



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						
1	Cold-Climate Air Source Heat Pump ("ccASHP"): Partial Load Heating	Minisplit Heat Pump ("MSHP"), Central ccASHP	\$/outdoor condenser unit	<ul style="list-style-type: none"> Each unit in system must be on the Northeast Energy Efficiency Partnership ccASHP Product List ("NEEP Product List") Total heat pump system heating capacity is <300,000 British Thermal Units per hour ("Btu/h") For central ASHPs installed with a back-up furnace in the same cabinet, the back-up furnace must have capacity <225,000 Btu/h Total heat pump system heating capacity satisfies <90% of the building's design heating load ("BHL") 	\$500	\$100
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 BHL - e.g., Total incentive <= (Maximum Heating Capacity * 1.2 / HP Sizing Ratio). See Equipment Sizing Requirements in Appendix 2 for additional details.</p> <p>New construction or gut renovation Multifamily projects that elect to install MSHP or Central ccASHP systems will be incentivized at the Category 4: Custom Space Heating Applications rate.</p>	<ul style="list-style-type: none"> Each unit in system must be on the NEEP Product List Total heat pump system heating capacity is <300,000 Btu/h, except for systems installed in multifamily buildings. For multifamily buildings, all retrofit MSHP or Central ccASHP systems shall be eligible for Category 2 regardless of heating capacity, while multifamily new construction or gut renovation projects shall be eligible for Category 4, regardless of system capacity. For central ASHPs installed with a back-up furnace in the same cabinet, the back-up furnace must have capacity <225,000 Btu/h Total heat pump system heating capacity satisfies at least 90% of the BHL. Systems sized for >120% BHL may incur further review and require justification. 	\$1,000	\$500/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 <= (Full Load GLHP Rating OR Full Load GWHP Rating*1.2)/HP sizing ratio). See Equipment Sizing Requirements in Appendix 2 for additional details.</p> <p>New construction or gut renovation Multifamily projects that elect to install GSHP systems will be incentivized at the Category 4: Custom Space Heating Applications rate.</p>	<ul style="list-style-type: none"> Each heat pump in the system must meet or exceed the ENERGY STAR Geothermal heat pump specification. Note that console units, 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, and GSVRFs are not eligible for incentives in this category but may instead qualify for incentives under category 4. Total heat pump system heating capacity is <300,000 Btu/h, except for systems installed in multifamily buildings. For multifamily buildings, all retrofit GSHP systems shall be eligible for Category 3 regardless of heating capacity, while multifamily new construction or gut renovation GSHP projects shall be eligible for Category 4, regardless of capacity. 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 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 Total heat pump system heating capacity satisfies at least 90% of the BHL. Systems sized for >120% BHL may incur further review and require justification. 	\$1,500	\$500/project

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4	Custom Space Heating Applications	General	\$/MMBTU of annual energy savings	<ul style="list-style-type: none"> 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. 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. Requires confirmation of projected MMBtu savings to determine incentive amount Each project requires pre-approval, based on a review of projected MMBtu savings and an associated preliminary incentive amount (\$/MMBtu) <p>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:</p> <ul style="list-style-type: none"> 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"> Must not increase the overall annual site energy consumption Shall be market ready and can meet or exceed applicable minimum efficiency specifications 	\$80	\$500/project
		Central ccASHP		<p>Eligible Central ccASHP systems must have either of the following characteristics:</p> <ul style="list-style-type: none"> NEEP listed equipment with total heat pump system heating capacity at design condition of $\geq 300,000$ 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		<p>Eligible Minisplit systems must have either of the following characteristics:</p> <ul style="list-style-type: none"> NEEP listed equipment with total heat pump system heating capacity at design condition of $\geq 300,000$ 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		<p>Eligible Commercial Unitary Systems must have the following characteristics:</p> <ul style="list-style-type: none"> Include individual heat pump appliances that are powered by three-phase electricity or have rated cooling capacities $\geq 65,000$ Btu/h Systems must consist of multi-speed or variable speed compressor. Constant speed systems are not eligible for incentives. 		

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4 (Cont'd)	Custom Space Heating Applications	Air Source Variable Refrigerant Flow Heat Pump ("VRF")	\$/MMBTU of annual energy savings	<p>Eligible ASVRFs must have the following characteristics:</p> <ul style="list-style-type: none"> ASVRF systems up to 240,000 Btu/h cooling capacity must meet or exceed current ENERGY STAR Light Commercial HVAC Key Product Criteria. For systems with capacities greater than those covered by ENERGY STAR, program eligibility will be determined based on whether proposed heat pump efficiencies meet or exceed local energy code. 	\$80	\$500/project
		GSHP		<p>GSHP systems must meet or exceed the ENERGY STAR Geothermal heat pump specification efficiency requirements and exhibit one or more of the following characteristics:</p> <ul style="list-style-type: none"> Systems with individual heat pump appliances powered by three-phase electricity; or Systems with a total system heating capacity $\geq 300,000$ Btu/h; or Systems that have individual appliance cooling capacity for closed-loop GSHP installs $\geq 135,000$ Btu/h; or Systems that have an individual appliance cooling capacity for direct exchange GSHP installs $\geq 180,000$ Btu/h. <p>Exceptions to the above eligibility criteria:</p> <ul style="list-style-type: none"> GSHP systems with $< 24,000$ btu/h rated full load cooling must meet or exceed the specifications in Table 5. All eligible GSHP systems installed in multifamily buildings shall be eligible for Category 4, regardless of the overall capacity of the system being installed or construction type (new construction or gut renovation). 		
		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 6.		
		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 4.		
		Packaged Terminal Heat Pumps ("PTHPs")		<p>Eligible PTHPs must meet the following criteria:</p> <ul style="list-style-type: none"> 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 		
		Single Package Vertical Heat Pumps ("SPVHPs")		<p>Eligible SPVHPs must meet the following criteria:</p> <ul style="list-style-type: none"> 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) Manufacturer reported Heat Pump output at 5°F must be a minimum of 50% of rated heating capacity at 47°F 		

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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"> • Must not be required by federal, state, local or municipal codes or standards • Must be paired with an eligible heat pump system 	\$80	\$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. Category 2 or Category 3 multifamily retrofit projects paired with envelope improvements may also qualify for this incentive category.</p> <p>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"> • Existing: 5-30% reduction in dominant load compared to baseline • New Construction: 1-5% reduction in dominant load compared to baseline <p>Tier 2:</p> <ul style="list-style-type: none"> • Existing: >30% reduction in dominant load compared to baseline • New Construction: >5% reduction in dominant load compared to baseline <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 HP measures will be paid out at the 4A rate based on the tier qualified for. If a heat pump plus envelope upgrade also includes an eligible ERV/HRV, the ERV/HRV will also receive a category 4A incentive.</p> <p>Eligible measures may include:</p> <p>Exterior: window replacements, window film</p> <p>Opaque shell: wall insulation, continuous insulation, window walls, curtain walls exterior façade</p> <p>Air leakage sealing, air barrier continuity</p> <p>Roof insulation</p>	\$100	\$500/project

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Water Heating						
5	Heat Pump Water Heater HPWH (up to 120 gallons of tank capacity)	Air-to-Water HPWHs	\$/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 DHW WWHP (>120 gallons) added to ground loop	\$/MMBTU of annual energy savings	<p>Air-to-Water HPWHs with storage capacities greater than 120 gallons must meet or exceed ENERGY STAR Commercial Water Heater requirements.</p> <p>Dedicated DHW WWHP with storage capacities greater than 120 gallons must meet or exceed ENERGY STAR Geothermal requirements.</p> <p>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:</p> <ul style="list-style-type: none"> • 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"> 1. Must not increase the overall annual site energy consumption 2. Shall be market ready and can meet or exceed applicable minimum efficiency specifications 	\$80	n/a
7	GSHP Desuperheater	Optional component to GSHP systems	\$/Unit	Installed as integrated component in an eligible GSHP	\$100	\$0
8	Dedicated Domestic Hot Water ("DHW") Water-to-Water Heat Pump ("WWHP")	Dedicated DHW 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
9	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 DHW WWHP in Category 8, respectively	\$250	\$250/project

*Participating Contractor Reward is included in Total Incentive.