

## NYS 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>						
2	ccASHP: Full Load Heating	Minisplit Heat Pump ("MSHP"), Central ccASHP	<p>\$/10,000 Btu/h of maximum heating capacity at 5°F, as documented on the NEEP Product List</p> <p>Total incentive to be limited to 120% of Building Heating Load ("BHL") - e.g., Total incentive &lt;= (Maximum Heating Capacity * 1.2 / HP Sizing Ratio). See Equipment Sizing Requirements in Appendix 2 of the Program Manual for additional details.</p>	<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, for all building types except Multifamily.</li> <li>Multifamily (5 or more units) installing heat pumps should apply for Category 4 incentives.</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>Systems sized for &gt; 120% BHL may incur further review and require justification.</li> </ul>	\$800	\$300/project
2a	ccASHP: Full Load Heating	Minisplit Heat Pump ("MSHP"), Central ccASHP with integrated controls	<p>\$/10,000 Btu/h of maximum heating capacity at 5°F, as documented on the NEEP Product List</p> <p>Total incentive to be limited to 120% of BHL - e.g., Total incentive &lt;= (Maximum Heating Capacity * 1.2 / HP Sizing Ratio). See Equipment Sizing Requirements in Appendix 2 of the Program Manual for additional details.</p>	<ul style="list-style-type: none"> <li>Eligible projects include heat pumps that meet the full building load where the previously existing system is coupled with integrated controls.</li> <li>Category 2a is only available for retrofit projects of existing structures and is not available to new construction or gut rehab.</li> <li>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.</li> <li>Ancillary electric heating systems are not eligible for a Category 2a incentive.</li> </ul>	\$1,000	\$500/project
2b	ccASHP: Full Load Heating	Minisplit Heat Pump ("MSHP"), Central ccASHP with decommissioning	<p>\$/10,000 Btu/h of maximum heating capacity at 5°F, as documented on the NEEP Product List</p> <p>Total incentive to be limited to 120% of BHL - e.g., Total incentive &lt;= (Maximum Heating Capacity * 1.2 / HP Sizing Ratio). See Equipment Sizing Requirements in Appendix 2 of the Program Manual for additional details.</p>	<ul style="list-style-type: none"> <li>Eligible projects include any heat pumps that meet the full building load where the previously existing fossil fuel system is decommissioned.</li> <li>Retrofit projects are eligible; new construction and gut rehabs are not eligible.</li> <li>Category 2b will require submission of a decommissioning checklist, which can be found on the Contractor Resources website.</li> </ul>	\$1,200	\$500/project
2e	Air-to-Water Heat Pump	Air-to-Water Heat Pump ("AWHP"), for space conditioning	<p>\$/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")</p> <p>Total incentive to be limited to 120% of BHL e.g., Total Incentive &lt;= (Maximum Heating Capacity * 1.2 / HP Sizing Ratio). See Equipment Sizing Requirements in Appendix 2 of the Program Manual for additional details</p>	<ul style="list-style-type: none"> <li>Eligible heat pumps must be on the NYS Clean heat AWHP QPL.</li> <li>Eligible projects include heat pumps that meet 100% of 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.</li> <li>Retrofit projects, new construction, and gut rehabs are eligible.</li> <li>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.</li> </ul>	\$800	\$300/project
3	Ground Source Heat Pump ("GSHP"): Full Load Heating	GSHP	<p>\$/10,000 Btu/h of full load heating capacity as certified by AHRI</p> <p>Total incentive to be limited to 120% of BHL - e.g., Total incentive &lt;= (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.</p>	<ul style="list-style-type: none"> <li>Each heat pump in the system must meet or exceed the ENERGY STAR Geothermal heat pump specification.</li> <li>Console units and non-console heat pump appliances with less than 24,000 Btu/h rated full load cooling whose performance does not meet or exceed ENERGY STAR specifications must apply for incentives under Category 4.</li> <li>Total heat pump system heating capacity is &lt; 300,000 Btu/h.</li> <li>Ground source variable refrigerant flow heat pumps ("GSVRFs") are eligible for incentives in Category 3 if the full load heating capacity is &lt; 300,000 Btu/h. 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.</li> <li>GSVRF full load heating capacity is determined at 32°F entering water temperature and must be &lt; 300,000 Btu/h.</li> </ul>	\$1,500	\$500/project

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3 (Cont'd)	Ground Source Heat Pump ("GSHP"): Full Load Heating	GSHP	<p>\$/10,000 Btu/h of full load heating capacity as certified by AHRI</p> <p>Total incentive to be limited to 120% of BHL - e.g., Total incentive &lt;= (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.</p>	<ul style="list-style-type: none"> <li>System consists only of individual appliance cooling capacity for open-loop and closed-loop GSHP installs &lt;135,000 Btu/h and/or individual appliance cooling capacity for direct exchange GSHP installs ≤180,000 Btu/h.</li> <li>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.</li> <li>Systems sized for &gt;120% BHL may incur further review and require justification.</li> <li>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.</li> <li>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.</li> </ul>	\$1,500	\$500/project
4	Custom Space Heating Applications	<p>General</p> <hr/> <p>Central ccASHP</p> <hr/> <p>MSHP</p> <hr/> <p>Commercial Unitary Systems/Large Commercial ASHPs</p>	<p>\$/MMBTU of annual energy savings</p>	<ul style="list-style-type: none"> <li>Total heat pump system heating capacity is &gt;300,000 Btu/h, except for ccASHP installed in multifamily buildings.</li> <li>Multifamily (5 or more units) installing ccASHP heat pumps should apply for Category 4 incentives.</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.</li> <li>Each project requires pre-approval, based on a review of projected MMBtu savings and an associated preliminary incentive amount (\$/MMBtu).</li> <li>Projects shall be for full-load heating systems, with exceptions for heat recovery chiller projects</li> </ul> <p>Partial-load scenarios may be approved for Category 4 Custom Space Heating Applications incentives based on the following criteria:</p> <ul style="list-style-type: none"> <li>Fossil fuel (heating oil, natural gas, steam generated by fossil fuel, etc.) energy consumption must be reduced by the new electric technology or application. Projects must displace at least 50% of the existing on-site fossil fuel consumption annually, or they must contribute at least 4,000 MMBtu of savings annually.</li> <li>Fuel savings cannot include fossil fuel system efficiency savings; in savings calculations, fossil fuel baseline efficiency (including distribution) must equal proposed (boiler) system efficiency.</li> <li>Heat recovery chiller projects are exempt from this requirement</li> </ul> <p>The new electric technology or application:</p> <ol style="list-style-type: none"> <li>Must not increase the overall annual site energy consumption</li> <li>Shall meet or exceed applicable minimum efficiency specifications to meet applicable codes and standards</li> </ol> <hr/> <p>Eligible Central ccASHP systems must be constituted only of NEEP-listed equipment. For central ASHPs installed with a back-up furnace in the same heating system, the back-up furnace must have capacity &lt;225,000 Btu/h.</p> <hr/> <p>Eligible MSHP systems must be constituted only of NEEP-listed equipment</p> <hr/> <p>Eligible Commercial Unitary Systems must have the following characteristics:</p> <ul style="list-style-type: none"> <li>Include individual heat pump appliances that are powered by three-phase electricity or have rated cooling capacities ≥65,000 Btu/h</li> <li>Units must use multi-speed or variable speed compressor. Single speed systems are not eligible for incentives</li> <li>Units up to 240,000 Btu/h cooling capacity must meet or exceed current ENERGY STAR Light Commercial HVAC Key Product Criteria.</li> <li>Individual heat pump appliance sizes greater than 240,000 Btu/h cooling capacity must have efficiencies that exceed applicable code.</li> </ul>	\$70	\$500/project

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4 (Cont'd)	Custom Space Heating Applications	Air Source Variable Refrigerant Flow Heat Pump ("VRF")	\$/MMBTU of annual energy savings	Eligible ASVRFs must have the following characteristics: <ul style="list-style-type: none"> <li>• Units up to 240,000 Btu/h cooling capacity must meet or exceed current ENERGY STAR Light Commercial HVAC Key Product Criteria.</li> <li>• Individual heat pump appliance sizes greater than 240,000 Btu/h cooling capacity must have efficiencies that exceed applicable energy code.</li> </ul>	\$70	\$500/project
		GSHP		GSHP systems must meet or exceed the ENERGY STAR Geothermal heat pump specification efficiency requirements and exhibit one or more of the following characteristics: <ul style="list-style-type: none"> <li>• Individual heat pump appliances powered by three-phase electricity</li> <li>• Total system heating capacity ≥300,000 Btu/h</li> <li>• Individual appliance cooling capacity for closed-loop GSHP installs ≥135,000 Btu/h</li> <li>• Individual appliance cooling capacity for direct exchange GSHP installs ≥180,000 Btu/h</li> </ul> Exceptions to the above eligibility criteria: <ul style="list-style-type: none"> <li>• GSHP systems with &lt;24,000 btu/h rated full load cooling must meet or exceed the specifications in Table 7 of the Program Manual</li> </ul>		
		Ground Source Variable Refrigerant Flow Heat Pump ("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: <ul style="list-style-type: none"> <li>• Each unit in system must be on the NEEP Product List</li> </ul>		
		Single Package Vertical Heat Pumps ("SPVHPs")		Eligible SPVHPs must meet the following criteria: <ul style="list-style-type: none"> <li>• Manufacturer reported COP at 5°F must exceed 1.5 (at full operating capacity)</li> <li>• Compressor must be variable capacity (three or more distinct operating speeds, or continuously variable)</li> <li>• Manufacturer reported Heat Pump output at 5°F must be a minimum of 50% of rated heating capacity at 47°F</li> </ul>		

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4 (Cont'd)	Custom Space Heating Applications	Energy Recovery Ventilator / Heat Recovery Ventilator ("ERV/HRV")	\$/MMBTU of annual energy savings	<p>Eligible ERV/HRVs must meet the following criteria:</p> <ul style="list-style-type: none"> <li>• Exceed federal, state, local or municipal efficiency codes or standards</li> <li>• Must be paired with an eligible heat pump system</li> </ul>	\$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 3.3.9 of the Program Manual.	\$70	\$500/project
		Heat Recovery Chiller and Heat Pump Chiller	\$/MMBTU of annual energy savings	<p>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.</p> <p>For Ground Loop HPCs, capacities and efficiencies must be presented consistent with ISO 153256-1 in the following two scenarios:</p> <ol style="list-style-type: none"> <li>1.Full load performance: 77/32°F EWT full speed compressor and pumping for cooling/heating</li> <li>2.Part load performance: 68/41°F EWT part speed compressor and pumping for cooling/heating</li> </ol> <p>Heat recovery chillers are exempt from minimum annual baseline heating consumption displacement thresholds for Category 4 partial load eligibility.</p>	\$70	\$500/project
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	<p>Eligible projects include any Category 4 heat pumps, installed at either an existing facility or new construction, 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. Projects may qualify for one of two tiers of envelope upgrade improvements:</p> <p>Tier 1:</p> <ul style="list-style-type: none"> <li>• Existing: &gt;5% reduction in dominant load compared to baseline</li> <li>• New Construction: &gt;5% reduction in dominant load compared to baseline</li> </ul> <p>Tier 2:</p> <ul style="list-style-type: none"> <li>• Existing: &gt;30% reduction in dominant load compared to baseline</li> <li>• New Construction: &gt;10% reduction in dominant load compared to baseline</li> </ul> <p>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</p> <p><u>Eligible measures may include:</u></p> <p>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</p>	Tier 1: \$70 Tier 2: \$80	\$500/project

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<b>Water Heating</b>						
5	Heat Pump Water Heater HPWH Retail	Residential Rated HPWHs	\$/Unit	HPWHs with Uniform Energy Factor (UEF) rating. Must meet or exceed ENERGY STAR Residential Water Heater specification.	\$700	n/a
	Heat Pump Water Heater HPWH Midstream	Residential Rated HPWHs	\$/Unit	HPWHs with Uniform Energy Factor (UEF) rating. Must meet or exceed ENERGY STAR Residential Water Heater specification.	\$800	\$50 Contractor Reward \$50 Distributor Reward
6	Custom Hot Water Heating Applications	Air-to-Water and Water-to-Water Heat Pumps for Dedicated DHW	\$/MMBTU of annual energy savings	<p>The following types of centralized systems are included:</p> <ul style="list-style-type: none"> <li>• Ground-coupled water-to-water heat pumps (“WWHP”) used for DHW loads must meet or exceed ENERGY STAR Geothermal heating requirements.</li> <li>• 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.</li> <li>• 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.</li> </ul> <p>In all cases:</p> <ul style="list-style-type: none"> <li>• Fossil fuel (heating oil, natural gas, steam generated by fossil fuel, etc.) energy consumption must be reduced by the new electric technology or application</li> <li>• The new electric technology or application must: <ol style="list-style-type: none"> <li>1. Reduce existing or baseline fossil fuel or electric resistance annual consumption by at least 50%</li> <li>2. In savings calculations, the fossil fuel baseline efficiency (including distribution) must equal existing or upgraded (boiler) system efficiency, as applicable</li> <li>3. Not increase the overall annual site energy consumption</li> <li>4. Exceed applicable minimum efficiency specifications to meet applicable codes and standards</li> </ol> </li> </ul>	\$80	n/a
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”) for DHW added to Category 3 GSHP System	WWHP added to ground loop to meet DHW load	\$/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	n/a

\*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.