2023 C&I Energy Efficiency Program Mid-Year Updates

Link: 2023 Commercial and Industrial Program Manual

Speakers:

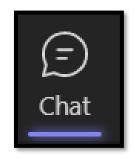
Danielle Sitro, Program Manager, C&I Energy EfficiencyMichael Tierney, Deputy Program Manager, C&I Energy EfficiencyAndrew Kringas, Trade Ally Manager, Clean Energy Networks

July 26, 2023



Webinar Logistics

- If you are having trouble viewing the slides, close and reopen teams
- If you have any questions during the webinar, please write them in the chat box – Questions will be answered at the end of the webinar
- A recording of this webinar will be available on the C&I <u>News and Events</u> page





About this presentation

 Information specific to the Commercial & Industrial Energy Efficiency Program in Con Edison's service territory.

Target Audience:

- Con Edison C&I customers
- C&I Participating Contractors
- Contractors interested in becoming Participating Contractors



Agenda

- Program Overview
 - Program Eligibility & Incentives Overview
 - What to Expect When Applying for incentives
 - How to Apply
- 2023 Mid-Year Program Updates
 - Program Manual Updates
 - New Incentives
- Con Edison Tools and Calculator Updates
- C&I Non-Wires Adder Program Jamaica Territory (New!)
- C&I Participating Contractors
 - How to Apply
 - Benefits of becoming a Participating Contractor
- Reminders & Upcoming Webinars
- Questions and Answer

Program Overview



Program Overview

 The Con Edison Commercial & Industrial (C&I) Energy Efficiency Program offers incentives for installing energy-efficient equipment and technologies.

- C&I Program Team
 - Danielle Sitro Program Manager, sitrod@coned.com
 - Michael Tierney Deputy Program Manager, tierneym@coned.com
 - Aly Matchett Deputy Program Manager, matchetta@coned.com
- Knowledgeable and experienced team, managed in-house
 - Business Development Managers
 - Energy Advisors
 - Engineers
 - Inspectors
 - Operation Specialists
 - Trade Ally Management
- Work hand in hand with C&I customers and Participating Contractors to submit and process projects



Program Overview



Get Paid to Upgrade



Improve Building Operations



Increase Marketability & Enhance Brand Image



Local Law Compliance

In the past 3 years, Con Edison has paid over \$100 million in cash incentives to commercial and industrial customers,

saving over 250 million kWh and 8 million Therms annually – reducing their carbon footprint by over 220,000 metric tons.

C&I Energy Efficiency Program – Eligible Measures

Building Envelope

- Window Film
- Window Replacement
- Cool Roof
- Wall and Roof Insulation
- Secondary Steam Incentives

Custom Measures

- Waste Heat Recovery
- Advanced Controls for Heating Electrification
- Building Automation System (BAS)
- Fuel Switching –
 HVAC
- Custom Eligible Measures

Lighting & Lighting Controls

- LED Fixtures or Retrofit Kits
- Refrigerated Display Case LED Fixtures
- Bi-Level Lighting
- Lighting Power Density (LPD)
- One-for-One Networked Controls
- One-for-One Daylight Dimming, Daylight Stepped, or Occupancy
- LPD Networked Controls

HVAC Measures

- Boiler Replacements
- Boiler Tune Ups
- Chiller Replacements
- Chiller Tune Ups
- Pipe Insulation
- Steam Trap
 Replacement/Repair
- VFDs
- Unitary AC

Refrigeration Measures

- Refrigerated Case Night Covers
- Door Gaskets
- Strip Curtains
- Electronically Communicated (EC) Motors
- Anti-Condensation Heater Controls
- Evaporated Fan Controls

Additional Measures

- Air Compressors
- Commercial Kitchen Equipment
- Elevator
 Modernization

Incentives up to 50% of total project cost!

C&I Energy Efficiency Program – Eligibility

Eligibility for Projects with Electric Saving Measures

All customers with a Con Edison commercial electric account over 100 kW average peak demand on a rolling 12-month basis are eligible for C&I incentives, excluding Multifamily buildings.

Eligibility for Projects with Gas Saving Measures

 All customers with Con Edison commercial gas accounts are eligible except customers with a service class of SC-14 or customers receiving service via a negotiated contract.

Eligibility for Projects with Steam Saving Measures

- Have an eligible Con Edison electric account, active Con Edison steam service.
- Measure must save both Con Edison electric energy and Con Edison steam energy.
- Project must be in an existing facility.
- Equipment must be installed after customer receives a Notice to Proceed from Con Edison.
- Cannot apply or received an incentive from NYSERDA, Con Edison or another utility for the same project.
- All projects must be completed (all documents received, and project is ready for post inspection) by November 15, 2023 to be guaranteed for 2023 incentive rates. Incentives for projects completed after this date may be reduced.
 - Have a multiyear project? Reach out to your Business Development Manager or send us an email at <u>Commercial@coned.com</u>.

Applying for Incentives



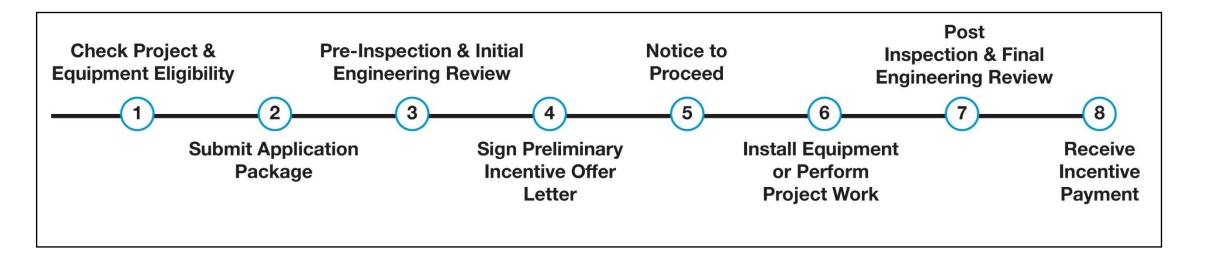
- Who can you submit your application documents to?
 - Business Development Managers
 - E-mail: Commercial@coned.com

OR



- C&I Approved Participating Contractors
 - Managed by our Trade Ally Team
- Which documents are required to apply?
 - C&I Program Application
 - Customer Proposal/Statement of Work
 - ☐ Tool / Energy Analysis
 - W-9 of Incentive Recipient
 - ☐ Cut Sheets
 - ☐ DLC Screenshots (if applicable)

C&I Energy Efficiency Program Process

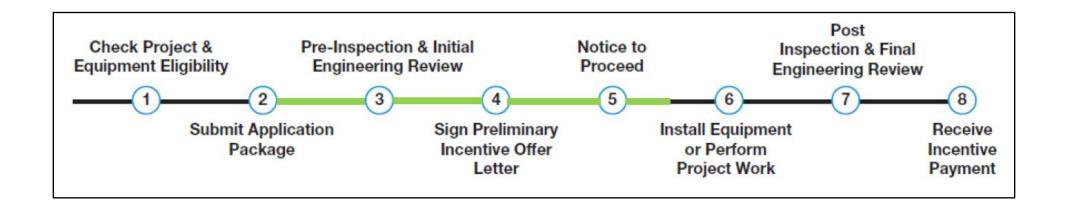




Equipment must be installed after the customer receives a Notice to Proceed from Con Edison.

Scope of Work Change Form

- When should this form be submitted?
 - Once a customer or Participating Contractor has determined that their scope of work has changed from their original application or NTP, this form should be submitted to the C&I team for approval of the proposed change in scope of work before the new work begins.
- The following diagram represents when a scope of work change form can be submitted (highlighted in green)



Scope of Work Change Form

What happens next?

Once you submit this form along with all required supporting documentation, the C&I team will review
your proposed change in scope and determine eligibility for the program. If your change is approved,
we will send you a NTP so you may begin the installation of your project.

Filling out the Scope of Work Change Form

- Date
- C&I Project ID #
- Customer Name
- Participating Contractor Company Name
- Project Completion Date
- Description of Scope Change
- Additional Documents
 - Additional documents may include Updated Project Cost Estimates (if different from original), New cut sheets & DLC / Energy Star Screenshots (if applicable), Revised Con Edison tool/calculator (if applicable), Revised Custom Calculations (for custom projects), Pictures (if applicable), Reason for SOW change

2023 Mid Year Program Updates



What's New Mid-Year 2023

- New Program Manual Version 1.1 for 2023
 Program Year
 - Effective: July 26th, 2023
- New Incentives:
 - Waste Heat Recovery Steam
 - Fuel Switching
- We've made updates to the following sections:
 - Program Overview
 - Customer Eligibility
 - Participating Contractor Eligibility
 - Scope of Work Change
 - Quality Assurance Quality Control
 - Program Evaluations

- We've made updates to the following measures:
 - Lighting & Lighting Controls
 - Steam Trap Replacement
 - Elevator Modernization
 - Telecommunication Switch Modernization
 - HVAC Measures
 - Building Envelope
 - Waste Heat Recovery
 - Custom Measures
- Non-Wires Solutions Adder Incentives New Network

What's New Mid-Year 2023 - Sections

Section	Updates
1.0 Program Overview	Added definition of prescriptive and custom project processing pathways
1.4 Customer Eligibility	-Included definition gut renovation and eligibility -Clarified equipment eligibility
1.6 PC Requirements/ 1.7 PC Eligibility	-Included requirements for PC Application to include 3 references -Included requirement for PC to have Workers Compensation -Disclaimer and code of conduct for Participating Contractors
1.8 Scope of Work Change	Added new section to outline Scope of Work Change process
5.0 Quality Assurance Quality Control	Updated section to clarify QAQC process (minor clarifications regarding questions regarding the QAQC process.
6.0 Program Evaluations	New Section added to outline the program Evaluation's Process

What's New Mid-Year 2023 - Measures

Measures	Updates
Lighting & Lighting Controls	-Added requirement that Solid State downlights must be Energy Star Rated and screenshots must be submitted to Con Edison -Bi-level lighting fixtures be DLC QPL listed LED fixtures listed as stairwell and passageway LED fixtures
Steam Trap Replacement	Added option for with steam trap replacement projects with savings <30,000 therms to submit survey/thermal imaging to bypass pre-inspection
Elevator Modernization	Specified that measure applies to traction type elevators only
Telecommunication Switch Modernization	Published formal offering with descriptive language for measure
HVAC Measures	Clarified that entire boilers, including boiler shell, tubing, burner, must be replaced to qualify for incentives.
Building Envelope	-Window Film Prescriptive Measure includes applies to single pane windows only; -Low Emissivity window film measures may quality for "Other Envelope Incentives" and should be submitted with custom calculations
Waste Heat Recovery	-Included description of Waste Heat Recovery Measure and applicable technologies -Published incentive rate for Steam Savings
Custom Measures	-Secondary Steam – Updated eligibility to projects with both electric and steam savings -Extended Life - Clarified required documentation regarding proof of significant repairs -Fuel Switching - Added fuel-switching measure description and incentive rate



What's New Mid-Year 2023 - Incentives

Waste Heat Recovery – Secondary Steam

Measure Measure	Incentive	Unit
Secondary Steam Measures	\$80	Per Mlbs

HVAC Fuel Switching

Measures that electrify existing Con Ed <u>district steam</u> or <u>natural gas</u> HVAC equipment. Electrification from other fuel sources is NOT eligible.

Measure Measure	Incentive	Unit
Fuel Switch – HVAC	\$70	Per MMBTU

What's New Mid-Year 2023 - Fuel Switching

Eligibility Requirements

- Active Con Edison Commercial Electric Account with average peak demand >100kW
- Not located in a Non-Wires Solutions (NWS) area.
- Customer may not have received incentives through the Demand Management Program (DMP).
- Customers must be electrifying <u>HVAC equipment</u>, converting from steam or natural gas.

Examples of Eligible Measures

Existing HVAC Equipment	Proposed Replacement HVAC Technology
Steam absorption chiller	
Steam turbine chiller	Electric chiller
Gas-engine-drive chiller	
Gas absorption chiller	
Gas-fired boiler	Electric boiler
Steam-driven boiler	Electric boller

Heat pumps, heat recovery chillers, and heat pump chillers are not eligible; clean heat program

Removal of Combined Heat and Power Plants and conversion to electric resistance heating are not eligible for incentives

What's New Mid-Year 2023 - Fuel Switching

Documentation Requirements

- Follow C&I Custom Guidelines
- MCID (Case ID provided by Con Edison Energy Services)
- Energy Savings Analysis:
 - Savings shall be calculated as the difference in energy consumption between baseline equipment and new energy
 efficient technology,
 - Total savings shall be expressed in MMBTU,
 - Savings baselines shall be selected based on measure application type:

Measure Application Type	Baseline Utilized for Calculation	Proposed
Normal Replacement	Code or Industry Standard Efficiencies (Gas / Steam Equipment)	Electric Fuel Equipment
Extended Life or Early Replacement	Existing Equipment Efficiency (Gas / Steam Equipment)	Electric Fuel Equipment

- Acceptable calculation approach may include, but is not limited to:
 - Computer Energy Modeling Software
 - Bin Analysis
 - Modified TRM measures

2023 Bonus Incentives Eligible Measures: Steam Trap & Pipe Insulation

Important Deadlines

- Submit your project application package by September 15,2023
- You must finish the installation and submit the required paperwork by October 31, 2023
- You must then pass our post inspection by November 30, 2023, confirming you installed the approved scope of work

Program Bonus Incentives

Measures	2023 Base Incentive	Bonus	Total	Bonus Project Cap
Steam Trap (\$/trap)	\$300	\$150	\$450	
Pipe Insulation <2 inches (\$/LF)	\$7	\$3	\$10]
Pipe Insulation >2 to <8 inches (\$/LF)	\$10	\$4	\$14	70%
Pipe Insulation >8 inches (\$/therm)	\$2.50	\$1.50	\$4	1
Pipe Insulation - Custom (\$/therm)	\$2.50	\$1.50	\$4	

Important Notes:

Bonus can be applied to any project retroactively whose installs have not yet been completed.

2023 Bonus IncentivesEligible Measures: Building Envelope, Waste Heat Recovery, and Advanced Controls for Heating Electrification

Important Deadlines

- ✓ Submit your project application package between January 1,2023 May 1, 2023
- You must finish the installation and submit the required paperwork by September 30, 2023
- You must then pass our post inspection by October 31, 2023, confirming you installed the approved scope of work

Building Envelope*

Measures	Base Incentive		Bonus Incentive			Total Incentives	
	Rate	Rate Unit	Eligible	Rate	Rate Unit	Rate	Rate Unit
Electric Measures	\$0.68	/kWh	Yes	\$0.07	/kWh	\$0.75	/kWh
Secondary Steam Measures	\$120	/mlbs	Yes	\$12	/mlbs	\$132	/mlbs
Natural Gas Measures	\$20	/therm	Yes	\$2	/therm	\$22	/therm

^{*}Prescriptive window film and cool roof measures are excluded from bonus

Waste Heat Recovery

Measures	Base Incentive		Bonus Incentive			Total Incentives	
	Rate	Rate Unit	Eligible	Rate	Rate Unit	Rate	Rate Unit
Waste Heat Recovery – Electric Measures	\$0.45	/kWh	Yes	\$0.05	/kWh	\$0.50	/kWh
Waste Heat Recovery – Gas Measures	\$8	/therm	Yes	\$1	/therm	\$9	/therm

Advanced Controls for Heating Electrification

Measures	Base Incentive		Bonus Incentive			Total Incentives	
	Rate	Rate Unit	Eligible	Rate	Rate Unit	Rate	Rate Unit
Advanced Controls for Heating Electrification	\$0.45	/kWh	Yes	\$0.05	/kWh	\$0.50	/kWh

Case Study: Advanced Controls for Heating Electrification

Energy Efficiency Project in Manhattan

- Background:
 - 126,000 Sq. Ft. Hotel had 197 existing PTAC units that were manually controlled.
- Scope of Work:
 - Installation of EMS controls for the one hundred ninety-seven (197) PTACs.
 - The proposed controls will include occupancy sensing and PMS integration to increase setback temperature in non-occupied rooms.

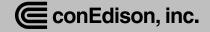
Energy Savings: Over 100,000 kWh

73.7 Metric Tons of CO2 reduced

Financials: \$87,346.70 incentive

• Return on Investment: < 3 years





Con Edison Tool Updates



Con Edison Tools & Calculators

Changes to:

- Pipe Insulation Survey version 23.1
- Boiler Clean and Tune Up Calculator version 23.2
- Steam Trap Survey version 23.2
- Lighting Calculator version 23.0
- Electric Measure Tool version 23.0
- Keep using tools/calculators found on our website and Participating Contractor Portal
 - Gas Measure Tool version 23.0
 - Elevator Modernization Estimator version 23.0
- New! Building Envelope Calculator will be released in August 2023
 - Measures included: Window Replacement, Window Inserts, Opaque Shell Walls, Floors, Ceiling

Non-Wires Solutions Adder Incentives



NWS C&I Adder Incentive

NWS C&I Adder provides \$2,000/kW for eligible measures

- Incentive is <u>additional</u> to the core C&I program incentive
- Up to 100% each of eligible measure cost and 100% of project cost including all offers through the C&I Energy Efficiency Program
- Eligible measures must provide summer coincident electric peak demand (kW) savings

Existing Eligible Neighborhoods – BQDM and Newtown

- Queens
 - Long Island City, Sunnyside, Woodside, Elmhurst, Rego Park, Forest Hills, Forest Park, Glendale, Ridgewood, Maspeth, Middle Village, Richmond Hill, Howard Beach, Broad Channel, Ozone Park, South Ozone Park, Woodhaven and Kew Gardens
- Newtown
 - Greenpoint, East Williamsburg, Bushwick, Bedford-Stuyvesant, Clinton Hill, Crown Heights, East Flatbush, Brownsville, East New York, Cypress Hills, Williamsburg, Park Slope and Prospect Park. It also covers part of Fort Greene, Prospect Heights and South Slope

New! - Eligible Neighborhoods - Jamaica

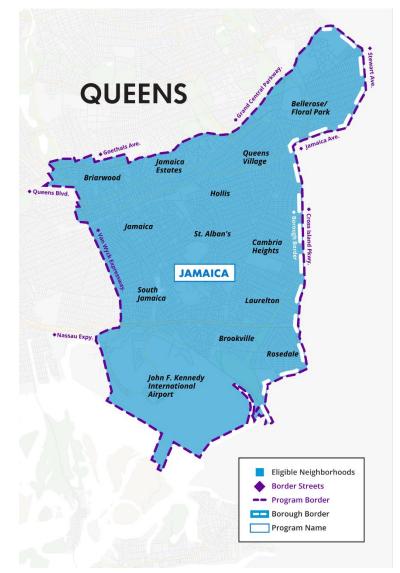
- Queens
 - Briarwood, Jamaica Estates, Queens Village, Bellerose, Floral Park, Hollis, Jamaica,
 South Jamaica, St. Albans, Cambria Heights, Laurelton, Brookville, and Rosedale



Non-Wires Solutions (NWS) Jamaica Substation Project

 A Non-Wires Solution (NWS) Project is a portfolio of customersited solutions that seek to defer or eliminate to traditional utility infrastructure projects for the benefit of the distribution system

- New NWS Project launch in June 2023
- NWS will eliminate replacement of limiting 27kV bus and disconnect switches at Jamaica Substation
- NWS portfolio will deliver 16 MW of peak electric demand reduction in the Jamaica network area by 2027
- Expanding The Neighborhood Program to offer higher energy efficiency incentives in the new network area



The Neighborhood Program – "Adder" Incentive Offerings

NWS Incentive Deadlines

Newtown Territory:

Approved projects must be fully installed, post-inspected and cured no later than <u>May 31, 2024</u> to qualify for NWS incentives.

Jamaica Territory:

NWS incentives are available for eligible projects submitted on or after **June 1**, **2023**.

BQDM Territory:

No changes.

NWS Prescriptive Measures*

Prescriptive project measures can receive \$2,000/kW. Demand savings (kW) are calculated based on the NYS TRM.

- LED Fixtures & Retrofit Kits
- Refrigerated Display Case Lighting
- Lighting Controls
- Lighting (LPD) for Gut Renovations
- Unitary AC
- Door Gaskets
- Air Compressors

NWS Custom Measures**

Custom project measures can receive \$2,000/kW. Demand savings (kW) are calculated based on post installation M&V results.

Examples of measures that may be NWS-eligible include:

- Building Envelope
- Chillers
- Variable Refrigerant Flow (VRF) ACs
- Elevator Modernizations
- Electronically Commutated (EC) Motors
- Evaporator Fan Controls
- Refrigerated Display Cases
- Compressor Racks
- Other custom projects

^{**}Project subject to site-specific Measurement & Verification. C&I customers following NWS "custom" track are required to sign the NWS Program Agreement prior to installation.



^{**}Large projects with prescriptive lighting measures totaling >100kW savings, air compressors totaling >15kW, or other non-lighting measures totaling less than 50kW are only eligible via the custom pathway.

C&I Participating Contractors



PC Application and Compliance Requirements

Requirements To Become a PC

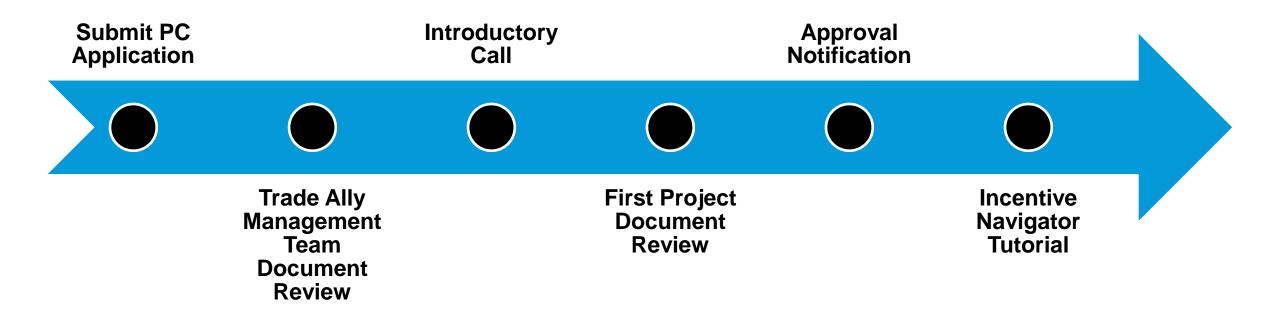
- Certificate of Insurance Information
- The latest version of the W-9 form available on the IRS Website
- Workers Compensation certificate (if applicable)
- At least one project ready for submission to the C&I Program
- 3 customer references

Requirements to Maintain PC Status

- Maintain a valid, dated Certificate of Insurance (COI) Minimum \$1 million general liability coverage
- Submit an eligible project on an annual basis
- Attend C&I program training
- Must remain active and engaged in Con Edison C&I Program
- Adhere to the Participating Contractor participation requirements
- Adhere to program requirements

Apply to become a Participating Contractor

PC Registration Process



C&I Participating Contractor Benefits

PC Monthly Meetings

Listing in C&I PC Directory

Program and Marketing Tools

Access to Incentive Navigator

Co-Branding Opportunity

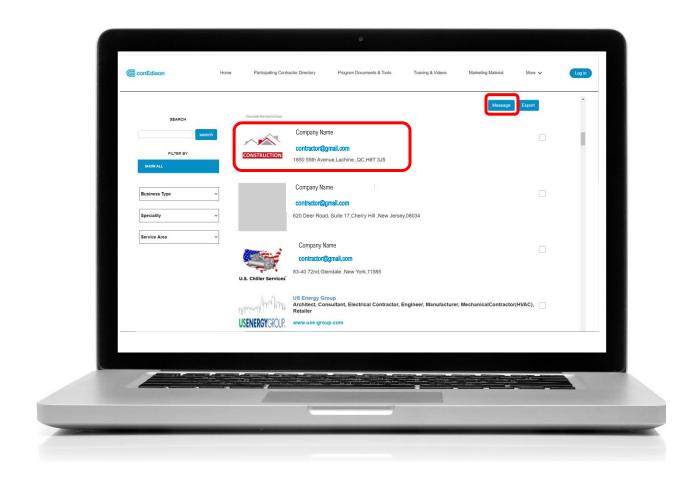
Utility trainings, webinars and events

Rebate and Technical Support

Assign customer incentives to your company

Participating Contractor Directory

- Gain exposure with Con Edison's customer network
 - PC profile displayed with Badge ID number
 - Logo can be added to brand your listing
- Message Feature
 - Customers can reach out to PCs directly through the portal



Co-Branding

Why Co-Brand?

- Boosts credibility
- Distinguish yourself from competitors

Includes:

- Usage Guidelines for Badge
- Downloadable Con Edison Participating Contractor Badge (4 versions)



Note: All badges must include PC ID number (can be found in PC profile) and be approved in writing by Trade Ally Manager. This site is password protected. You can access with Incentive Navigator credentials



Incentive Navigator: Next Generation Save time, money, and effort with the incentive navigator

Create & Download Your Estimate

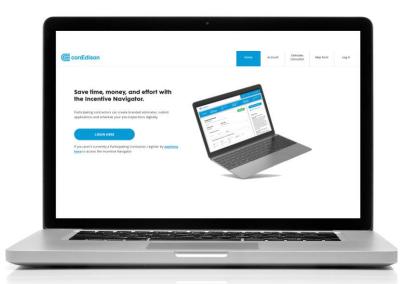
- Create and download a simple, branded estimate that maximizes incentives
- Share the estimate with your customer to help close the deal

Generate, Submit, & Track Projects

- Convert your estimate to a project to get a jump-start on your rebate application, providing visibility across the lifecycle of your project
- New! Communicate directly with the C&I team throughout the lifecycle of your projects using Incentive Navigator.

Schedule Your Inspection

 More control over the scheduling process. Schedule your preinspection appointment only after submitting your application



Reminders & Upcoming Webinars



Reminders and Upcoming Webinars

- Links to Slide Deck, Recording, and Program Manual will be sent in a follow up email.
- All projects must be completed (all documents received, and project is ready for post inspection) by **November 15, 2023** to be guaranteed for 2023 incentive rates.
- Bonus incentives for Building Envelope, Waste Heat Recovery, and Advanced Controls for Heating Electrification
 - Complete installation and submit the completion paperwork by September 30, 2023
 - Pass post inspection by October 31, 2023
- Bonus incentives for Steam Trap and Pipe Insulation
 - Submit application package by September 15, 2023
 - Complete installation and submit the required paperwork by October 31, 2023
 - Pass post inspection by November 30, 2023
- August Participating Contractor Meeting August 18th, 2023 (will include Building Envelope Calculator Training)



C&I Inquiries Email Commercial@coned.com

C&I EE Program ConEd.com/largecommercial

C&I Clean Heat Program ConEd.com/cleanheatcommercial

Incentive Navigator
Incentivenavigator.coned.com

Participating Contractor Portal



FAQs



2023 Commercial & Industrial (C&I) Energy Efficiency Program Mid Year Updates FAQs

- Is paying into the System Benefit Charge (SBC) still a requirement for electric incentives?
 - You no longer have to pay into the system benefit charge to be eligible for C&I incentives.
- Is there a link to the C&I Energy Efficiency Program Manual?
 - Link to Program Manual: <u>2023 Commercial and Industrial Program Manual</u>.
- Can you clarify cap of "\$1,000,000 for all projects, per account per year"? Is the cap \$2M if customer has 2x electric accounts?
 What about electric and gas accounts?
 - The project is capped at \$1M per account, per customer. Cap applies at the site address tied to account location.
- Is there any requirement regarding the source of the steam for the absorption chillers being replaced? Can the existing chillers receive steam from either Con Edison or local boilers? The boilers are being fed by Con Edison Gas.
 - In order to qualify for fuel switch measures, the source of steam should be from an active Con Edison steam account.
 - Fuel switching, in the context of the C&I EE Program, involves projects where all or a portion of the existing energy use is converted from either Con Edison district steam or natural gas, to electric.
 - If the boilers are fed by Con Edison gas, this measure would qualify as a fuel switching measure if gas-fed steam boilers are converted to electric boilers.
- Is the fuel switching incentive based on Net MMBTU savings? e.g. gas MMBTU savings minus electric MMBTU added consumption?
 - Yes, fuel switching incentive is based on Total MMBTU. The savings calculation incorporates the additional load applied to the grid.



2023 Commercial & Industrial (C&I) Energy Efficiency Program Mid Year Updates FAQs

- Can a fuel switching project scope include custom controls that reduce electric use? e.g. replace steam-fired absorption chillers with electric chillers plus add controls to optimize energy use of pumps and CT fans.
 - Yes, a project can include the controls, receiving the control incentive listed in the Program Manual.
- In the Clean Heat Program, for Heat Pump/DHW Heat Pump, are the incentives based on Savings (MMBTU) or does it depend on equipment installation MMBTU?
 - Incentive rates in the C&I CHP program are offered via performance based MMBTU savings.
- Do we need to submit the permit for lighting projects with the final documents?
 - For LPD projects a Department of Building filed permit application is required.
 - For prescriptive lighting projects the permit is not required.
- Is LED to LED high bay fixture replacement eligible for incentives?
 - LED to LED replacements are not eligible for C&I incentives.
- For the lighting portion what is a DLC screenshot?
 - Find your product on the Solid-State Lighting Qualified Product List on the DLC Website. The product certification is downloadable.



2023 Commercial & Industrial (C&I) Energy Efficiency Program Mid Year Updates FAQs

- If a solid-state downlight is DLC certified but not Energy Star Rated is this kind of light not eligible?
 - Fixtures and retrofit kits, excluding LED exit signs and downlights, must be solid-state lighting certified and listed on the Design Lights Consortium (DLC) Qualified Product List (QPL) Version 5.1 or later at the time of application submission to be eligible for the program.
 - Incentives are based on the DLC or ENERGY STAR category, as applicable, of the product installed.
- Do lighting retrofits need to submit a work request through the project center?
 - If your project is adding additional load, please submit a work request through the project center.

