



September 4, 2024

VIA ELECTRONIC FILING

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

Re: Case 18-E-0130 – In the Matter of Energy Storage Deployment Program

Dear Secretary Phillips:

Consolidated Edison Company of New York, Inc. and Orange & Rockland Utilities, Inc. (collectively, the Companies) hereby announce to stakeholders their intent to release a new Utility Dispatch Rights (UDR) request for proposal (RFP) for both transmission and distribution connected storage systems that will begin commercial operations by the end of 2030. This RFP incorporates updates from the Public Service Commission's June 20, 2024 Storage Order,¹ following the December 13, 2018 Order that originally authorized UDR, which provides state Utilities the opportunity to continue conducting UDR solicitations. The Companies view UDR projects as a critical opportunity to facilitate the deployment of higher-value storage on their transmission and distribution systems. Therefore, this procurement will be one of a series of procurements that the Companies intend to hold at regular intervals.

The Companies plan to release a joint RFP in Q4 of 2024 along with an updated implementation plan around the same time. In anticipation of these releases, we describe key features of the upcoming RFP below to help participants plan:

1. The materials collected via the RFP process will largely resemble our 2022 RFP.² We expect the Term Sheet and Energy Storage Services Agreement (ESSA) to be similar to the 2022 RFP including opportunities for contract lengths of up to 15 years.

¹ Case 18-E-0130, In the Matter of Energy Storage Deployment Program, *Order Establishing Energy Storage Goal and Deployment Policy* (issued June 20, 2024).

² <https://www.coned.com/en/business-partners/business-opportunities/energy-storage-request-for-proposals>



2. The Companies will offer distribution connected projects an opportunity to submit bids priced in a manner that assumes distribution charging costs will be paid for by the Companies rather than by the bidder.
3. Distribution connected projects must have entered the applicable Standardized Interconnection Requirements (SIR) or Utility System Interconnection Study (USIS) prior to submitting a Phase One bid. Transmission connected projects are still required to have obtained Capacity Resource Interconnection Service (CRIS) rights through a Class Year or Cluster Study process.
4. The Companies will evaluate bids with proposed interconnections that match the contingency design level of load. Bidders should plan an interconnection design to match the area's level of reliability. For example, if the service territory requires new load to be interconnected at an N-2 reliability design, then the energy storage solution must be interconnected at the N-2 reliability standard.
5. The Company is seeking developer feedback on topics including alternative contract structures, appropriate procurement intervals, an opportunity for a multi-project "portfolio" approach, as well as general comments and observations.

To incorporate stakeholder feedback into the forthcoming RFP, the Companies will offer prospective bidders an opportunity to schedule 60-minute virtual conversations with the bulk storage procurement team. If interested, please send several suggested meeting options (date and time) for September and early October to the Utility Dispatch Rights Team at bulkstoragerfp@coned.com. All such meetings must be scheduled no later than Friday, September 20, 2024.

Please contact me with any questions regarding this notice.

Truly,

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