# Working Group Series for Participating Contractors and Industry Partners
## Session #6 | October 14, 2021 8:30am-10:00am

## Agenda

- Meeting Procedures
- Welcome
- Joint Management Committee (JMC) update and discussion
  - Overview of 10/1 Program Manual updates
  - Stakeholder feedback – follow-ups and next steps
- Stakeholder-initiated topics for discussion
  - Tiered payments for large, custom projects (NY-GEO)
  - Technical eligibility (Dandelion Energy)
- Resources, support, and next steps

## Action Items/Commitments

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

- The JMC will release an errata document outlining corrections to the 10/1 Program Manual update
- The JMC and ICF commit to continued work on additional improvements to the online intake tool (OIT), as outlined in the OIT Process Improvements section
- The JMC and ICF commit to continued work to reduce project process cycle times
- ICF will work on compiling a glossary of OIT status terms and definitions
- The JMC will share the updated version of the GSHP checklist with the stakeholder community prior to official release so that contractors can prepare for the changes ahead of time. Checklist release is targeted for December 1.
- The JMC will consider the proposal by NY-GEO for a tiered incentive payment system for large custom projects
- The JMC will review Dandelion Energy's proposal on entering water temperature (EWT) guidelines with their internal engineering teams and report back to the stakeholder community

## 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
    - 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 hope is to have stakeholder-led presentations of pre-submitted topics in addition to updates from the JMC on topics discussed in previous sessions

# Overview of 10/1 Program Manual Updates

- A new round of Program Manual updates was shared in last month's meeting, and these were officially put into place on 10/1 in Version 5
    - A link to Version 5 can be found here and is included in the meeting slides
    - As a note, if you are still seeing an earlier version of the Program Manual using the above link, try clearing your web browser's cache
- Con Edison and Orange & Rockland adders
    - Three documents have been released in relation to these adders:
        - Integrated Controls (2A) eligibility criteria: The goal here was to clarify which criteria would need to be met for eligibility and to clarify how technology can become eligible and added to the list
        - Integrated Controls qualified product list (QPL): This is a living document that will continue to be updated as new technology is brought to the attention of the JMC and is made eligible. There is a process in place for adding additional technology. To ensure you are referencing the latest version, it is advised that you reference this sheet using the web link instead of downloading and saving the document, as it will be updated continuously.
        - Decommissioning (2B) checklist: This checklist is to clarify the procedures that should be followed for a decommissioning project.
    - The three documents linked above are also included within the latest Program Manual as well
- Additional incentive updates
    - Con Edison had messaged out some incentive decreases in September. This 10/1 update incorporates a clarification of those changes:
        - For Con Edison Residential incentives, Category 1 has decreased from $500 to $250 per unit
        - Similarly, Category 2 has decreased from $2,000 to $1,000 per 10,000 Btu/h
    - Orange & Rockland has clarified their additional bonus incentive amounts and structure
- Future updates

- An errata list will be released sometime next week correcting a handful of items in the current Program Manual release
- If you identify any additional discrepancies, please send them in to NYSCleanHeat@ceadvisors.com

## Stakeholder Feedback

- Since the last Working Group Series meeting in September, a few additional follow-ups and separate meetings with individual stakeholders have taken place

### OIT Process Improvements

- Several suggestions for improving the Online Intake Tool (OIT) have come through from individual feedback and from a separate meeting with stakeholders that took place in September. ICF has been working hard to address this input.
  - The presentation slides include a table showing all 16 suggestions received thus far along with the feasibility of implementing and the status of each
- Improvements that have been completed:
  - Aging of current project status is now visible on the OIT
  - Filtering capabilities on the OIT dashboard are enabled
    - These filtering capabilities have always been present, but users were not alerted to their existence. When looking at a list of projects, there are three dots next to each individual column - clicking here allows the user to filter in a variety of ways.
  - Communications that go out regarding any projects with flaws or that are in "Needs Attention" status now show the premises address in the subject line of the email
    - ICF is still working on rolling out text communication in addition to email communication
- Improvements that are highly feasible and will be attainable in the relative near term:
  - The notes field will be activated for all contractors in the initial application. Originally, this field was visible but not activated unless the contractor was asked to respond to a notification for clarification. Rollout is expected in November 2021.
  - A request was put in to simplify the OIT for Heat Pump Water Heater (HPWH) projects to show only information relevant to HPWHs
    - While it would take a substantial effort to re-code the OIT to configure it for this purpose, ICF is in the process of setting up shorter parallel applications that are specific to HPWHs and that ask for fewer inputs
    - Contractors will be able to log into these shorter application forms separately
    - Rollout is expected in November 2021
  - As mentioned above, capabilities to receive application communications via text as well as email will be rolled out soon (estimated November 2021)
  - A request was put in to synchronize emails from Vision with status changes in the OIT. As it stands now, emails from Vision are sent out, and the corresponding change in OIT status does not show up until the next day – there is an overnight latency between the two systems.

- ICF will change the order such that the OIT status change will precede the email or text communication from Vision, so that it is more apparent what the notification is for
- Rollout is expected in November 2021
  - o "Hover help" functionality is being implemented in certain areas of the OIT
    - As featured in other online platforms, users will be able to hover their mouse over certain fields and see tips or explanations appear
    - Language for the tip fields is currently being drafted and will be passed along to the IT teams for implementation
- Improvements that are longer-term measures, or whose feasibility is still being determined:
  - o Information input will be modified so that measures can be cloned – if the user is logging multiple units of identical equipment, all information can be copied over into a new entry and just the serial number will need to be entered
  - o Requests have been made to make all versions of the OIT identical across each utility
    - This is a goal that the JMC is striving for. It will not be fully feasible until all elements of the program are harmonized across each utility.
      - For example, Con Edison and Orange & Rockland have implemented the new integrated controls and decommissioning adders, which require additional data points that make their OIT applications slightly different from the others
  - o When the OIT platform is synchronized early next year, ICF will look to enact bulk upload capabilities for all utilities, as is available on Con Edison's OIT now
    - **Question** *(submitted in written form in the meeting Q&A):* Will the bulk upload feature allow bulk uploads across utilities?
    - **Response:** The bulk upload feature will be deployed across all utility platforms. Users will have to upload separate bulk lists for each utility.
  - o ICF is looking into the possibility of enabling smarter drop-down lists that display documents/fields based on fuel type selected
    - This has proved to be more challenging than anticipated. The IT team feels good about implementing a feature like this, but is still assessing the level of effort and corresponding timing involved.
- A few items requested are still to be determined:
  - o ICF is looking into the possibility of providing the ability to export the OIT dashboard project list. It may take longer to develop capabilities like this.
  - o A few comments were just received this week through the Clean Heat inbox ([NYSCleanHeat@ceadvisors.com](mailto:NYSCleanHeat@ceadvisors.com)). The IT teams are still assessing the feasibility of these requests:
    - The order of files uploaded into the OIT should reflect the same order as the Document Details so the user can verify that everything has been entered
    - The addition of the Participation Acknowledgement Form moved the Add Document tab off the screen for a 15" laptop, which adds time to have to scroll over and find it
- One item is not feasible:

- o Once a project has been submitted to the OIT, attachments are not able to be accessed in the dashboard. The OIT passes documents over to a tracking system and does not have the capability to store them.
  - Users are encouraged to refer to the subject line of notifications received from Vision to identify the premises of the project, and to go back into their own file sets to find those documents
- Many thanks to everyone who submitted this feedback to help improve the system

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***Additional Written Questions Related to Project Logistics (not addressed verbally in the meeting):***

**Summary of Question:** Will contractors be able to send in projects for pre-approval to ensure they are eligible for incentives?

**Response:** For custom projects, all projects must navigate a pre-approval process prior to construction to be eligible for incentives. For prescriptive projects, pre-approval is not normally required, since program eligibility requirements and incentives are described in significant detail in the Program Manual. However, certain circumstances may warrant a preliminary incentive offer letter (PIOL) from the program for contractors to secure projects with some customers. In those cases, we encourage contractors to submit the typical prescriptive documentation through the OIT and to collaborate with their account manager to obtain pre-approval. Once the project details have been reviewed by the program team, a PIOL can be provided for qualifying projects.

**Summary of Question:** Is there an ASHP customer education sheet that the program supplies?

**Response:** The program has not developed specific customer training materials, since operational details of each system would vary depending upon the installed equipment. The program relies on the participating contractor's expertise with the specific equipment and controls setup to be the best resource for educating the customer on the operation of their new heat pump equipment. Prior to having an ASHP customer sign the NYS Clean Heat Completion Acknowledgement Form (found under the "Submit Your Applications" tab of the NYS Clean Heat Resources webpage) and as part of fulfilling this obligation, an installation contractor can provide the customer with the NYSERDA Air Source Heat Pump Tips Fact Sheet, as found under the ASHP tab on the Resources webpage.

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## ICF Process Cycle Times

- ICF has been gathering more information on project processing times from receipt of application to ICF approval
  - o The presentation slides show a graph of processing times by quarter for completed projects across all utilities
  - o The program is not at its goal yet in terms of lowering processing time
- ICF has been working with each utility to look at project aging by status and has been focusing staff efforts on a combination of resolving the oldest projects in the system while keeping the momentum going on new projects coming in
  - o The biggest challenges have been with projects that have flaws

- Older projects have an upward statistical trend due to the number of older projects being resolved recently
  - Flaws related to the July 7th changes regarding BHL and BCL specifications have been cleared up
- Non-flawed projects are trending downward in process cycle time as well, but work is still being done to drive these times down even more
- The JMC would like to emphasize that they understand these times are still not where they need to be, and that they are still working on this. They recognize that this is extremely important to the contractors.

## GSHP Checklist Updates

- The JMC has been reviewing the GSHP checklist along with representatives from NY-GEO. Several changes have been made along with plans to address some additional items in the near future:
  - All startup checklist documents have been condensed into one line item, to be collected during application
    - Feedback was received that by the time communication had gone back and forth about these items when a project was selected for inspection, the window had passed
  - Redundant items that are attested to in the Terms and Conditions have been removed
  - Electrical code compliance items that are covered elsewhere have been removed
  - Conditionality language has been clarified to make it clearer where certain items are required and where they are not
  - QSPs will notify contractors and customers of warranty documents and training verification prior to on-site visits in order to give the contractors more notice
- Next steps:
  - The JMC will share the updated checklist with the stakeholder community ahead of time so that it can be reviewed and proper preparations can be made in the field
    - It is targeted to make changes official in December
  - It is an ongoing process to shape the checklist to best suit the needs of the program and community – additional guidance is still to come on topics that spurred further discussion

***Verbal Question – BlocPower***

- The effort to reduce the aging time of projects is much appreciated. As has been stated, the numbers are not yet where we want them to be. Where do we want them to end up? That kind of information can be helpful as the company makes plans to accommodate these kinds of rebate projects.
- ***Response:*** With industry input, the goal in mind is 20 days from project submission to ICF approval.

***Verbal Question – NY-GEO***

- What is the logic behind delaying enforcement of the GSHP checklist updates until December 1?
- ***Response:*** The original ambition of the JMC was to release the updates on November 1, but given that the anticipated changes are being communicated out with only two weeks until that

date, it was decided that more time should be given for the stakeholder community to digest this information. The JMC also did not want to rush the release of these changes just to meet an arbitrary deadline. If the changes are fully ready before December 1, the JMC will consider releasing them earlier.

## Stakeholder Presentations

### Tiered Payments for Large, Custom Projects (NY-GEO)

- Project payment timelines and cashflow issues have been discussed frequently. In line with what was offered in the NYSERDA program, NY-GEO proposes a tiered payment structure for large custom projects:
  - o 10% upon application acceptance
  - o 30% upon loop field completion
  - o 30% upon heat pump installation
  - o 30% upon system commissioning
- A major driver of advocating for a payment structure like this is for projects in new construction where the loop field is being installed under the building at the very beginning, but the full system is not commissioned for another two years
  - o This is somewhat specific to large, new construction, multifamily buildings
  - o Instead of just months-long project payment timelines, now these become years-long project payment timelines
  - o The milestones suggested assure that project work is being completed and align payments with the timeline of project work
  - o There are large up-front project costs for design and approval by DOB
- The request is that the JMC begin implementing in 30 days
- The JMC sees the clear market need here. 2-3 years from construction to the receipt of incentive is certainly a cash flow issue.
- In terms of the milestones proposed here, are there any where projects don't get completed even if those milestones are passed?
  - o Once the loop field is in, it is very difficult to abandon a project. It could be phased in that no heat pump incentive is received until the loop field is installed.
  - o It is not preferred, but the first milestone could be changed from 10% upon application to 10% upon start of construction.
    - ▪ A project would only be abandoned after start of construction due to an economic turndown, loss of project financing, or other similar extreme circumstance
    - ▪ Projects like these incur hundreds of thousands of dollars in engineering fees – they would still be in the red even if they went through engineering and claimed a percentage incentive from that step only
- The JMC will take back all this information and discuss internally

***Verbal Question – NY-GEO***

- In reference to the process cycle graph *(please see pg. 11 in the presentation slides)*, a previous stakeholder presentation had proposed a 3-day turnaround from application submission to initial response. In response to BlocPower's earlier question about what the goals are, that is the

one that is in my mind. If discussion about a project starts going back and forth more than three times, there needs to be some kind of urgency to resolve.
- **Response:** The JMC is still striving to reduce the process cycle times. Steps have been taken to staff up and to work out challenges related to volume of projects and communication as flawed projects go back and forth. The biggest key is working together to drive the flaw rates down.
- Feedback that NY-GEO has received from their constituents is that project processing is still uneven – some are still having serious cash flow issues while others have reported that things are working more smoothly.
  - More conversation will happen offline between NY-GEO and the JMC to more specifically identify and address these issues.

***Verbal Question – Absolute Comfort***
- Thank you for trying to speed things up on the project processing front. I submitted 14 applications 5-6 weeks ago. Some have gone through just fine while others have had flaws. I was able to work with an ICF representative on the ones that had flaws. Seven projects were flagged as Eligibility Under Review. I only knew about this because I happened to log into the portal – no notification was sent for these projects. This may be something to look into that this status did not trigger a notification to the contractor.
- **Response:** The Eligibility Under Review status appears when ICF is conferring internally. There are many things going on behind the scenes and sometimes processors might need assistance from a higher-level processor. This status appears when a project has not gotten to the point where input is needed from the contractor yet.
  - ICF is also working on putting together a glossary for what the status options are and what they mean

## Technical Eligibility (Dandelion Energy)
- One of the program requirements is that the minimum entering water temperature (EWT) of the loop does not drop below 30°F. This poses a bigger issue for horizontal loops in regions where the ground temperature is colder.
  - This requirement also conflicts with the IGSHPA manual recommendation *(as outlined on pg. 18 of the presentation slides)*
  - The 30°F recommendation sometimes requires a project to have a bigger loop or switch to a vertical loop
- It is recommended that the IGSHPA manual language be adopted for EWT
- Example information is shown on p. 20 and 21 of the presentation slides. Sometimes there are significant savings that could be realized from not requiring extra loop.
- The default EWT is 30°F, and that makes sense from a program standpoint. The proposal here is to only move away from the default values of 30°F and 90°F where it makes sense. There are areas where there could be flexibility on certain projects, but as it is now, we have to disqualify those projects.
- The JMC views this issue as workable, and sees the clear correlation between issue identified and why a change would be beneficial. The JMC will discuss with their internal engineering teams and will get back to the stakeholder groups on this topic.

## Resources, Support, and Next Steps

- The next meeting of the Participating Contractors and Industry Partners Working Group Series will be held on Thursday, November 18 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/
- For project inquiries, please reach out to your dedicated account manager for issue resolution first. If you do not hear back within three days, please contact ICF at their centralized inbox (NYSCleanHeat@icf.com) or reach out to one of the Utility Program Managers as listed on pg. 23 of the presentation slides and below:
  - Central Hudson: Ray Cotto, Assoc. Energy Efficiency Program Manager
    - Phone: (845) 486-5750, Email: RCotto@cenhud.com
  - Con Edison: Will Xia, Program Manager
    - Phone: (646) 761-1851, Email: XiaW@coned.com
  - National Grid: Ayomidé Balogun, Senior Program Manager
    - Phone: (516) 419-7365, Email: Ayomide.Balogun@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) 577-2433, Email: MaloneyM@oru.com

Many thanks to all of the stakeholders who joined this morning's webinar. The JMC appreciates your engagement and feedback.