

### NYSEG Clean Heat Statewide Heat Pump Program Incentives

Category	Description	Eligible Technologies	Incentive Structure	Eligibility Criteria	Total Incentive	Participating Contractor Reward*
<b>Space Heating and Cooling</b>						
1	Gold Climate ASHP ("ccASHP"), Central Partial Load Heating	Minisplit Heat Pump ("MSHP"), Central ccASHP	\$ / outdoor condenser unit	<ul style="list-style-type: none"> <li>Each unit in system must be on the Northeast Energy Efficiency Partnership ccASHP Product List ("NEEP Product List")</li> <li>Total heat pump system heating capacity is &lt;300,000 British Thermal Units per hour ("Btu/h")</li> <li>For central ASHPs installed with a back-up furnace in the same cabinet, the back-up furnace must have capacity &lt;225,000 Btu/h</li> <li>Total heat pump system heating capacity satisfies &gt;90% of the building's design heating load ("BHL")</li> </ul>	\$500	\$100
2	ccASHP: Full Load Heating	Minisplit Heat Pump ("MSHP"), Central ccASHP	\$ / 10,000 Btu/h of maximum heating capacity at 5°F, as documented on the NEEP Product List Total incentive to be limited to 120% of BHL - e.g., Total incentive = (Maximum Heating Capacity * 1.2 / HP Sizing Ratio). See Equipment Sizing Requirements in Appendix 2 for additional details. New Construction Multifamily projects that elect to install ASHP systems will be incentivized at the Category 4: Custom Space Heating Applications rate.	<ul style="list-style-type: none"> <li>Each unit in system must be on the NEEP Product List</li> <li>Total heat pump system heating capacity is &lt;300,000 Btu/h, with the exception of systems installed in multifamily buildings. For multifamily buildings, all retrofit ASHP systems shall be eligible for Category 2 regardless of heating capacity, while multifamily new construction projects shall be eligible for Category 4, regardless of capacity.</li> <li>For central ASHPs installed with a back-up furnace in the same cabinet, the back-up furnace must have capacity &lt;225,000 Btu/h</li> <li>Total heat pump system heating capacity satisfies at least 90% of the BHL. Systems sized for &gt;120% BHL may incur further review and require justification.</li> </ul>	\$1,000	\$500
3	GSHP: Full Load Heating	GSHP	\$ / 10,000 Btu/h of full load heating capacity as certified by AHRI Total incentive to be limited to 120% of BHL - e.g., Total incentive = (Full Load GHHP Rating OR Full Load GWHP Rating * 1.2) / HP Sizing Ratio. See Equipment Sizing Requirements in Appendix 2 for additional details. New Construction Multifamily projects that elect to install GSHP systems will be incentivized at the Category 4: Custom Space Heating Applications rate.	<ul style="list-style-type: none"> <li>Each heat pump in the system must be ENERGYSTAR certified and meet or exceed ENERGYSTAR Tier 3 Geothermal Heat Pump Key Product Criteria.</li> <li>Total heat pump system heating capacity is &lt;300,000</li> <li>Total heat pump system heating capacity satisfies 90%-120% of the BHL</li> <li>Ground loops must comply with applicable New York Department of Environmental Conservation ("NYDEC"), New York City ("NYC"), and International Ground-Source Heat Pump Association ("IGSHPA") standards</li> <li>This category covers only ENERGYSTAR certified systems with closed-loop ground heat exchangers. Systems that meet ENERGYSTAR criteria but are not ENERGYSTAR certified and systems with open loop ground heat exchangers may qualify for Category 4, below.</li> </ul>	\$1,500	\$500
4	Custom Space Heating Applications	General	\$ / MMBtu of annual energy savings	<ul style="list-style-type: none"> <li>Total heat pump system heating capacity is &gt;=300,000 Btu/h at design heating temperature, with the exception of systems installed in multifamily buildings. For multifamily buildings, all retrofit ccASHP systems shall be eligible for Category 2 regardless of total installed heating capacity, while multifamily new construction projects shall be eligible for Category 4, regardless of installed heating capacity.</li> <li>Installed systems must satisfy the dominant HVAC load for the building, per applicable code. If the building has a higher BHL than BCL, the system must be sized to satisfy BHL. If the building has a higher BCL, the system must be sized to satisfy BCL. For new construction or the comprehensive upgrade of a heating plant, the heat pump system heating capacity must satisfy at least 90% of the BHL; for phased upgrade of a heating plant, eligibility will be determined on a case-by-case basis via project-level analysis.</li> <li>Eligibility for all other systems 1) within this category and 2) other technologies will be determined on a case-by-case basis via project-level analysis.</li> <li>Requires confirmation of projected MMBtu savings to determine incentive amount</li> <li>The new electric technology or application:               <ol style="list-style-type: none"> <li>Must not increase the overall annual site energy consumption</li> <li>Must be market ready and can meet or exceed applicable minimum efficiency specifications</li> </ol> </li> <li>Each project requires pre-approval, based on a review of projected MMBtu savings and an associated preliminary incentive amount (\$ / MMBtu)</li> </ul> Projects shall be for full-load heating systems. If the proposed project is a partial-load heating system, it will require additional justification. Each partial-load heating system will be subject to a review on a case-by-case basis, via project-level analysis.  For scenarios in which Custom project eligibility is not clearly defined, the following shall be used to determine eligibility for Category 4 Custom Space Heating Applications incentives: • 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: <ol style="list-style-type: none"> <li>Must not increase the overall annual site energy consumption</li> <li>Must be market ready and can meet or exceed applicable minimum efficiency specifications</li> </ol>	\$80	n/a
		Central ccASHP		Eligible Central ccASHP systems must have either of the following characteristics: • NEEP listed equipment with total heat pump system heating capacity at design condition of >=300,000 Btu/h • Individual heat pump appliances tested under AHRI 210/240 that meet or exceed the NEEP ccASHP specification requirements, but are not NEEP listed • For central ASHPs installed with a back-up furnace in the same cabinet, the back-up furnace must have capacity <225,000 Btu/h		
		MSHP		Eligible Central ccASHP systems must have either of the following characteristics: • NEEP listed equipment with total heat pump system heating capacity at design condition of >=300,000 Btu/h • Individual heat pump appliances tested under AHRI 210/240 that meet or exceed the NEEP ccASHP specification requirements, but are not NEEP listed		
		Commercial Unitary Systems/Large Commercial ASHPs		Eligible Commercial Unitary Systems must have the following characteristics: • Include individual heat pump appliances that are powered by three-phase electricity or have rated cooling capacities >=65,000 Btu/h • Systems must consist of multi-speed or variable speed compressor. Constant speed systems are not eligible for incentives.		
		Air Source Variable Refrigerant Flow Heat Pump ("VRP")		Air source VRP systems up to 240,000 Btu/h cooling capacity must meet or exceed current ENERGYSTAR Light Commercial HVAC Key Product Criteria. For systems with capacities greater than those covered by ENERGYSTAR, program eligibility will be determined based on whether proposed heat pump efficiencies exceed local energy code. If the building has a higher BHL than BCL, the total system heating capacity must satisfy 90%-120% of the BHL, which is consistent with the requirement to satisfy BHL under relevant municipal or state code. If the building has a higher BCL than BHL, the system must be sized to satisfy 100%-115% of BCL, as required by relevant municipal or state code.		
		GSHP		<ul style="list-style-type: none"> <li>Each heat pump in the system must meet or exceed the ENERGYSTAR Geothermal heat pump specification, with the exception of console units, which must meet or exceed the specifications in Table 4; and GSHPs with &lt;2 tons rated full load cooling capacity, which must meet or exceed the specifications in Table 5</li> <li>Individual appliance cooling capacity for closed-loop GSHP installs &gt;= 135,000 Btu/h</li> <li>Individual appliance cooling capacity for direct exchange GSHP installs &gt;= 180,000 Btu/h</li> </ul>		
Packaged Terminal Heat Pumps ("PTHPs")	Eligible PTHPs must meet the following criteria: • Manufacturer reported COP at 5°F must exceed 1.75 (at full operating capacity) • Compressor must be variable capacity (three or more distinct operating speeds, or continuously variable) • Manufacturer reported Heat Pump output at 5°F must be a minimum of 50% of rated heating capacity at 47°F					
4A	HP + Envelope	See Category 4, plus Window Replacements, Window Film, Wall Insulation, Continuous Insulation, Window Walls, Curtain Walls, Exterior Façade, Air Leakage Sealing, Air Barrier Continuity, Roof Insulation	\$ / MMBtu of annual energy savings	A Category 4 project that is coupled with a significant envelope upgrade. The envelope upgrade must produce a quantifiable impact on the heat pump sizing to be eligible for a packaged approach. When combined, the existing baseline will be used for calculating energy savings. The MMBtu savings from both the envelope measures and the HP measures will both be paid out at the 4A rate. <b>Eligible measures:</b> Exterior: window replacements, window film Opaque shell: wall insulation, continuous insulation, window walls, curtain walls exterior façade Air leakage sealing, air barrier continuity Roof insulation	\$100	n/a
<b>Water Heating</b>						
5	HPWH (up to 120 gallons of tank capacity)	Air-to-water HPWHs Dedicated DRW WWHP (>120 gallons) added to ground loop	\$ / Unit	Air-to-Water HPWHs with storage capacities up to 120 gallons must meet or exceed Energy Star Residential Water Heater specification	\$700	\$0
6	Custom Hot Water Heating Applications	Air-to-Water HPWHs (>120 gallons) Dedicated DRW WWHP (>120 gallons) added to ground loop	\$ / MMBtu of annual energy savings	Air-to-Water HPWHs with storage capacities greater than 120 gallons must meet or exceed ENERGYSTAR Commercial Water Heater requirements. Dedicated DRW WWHP with storage capacities greater than 120 gallons must meet or exceed ENERGYSTAR Geothermal requirements. For scenarios in which Custom project eligibility is not clearly defined for domestic hot water heat pump applications, the following shall be used to determine eligibility for Category 6 Custom Hot Water Heating Applications incentives: • 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: <ol style="list-style-type: none"> <li>Must not increase the overall annual site energy consumption</li> <li>Must be market ready and can meet or exceed applicable minimum efficiency specifications</li> </ol>	\$80	n/a
7	GSHP Desuperheater	Optional component to GSHP systems	\$ / Unit	Installed as integrated component in an eligible GSHP	\$100	\$0
	Dedicated Domestic Hot Water ("DRW") Water-to-Water Heat Pump ("WWHP")	Dedicated DRW WWHP (<120 gallons) added to ground loop	\$ / Unit	Can be integrated into an eligible GSHP or installed as a separate WWHP meeting or exceeding Energy Star Geothermal specifications Must meet 100% of water heating load	\$900	\$0
	Simultaneous Installation of Space Heating & Water Heating	HPWH plus others	Additional (\$) bonus incentive	Category 2 ccASHP or Category 3 GSHP: Full Load Heating project that opts to include a HPWH meeting the criteria, in Category 5, or DRW WWHP in Category 8, respectively	\$250	\$250

\*Participating Contractor Reward is included in Total Incentive.