



Residential HVAC Program Guide

WARMAdvantage & COOLAdvantage Programs

For Fiscal Year 2018

(7/1/2017 through 6/30/2018)

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## 1. Overall Program Description

The HVAC *WARM*Advantage and *COOL*Advantage programs are designed to increase the sales and installation of high efficiency heating, water heating, and air conditioning or heat pump appliances in residential applications. Specifically, it covers HVAC purchases made by existing gas and electric customers of the seven investor-owned utilities (IOUs) in New Jersey (which together serve more than 98% of households in the state). Purchases made by oil, propane, and municipal electric customers may also be covered with limited Federal funding (when available).

The programs are designed to reduce the energy usage within the existing housing stock, therefore, new homes are not eligible for HVAC incentives. Customers who are installing new or are retro-fitting heating systems, water heating, air conditioning or heat pump systems for their homes may be eligible for incentives if the units purchased and installed meet minimum efficiency and quality installation standards. Unit minimum efficiency performance criteria are shown in Tables 1 and 2 in Section 4 of this guide.

*New Jersey's Clean Energy Program* (NJCEP) encourages Customers to have their installing Contractor submit the application on their behalf, which can be done in two ways:

- Via the [NJCEP online portal](#), enter application details and upload supporting documents (PREFERRED)or
- Mail a completed NJCEP *WARM*Advantage or *COOL*Advantage application form with supporting documents to *New Jersey's Clean Energy Program*, 75 Lincoln Highway, Suite 100, Iselin, NJ 08830-1533.

## 2. Links to Website Forms and Portals

The below links route specifically to the *WARM*Advantage and *COOL*Advantage program pages. You can reach the NJCEP online portal to submit an application from these pages:

[www.NJCleanEnergy.com/COOL](http://www.NJCleanEnergy.com/COOL)  
[www.NJCleanEnergy.com/WARM](http://www.NJCleanEnergy.com/WARM)

## 3. Program Eligibility

*COOL*Advantage Program:

### Single-Family Homes:

- Customers are eligible for the incentives if they are a current residential electric account holder for Atlantic City Electric, Jersey Central Power and Light, PSE&G, or Rockland Electric. Funding/eligibility for customers of any of the various Municipal Electric Coops (example Vineland Electric) is limited.
- Incentives are available for the installation of qualified residential HVAC cooling systems in an existing single-family home. Customers must purchase a high efficiency electric central air

conditioner, central air source heat pump, mini-split central a/c, mini-split heat pump , or mini-split cold climate heat pump (plus up to 5 indoor units, with restrictions noted in Section 4, Table 1). Both the condenser and coil must be replaced or installed as a matched set.

- The equipment must be properly sized as shown using ACCA Manual J and S calculations. Equipment types, minimum efficiency criteria with associated incentives are shown in Section 4, Table 1 of this guide.

Multi-Family Homes and Apartment Complexes:

- Customers are eligible for the incentives if they are a current residential electric account holder for Atlantic City Electric, Jersey Central Power and Light, PSE&G, Rockland Electric. Funding/eligibility of any of the various Municipal Electric Coops is limited.
- Incentives are available for the installation of qualified residential HVAC cooling systems in an existing multi-family home, or apartment complex. For multi-family homes or apartment complexes, the utility account must be a residential (non-commercial) account. Accounts can be in the name of corporations, LLCs, or tenants, as long as it is a residential account. Incentives can be assigned to the landlord or entity other than the tenant.
- Customers must purchase a high efficiency electric central air conditioner, central air source heat pump, mini-split central a/c, mini-split heat pump, or mini-split cold climate heat pump (plus up to 5 indoor units, with restrictions noted in Section 4, Table 1). Both the condenser and coil must be replaced or installed as a matched set.
- The equipment must also be properly sized as shown using ACCA Manual J and S calculations. Equipment types, minimum efficiency criteria with associated incentives are shown in Section 4, Table 1 of this guide.

Updates for FY 2018 COOLAdvantage program:

- The geothermal heat pump rebate has been discontinued for units purchased on or after August 1, 2017.
- Effective July 1, 2017, a new measure for mini-split heat pumps was added to provide an incentive for units listed by NEEP as meeting their cold climate heat pump specifications. In addition to a \$500 incentive, the measure includes an additional bonus incentive of \$200 for each indoor unit installed (maximum 5 indoor unit bonus rebates per household) along with an eligible mini-split cold-climate air source heat pump, if the dwelling has existing electric resistance heating and does not have natural gas service on the property.

WARMAdvantage Program:

Single-Family Homes:

- Customers are eligible for the incentives if they are a current residential natural gas account holder for New Jersey Natural Gas, Elizabethtown Gas, PSE&G, or South Jersey Gas. Funding/Eligibility of homes heated by oil or propane is limited. Incentives are available for the installation of qualified residential heating or water heating equipment in all existing single-family homes.

- Customers must purchase a high efficiency furnace, boiler, and/or water heater. Equipment types, minimum efficiency criteria, and incentives are shown in Section 4, Table 2 in this guide.

Multi-Family Homes and Apartment Complexes:

- Customers are eligible for the incentives if they are a current residential natural gas account holder for New Jersey Natural Gas, Elizabethtown Gas, PSE&G, or South Jersey Gas. Funding/eligibility of a home that is heated by oil or propane is limited.
- Incentives are available for the installation of qualified residential HVAC heating systems in an existing multi-family home, or apartment complex. For multi-family homes or apartment complexes, the utility account must be a residential (non-commercial) account. Accounts can be in the name of corporations, LLCs, or tenants, as long as it is a residential account. Incentives can be assigned to the landlord or entity other than the tenant.
- Customers must purchase a high efficiency furnace, boiler, and/or water heater. Equipment types, minimum efficiency criteria with associated incentives are shown in Section 4, Table 2 of this guide.

Updates for FY 2018 *WARMA* Advantage program:

- The solar water heater rebate has been discontinued for units purchased on or after August 1, 2017.
- NOTE: The U.S. Department of Energy (DOE) has revised the methods for testing and rating of water heater units based on capacity, a modified first hour rating, and type of usage/ draw patterns. The eligible measures document reflects that change in rating of water heaters from the Energy Factor (EF) to Uniform Energy Factor (UEF). Refer to the FY 2018 eligible measures document for additional details found on [NJCleanEnergy.com/HVACPORTAL](http://NJCleanEnergy.com/HVACPORTAL)

Not Eligible for the Programs (as mentioned above):

- Heating/cooling or domestic hot water equipment installed in commercial buildings or on a commercial account;
- Heating/cooling or domestic hot water equipment installed in New Homes;
- Geothermal and solar water heaters (see above section).
- Any heating/cooling equipment installed that is not correctly sized for the home or any equipment installed without required applicable permit/s or license.

## 4. Incentives

Tables 1 and 2 contain the qualifying heating, water heating, and cooling equipment, the minimum efficiency criteria the units have to meet, and the incentive levels.

Table 1: COOLAdvantage Program Incentives

Air Source Equipment Type		Minimum** Efficiency Criteria	Sizing and Selection	Incentive
Central Air Conditioner	Tier 1	16 SEER, 13 EER system efficiency (i.e. combined compressor, coil, and air handler if applicable)	ACCA Manual J and Manual S calculations are required, showing that the installed equipment is sized correctly* for the dwelling.	\$300
	Tier 2	18 SEER, 13 EER system efficiency (i.e. combined compressor, coil, and air handler if applicable)		\$500
Central Heat Pump	Tier 1	16 SEER, 13 EER, 10 HSPF system efficiency (i.e. combined compressor, coil, and air handler)		\$300
	Tier 2	18 SEER, 13 EER, 10 HSPF system efficiency (i.e. combined compressor, coil, and air handler)		\$500
Mini-Split A/C		20 SEER, 12.5 EER system efficiency (i.e. combined outdoor and indoor units)		\$500
Mini-Split Heat Pump		20 SEER, 12.5 EER, 10 HSPF system efficiency (i.e. combined outdoor and indoor units)		\$500
Mini-Split Cold Climate Air Source Heat Pump (CCASHP)		Must be listed by NEEP <a href="http://www.neep.org/initiatives/high-efficiency-products/emerging-technologies/ashp/cold-climate-air-source-heat-pump">http://www.neep.org/initiatives/high-efficiency-products/emerging-technologies/ashp/cold-climate-air-source-heat-pump</a> .		\$500
		<b>Additional system rebate per connected manufacturer matched indoor unit</b> (max 5 indoor unit rebates, max 1 system rebate per home) Mini-Split Cold Climate Air Source Heat Pump must be augmenting existing electric resistance heating with no natural gas service available at the home.		\$200 per unit (max 5)
<p>* To be sized correctly, the dwelling's cooling and, if applicable, heating load must be estimated consistent with ACCA Manual J procedures, and the capacity of the equipment installed must be selected in accordance with ACCA Manual S procedures and the manufacturer's detailed/expanded performance data, if available from the manufacturer.</p> <p>** Minimum efficiency ratings are based on combined component system efficiencies and must be verified with AHRI Certificate; efficiencies may not be rounded up.</p>				

Table 2: WARMAdvantage Program Incentives

Equipment Type		Minimum Efficiency Criteria	Sizing and Selection	Incentive
Furnace	Natural Gas/Propane	Tier 1	ACCA Manual J and Manual S calculations, showing that the installed equipment is sized correctly* for the dwelling.	\$250
		Tier 2		\$500
	Oil	\$250		
Boiler	Natural Gas/Propane			\$300
	Oil			\$300
Water Heater	Natural Gas/Propane	<b>Tankless - On-Demand</b>	<2 gallons & Energy Factor -EF 0.82 / Uniform Energy Factor – UEF 0.79, or greater	\$300
		<b>Tank, Power-vented</b>	≤55 gallons & Energy Factor - EF 0.67 / Uniform Energy Factor – UEF 0.64, or greater <b>OR</b> >55 gallons & Thermal Efficiency -TE 90%/Uniform Energy Factor -UEF 0.85, or greater	\$300
	Electric	<b>Heat Pump</b>	Energy Factor - EF 2.0 / Uniform Energy Factor – UEF 2.0, or greater	\$500

<b>Furnace and Water Heater Combination</b>	Qualifying Tier 1 natural gas/ propane furnace (above) <u>AND</u> a qualifying water heater (above)	<b>\$700</b>
	Qualifying Tier 2 natural gas/ propane furnace (above) <u>AND</u> a qualifying water heater (above)	<b>\$950</b>
<b>Boiler and Water Heater Combination</b>	<ul style="list-style-type: none"> <li>• Combi-boiler – an integrated unit, combining a water heater and a qualifying boiler (above)</li> <li>• Qualifying stand-alone water heater (above) <u>AND</u> a qualifying boiler (above)</li> <li>• Indirect water heater attached to a qualifying boiler (above)</li> </ul>	<b>\$700</b>

### Oil, Propane, or Municipal Electric Customers

*WARM*Advantage customers who have purchased and installed high efficiency heating systems in a home heated by oil or propane or *COOL*Advantage customers who reside in an area that has electricity provided by one of the municipal electric coop companies are eligible to participate in the programs. However, the funding for these customers is provided through the United States Department of Energy (DOE) State Energy Program (SEP). As such, the funding is limited and is subject to closure at any time. Updates on funding availability can be found here: <http://www.njcleanenergy.com/residential/programs/comfort-partners/oil-propane-and-municipal-electric-customers>

## 5. Required Supporting Documentation

Two online portals can be used to upload documents; the Customer Portal is for the general public to use, while the Contractor Portal is for contractors. A training recording and an HVAC portal guide are posted on the NJCEP website with instructions on how to use the portal. The benefit of applying online is that applications will be able to be tracked as they are processed.

Supporting documentation must be included as part of the application submittal which includes:

1. A contractor to customer contract, invoice, supplier invoice (if self-install or similar situation), or proposal marked Paid. The invoice must include the customer's name and address as well as purchase date. If the appliance is financed via a utility bill or retailer payment plan, notation on the invoice to that effect is required.
2. A copy of the ACCA Manual J load report and indication that system was selected according to ACCA Manual S are required with the installation of either heating or cooling equipment, but not required for the installation of a water heater alone.
3. A building permit number, a copy of the permit, or a copy of the building permit application submitted to the homeowner's municipality if a permit number has not yet been provided by the municipality.
4. A copy of the AHRI Certificate for any heating, cooling, or domestic hot water equipment for which a rebate is being applied for.
  - a. Cold climate mini-split heat pumps units, a copy of the NEEP (Northeast Energy Efficiency Partnerships) listing of approved equipment must be submitted that includes the model of the installed unit. The listing may be found [on this link](#).
  - b. For mini-split cold climate air source heat pumps applying for the bonus incentive for one to five indoor units, the NEEP (Northeast Energy Efficiency Partnerships) listing of approved equipment must be submitted, along with a copy of an electric utility bill for the home.

If email addresses have been provided for the contractor and customer, a notification will be sent acknowledging receipt of the application. If an email address has not been provided, a letter will be mailed. If an application is found to be incomplete, the customer and contractor will be notified and must provide the information with 30 days in order to remain eligible for the rebate. If the information is not provided after 30 days, the application will be rejected and the customer and contractor will be notified.

Applicants will also be notified if it is determined that their application is ineligible or otherwise does not meet program requirements.

## 6. Terms and Conditions

In addition to the heating or cooling equipment meeting the minimum efficiency criteria, there are other terms and conditions that must be met. The below items outline additional terms.

- The unit must be purchased, installed, and operating in a New Jersey home at the time of application submittal.
- Applications must be post-marked within 180 days of the purchase date.
- The programs are based on availability of funds and procedures, requirements, and rebate levels are subject to change without notice.
- Failure to provide any of the required information will prevent processing of your application.
- *New Jersey's Clean Energy Program* reserves the right to inspect all installations in order to ensure compliance with program requirements.
- Installations are required to comply with State and local mechanical, plumbing, electrical and building codes, permits, permit inspections, regulations, and any other requirements applicable under federal, state, and local jurisdictions.
- Customers participating in other programs such as Weatherization Assistance Programs or Home Performance with ENERGY STAR may not be eligible for rebates.

## 7. Inspections

*New Jersey's Clean Energy Program* reserves the right to inspect the equipment purchased and installed in homes. An inspector may come to the home, building, or complex to verify that the unit's model and serial numbers match to the unit information submitted on the application that is eligible for the incentive. Please note that this inspection is not the required code/permit inspection required by the local municipality.

If any visible issues or visible unsafe conditions are found at the time of inspection pertaining to the installation of the unit, the inspector will discuss with the applicant so that they can be resolved. If the unit is found to fail the inspection, it may suspend the processing of the incentive application pending resolution of the issue(s). It may also lead to the unit being disqualified from being eligible for incentives.

A scheduler will contact the applicant via phone or email to setup the appointment. Appointments occur during normal business hours Monday thru Friday and the inspector will carry identification.



## 8. Incentive Payments

Once the mail-in rebate form or online application (preferred) is submitted to the program, it will be reviewed per the program rules and eligibility requirements. Once approved, it may take up to 120 days to issue the rebate which will arrive in the form of a check payable to the payee as indicated on the application. Checks are valid for 90 days and must be deposited or they will be voided. If a check needs to be re-issued for any reason, customers may contact a representative at 866-NJSMART.

## 9. Program Dispute Resolution

If the Program determines that the unit purchased or applicant does not conform to the program terms and conditions, the application will be rejected. The application may also be rejected if it is deemed incomplete and there is no response to a request for missing information.

Disputes, concerns, or complaints that arise will be addressed initially by the Program Manager or Program Staff at the point of contact (see call center section below). If resolution for whatever reason is not possible, there is a [dispute resolution process](#) backed by the NJ Board of Public Utilities.

For contractual disputes between a customer and the installing contractor or retailer, the NJ Division of Consumer Affairs (DCA) is the point of contact and the agency has an online complaint form.

<http://www.njconsumeraffairs.gov/ocp/>

The program is designed to allow for participation by any licensed contractor. There are BPU approved contractor remediation procedures that will be followed if a contractor is found to violate program procedures and rules or consistently violates program requirements which may include being barred from participating in the program.

## 10. Call Center Support

*New Jersey's Clean Energy Program* operates a call center staffed weekdays between 8 AM and 7 PM. The phone number is 866-NJSMART. The call center is trained in answering general questions about the programs and application processes as well as able to provide specific information pertaining to an application.