

A blue-tinted photograph of a city skyline, likely New York City, viewed from across a body of water. The skyline is composed of numerous skyscrapers of varying heights and architectural styles. In the foreground, the water is dark blue, and several long, parallel rows of wooden pilings extend from the shore into the water, creating a sense of depth and perspective. The overall atmosphere is serene and modern.

Clean Heat Programs

Electrification of Space Heating and Hot Water for Multifamily and Commercial Businesses

April 20, 2023



conEdison

The Evolution of the Utility's Role in Clean Energy



Core Business

Three Commodities:
Electric, Gas and
Steam



Our Customers

Diverse market
segments, unique
building stock



Growth Strategy

Investing \$1.8B in “EE”
and heating
electrification by 2025

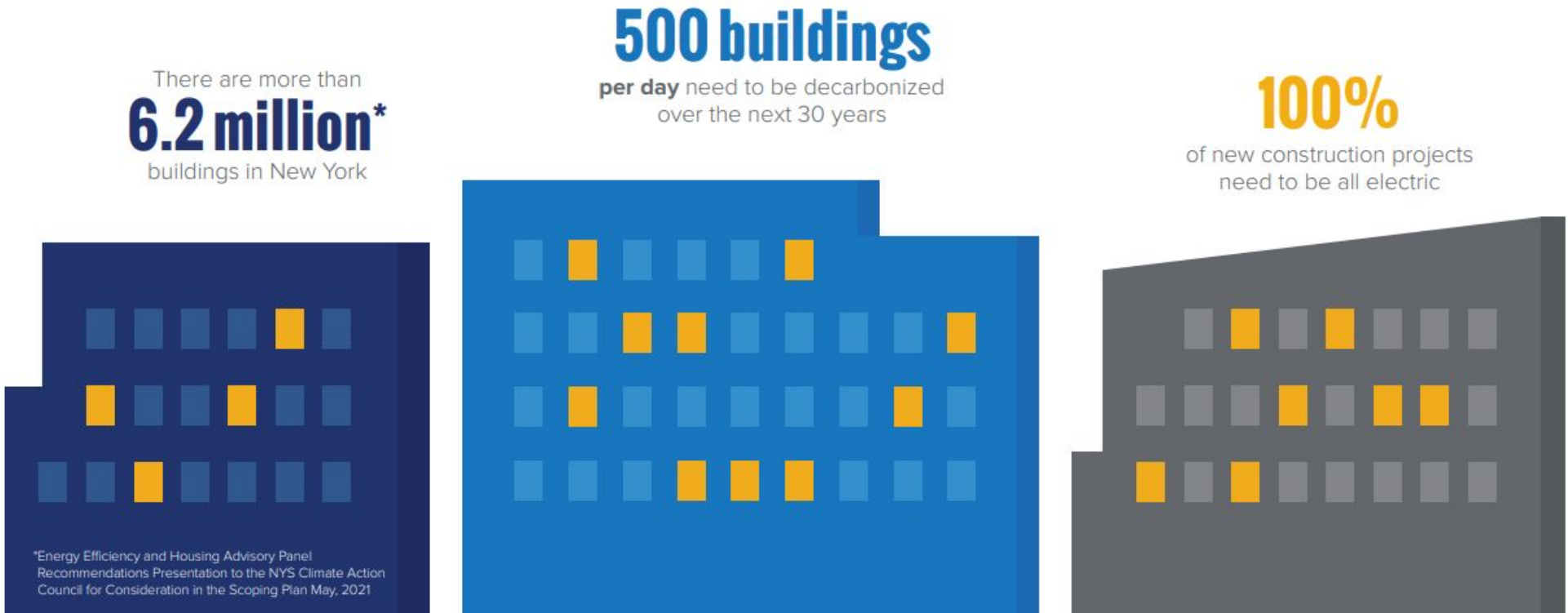


Trusted Energy Advisor

Promote customer
choice, education
and incentives

Electrification

Making Electrification Part of Your Decarbonization Strategy and increasing scale of building electrification is critical to reaching our greenhouse gas emission goals and reducing local pollution.



New York State Clean Heat Program Overview

A statewide investment and coordinated effort delivered by NYSERDA, Joint Utilities (“JU”), and a robust network of contractors, to drive the awareness and adoption of heat pumps in buildings.



Over 22,000
projects installed

Source: 2021 NYS Clean Heat Annual Report



Over 3,000
individuals trained

Source: 2021 NYS Clean Heat Annual Report



Over 700
installers

Source: 2021 NYS Clean Heat Annual Report



Over 500,000
marketing impressions:
cleanheat.ny.gov

Source: 2021 NYS Clean Heat Annual Report



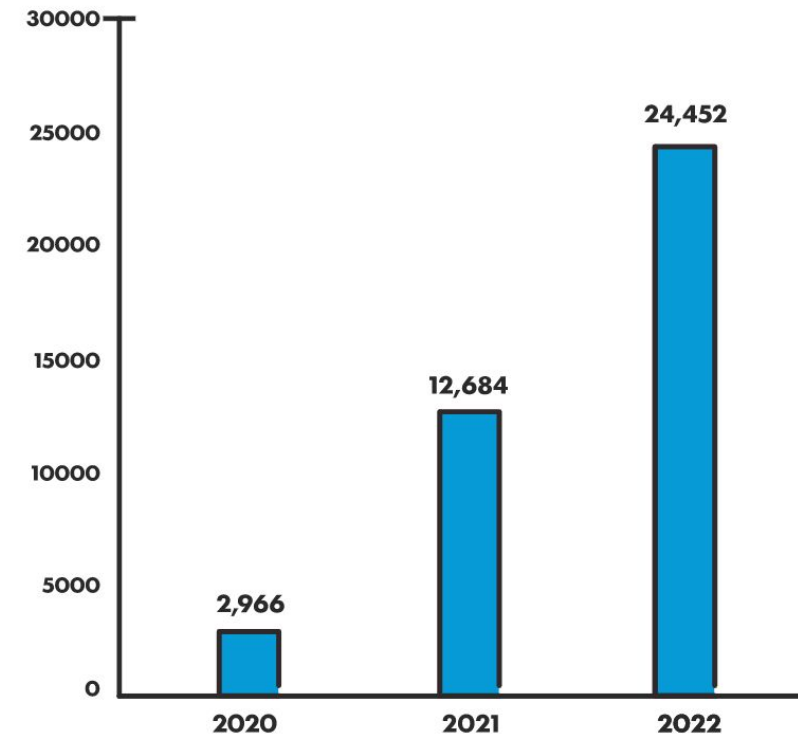
nationalgrid



Con Edison's Clean Energy Commitment

We envision most buildings in our service territory will have **electric heating systems** by 2050, as we aggressively transition away from fossil fuels. We aim to invest billions of dollars reducing carbon emissions from buildings in our service area, including electrifying space and/or water heating in more than **150,000 buildings** by 2030.

Total Clean Heat Projects (Cumulative)



New York State Clean Heat Program Overview

What are the benefits?

- Efficient cooling and heating, even in cold weather climates
- Offset capital costs and lower your return on investment
- Improve business environmental footprint
- NYC Local Law 97

Funding

Incentives are available on a first come, first served basis. Incentives are available for different heat pump technologies and must meet program eligibility criteria. For Con Edison until further notice there is a limited \$10 million of expenditures per month.

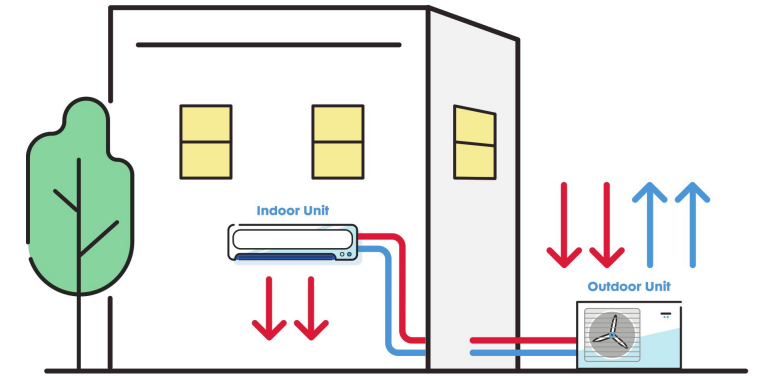
Participation

Installers, designers must first become "Participating Contractors" through an application process. We work with you through every step, from initial application to project close out.

Eligibility Requirements

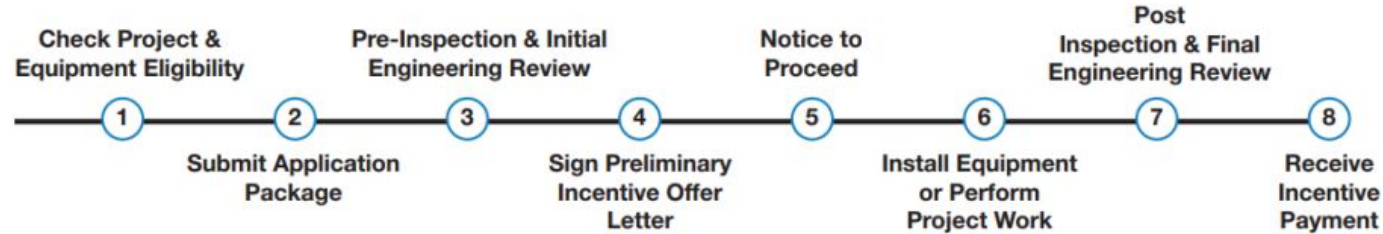
Customer and Site Eligibility

- Con Edison customer with active **electric** utility account
- Existing buildings and gut rehab are eligible
- Limited eligibility for New Construction – Ground Source Only
- **Multifamily** 5+ dwelling units
- **SMB** Avg monthly consumption ≤ 300 kW
- **C&I** Avg monthly consumption > 100 kW
- Commercial customers between 100-300 kW may choose SMB or C&I



Program Process

Projects submitted to the Program will follow the general process outlined below





General Program Rules

- Decommissioning will be required for all projects except for select C&I part-load and DHW projects
- All incentives will be capped at 50% of total project cost, or a sector specific dollar cap, whichever is lower
 - Sector-specific caps:
 - SMB: \$100,000
 - Multifamily and C&I: \$1M
- Installation of heat pump system may not commence until Notice to Proceed is received

Non-GSHP Multifamily Incentives

The following incentives apply to all heat pump types, excluding ground source heat pumps.

Service	Category	Category Description	Incentives
 Space Heating	2C	Full-load ASHP Heating with decommissioning	\$4,000 / dwelling unit
	4	Custom Full Load Space Heating	\$200 / MMBtu
	4a	Custom Full Load Space Heating + Envelope	Tier 1 - \$200 / MMBtu Tier 2 - \$225 / MMBtu
 Water Heating	6	Custom Domestic Hot Water	\$200 / MMBtu

- Category 2C incentives are available to buildings with 50 dwelling units or fewer
- Decommissioning will be required for all ASHP projects
- Incentives will be capped at \$1M or 50% of total project cost, whichever is lower
- Incentives are for projects in existing buildings or gut rehab only

Non-GSHP SMB & C&I Incentives

The following incentives apply to all heat pump types, excluding ground source heat pumps.

Category	Description	SMB	C&I
2D	SMB only – Full Load ASHP with decommissioning	\$2,500 / project (<1,000 SF) \$5,000 / project (1,001-2,500 SF)	N/A
4	Custom Full Load Space Heating	\$150 / MMBtu	\$120 / MMBtu
4a	Custom Full Load Space Heating and Envelope	Tier 1 - \$150 / MMBtu Tier 2 – N/A	Tier 1 – \$120 / MMBtu Tier 2 – \$150 / MMBtu
6	Custom Hot Water Heating	\$200 / MMBtu	\$200 / MMBtu
10	C&I Custom Partial Load Space Heating	N/A	\$70 / MMBtu

- These incentives are only available to existing and gut rehab buildings
- These incentives cover all eligible non-GSHP technologies, including ASHP, VRF, HPWH

Ground Source Heat Pump Incentives

The following incentives apply to ground source heat pump installations only.

Category Number	Description	New Construction	Existing Buildings
4	Custom Full Load Space Heating Applications	\$125 / MMBtu	\$200 / MMBtu
4a	Custom Full Load Space Heating Applications + Envelope - Tier 1	\$125 / MMBtu	\$200 / MMBtu
	Custom Full Load Space Heating Applications + Envelope - Tier 2	\$150 / MMBtu	\$225 / MMBtu
6	Custom Hot Water Heating Applications	\$125 / MMBtu	\$200 / MMBtu
10	Custom Partial Load Space Heating Applications	N/A	\$100 / MMBtu

- New construction is eligible to receive Clean Heat incentives for GSHP installations
- Incentives will be capped at \$1M or 50% of total project cost, whichever is lower

Resources

Learn more on how to find a Clean Heat Participating Contractor

nyscleanheat-findcontractor.icfwebservices.com/

Learn more on how to become a Clean Heat Participating Contractor

cleanheat.ny.gov/become-participating-contractor/

Program Websites and Information on How to Apply

Multifamily Clean Heat Program – conEd.com/CleanHeatMultifamily

SMB Clean Heat Program – conEd.com/CleanHeatSmallBusiness

C&I Clean Heat Program – conEd.com/CleanHeatCommercial

[Con Edison Clean Heat Program Manual](#)

Questions?

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