

Dear NY-GEO members

We wanted to let you know about efforts we have been making to improve the GSHP rebate process.

We have developed a line of communication with the Joint Management Committee that the NY Public Service Commission (PSC) set up to oversee the Utility Heat Pump Rebate program.

In July we sent the following recommendations to improve the rebate program:

- **Create a uniform electronic application:** While we understand that utilities will have different internal systems for processing rebates, we think there is no reason that applications should vary from utility to utility. The top of the application could be a section where you select your utility – either check box or drop down if it's an on-line application eventually.
- **Allow for electronic tracking:** Electronic tracking of rebate status will make collaboration between utilities and contractors far easier.
- **Allow for pre-submission and review of rebate applications:** this will ensure contractors don't apply at the end only to get denied.
- **Eliminate the invoice submission:** the invoice submission duplicates the majority of the information already submitted and the actual "invoice" ends up being generated outside of most companies' billing systems.
- **Establish a 15-day target for rebate payouts:** even if it's not hard and fast, having the utilities shoot to send out rebates via electronic deposit within 15 days after all paperwork has been submitted.
- **Develop a well defined and transparent process for calculating rebates for custom projects.** This would allow contractors to quickly and efficiently develop bids.

Please see below for the response from the Joint Management Committee. In addition to the response, the committee has emphasized contractors can "reach out directly to us or our implementation contractors for assistance at any time."

Central Hudson:

Joint Management Committee Rep: Ray Cotto - RCotto@cenhud.com
Implementation Contractor: ICF - Tom Wolf: 845-430-9328

Con Edison:

Joint Management Committee Rep: William Xia - xiaw@coned.com
Implementation Contractor: ICF

- Mike L'Ecuyer: 1.518.610.5034
- Kenn Latal: 1.518.368.3511
- General Con Ed email: CleanHeat@ConEd.com

National Grid:

Joint Management Committee Rep: Jennifer Cross - Jennifer.Cross@nationalgrid.com

Implementation Contractor: RISE Engineering - Ari Tatko: (518) 690-2022 ext:7257

- Heat Pump Hotline: 1-888-889-7207
- NGridHeatPumpNY@RISEengineering.com

Orange & Rockland:

Joint Management Committee Rep: Mark Maloney – MALONEYM@oru.com

Implementation Contractor: ICF

- Mike L'Ecuyer: 1.518.610.5034
- Kenn Latal: 1.518.368.3511

NYSEG/RG&E

Joint Management Committee Rep: Elizabeth Rhoda - elizabeth_rhoda@rge.com

Implementation Contractor: To Be Determined

Heat Pump Joint Management Committee – Responses to NY Geo's recommendations, August 2020

1. Create a uniform electronic application:

The utilities are committed to working together to ensure a consistent project application process. Although there are currently differences in formatting and presentation between utilities, the specific technical data fields required are consistent amongst all applications. The Joint Efficiency Providers look to further streamline this in the near future:

Central Hudson, Con Edison, and Orange & Rockland all currently have electronic application processes and share a common Implementation Contractor. Central Hudson currently has a process that is slightly different than Con Edison's and Orange & Rockland's – due to having previous heat pump programs – but is committing to matching Con Edison's and Orange & Rockland's in 2021.

National Grid does not currently have an electronic application process but is considering implementing one in the future. National Grid is hoping to have something in place by mid-2021.

NYSEG and RG&E is in the process of selecting a new Implementation Contractor. Once the Implementation Contractor is on board, NYSEG/RG&E plan to implement an electronic application process by the end of 2020.

2. Allow for electronic tracking:

The utilities with electronic applications currently in place also allow for electronic tracking. This functionality will also be in place for the electronic applications yet to be developed. The utilities and their respective Implementation Contractors are making themselves available to walk Participating Contractors through the respective processes and ensure that PCs are familiar with them.

3. Allow for pre-submission and review of rebate applications:

All utilities are allowing for pre-submission, review, and pre-approval of GSHP rebate applications. The utilities and their respective Implementation Contractors welcome all questions and comments ahead of project submittal, and will work closely with contractors to ensure that all requirements are being met for incentive eligibility.

The utilities realize that there is an oversight in the Program Manual that states Category 3: GSHP applications will not receive pre-project approval (Step 3, p. 38). We have noted this and will correct it in the next update.

4. Eliminate the invoice submission: the invoice submission duplicates the majority of the information already submitted and the actual “invoice” ends up being generated outside of most companies’ billing systems.

The utilities understand the challenges here and are proactively reviewing all project documentation required for projects. Although the record of customer sign-off on the incentive amount being passed through is a key program requirement, we understand that this does not necessarily have to be captured on the invoice itself. The utilities will follow up in 30 days with its review of project documentation and share updated requirements with the market.

5. Establish a 15-day target for rebate payouts: even if it’s not hard and fast, having the utilities shoot to send out rebates via electronic deposit within 15 days after all paperwork has been submitted.

The utilities are committed to working with its Participating Contractors – especially given the recent economic impacts due to COVID-19 – and will strive for prompt incentive payments for all completed and approved projects. Unfortunately, we cannot commit to a 15-day target, but can generally aspire to a 20-day timeline across all the utilities. We further stress the importance of submitting all required project paperwork in a timely manner, as only completed and approved projects will be routed for payment. The utilities and their respective Implementation Contractors are making themselves available to walk Participating Contractors (PCs) through the respective processes and ensure that PCs are familiar with them.

6. Develop a well defined and transparent process for calculating rebates for custom projects. This would allow contractors to quickly and efficiently develop bids.

The utilities acknowledge that the process around Category 4: Custom projects is not clearly established and is creating market confusion. The utilities have established specific working groups to work through these topics and plan to come up with a consistent process that we can share with the market. We hope to have clarity and additional guidelines to publicly share within the month.

NY-GEO will continue advocating for these recommendations. In addition, we are also working on:

- Proposed changes to the Utilities’ GSHP Quality Assurance Checklist;

- A companion loan to overcome the \$25,000 limit on Green Jobs/Green New York financing; and
- At NYSERDA's invitation, we are providing feedback on changes to the Residential Finance Program and its loan origination process.

We welcome any input you may have on these items.

Bill Nowak
Executive Director, New York Geothermal Energy Organization (NY-GEO)
716-316-7674

"We may be the only species to die off because it wasn't cost effective to save ourselves...or so we thought."

credit: Bill Martin, President California Geothermal Heat Pump Association, and Becky Merton

"You must stop pretending that we can solve the climate and ecological crisis without treating it as a crisis." Greta Thunberg & Bill McKibben