



# Residential HVAC Program Guide

## *WARM*Advantage & *COOL*Advantage Programs

For Fiscal Year 2021  
(10/1/2020 through 6/30/2021)

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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 retrofitting 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:

- Customers are eligible for 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 Co-ops (e.g., Vineland Electric) is limited.
- Incentives are available for the installation of qualified residential HVAC cooling or heat pump system in existing single-family detached homes, townhomes, and multifamily buildings.

- Customers must purchase and install a high efficiency electric central air conditioner, central air source heat pump, mini-split central a/c, or mini-split heat pump, with restrictions noted in Section 4, Table 1). All components of the system necessary to meet the specified minimum efficiency requirements must be newly purchased and installed (e.g., condenser and coil, condenser and air handler, condenser, coil and furnace) as a matched set as listed on the supporting documentation of the efficiency ratings.
- The equipment must be selected in accordance to ACCA Manual S sizing criteria based on accurate heating and cooling load calculations in accordance with ACCA Manual J. Oversized equipment may result in comfort issues and poor performance.

WARMAvantage Program:

- Customers are eligible for 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.
- Incentives are available for the installation of qualified residential HVAC cooling or heat pump system in existing single-family detached homes, townhomes, and multi-family buildings.
- Customers must purchase and install 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.
- The equipment must be selected in accordance to ACCA Manual S sizing criteria based on accurate heating and cooling load calculations in accordance with ACCA Manual J. Oversized equipment may result in comfort issues and poor performance.

Not Eligible for the Programs (as mentioned above):

- Heating/cooling or domestic hot water equipment installed in new construction, commercial buildings, on a commercial account
- Geothermal heat pumps and solar water heaters.
- Any heating, cooling or domestic hot water 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 must meet, and the incentive levels.

Table 1: COOLAdvantage Program Incentives

Equipment Type		Minimum* Efficiency Criteria	Incentive
Central Air Conditioner**	Tier 1	16 SEER, 13 EER system efficiency (i.e. combined compressor, coil, and air handler if applicable)	\$300
	Tier 2	18 SEER, 13 EER system efficiency (i.e. combined compressor, coil, and air handler if applicable)	\$500
Central Air Source Heat Pump**	Tier 1	16 SEER, 13 EER, 10 HSPF system efficiency (i.e. combined compressor, coil, and air handler)	\$600
	Tier 2	18 SEER, 13 EER, 10 HSPF system efficiency (i.e. combined compressor, coil, and air handler)	\$1,000
Mini-Split Air Conditioner**		20 SEER, 12.5 EER system efficiency (i.e. combined outdoor and indoor units)	\$500
Air-to-Water Heat Pump		COP @ 5°F ≥ 1.75 (at full load capacity @ 110° water temp) & IPLV ≥ 18 if unit is capable of providing cooling	\$2,000
Mini-Split Cold Climate Air Source Heat Pump (CCASHP)**		Single zone ductless, 20 SEER, 12 EER & 12 HSPF, COP 1.75 @ 5°F	\$1,000
		Multi-zone, compact or centrally ducted 18 SEER, 12 EER, 10 HSPF, COP 1.75 @ 5°F	\$2,000
Bonus Incentive: Homeowners may be eligible for additional incentives for the purchase of qualifying equipment (above). Requires verification of one of the following: Low to Moderate Income (LMI), the dwelling is located in an Urban Enterprise Zone (UEZ), or the dwelling is designated as Affordable Housing for the same amount. However, residents may benefit from either the UEZ incentive or LMI, not both.			\$200 per measure

\*All components of the system necessary to meet the specified minimum efficiency requirements must be newly purchased and installed (e.g., both the condenser and coil, condenser and air handler, condenser, coil and furnace) must be replaced or installed as a matched set as listed on the supporting documentation of the efficiency ratings

\*\*For the avoidance of doubt, the equipment description in these sources will be applied regardless of how the applicant intends to use the equipment. For example, if the AHRI certification describes a unit as a "heat pump," it will be subject to the minimum requirements applicable to a heat pump even if the applicant intends to use it only as an air conditioner.

Table 2: WARMAdvantage Program Incentives

Equipment Type		Minimum Efficiency Criteria		Incentive
<b>Furnace</b>	Natural Gas/ Propane	Tier 1	Annual Fuel Utilization Efficiency (AFUE) 95% or greater	<b>\$250</b>
		Tier 2	AFUE 97% or greater	<b>\$500</b>
	Oil		AFUE 85% or greater	<b>\$250</b>
<b>Boiler</b>	Natural Gas/ Propane	Hydronic	AFUE 90% or greater	<b>\$300</b>
	Oil		AFUE 87% or greater	<b>\$300</b>
<b>Water Heater</b>	Natural Gas/ Propane	<b>Tankless - On-Demand</b>	<2 gallons & Uniform Energy Factor – UEF 0.90, or greater	<b>\$300</b>
		<b>Tank, Power-vented</b>	≤55 gallons & Uniform Energy Factor – UEF 0.64, or greater <b>OR</b> >55 gallons & Uniform Energy Factor -UEF 0.85, or greater	<b>\$300</b>
	Electric	<b>Heat Pump</b>	Uniform Energy Factor – UEF 2.0, or greater	<b>\$750</b>
<b>Furnace and Water Heater Combination</b>		Qualifying Tier 1 natural gas/ propane furnace (above) <b>AND</b> a qualifying water heater (above)		<b>\$700</b>
		Qualifying Tier 2 natural gas/ propane furnace (above) <b>AND</b> 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) <b>AND</b> a qualifying boiler (above)</li> <li>• Indirect water heater attached to a qualifying boiler (above)</li> </ul>		<b>\$700</b>
<p>Bonus Incentive: Homeowners may be eligible for additional incentives for the purchase of qualifying equipment (above). Requires verification of one of the following: Low to Moderate Income (LMI), the dwelling is located in an Urban Enterprise Zone (UEZ), or the dwelling is designated as Affordable Housing. However, homeowners may benefit from only one type of bonus incentive.</p>				<b>\$200 per measure</b>
<p>*All components of the system necessary to meet the specified minimum efficiency requirements must be newly purchased and installed (e.g., both the condenser and coil, condenser and air handler, condenser, coil and furnace) must be replaced or installed as a matched set as listed on the supporting documentation of the efficiency ratings</p>				

### Oil, Propane, or Municipal Electric Customers

WARMAdvantage customers who have purchased and installed high efficiency heating systems in a home heated by oil or propane or COOLAdvantage customers who reside in an area that has electricity provided by one of the municipal electric co-op 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 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.
  - a. To confirm equipment serial numbers, we require submission of at least one of the below documents:
    - i. UPC label
    - ii. Distributor/supply house invoice
    - iii. Copy of warranty registration
    - iv. Photo of the name plate
2. 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.
3. A copy of the AHRI Certificate for any heating, cooling, or domestic hot water equipment for which a rebate is being applied for.
  - a. For cold climate mini-split heat pumps units only, a copy of the manufacturer's efficiency ratings specification sheet or a printout of the efficiency ratings from a listing website of approved equipment must be submitted that includes the model of the installed unit, SEER, EER, HSPF and COP @ 5°F ≥1.75. Air to water heat pumps COP @ 5°F ≥1.75 (at full load capacity @ 110° water temp) & IPLV ≥ 18 if unit is capable of providing cooling.
4. Customers that are eligible for the UEZ bonus incentive will be verified by the New Jersey's UEZ website. UEZ project location must be confirmed via submittal of a printout of the screenshot from <https://www.arcgis.com/apps/webappviewer/index.html?id=96ec274c50a34890b23263f101e4ad9b> showing the exact address of the project site.
5. Customers that are eligible for the LMI bonus incentive, may use [this chart](#) <https://www.energyfinancesolutions.com/forhomeowners-nj-lmi-income-verification> to evaluate their eligibility; however they must apply for the additional incentives via <https://app.energyfinancesolutions.com/consumerportal/Default.aspx>. If approved, a

- resident will receive a letter from EFS stating that their income qualifies them for a bonus incentive. The resident should keep the letter, copy it, and have the contractor submit it with their WARMAdvantage/COOLAdvantage application(s); otherwise, the resident may submit it directly to the program. Renters, landlords, and corporations are eligible to apply.
6. Customers eligible for affordable housing refers to any housing that an official document identifies as participating in a federal, state, or local affordable housing program. This includes, by way of example only, the New Jersey Department of Community Affairs listing of Affordable Housing available at <https://www.state.nj.us/dca/divisions/codes/publications/developments.html>. This may also include official documents showing identification from the New Jersey Housing and Mortgage Finance Agency, United States Low Income Housing Tax Credit (LIHTC), and United States Housing and Urban Development (HUD).

Once the application is submitted through the Portal, a confirmation page will be displayed with a RBT number assigned for the application. 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, other terms and conditions must be met, as outlined below.

- 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 (i.e., contract/invoice date or customer signature date on contract/invoice).
- 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 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 visibly 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 or send an email to [NJCEPChecks@NJCleanEnergy.com](mailto:NJCEPChecks@NJCleanEnergy.com).

## 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. BPU approved contractor remediation procedures 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 866-657-6278. 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.