

Heat Recovery Program PON 5547 Updates

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NYSERDA

Meeting Procedures

- All attendees are muted upon entry
- Questions may be submitted in writing through the Q&A feature at any time during the event
- The chat feature will be disabled
- Today's webinar and Q&As will be posted to: <https://www.nyserda.ny.gov/All-Programs/Heat-Recovery-Program/Heat-Recovery-Project-Development>

Agenda

Program Overview

Category 3 Updates

Category 3 Eligible Projects

Category 3 Proposal Requirements

Questions and Answers

Closing

The Heat Recovery Program offers \$27M in funding across four categories:

Category Name	Funded Activities	Maximum NYSERDA Funding Per Award	Building Eligibility	Application
Category 1: Heat Recovery Opportunity Assessment	Document current operations and define heat recovery opportunity	\$40,000 75% cost-share	Existing building in NYS	Apply before November 17, 2025
Category 2: Heat Recovery Project Design	Develop schematic designs for viable heat recovery project	\$80,000 75% cost-share	All sectors, excluding new construction and single family	
Category 3: Heat Recovery Demonstration	Implement eligible heat recovery projects	\$2,000,000 (new) 50% cost-share OR 75% for DAC or Affordable Multifamily	(new) Both SBC and non-SBC customers	Submit proposal Round 2 due June 3, 2025
Category 4: Manufacturer Growth Initiative	Business development for Manufacturers qualified under RFQL 5217 - Heat Recovery Solutions	\$100,000 75% cost-share	N/A	Apply to RFQL 5217 , then apply to Category 4 before November 17, 2025

Category 3: Heat Recovery Demonstration Overview

Competitive implementation funding for projects that can demonstrate replicable approaches to deploying innovative heat recovery solutions in existing buildings

- Round 2 proposals due June 3, 3PM ET
- Up to \$2M per award
- (new) For Projects located in disadvantaged communities or consisting of Affordable Multifamily Housing, the Project Team must contribute a minimum of 25% of the total Project cost. For all other Projects, the Project Team must contribute a minimum of 50% of the total Project cost
- (new) Limited funding to support non-SBC customers
- Construction must begin within 1 year of award, but not before award
- Projects that have received or plan to receive incentives from other programs in the Clean Energy Fund or utility administered incentives are **not eligible to receive funding for the same measures and activities within the Heat Recovery Program.**

Eligibility

What projects are eligible?

- Design must include the following four (4) components: waste heat source, heat transfer technology, transfer medium, and heat sink
- Be an innovative heat recovery solution
- Completed feasibility study (ex: Category 1 Heat Recovery Opportunity Assessment or FlexTech study)
- Completed Basis of Design (BOD) narrative, or one-line concept diagrams or schematic design drawings (ex: Category 2 Project Design deliverables)
- Must begin construction within 1 year of, and not before, the NYSERDA contract execution

Eligibility

Who can apply?

- Project team must include an eligible consultant and a customer representing an eligible building
- Any party of the project team can apply
- Funding will be dispersed to the applicant

What costs are eligible?

Ineligible expenses:

- NYSERDA will not pay for efforts which have already been undertaken. The project team cannot claim as cost-share in their proposal any expenses that have already been incurred.

Eligible expenses:

- The fees for both primary and subcontracted architects, consultants and engineers.
- Implementation expenses, including construction labor and material costs.

Other funding conditions

- Projects that have received or plan to receive incentives from other programs in the [Clean Energy Fund](#) or utility administered incentives **are not eligible to receive funding for the same measures and activities within the Heat Recovery Program.**
- Selected proposals will work with the NYSERDA team to qualify their proposed solutions through RFQL 5217 - Heat Recovery Solutions

Proposal Process

Complete
feasibility study

Complete design
concept

June
Submit Proposal

June - Aug
NYSERDA
evaluation

Sep - Dec
Funding
awarded,
develop contract
between
awardee and
NYSERDA

Construction
begins within 1
year from
contract
execution

Proposal Requirements

How to submit?

- Submit proposal via the “Apply Online” link on [Heat Recovery Project Development Program - Category 3 Demonstration](#)
- Round 2 proposals due June 3, 2025 by 3:00 PM ET.

What to submit?

- Proposal (must use Proposal Template [Attachment C-1](#))
- Budget (can use Budget [Attachment B](#))
- Opportunity Assessment or equivalent feasibility study
- Design Concept: Basis of Design (BOD) narrative, or one-line concept diagrams or schematic design drawings

Proposal Guidance

Scoring committee members can only evaluate the project based on what is provided in the proposal.

Provide technical details and clearly articulate the strengths of the proposal.

Evaluation Criteria:

1. Impact

- The proposed heat recovery solution represents a method or technology that goes beyond conventional approaches, prioritizing forward-thinking designs over standard, code-compliant, and widely adopted practices in NYS.
- The GHG emissions reduction and energy savings from this Project are significant and credible. In terms of energy savings, the proposal examines the Project's impact on the grid and explains that the impact will be beneficial.
- The reuse of waste heat from the Project is significant and credible.
- The proposal explains the non-energy benefits resulting from the Project, such as improved indoor air quality, better occupant comfort, job creation, enhanced resilience, etc.
- The Project Team has the capacity and expertise needed to implement the proposed Project.
- The Project design is well defined and comprehensive. The proposal includes a well-articulated Basis of Design that is accompanied by comprehensive schematic design drawings or detailed concept diagrams.
- The proposal integrates the heat recovery solution seamlessly into the overall Project design, demonstrating that the solution is a core component rather than an add-on.

Evaluation Criteria:

2. Scalability

- The proposal explains that the heat recovery solution has strong potential for widespread adoption within the proposer's NYS portfolio or by the broader NYS market. The proposal provides the square footage or count of existing buildings within the proposer's NYS portfolio, and/or in NYS in general, that are similar to the proposed building and have potential to replicate the proposal's approach.
- The proposal explains other factors that could positively impact the Project's replication potential, such as ease of implementation, commitment from the building owner to replicate this solution across their portfolio or lead time of equipment and its impact on adoption.
- All aspects of the proposed solution are readily deployable for future sites. The proposal explains the commercial readiness of proposed solution, such as if the solution has AHRI certification.

Evaluation Criteria:

3. Cost Effectiveness

- The Project Team demonstrates commitment by providing significant private investment. The level of private investment is appropriate for the building ownership and building type.
- The proposal identifies funding sources or a financing strategy for implementation.
- The Project cost is reasonable, and a detailed budget is provided that shows hours and dollars allocated to each task.
- The proposal examines the costs and benefits of the Project in terms of total investment relative to the energy and carbon intensity improvements, using metrics such as cost per MMBtu reduction and cost per ton of CO₂e reduction.

Q&A

Please type your questions in the Q&A tool

- All questions and answers will be available on the Heat Recovery Project Development webpage: <https://www.nyserda.ny.gov/All-Programs/Heat-Recovery-Program/Heat-Recovery-Project-Development>
- Send questions to HeatRecovery@nyserda.ny.gov

Thank you

Please connect with us by emailing

HeatRecovery@nyserda.ny.gov



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