

VALUABLE CHP INCENTIVES TO HELP LOWER YOUR UTILITY BILLS

Why Combined Heat and Power (CHP)?

Con Edison is partnering with NYSERDA and National Grid to reduce electric demand in specific neighborhoods as part of our [Brooklyn Queens Demand Management \(BQDM\) program](#). We're offering incentives for customers who install CHP systems. With CHP you can save money on your utility bills, make your building more resilient, and reduce your carbon footprint.

The deal

Con Edison will match [NYSERDA PON 2568](#) at the base incentive rate (or 100% of the project cost, whichever is less). We will need to verify load reduction on weekdays between noon and midnight from May 1 to September 30, 2018.

CHP could be a good fit for your building if:

- Your electric bill is \$5,000 a month or more
- Your building is master-metered
- Your building is conditioned through centralized hot and chilled water distribution piping, or uses heat for processing year-round

Program Rules and Application Requirements

The program will now accept applications for the 2018 performance year consistent with the program rules.

To qualify for Con Edison's BQDM CHP Program:

- The building must be located within the [BQDM zone](#)
- Submit Letter of Intent (see attachment) by **December 1, 2017** to NeighborhoodProgram@coned.com
- Execute NYSERDA's contract (as per [PON 2568](#)) by **December 1, 2017**
- Complete and submit Con Edison's BQDM Program Agreement by **December 1, 2017**
- Security against underperformance must be provided **60 days** after signing the BQDM Program Agreement and no later than **February 1, 2018**
- The CHP system must be operational by **May 1, 2018**
- Must agree to terms in *Measurement and Verification Plan DG&ES V1.7* for total incentive and third incentive payment calculation

Notes

- Projects must use NYSERDA pre-qualified CHP systems and pre-approved vendors
- NYSERDA offers an additional 10 percent bonus incentive for critical infrastructure facilities AND another additional 10 percent bonus incentive for target zone (BQDM) facilities. Neither of these bonuses is matched by Con Edison.
- Please refer to NYSERDA [PON 2568](#) for more information



EVERYTHING MATTERS



Con Edison/NYSERDA Incentive Structure

	NYSERDA	Con Edison
NYSERDA application completed, all permits approved, major equipment delivered to the site	33%	33%
System fully installed	33%	
System fully commissioned and operational (Con Edison deadline of May 1, 2018)	33%	33%
Critical Infrastructure bonus	+10%	
Targeted Zone (BQDM zone) bonus	+10%	
Performance dependent (weekdays, noon to midnight, May through September)		33%

Potential \$1,800/kW incentive received:

Up to 120%

Up to 100% matching

Learn more

coned.com/en/save-money/rebates-incentives-tax-credits/the-neighborhood-program

NeighborhoodProgram@conEd.com

1-877-870-6118

Letter of Intent – Sample Content

Company Letterhead

Complete areas marked in **BOLD**

Email to NeighborhoodProgram@coned.com by December 1, 2017

[Date]

[Name]

[Address]

[Phone]

[Email]

[Con Edison Account #]

To BQDM CHP Program Manager:

We are writing to inform you of our interest in the Con Edison BQDM CHP Program. We plan to submit our full application with the applicable documentation (as described in NYSEDA PON 2568) to NYSEDA. Additionally, we plan to complete and submit the "BQDM Program Agreement" to Con Edison. We understand that the Program Agreement requires security against underperformance which is due 60 days after signing the Program Agreement and no later than February 1, 2018.

We understand that Con Edison only matches NYSEDA's base incentive from PON 2568. We understand that Con Edison has two additional requirements in order to receive the final third of reimbursement. First, we must have our CHP system operational by May 1, 2018. Second, we must produce load reduction (measured and verified by Con Ed) on weekdays from May 1 to September 30, 2018, between noon and midnight. We understand that the third incentive payment will be prorated by that measured performance as detailed in *Measurement and Verification Plan DG&ES V1.7*.

Estimated CHP system size

The exact terms of the load reduction and system sizing will be agreed upon after a more thorough analysis

[kW per system/facility]

Estimated date for submission of full application to NYSEDA

[MM/DD/YY]

Estimated date that CHP system will be fully commissioned with performance data flowing to NYSEDA's data agent and Commissioning Report submitted

[MM/DD/YY]

In good faith and within our fullest capability, we will adhere to these obligations.

[Sign off]

BQDM CHP Application Checklist & Incentive Payment Schedule

Applicant: _____

Date: _____

Y/N/NA	Date	Initials	Requirements for 1 st BQDM Incentive Payment (33%)	Notes
DUE DECEMBER 1, 2017				
			Signed application to NYSERDA (PON 2568 Attachment A & Attachment B)	
			Documented application approval from NYSERDA	
			NYSERDA Executed Contract (PON 2568 Attachment D)	
			BQDM Letter of Intent	
			BQDM Program Agreement V3.1 signed	
			Addendum 1 – Multi-Facilities Template (optional)	
			Addendum 2 – Additional Specifications (optional)	
			W-9 Form	
DUE FEBRUARY 1, 2018				
			Security Requirement - Letter of Credit or Cash Collateral	
CON EDISON USE ONLY				
			Documented 1 st NYSERDA incentive payment approval from NYSERDA	
			Addendum 2 executed – signed by all parties	

Y/N/NA	Date	Initials	Requirements for 2 nd BQDM Incentive Payment (33%)	Notes
			Documented 3 rd NYSERDA incentive payment approval from NYSERDA by May 1, 2018	

Y/N/NA	Date	Initials	Requirements for 3 rd BQDM Incentive Payment (remainder)	Notes
			Verification of summer period performance	