay in receiving money and the burden of paperwork – I cannot hire a separate person to handle the paperwork, and as a result, recently had to wait 4 months to have the time to submit 14 applications. When NYSERDA was running the program, it somehow seemed less complicated.

Resources, Support, and Next Steps

- The next meeting of the Participating Contractors and Industry Partners Working Group Series will be held on Thursday, October 14 from 8:30am-10:00am.
- Please submit any topics for discussion and any *program*-related inquiries to NYSCleanHeat@ceadvisors.com
- Please submit any *project*-related inquiries to NYSCleanHeat@icf.com or 844-212-7823
- All program documents are located on the NYS Clean Heat Resources [webpage](#)
 - <https://saveenergy.ny.gov/NYScleanheat/resources/>

Thank you very much for joining this morning's webinar. We appreciate hearing your feedback.