NYSEG
An Avangrid company

NYS Clean Heat Statewide Heat Pump Program Incentives

Category	Description	Eligible Technologies	Incentive Structure	Eligibility Criteria	Total Incentive**	Participating Contractor Reward*
Space Heating and Cooling						
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 Building Heating Load ("BHL") - e.g., Total incentive <= (Maximum Heating Capacity * 1.2 / HP Sizing Ratio). See Equipment Sizing Requirements in Appendix 2 of the Program Manual for additional details.	•Each unit in system must be on the NEEP Product List •Total heat pump system heating capacity is <300,000 Btu/h for all building types except Multifamily •Multifamily (5 or more units) installing heat pumps should apply for Category 4, 4a, or 4b incentives •For central ASHPs installed with a back-up furnace in the same heating system, the back-up furnace must have capacity <225,000 Btu/h •Systems sized for >120% BHL may incur further review and require justification.	$1,000	$300/project
2a	ccASHP: Full Load Heating with Integrated Controls (inclusive of base incentive)	Minisplit Heat Pump ("MSHP"), Central ccASHP with integrated controls	$/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 of the Program Manual for additional details.	•Eligible projects include heat pumps that meet the full building load where the previously existing system is coupled with integrated controls •Category 2a is only available for retrofit projects of existing structures and is not available to new construction or gut rehab •To be eligible for Category 2a incentives, the integrated controls package must be connected to existing fossil fuel heating equipment and must operate the heat pump as the first stage/primary heating system •Ancillary electric heating systems are not eligible for a Category 2a incentive	$1,250	$500/project
2b	ccASHP: Full Load Heating with Decommissioning (inclusive of base incentive)	Minisplit Heat Pump ("MSHP"), Central ccASHP with decommissioning	$/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 of the Program Manual for additional details.	•Eligible projects include heat pumps that meet the full building heating load where the previously existing fossil fuel system is decommissioned •Retrofit projects are eligible; new construction and gut rehabs are not eligible •Category 2b will require submission of a decommissioning checklist, which can be found on the Contractor Resources website	$1,500	$500/project
2e	Full Load Air-to-Water Heat Pump, for space conditioning (inclusive of base incentive)	Air-to-Water Heat Pump, for space conditioning	$/10,000 Btu/h of heating capacity at the condition of 5°F ambient and 110°F leaving water temperature, or A5W110, as documented by the New York AWHP Qualified Product list ("AWHP QPL") 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 of the Program Manual for additional details	•Eligible heat pumps must be on the NYS Clean Heat AWHP Qualified Product List ("AWHP QPL") •Eligible projects include heat pumps that meet 100% of building heating load (BHL) at design conditions. AWHPs that meet only part of the building load are acceptable if the remainder of the load is met by a separate ccASHP. •Retrofit projects, new construction, and gut rehabs are eligible •AWHPs can provide space heating alone or space heating and cooling. AWHPs can also serve domestic water heating loads, but may not be sized to more than 120% of the space heating load, or BHL.	$1,000	$300/project
3	Ground Source Heat Pump ("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 GLHP Rating OR Full Load GWHP Rating*1.2)/HP sizing ratio). See Equipment Sizing Requirements in Appendix 2 of the Program Manual for additional details.	• Each heat pump in the system must meet or exceed the ENERGY STAR Geothermal heat pump specification. •Console units and non-console heat pump appliances with less than 24,000 Btu/h rated full load cooling must meet or exceed the minimum efficiencies listed in Tables 6 and 7 in the program manual • Total heat pump system heating capacity is <300,000 Btu/h. •System consists only of individual appliance cooling capacity for open-loop and closed-loop GSHP installs <135,000 Btu/h and/or individual appliance cooling capacity for direct exchange GSHP installs ≤180,000 Btu/h	$2,000	$500/project

Category	Description	Eligible Technologies	Incentive Structure	Eligibility Criteria	Total Incentive	Participating Contractor Reward*
3 (Cont'd)	Ground Source Heat Pump ("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 GLHP Rating OR Full Load GWHP Rating*1.2)/HP sizing ratio). See Equipment Sizing Requirements in Appendix 2 of the Program Manual for additional details.	• Ground loops must comply with applicable New York Department of Environmental Conservation ("NY DEC"), New York City ("NYC"), and International Ground-Source Heat Pump Association ("IGSHPA") standards. • Systems sized for >120% BHL may incur further review and require justification. • Projects must be sized to meet at least 100% of the load of the project scope at design conditions and serve at least 80% of the building's total square footage. See Section 3.3.2 of the Program Manual for details. • For Water-to-Water Heat Pumps that meet both space heating and DHW loads, the WWHP size must not exceed 140% of BHL (space heating load); incentives will be capped at 120% of BHL	$1,500	$500/project
3 (Cont'd)	GSHP: Full Load Heating	Ground Source Variable Refrigerant Flow Heat Pump ("GSVRF")	$/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 GLHP Rating OR Full Load GWHP Rating*1.2)/HP sizing ratio). See Equipment Sizing Requirements in Appendix 2 of the Program Manual for additional details.	•Must meet or exceed the minimum efficiencies listed in Table 8, regardless of total heating system size or individual appliance cooling capacity •GSVRF full load heating capacity is determined at 32°F entering water temperature and must be <300,000 Btu/h	$1,500	$500/project
4	Custom Full Load Space Heating Applications	General	$/MMBTU of annual energy savings	• All non-Multifamily building types: total heat pump system heating capacity is >300,000 Btu/h or utilizes equipment from the following categories: Commercial unitary systems • Air Source Variable Flow Refrigerant Heat Pump (ASVRF) • Cold Climate Packaged Terminal Heat Pumps (ccPTHP) • Energy Recovery Ventilator / Heat Recovery Ventilator (ERV/HRV) • Single Package Vertical Heat Pumps (SPVHPs) • Dedicated Outdoor Air System (HP-DOAS) • Heat Recovery Chiller and Heat Pump Chiller • Multifamily buildings with over 100 dwelling units • Installed systems must satisfy the dominant HVAC load for the building, per applicable code. If the building has a higher BHL than BCL, the system must be sized to satisfy BHL. If the building has a higher BCL, the system must be sized to satisfy BCL. • Each project requires pre-approval, based on a review of projected MMBtu savings and an associated preliminary incentive amount ($/MMBtu) • Projects shall be for full-load heating systems, except for heat recovery chiller projects.	$70	$500/project
		Central ccASHP		Each unit in the system must be listed on, or meet or exceed the criteria of, the NEEP Product List		
		MSHP		Each unit in the system must be listed on, or meet or exceed the criteria of, the NEEP Product List		
		Commercial Unitary Systems/Large Commercial ASHPs		System performance criteria: •Systems must consist of multi-stage (including dual-stage) or variable speed compressors, except as noted. Single capacity systems are not eligible for incentives. •Single-phase units below 65,000 Btu/h cooling capacity: o Each unit in the system must be listed on, or meet or exceed the criteria of, the NEEP Product List •Three-phase units below 65,000 Btu/h cooling capacity: o Efficiencies must exceed applicable code •Units between 65,000 and240,000 Btu/h cooling capacity o Meet or exceed current ENERGY STAR Light Commercial HVAC Key Product Criteria for COP47 o Other efficiencies (COP17, EER, IEER) must exceed applicable code •Units with >240,000 Btu/h cooling capacity Efficiencies must exceed applicable code		

Category	Description	Eligible Technologies	Incentive Structure	Eligibility Criteria	Total Incentive	Participating Contractor Reward*
4 (Cont'd)	Custom Full Load Space Heating Applications	Air Source Variable Refrigerant Flow Heat Pump ("ASVRF")	$/MMBTU of annual energy savings	System performance criteria: •Units between 65,000 and 240,000 Btu/h cooling capacity must meet or exceed current ENERGY STAR requirements for VRF Criteria for Certified Cold Climate Light Commercial Heat Pumps. •Units greater than 240,000 Btu/h cooling capacity must have efficiencies that exceed applicable energy code	$70	$500/project
		GSHP		GSHP systems must meet or exceed the ENERGY STAR Geothermal heat pump specification efficiency requirements and exhibit any of the following characteristics: •Individual heat pump appliances powered by three-phase electricity •Individual appliance cooling capacity for closed-loop GSHP installs ≥135,000 Btu/h •Individual appliance cooling capacity for direct exchange GSHP installs ≥180,000 Btu/h Exceptions to the above eligibility criteria: •GSHP systems with <24,000 Btu/h rated full load cooling must meet or exceed the specifications in Table 7 of the program manual		
		GSVRF		GSVRF systems, regardless of total heating system size or individual appliance cooling capacity, must meet or exceed the minimum efficiencies listed in Table 8 of the program manual.		
		Console Type GSHPs		Console type GSHP systems, regardless of total heating system size or individual appliance cooling capacity, must meet or exceed the minimum efficiencies listed in Table 6 of the program manual.		
		Cold Climate Packaged Terminal Heat Pumps ("ccPTHPs")		Eligible ccPTHPs must meet the following criteria: •Each unit in system must be listed on, or meet or exceed the criteria of, the NEEP Product List		
		Single Package Vertical Heat Pumps (“SPVHPs”)		Eligible SPVHPs must meet the following criteria: •Manufacturer-reported COP at 5°F must exceed 1.5 (at full operating capacity) •Compressor must be variable capacity (three or more distinct operating speeds, or continuously variable)		

Category	Description	Eligible Technologies	Incentive Structure	Eligibility Criteria	Total Incentive	Participating Contractor Reward*
4 (Cont'd)	Custom Full Load Space Heating Applications	Energy Recovery Ventilator / Heat Recovery Ventilator ("ERV/HRV")	$/MMBTU of annual energy savings	Eligible ERV/HRVs must meet the following criteria: •Exceed federal, state, or municipal efficiency codes or standards •Must be paired with an eligible heat pump system	$70	$500/project
		Dedicated Outdoor Air System (HP-DOAS)	$/MMBTU of annual energy savings	Eligible HP-DOAS must meet or exceed the minimum efficiency requirements set forth in ASHRAE Standard 90.1-2016 tables 6.8.1-15 and 6.8.1-16 under AHRI 920 as excerpted in Section 3.4.7 of the program manual.	$70	$500/project
		Heat Recovery Chiller and Heat Pump Chiller	$/MMBTU of annual energy savings	Equipment must be used to satisfy space heating load. Equipment used for process heating is ineligible for Clean Heat incentives. Equipment must be electrically operated and meet or exceed the minimum efficiency requirements at operating conditions set forth in ASHRAE Standard 90.1-2022 under AHRI 550/590. For Ground Loop HPCs, capacities and efficiencies must be presented consistent with ISO 153256-1 in the following two scenarios: 1.Full load performance: 77/32°F EWT full speed compressor and pumping for cooling/heating 2.Part load performance: 68/41°F EWT part speed compressor and pumping for cooling/heating	$70	$500/project
4a	Custom Heat Pump + 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	Eligible projects include any Category 4 heat pumps, installed at either an existing facility or new construction, that are 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. Projects may qualify for one of two tiers of envelope upgrade improvements: Tier 1: •Existing: >5% reduction in dominant load compared to baseline •New Construction: >5% reduction in dominant load compared to baseline Tier 2: •Existing: >30% reduction in dominant load compared to baseline •New Construction: >10% reduction in dominant load compared to baseline When combined, the existing baseline will be used for calculating energy savings except for new construction projects, which should use a code baseline for savings analysis. The MMBtu savings from both the envelope measures and the heat pump measures will be paid out at the 4a rate. If a HP + Envelope upgrade also includes an eligible ERV/HRV, the ERV/HRV will also receive a Category 4a incentive. Eligible measures may include: 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	Tier 1: $70 Tier 2: $80	$500/project
4b	Custom Full Load Multifamily Space Heating Applications (5-100 dwelling units)	Category 4 Space heating technologies	$/Dwelling unit	•Multifamily buildings with 5 to 100 dwelling units installing Category 4-eligible heat pumps and supporting equipment. Projects including envelope measures should apply to Category 4a. •Retrofit, gut rehab, and new construction are eligible. •Building must have year-round occupancy •Common-area-only projects are not eligible for Category 4b •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. •Projects shall be for full-load heating systems. •Applicants will follow the Custom application process and requirements (see section 4.3 of the program manual).	$1,700	$500/project

Category	Description	Eligible Technologies	Incentive Structure	Eligibility Criteria	Total Incentive	Participating Contractor Reward*
Water Heating						
5	Residential Rated HPWH: Retail	Residential Rated HPWHs	$/Unit	HPWHs with a Uniform Energy Factor (UEF) rating. Must meet or exceed ENERGY STAR Residential Water Heater specification.	$900	n/a
	Residential Rated HPWH: Midstream	Residential Rated HPWHs	$/Unit	HPWHs with a Uniform Energy Factor (UEF) rating. Must meet or exceed ENERGY STAR Residential Water Heater specification.	$1,000	$50 Contractor Reward $50 Distributor Reward
6	Custom Centralized Hot Water Heating Applications	Air-to-Water and Water-to-Water Heat Pumps for Dedicated DHW	$/MMBTU of annual energy savings	The following types of centralized systems are included: •Ground-coupled water-to-water heat pumps ("WWHP") used for DHW loads must meet or exceed ENERGY STAR Geothermal heating requirements for single phase units and applicable code for 3-phase units. •Other air-to-water or water-to-water heat pump systems used for DHW must meet applicable ASHRAE 90.1-2022 requirements using AHRI 550/590. •Commercial HPWH (rated with COPH) and residential HPWH (rated with UEF) must meet applicable ENERGY STAR requirements. Residential HPWH are eligible for Cat 6 only if they are parallel-piped as a central DHW system. •Heat Recovery Chillers and Heat Pump Chillers (see eligibility requirements in section 3.4.6 of the program manual) •Systems listed in NEEA Commercial/Multifamily HPWH Qualified Products List In all cases: •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 must: •Reduce existing or baseline fossil fuel or electric resistance annual consumption by at least 50% •In savings calculations, the fossil fuel baseline efficiency (including distribution) must equal existing or upgraded (boiler) system efficiency, as applicable •Not increase the overall annual site energy consumption •Exceed applicable minimum efficiency specifications to meet applicable codes and standards	$70	n/a
6a	Custom Centralized Multifamily Hot Water Heating Applications (5-100 dwelling units)	Category 6 water heating technologies	$/Dwelling unit	•Multifamily buildings with 5 to 100 dwelling units installing Category 6-eligible heat pump water heating equipment and supporting equipment •Residential HPWH are eligible for Cat 6a only if they are parallel-piped as a central DHW system. •Retrofit, gut rehab, and new construction are eligible •Building must have year-round occupancy •Common-area-only projects are not eligible for Category 6a •A project is eligible to apply for incentives under Category 6a for domestic hot water in properties where hot water serves in-unit use only. Only full load heat pump installations are eligible for Category 6a incentives. •Applicants will follow the Custom application process and requirements (see section 4.3 in the program manual).	$400	$500/project
7	GSHP Desuperheater in Category 3 GSHP Systems	Optional component to GSHP systems	$/Unit	Installed as integrated component in an eligible GSHP	$100	n/a
8	Water-to-Water Heat Pump ("WWHP") used to meet DHW Load in Category 3 GSHP Systems	WWHP added to ground loop to meet DHW load	$/Unit	WWHP can be integrated into an eligible GSHP system as a dedicated WWHP or combined with space heating, meeting or exceeding ENERGY STAR Geothermal specifications. Must meet 100% of water heating load	$900	n/a

Category	Description	Eligible Technologies	Incentive Structure	Eligibility Criteria	Total Incentive	Participating Contractor Reward*
10	Custom Partial Load Space Heating Applications	See Category 4	$/MMBTU of annual energy savings	A partial load heating system is a prioritized, first stage, heat pump system installed alongside a supplemental, second stage, heating system for the purpose of providing heating. The supplemental heating system may be either the existing system or a new system. New fossil and electric resistance heating systems are not eligible for Clean Heat incentives. Eligibility for Category 10: •Category 4- and 4a-eligible projects that are not full-load heating systems •Projects must displace at least 50% of the existing on-site fossil fuel consumption annually or provide at least 4,000 MMBtu of annual savings. Heat recovery chiller projects are exempt from this requirement. •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 project must not increase the overall annual site energy consumption •Fuel savings cannot include fossil fuel system efficiency savings; in savings calculations, the fossil fuel baseline efficiency (including distribution) must equal the existing or upgraded (boiler) system efficiency •Technology must use staged, multi-speed or variable-speed heat pumps •Projects require pre-approval and will be reviewed on a case-by-case basis.	$70	$500/project

*Participating Contractor Reward is included in Total Incentive.
**Incentive dependent on the customer verifying they have not received incentives for both, heat pump and gas space heating equipment for the project.