NYS Clean Heat Program Manual Updates

To take effect 7.1.21

This document provides an overview of updates that will be made to the NYS Clean Heat Program Manual on July 1, 2021. The Joint Management Committee recognizes that not all concerns will be addressed in these changes and will be updating the Program Manual at periodic intervals throughout the year as conversations continue. Any feedback on these proposed changes may be provided to the NYS Clean Heat email inbox at NYSCleanHeat@ceadvisors.com *by Friday, June 25, 2021.* [1]

Topic	Change(s) Made
System Sizing Requirements	The Program Manual has been revised to allow for use of manufacturer equipment sizing software, such as Mitsubishi Diamond Builder, for Manual S system sizing.
System Sizing Requirements	Language in the Program Manual has been revised to specify that sizing should be performed based on the most relevant ASHRAE location. A table was added showing heating and cooling design dry bulb temperatures for various NYS ASHRAE locations as reference. Indicated load calculations will be accepted +/- 5 degrees of the stated temperatures in the table.
System Sizing Requirements	In coordination with the NYS Department of State, a reference has been added to clarify the process on approving alternative methodologies for the residential building code required for the calculation of heating and cooling loads and sizing of residential heating and cooling equipment.
Field Assessments	"QA/QC" references have been changed to "Field Assessments"
Program Incentive Application Process	Language has been revised to clarify the program incentive application submission process, including minimum documentation requirements, for both prescriptive incentive category projects and custom category projects.
Technology Eligibility Requirements	For scenarios in which project eligibility is not clearly defined, the following shall be used to determine eligibility: • Fossil fuel (heating oil, natural gas, steam generated by fossil fuel, etc.) energy consumption must be reduced by the new electric technology or application • The new electric technology or application:

[1] This document assumes a general knowledge of terminology addressed in the prior Program Manual. For any questions on terms used please refer to the current Program Manual located on the NYS Clean Heat Resources webpage, under Program Development, Approvals, and Process Documents.

	1. Must not increase the overall annual site energy consumption 2. Shall be market ready and can meet or exceed applicable minimum efficiency specifications
Incentive Structure	A new category has been added: Category 4A: HP + Envelope. Projects in this category will be eligible for amounts that incorporate the energy savings from both types of measures.
Project Eligibility Requirements	The sentence stating the requirement for year-round occupancy in Section 3.1 has been removed.
Incentive Structure (Utility-Specific)	Con Edison and O&R will no longer be offering midstream, distributor-focused ASHP incentives, effective 7/1.
Participating Contractor Eligibility	Clarifying enrollment requirements for ASHP designers have been added.
Technology Eligibility Requirements	The language no longer states that GSHP equipment must be ENERGY STAR certified. It has been revised to indicate that all GSHP equipment must meet *or* exceed ENERGY STAR specifications and will be processed under Category 3 if total system heating capacity is less than 300,000 Btu/h.
System Sizing Requirements	Partial and full load heating systems definitions have been clarified and examples have been included.
Field Assessments	A new section has been added: 5.7 Procedure for Contesting a Score "A Participating Contractor may contest the findings of a report by emailing supporting documents and information to the Program Administrator. The request must be submitted to the Program Administrator within 15 business days of receiving the inspection report. Upon review, if the Program Administrator agrees with the Participating Contractor, the non-conformance will be removed. The score may or may not change based on other non-conformances. If the Program Administrator agrees with the field assessment, the nonconformance will stand, and the score will remain the same."
Incentive Structure	The Program will clarify that dedicated DHW WWHPs with storage >120 gal will be eligible for $/MMBtu incentives.
Technology Eligibility Requirements	In Table 1, the Eligible Technologies column has been updated to include Central ccASHP systems for Category 1.

Participating Contractor Eligibility	An additional training requirement, Cold Climate Design and Sizing, has been added for ASHP contractors and designers seeking to become NYS Clean Heat Participating Contractors on or after January 1, 2022.
Technology Eligibility Requirements	Combinations of Category 2 OR 3 with 5 OR 8 will be eligible for the Category 9 bonus incentive.
Program Incentive Application Process	A Photo Submission section has been added in the Program Manual under Documentation Requirements for All Projects, requesting photos of the installed condenser unit and nameplate.
Incentive Structure	The new Customer Participation Acknowledgement Form will include an option to enter a third party as the payee, in addition to the options of paying the Participating Contractor or the customer.
Technology Eligibility Requirements	It has been clarified that the section concerning VRFs refers to air source VRF heat pumps tested under AHRI 1230. It has been clarified that eligibility for VRF systems larger than 240 kBtu/h are based on local energy code efficiencies.
Financing	Details of residential financing options, Renewable Energy Tax Credit Bridge Loan and a Companion Loan, have been added under Green Jobs - Green New York Financing.
Incentive Structure	The Clean Heat Program will offer full-load incentives for projects that complete the electrification of a heating system that previously was partially electrified, instead of paying a partial load incentive for it. The full-load incentive will be applicable only to the project that brings the heating system up to full heating load capacity, and the applicant contractor must document that the previously installed partial load heat pumps are cold climate heat pumps.
Engineering Savings Analysis Requirements	Engineering savings analysis requirements have been clarified, including selecting an appropriate baseline and information regarding how to develop an energy model.
System Sizing Requirements	The Program is clarifying that the guidance to size ASHP systems to within 115% of building cooling load (BCL) is based on their *minimum* cooling capacities, as documented by NEEP. Since it is sometimes challenging to size a heat pump system for full load heating while keeping the minimum speed cooling capacity to within 115% of the BCL, the Program is relaxing this cooling capacity sizing requirement by treating it as a target and not as a hard program requirement. The Program reserves the right to ask for additional information or justification for systems that are significantly oversized, particularly if the heating capacity is 250% of BHL or greater.

Engineering Savings Analysis Requirements	An Excel tool has been developed to calculate energy savings and estimated incentives for specific eligible heat pump technologies, including a user manual to fill out the tool.
Incentive Category Table	A total incentive cap on Category 2 and Category 3 projects will be added, pegged to 120% of the BHL.
Technology Eligibility Requirements	Eligibility for PTHPs has been clarified. Eligible units will be incentivized under Category 4.
Incentive Structure	New Construction Multifamily projects that elect to install ASHP or GSHP systems will be incentivized at the Category 4: Custom rate.
Technology Eligibility Requirements	It has been clarified that retrofitting of existing air handlers with heat pump coils is not permitted under the program.
Technology Eligibility Requirements	It has been clarified that large air source heat pumps tested under AHRI 340/360 must have a variable speed compressor to be eligible.