



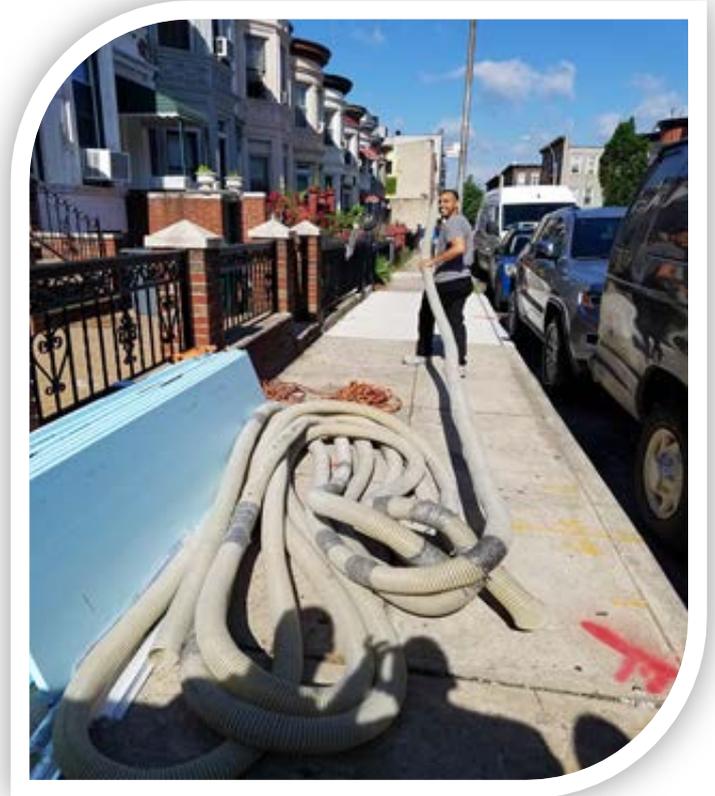
NYSERDA

NY Residential Existing Homes Programs

August 17, 2016

Agenda

- Program Administration Update
- 2016-2017 Participation Agreement
- Overview of Incentive and Financing Changes
- Market Rate Changes
- GJGNY Financing Changes
- AHP Changes
- Transition Support
- Q&A



Program Administration Updates

Program Design Changes

- The Programs are now operating under the Clean Energy Fund.
- Incentive structure changes will go into effect in Q3 & Q4 2016
- Home Performance with ENERGY STAR and EmPower NY will be merging into one Program.
- NYSERDA received input from contractors and stakeholders and worked with BPCA in the development of programmatic changes.



Clean Energy Fund Overview

The CEF is designed to deliver on New York State's commitment to reduce ratepayer collections, drive economic development, and accelerate the use of clean energy and energy innovation.

The Market Development Portfolio focuses on reducing costs and accelerating customer demand for energy efficiency solutions.

Timeline for Changes

August 31, 2016

- 2016-2017 Participation Agreement due

September 1, 2016

- Green Jobs – Green NY interest rate changes
- Market Rate HPwES incentive changes
- Mid-stream contractor incentives end
- New EmPower pricing

October 1, 2016

- Assisted HPwES Subsidy cap changes

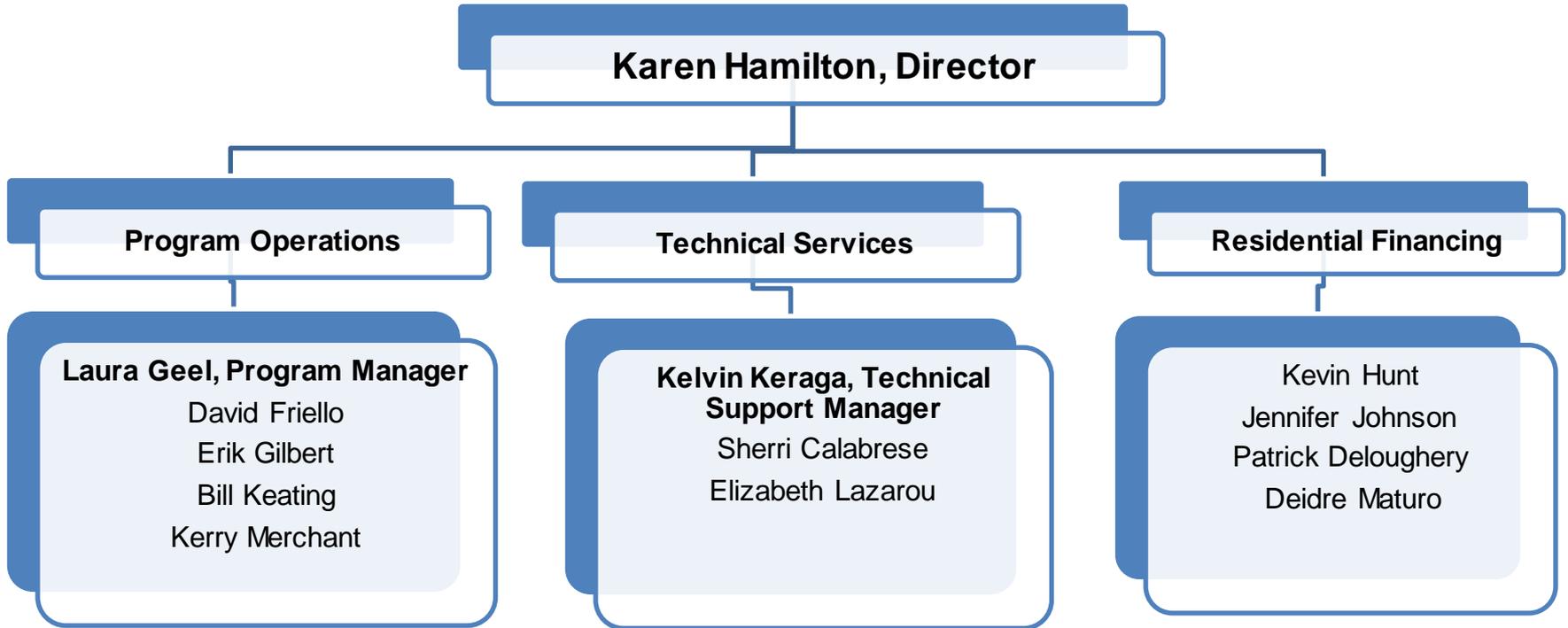
November 30, 2016

- Final Co-op and equipment incentive invoices due for activities through 8/31/16

Future changes Q4 2016 - 2017

- Activation of “Express Contract” in NY HP Portal
- Merging of administration of HPwES and EmPower
- Singular customer application
- EmPower projects submitted through the NY HP Portal
- Rebranding
- Audit program will be reassessed

Program Administration: NYSERDA's Team



Future Program Implementation Services

Implementer

- Application approvals
- Project Processing
- Invoicing

Technical Services

- Technical Field Representatives
- Training support for contractors
- Quality Control

Quality Assurance

- Third party field inspections

Loan Processor

- Application approvals
- Loan approvals and payment

Future Clean Energy Fund Initiatives

- Incorporating the value of energy efficiency into home value
- Identifying standard approaches to building EE projects
- Demonstrating new technologies, such as an efficiency meter
- Addressing soft costs faced by contractors and industry partners
- Helping homeowners plan for improvements over time
- Development of an on-line communications platform.
- Sponsoring public forums to share best practices and home energy improvement data.

GOAL: ACCELERATE THE DEMAND FOR RESIDENTIAL ENERGY EFFICIENCY SERVICES

2016-2017 Participation Agreement

2016-2017 Participation Agreement

Home Performance with ENERGY STAR and EmPower New York are both covered under the base agreement

All contractors who are applying to participate in either HPwES or EmPower must read this agreement and submit the accompanying signature form by **August 31, 2016**.

2016-2017 Participation Agreement Addendum

Contractors who apply for EmPower New York participation must read and agree to the terms and conditions in the Addendum to Offer Low-Income Energy Efficiency services.

This Addendum is signed and sent back to NYSERDA.

Make sure to send back the entire Addendum, not just the signature page.

2016-2017 Participation Agreement

Prior participation *does not guarantee future participation.*

All applications are undergoing a thorough review

Applying for both HPwES and EmPower New York does not mean you will be approved for both. You may be approved for one, both, or none.

NYSERDA is not looking to expand the number of contractors serving the low-to-moderate income market through the Program.

2016-2017 Participation Agreement

Contractors who do not have an accepted Participation Agreement in place by August 31st will not be allowed to submit new projects to the Program after that date.

Existing pipeline projects will be allowed to proceed normally; including revisions, change orders, and completion submission.

New projects submitted on or after Sept 1st will be placed on hold until the PA is reviewed by NYSERDA.

Please submit your application to NYSERDA as soon as possible to begin the review process.

Contractor Resource Manual

The 2016-2017 Contractor Resource Manual now includes information that contractors in both HPwES and EmPower NY need to know.

- It has been updated to reflect previously announced program changes.
- This Manual will evolve over time as the Program's policies and procedures become more aligned.

By applying for participation, you are agreeing to the policies and procedures included in the Contractor Resource Manual.

Overview of Incentive & Financing Changes

Incentive & Financing Changes

Home Performance with ENERGY STAR (Above 80% of State or Area Median Income)

Effective September 1, 2016

- The 5% Advanced Modeling Incentive (Contractor Incentive) will increase to 10%, up to \$3000.
- 10% High Efficiency Measure Incentive (Consumer Incentive) will be eliminated.
- Midstream incentives will end: Cooperative advertising, equipment incentive, BPI certification/accreditation incentive, 2% referral incentive, electric reduction incentive, first completion/first year production incentive
- Instead of submitting forms for various incentives with a set purpose, contractors are encouraged to use the 10% in any way that benefits their business.

Incentive & Financing Changes

Home Performance with ENERGY STAR (Above 80% of State or Area Median Income)

Future Changes

- NYSERDA will continue to provide funding for comprehensive home energy assessments under the current program design through the end of the year.
- This incentive will be reassessed for 2017.
- At least 90 days notice will be given before changes are made.

Incentive & Financing Changes

Assisted Home Performance with ENERGY STAR (60 – 80% of the State or Area Median Income)

Effective October 1, 2016:

- The AHPwES Subsidy cap for a single family home will be **changed to \$4,000**.
The cap for a 2-4 family home will be **changed to \$8,000**.
- The 5% Advanced Modeling Incentive will remain.
- The current offering for audits will remain.

Low Income: EmPower NY (Up to 60% of State Median Income)

- EmPower pricing will be revisited.
- An update to prices based on the consumer pricing index will be effective September 1

Green Jobs – Green NY Financing Changes

Energy Efficiency Loans			
Income Level	Smart Energy - Pay by mail	Smart Energy - Auto Pay	On-Bill Recovery
Less than or equal to 80%	3.99%	3.49%	3.49%
Greater than 80% up to 120%	5.49%	4.99%	4.99%
Greater than 120%	6.49%* or 7.49%**	5.99%* or 6.99%**	5.99%* or 6.99%**

* Tier 2 - Primarily based upon a FICO score lower than 640; or a debt-to-income ratio above 50%; and no bankruptcies within the past 2 years.

** Tier 1 Primarily based upon a FICO score of 640 or greater; and a debt-to-income ratio of 50% or less; and no bankruptcies within the past 7 years.

Green Jobs – Green NY Financing Changes

By adjusting the interest rates, NYSERDA can continue to offer financing, including OBR loans, to all income sectors, while providing financing for households that otherwise lack access in the private lending marketplace.

NYSERDA will make available information regarding other residential energy efficiency loan offers.

The May 9, 2016 lender presentation is available online at:

<http://hpwescontractorsupport.com/training-videos/webinars/>

- ReHomeNY
- GreenSky
- Admirals Bank

Green Jobs – Green NY Financing Changes

NYSERDA recently issued a revised Area Median Income document, which now includes 120%.

NY Residential Existing Homes Program 2016 Income Limits

Household Size	1	2	3	4	5	6	7	8	9	10
2016 State Median Income (60%)	26,931	35,217	43,504	51,790	60,076	68,363	73,460	81,780	90,100	98,420
2016 State Median Income (80%)	35,908	46,956	58,005	69,053	80,101	91,151	97,947	109,040	120,133	131,227
2016 State Median Income (120%)	53,862	70,434	87,008	103,580	120,152	136,726	146,920	163,560	180,200	196,840
Area Median Income (120%)										
Albany County	\$68,925	\$78,750	\$88,575	\$103,580	\$120,152	\$136,726	\$146,920	\$163,560	\$180,200	\$196,840
Allegany County	\$53,862	\$70,434	\$87,008	\$103,580	\$120,152	\$136,726	\$146,920	\$163,560	\$180,200	\$196,840
Bronx County	\$76,125	\$87,000	\$97,875	\$108,750	\$120,152	\$136,726	\$146,920	\$163,560	\$180,200	\$196,840
Broome County	\$53,862	\$70,434	\$87,008	\$103,580	\$120,152	\$136,726	\$146,920	\$163,560	\$180,200	\$196,840
Cattaraugus County	\$53,862	\$70,434	\$87,008	\$103,580	\$120,152	\$136,726	\$146,920	\$163,560	\$180,200	\$196,840

Recommendations for Communicating Interest Rates

- Discuss the higher income level to not overpromise
 - “NYSERDA offers a loan program with interest rates up to 7.49%”
 - For Smart Energy Loans, a .5% discount applies if you pay with direct ACH payments.

- An income estimator tool will be available on NYSERDA's website that will allow a customer to estimate the interest rate they may be eligible for.
- A announcement will be sent out when this is available.

Find your interest rate

Choose the program type that you are interested in using, the county in which you reside, and the number of people living in your house or apartment, and click "Get Interest Rates." Then find your income range on the chart that appears below. You will see three options based upon your loan type and how you will pay back the loan.

Program Type: County:

Household Size:

Your Selections

Program Type: **Energy Efficiency**

County: **Albany**

Household Size: **1**

Interest Rates and Payment Options - Based Upon Payment Method

Income Range	Smart Energy Loan (pay by check)	Smart Energy Loan (pay by auto-payment)	On Bill Recovery (pay on your utility bill)
\$45,950.00 and below	3.99%	3.49%	3.49%
Above \$45,950.00 and up to \$68,925.00	3.49%	4.99%	4.99%
Above \$68,925.00	6.49%* or 7.49%**	5.99%* or 6.99%**	5.99%* or 6.99%**

* Primarily based upon a FICO score lower than 640; or a debt-to-income ratio above 50%; and no bankruptcies within the past 2 years.

** Primarily based upon a FICO score of 640 or greater; and a debt-to-income ratio of 50% or less; and no bankruptcies within the past 7 years.

Market Rate Changes Effective Sept. 1, 2016

Market Rate Changes

- The 10% Consumer High Efficiency Measure Incentive (HEMI) will be available through August 31, 2016.
- To receive this incentive, worksopes must be *submitted* to the Program no later than 11:59 PM on August 31, 2016.
- Submission date is defined as when the project is first assigned to CLEAResult for review.
 - **In the Portal**, that means fully completing the EST and Contract Submission stages in the Contract workflow, or the Workscope Screening and Approval stage in the Express Contract pilot by August 31, 2016.
 - **For NY Optimization** on Long Island, the job submission paperwork must be received by CLEAResult by August 31, 2016.

Market Rate Changes

The HEMI project submissions should only represent jobs where the customer has agreed to move forward with work.

- Do not submit tentative proposals in order to lock in the HEMI.

Workscope approvals automatically expire after 90 days.

- Please reference the “HPwES Project Approval Valid Until” date in Section 2 of the Eligibility Summary Report, or the “Project must be completed by” date on the NY Optimization approval transmittal. Projects not submitted for completion within this timeframe must be re-approved under the new incentive structure after August 31, 2016.

Market Rate Changes

- Portal Eligibility Summary

Section 2. Project Information and Scope of Work

HPwES Project Approval Valid Until: 8/30/2016

Amount of Work Eligible for Incentives: \$4,300.00

Existing Primary Heating Fuel Type: Natural Gas

Fuel Switch: (Yes/No): No

- NY Optimization Approval

The following job scope has been reviewed and found to comply with current HP/AHP Program requirements. Reviews of all NYSERDA and PSEGLI jobs automatically expire 90 DAYS from the date of transmittal. Projects not completed within this timeframe must be re-approved by CSG under the current program eligibility rules.

NOTE: CSG has reviewed the project according to program rules and has determined that it meets the cost-effectiveness requirements. GJGNY Loans over \$13,000 must also achieve pay back less than 15 years. For On-Bill Recovery Loans, the monthly loan installment payment amount may not exceed 1/12th of estimated annual dollar savings. Weighted Useful Life of Measures = greater than 15 years.

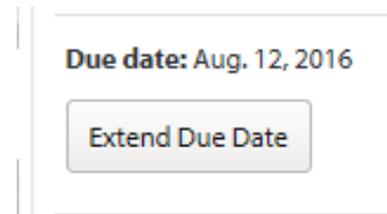
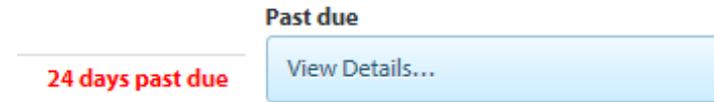
Project must be completed by: 8/30/16

Market Rate Changes

Contractors must comply with the set deadlines. No exceptions will be granted for the reason of being deficient in submitting projects or documents to the program on time.

- The Final Project Submission task becomes past due after 60 days. Use the dashboard to help manage your pipeline.
- Extending the due date will “snooze” this reminder, but does not change when the workscope approval expires.

Updated 87 days ago



Market Rate Changes

The 5% Contractor Advanced Modeling Incentive for *market rate projects* will increase to 10% of the cost of eligible measures, up to \$3,000, for workscopes submitted on or after September 1, 2016.

Contractors are encouraged to use the 10% contractor incentive in any way that benefits their business. The incentive will not be visible to the customer.

NYSERDA's website will be updated to reflect the new incentive structure.

Market Rate Utility Rebates

Customers who are not receiving a direct incentive from NYSERDA can access utility rebates. Measures funded by AHP remain ineligible for utility program rebates, as this is considered a direct customer incentive.

Links to relevant utility websites can be found at:

<http://hpwescontractorsupport.com/utility-rebates-and-energy-efficiency-programs/>

Market Rate changes Sept 1st

While development work of the systems is underway, the Eligibility Screening Tool in the NY HP Portal will continue to calculate the 10% customer incentive for new projects submitted on or after September 1, 2016.

- This is incorrect and should be disregarded.
- However, **the Project Incentives & Financing Eligibility Summary Report available in the Portal after approval will be manually adjusted and correct.**

The revised market rate approvals will reflect no customer incentive; only financing if applicable. The 10% contractor incentive will only be displayed on the completion transmittal and is paid directly to the contractor.

Market Rate changes Sept 1st

Midstream incentives will end: Cooperative advertising, equipment incentive, BPI certification/accreditation incentive, 2% referral incentive, electric reduction incentive, first completion/first year production incentive.

Cooperative Advertising, BPI Accreditation/Certification, and Equipment Incentives are available for activities completed through August 31, 2016. Requests for reimbursement must be submitted no later than November 30, 2016.

Green Jobs – Green NY Interest Rate Changes Effective September 1, 2016

Interest Rate Changes

- Interest rates will change effective for loan applications received by EFS on or after September 1, 2016.
- Loan pre-approvals are valid for up to 6 months. The project must be approved and completed prior to the EFS expiration date. If the customer has to re-apply for the loan after 9/1/16, then they could be subject to the new rates, dependent on household income. Extension requests must be submitted to EFS and approved by NYSERDA.
- Expiration of the 90-day workscope approval could also result in the loan amount increasing because of incentive amount changes, which might then fail the cost effectiveness screening, even if the interest rate remains the same.
- Market rate customers will be allowed to finance 100% of the eligible project cost, minus any utility or other rebates and subject to cost effectiveness requirements.

Interest Rate Changes

While development work of the systems is underway, the EST will not reflect the interest rate options or incentive structure for new projects submitted on or after September 1, 2016.

- This could be incorrect and should be disregarded.
- However, **the Project Incentives & Financing Eligibility Summary Report available in the Portal after approval will be manually adjusted and correct.**

An updated version of the Excel ProForma tool will be available on the Contractor Support site, if contractors would like to pre-screen whether the loan will pass.

Assisted Home Performance Changes Effective Oct 1, 2016

AHP Changes

The maximum Assisted Home Performance with ENERGY STAR Subsidy changes to \$4,000 for a single family home and up to \$8,000 for a 2-4 family home.

The 5% Contractor Advanced Modeling Incentive for *assisted projects* will remain at 5% of the cost of eligible measures, up to \$500.

Moderate Rate Incentive Caps-Percentages and Amounts				
Number of Income Eligible Units	Total Number of Building Units			
	1	2	3	4
4				50% up to \$8,000
3			50% up to \$8,000	40% up to \$6,000
2		50% up to \$8,000	40% up to \$5,820	30% up to \$4,000
1	50% up to \$4,000	30% up to \$3,400	20% up to \$2,700	15% up to \$2,000

AHP Changes

- The reduced AHP cap is effective for AHP applications received by EFS on or after October 1, 2016.
- AHP pre-approvals are valid for up to 6 months. The project must be approved and completed prior to the EFS expiration date. If the customer has to re-apply for AHP after 10/1/16, then they will be subject to the new incentive structure.
- Measures funded by AHP remain ineligible for utility program rebates, as this is considered a direct customer incentive.
- Homeowners may still access matching funds through outside grants.

AHP Changes

While development work of the systems is underway, the Eligibility Screening Tool in the NY HP Portal will continue to calculate the 50% Assisted Subsidy incentive up to \$5,000.

- This could be incorrect and should be disregarded.
- However, **the Project Incentives & Financing Eligibility Summary Report available in the Portal after approval will be manually adjusted and correct.**

Please feel free to add notes to the Portal project or attach a copy of the EFS pre-approval letter, to help aid the CLEAResult staff in identifying these projects.

Transition Support

Transition – What to Expect

Contractor Support staff are available to answer your questions via phone, email, or chat Monday – Friday, 8:30AM – 5:00PM. The HPwES support site and Help Center have also been updated with the new program information.

Throughout the Program transition, please be patient with implementation staff as we diligently strive to ensure that each project approval is issued correctly, using the applicable incentive structure based on submission date and/or workscope expiration date. Job approvals may experience a delay during periods of heavy submission volume.

HPwES Contractor Support Site

POPULAR DOCUMENTS

- 1) 2016-2017 Contractor Resource Manual
- 2) Transition of the Single Family Residential Programs
- 3) Insulation Policy
- 4) Material and Installation (M&I) Guidelines
- 5) So What's Next Brochure
- 6) HPwES Assessment Application
- 7) Customer Information Form NYSERDA
- 8) Customer Information Form PSEGLI
- 9) Residential Credit Application
- 10) HPwES-Subsidy-Application

2016-2017 CONTRACTOR RESOURCE MANUAL



PROGRAM ANNOUNCEMENTS

8/11/16 NYSERDA Participation Agreement & Important Program Updates

8/1/16 Update to Assisted HPwES Income Eligibility Limits

6/14/16 Home Performance Program Update - Assisted Home Performance Subsidy

Sign up for Program Notices [click here!](#)

Helpful Contractor Resources

- hpwescontractorsupport.com
- Contractorsupport@clearresult.com
- Contractor Support: 1-800-284-9069
- hpwes@nyserda.ny.gov

Q & A Session