



Mary Krayeske
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Law Department

July 18, 2022

Honorable Michelle Phillips
Secretary
State of New York Public Service Commission
Three Empire State Plaza
Albany, NY 12223-1350

Re: Case 18-M-0084 – *In the Matter of a Comprehensive Energy Efficiency Initiative*

Dear Secretary Phillips:

As referenced in its June 1, 2022 letter, Con Edison updates the status of the Company's Clean Heat program below,¹ including both air and ground source heat pump categories.

For both air and ground source categories, the Company continues to validate the applications that have been received. Since the Company's June 1 filing, although the number of applications has decreased by a net of 266, the total incentive value has increased by a net of \$2 million. The decrease in applications is mainly driven by natural attrition after review of project applications, whereas the increase in incentive value is generally due to changes resulting from the same review process, as well as increased ground-source activity.²

¹ This update provides information through July 12, 2022.

² These numbers may change as the Company continues to receive Category 3 GSHP residential applications, as those applications undergo internal review, and as contractors respond to Company data and clarification requests.

**Table 1: Forecasted Application Count and Total Incentive Value:
June 1, 2022 vs. July 12, 2022**

	Application Count	Total Incentive Value (\$Million)
As Reported on June 1, 2022	12,659	\$640
As of July 12, 2022	12,393	\$642

Turning to the ground-source categories specifically, on June 1, 2022, the statewide Clean Heat Joint Management Committee (“JMC”) announced a new incentive cap of \$1 million per project for all Clean Heat applications submitted after September 1, 2022. Subsequently, on July 11, 2022, Con Edison announced that it will: (1) waitlist all new applications for large multi-family and Commercial & Industrial (“C&I”) GSHP projects (Categories 4 and 4a) and (2) apply the \$1 million per project incentive cap to these projects effective immediately. The Company is accepting applications for smaller residential GSHP projects.³

The Company respectfully requests that the Commission act on its February 24, 2022 petition⁴ as soon as practicable so that this program that is critical to State and Commission clean energy goals can continue.

Sincerely,

/s/ Mary Krayeske

Mary Krayeske

³ A Commission decision on the Company’s request for Clean Heat funding will determine whether Con Edison can offer incentives to projects on the waitlist in the future, as well as determine what that incentive amount will be.

⁴ Case No. 18-M-0084, *In the Matter of a Comprehensive Energy Efficiency Initiative*, Consolidated Edison Clean Heat Petition (filed February 24, 2022), as updated by the Company’s correspondence titled Con Edison’s February 24, 2022 Clean Heat Petition (filed May 13, 2022), Con Edison’s Updated Letter (filed June 1, 2022), and this letter.