CECONY’s and O&R’s best thinking is reflected in these answers; the Companies reserve the right to modify them as circumstances develop. Any changes will be clearly posted on this website.

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1 Please note this Q&A document is in addition to the Q&A previously posted in a separate document. The two sets of Q&A have not been combined. Interested parties should reference both documents to see all posted Q&A.
PREQUALIFICATION AND ELIGIBILITY

Q1: Must the prequalification information be provided to both ConEd and O&R? Or will both review the same documents?

A1: One prequalification submission will suffice for both Con Edison and O&R considerations.

Q2: Section 2.3: “...new systems eligible for Value Stack compensation are ineligible to participate.” – Can ConEd please define this further?

A2: Systems eligible for Value Stack (aka VDER) are not eligible to participate in this solicitation.

Q3: Appendix A, Paragraph #7, the commitments and contingencies are in association with this RFP only?

A3: Yes.

Q4: Appendix A, Is paragraph #8 duplicative of paragraph #7?

A4: Yes. A typo.

Q5: In Prequalification Questionnaire, Developer Experience Paragraphs #1 and #2 - What qualifies as “energy storage projects”? E.g., battery, flywheel, pumped hydro, compressed air, thermal, other?

A5: Any energy storage projects that will support the evaluation of the developer’s experience in the proposed project(s) for this RFP.

Q6: In Prequalification Questionnaire, Developer Experience Paragraphs #3 and #4 - What qualifies as a “non-storage” project?

A6: Non-storage electric generation, distributed generation, or other projects that will support the evaluation of the developer’s experience in the proposed project(s) for this RFP.
Q&A Related to CECONY and O&R Draft Bulk Energy Storage Request for Proposals

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Q7: Are solar-plus-storage projects and combustion turbine-plus-storage projects eligible for the RFP?

A7: Storage must be separately metered and separately modeled by the NYISO. So in effect the storage must be capable of operating as a standalone asset regardless if it is co-located with a generation asset or not.

OFFER SUBMISSION

Q8: Appendix B: Is the Bidder expected to include full capital costs in their offer?

A8: It is the Bidder’s prerogative what to include in their Offer. Given the expectation of residual values after the utility contract term, it is expected the Offer price is not the Bidder’s full revenue requirement.

Q9: The compressed schedule from the originally proposed November 1 to October 1 puts significant time pressure on developers in order to submit the lowest cost proposals to Con Ed. Consider that project costs will be lower by shifting the submission date back to November 1. Will Con Ed change the submission date back to November 1?

A9: The submission deadline will move back to November 1. The change will be reflected in the final RFP documents.

Q10: What financial models/projections should be submitted for the three years of audited historical statements? Do we need to give the statements of our corporation and/or the projections of the energy storage project?

A10: The reference to “financial models/projections” was a typo and will be removed in the final documents.

Q11: Do all proposed projects need to be submitted on the same PDF?

A11: Each Offer should be provided in a single PDF. Single Offer, single PDF. Multiple Offers require separate PDFs for each Offer.
**Q&A Related to CECONY and O&R Draft Bulk Energy Storage Request for Proposals**

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**Q12:** Can a Bidder provide two (2) variations of the Offer where the variations are the same MW size but provide alternate capabilities? E.g., one variation is a “base case” and the second variation adds stacked capabilities.

**A12:** No.

**Q13:** Could ConEd please clarify whether bidders are required to provide an additional $20,000 Offer Fee for offer variations (i.e., projects at the same location with a different MW output) or whether a single $20,000 Offer Fee is sufficient for the base offer and the two additional variations?

**A13:** A single Offer Fee for a base offer and allowable variations. For each individual Offer, a separate Offer Fee must be provided.

**Q14:** In the event ConEd terminates the RFP prior to evaluating Bidder’s or Bidders’ submittals, will the “Offer Fee” should be returned?

**A14:** Yes. The details for Offer Fee refunds will be included in the final RFP documents.

**Q15:** When ConEd solicits proposals for other commodities such as power transformers, conductor, breakers, etc., do you also require an Offer Fee?

**A15:** Other solicitations are not relevant to this procurement. The Offer Fee is a requirement of this RFP.

**Q16:** Why is Con Ed requesting details on the use case of storage projects in construction / in operation? Is CE only looking for relevant projects, i.e., projects operating in wholesale markets? Some project details may not be shared due to confidentiality requirements.

**A16:** It is the Bidders prerogative to submit the projects that provide the best view of relevant experience. Developer experience will be considered in project viability.

**Q17:** Please provide additional detail or definition around the “safety information” that Bidders will be required to submit.

**A17:** Additional information, if any, will be provided in the final RFP documents.
Q&A Related to CECONY and O&R Draft Bulk Energy Storage Request for Proposals

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Q18: In section 5.3 the bidder checklist references Appendix C6 which doesn’t exist, please confirm that the reference should be C5.

A18: Correct, the Bidder’s Checklist is Appendix C5. The reference to C6 is a typo.

DISPATCH AND COMMUNICATIONS

Q19: Please confirm that the Winning Bidder is the NYISO Market Participant and retains operational control of the asset and is responsible for receiving dispatch instructions from ConEdison and then dispatching the asset according to those instructions into the NYISO market during the contract term?

A19: That is correct. The Winning Bidder will be a NYISO Market Participant, retain operational control of the asset, and is responsible for receiving real time dispatch signals/instructions from NYISO market during the contract term. ConEdison will be responsible for asset bidding, DAM scheduling, and NYISO settlements during the contract term.

Q20: How will ConEd and/or NYISO communicate dispatch schedules to winning bidder? How often will they be communicated?

A20: Con Edison intends to provide a DAM charging and discharging schedule to the winning bidder(s) by 5pm the prior day via email. Within the day, any changes to the asset schedule in the real time NYISO market will be communicated through dispatch signals originating from the NYISO. Assets are expected to have AGC capability and the appropriate communications telemetry to enable it to follow NYISO base points and qualify for NYISO products.

Q21: What lead time will ConEdison provide for the dispatch of the asset?

A21: Lead time for dispatch signals will be based on NYISO schedule for spinning reserve and RT energy. Assets are expected to install telemetry and communications that meets the NYISO requirements to enable real time market dispatch.

Q22: Appendix D1, Storage Agreement (Page 8): Metering, Communications, and Telemetry “Con Ed standard protocol for communication will be attached” Please provide these.

A22: Will be provided in final RFP documents.
Q&A Related to CECONY and O&R Draft Bulk Energy Storage Request for Proposals

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Q23: Is it possible for a project to bid a portion of its capacity into the Bulk Power Energy Storage Scheduling and Dispatch Rights RFP, and a portion directly into the wholesale market separately? For example: a 20 MW project bids 10 MW into this RFP, and a separate 10 MW directly into the capacity, energy, ancillary services markets.

A23: No, each 10MW in this example would have to be separately metered and separately modeled by the NYISO.

Q24: Will ConEd allow full remote access of the energy storage system to allow for system monitoring for operations and health? If ConEd will not allow full remote access of the energy storage system, how does it propose that system monitoring data for operations and health be provided to the Bidder?

A24: Yes, the Bidder or it’s acceptable agent is expected to operate and maintain the energy storage system, including providing necessary maintenance and monitoring.

CREDIT / SECURITY REQUIREMENTS

Q25: Please confirm if the bidder were to partner with another entity that this other entity can provide the required credit/security per the RFP details on behalf of the submitting contractor?

A25: Security is required from the contracting counterparty whichever entity that is.

Q26: When will Con Ed provide Appendix D2, “Form of Letter of Credit”?

A26: The Form Letter of Credit will be provided with the final RFP document on July 15. Redlines to this document can be submitted with the Offer.

Q27: Seller Credit Support states that Con Ed may draw upon the LOC provided by Seller if amounts to be paid by Seller are not paid. What amounts?

A27: The Letter of Credit secures the Seller’s financial obligations in the event Seller fails to perform in accordance with the contract. These obligations include liquidated damages if Seller fails to achieve Substantial Completion or Commercial Operation by the specified dates or the Project fails to achieve the contract’s performance guarantees, as well as payments upon an Event of Default. As noted in the Terms and Conditions, these values are preliminary and subject to change based on the specific details of Offers.
Q&A Related to CECONY and O&R Draft Bulk Energy Storage Request for Proposals

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Q28: Our company will not know what banking institution we will use until a contract agreement has been reached. For the prequalification process, can we post a Letter of Credit from one of the banks we have a line of credit with even if our bank choice may change?

A28: Letter of Credit will not be required until contract signing, it has been replaced by the Offer Deposit.

Q29: At the point a Letter of Credit is required, will ConEd accept in the alternative an acceptable Parent Guaranty (as referenced in Section 4.2 – Qualitative criteria #2)?

A29: The reference to “and/or Parent Guaranty” in Section 4.2 is a typo. Con Edison will accept Letter of Credit or cash collateral.

Q30: Credit Requirements: Is 30% of Contract price meant to be 30% of aggregate fixed payments or some other number. Please clarify.

A30: 30% of the total utility contract price, which will to be paid in equal installments annually over the Term.

Q31: Currently there is only a Credit Support requirement for Seller. Will there be any Buyer Credit Support requirement?

A31: No. Buyer will not provide credit support

O&R SPECIFIC

Q32: In Appendix E for O&R, will projects that are interconnected to either the Cuddebackville or Hartley Road substations be more preferred than assets interconnected to another substation within the yellow highlighted geography? Then systems outside of the yellow geography are least preferred?

A32: Battery Assets connecting to Cuddebackville and Hartley Road substation will be given preference compared to other projects that are not located within the region described in Appendix E.

For any assets located within the preferred load zone, the nearby distribution infrastructure eventually connects to Cuddebackville or Hartley Road substations. Any project that do not provide benefit to Cuddebackville and Hartley Road substation will not be given preference.
Q&A Related to CECONY and O&R Draft Bulk Energy Storage Request for Proposals

CECONY’s and O&R’s best thinking is reflected in these answers; the Companies reserve the right to modify them as circumstances develop. Any changes will be clearly posted on this website.

Q33: Is O&R willing to lease land from the parcel that the Hartley Substation is located on in the case that land adjacent to the substation cannot be secured?
A33: No.

Q34: Can a project interconnected to an O&R substation be considered in the ConEd solicitation?
A34: No.

Q35: In regards to systems for O&R, can new system connect to an existing distribution feeder line, or will a new line need to be constructed?
A35: Connection to an existing feeder is possible. Interconnection specifics will depend on system size, characteristics, specific location, etc. This will be studied in detail during the interconnection study process.

Q36: Will O&R also consider the environmental benefits associated with resources?
A36: Yes.

UTILITY CHARGES

Q37: In Section 2.1 of the Draft RFP (i.e. RFP Overview), the following is stated “Bidders will retain responsibility for utility charges associated with operating the energy storage system according to the Designated Schedule for the duration of the Contract”, while Appendix D1 page 8 states “After COD, Con Edison shall be responsible for managing, directing the scheduling of, purchasing and transporting all energy used to charge the Project’s batteries.” Can ConEd provide simple language about who is responsible for Charging Power in both sections?
A37: Bidders are responsible for enabling and maintaining service for both station power and charging. The Bidder is responsible for paying for all utility charges—which should be included in the determination of the Offer. Con Edison will directly pay for NYISO related charging only.

Q38: Do utility charges that bidder’s retain responsibility for include standby and buyback charges?
A38: Yes to the extent applicable based on interconnection point.
Q&A Related to CECONY and O&R Draft Bulk Energy Storage Request for Proposals

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Q39: Appendix B: Will there be a capacity price charged to ConEd for the project?
A39: Con Edison will receive all capacity payments during the contract term.

Q40: Please clarify which party captures revenue streams and charging costs associated with pre-COD commissioning and performance testing.
A40: As stated in the draft Terms & Conditions, the Seller is fully responsible for all costs incurred. To the extent any revenues are earned pre-COD, the Seller would receive them.

INTERCONNECTION

Q41: Could ConEd please clarify whether projects must have achieved specific milestones in the New York Independent System Operator interconnection queue (e.g., completed facilities study) to be eligible?
A41: As stated in the RFP documents, submission of the interconnection application is the minimum requirement, but bidders should provide their projected milestone schedule for completing the interconnection process.

Q42: Does an itemized cost breakdown of expected interconnection costs attributable to the bidder need to be available at time of submittal?
A42: Yes. The bidder should be able to provide their known costs and/or best estimates of interconnection costs.

Q43: For projects that are just entering into the NYISO Class Year study process, the expected interconnection costs won’t be known at time of bid. How is the Bidder expected to provide this data for Appendix C2? How does Con Ed plan to validate bidders’ estimated interconnection costs?
A43: Cost estimates based on previous experience inclusive of the cost to connect their facility to the point of interconnection. Con Edison will not provide any validation or include any review of the bidder’s estimates from the transmission planning or operations group.

Q44: Appendix C2: 1.6: What is meant by “Requested CRIS”? Is that a total MW denomination?
A44: This denotes the MW value submitted by Bidder for Capacity Resource Interconnection Service (CRIS) rights in the NYISO interconnection application.
Q&A Related to CECONY and O&R Draft Bulk Energy Storage Request for Proposals

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Q45: Can multiple points of interconnection be proposed for the same site. For example multiple levels of interconnection within a substation?
A45: No. A single point of interconnection must be decided upon and proposed. Offer variations other than MW size are not permitted.

Q46: By when do the proposed projects need to complete the NYISO CRIS process?
A46: Per the draft Terms & Conditions the “Interconnection Milestone” is March 31, 2022.

Q47: The term “Interconnection Milestone” is used but not defined, so can Con Edison provide a definition and more specific explanation for what criteria need to be met in order to achieve the “Interconnection Milestone”?
A47: Additional information will be provided in the final RFP documents.

Q48: Appendix C2 - Will ConEd provide the appropriate websites and links in footnote 1?
A48: Yes, the footnote in the draft document was a typo. Additional interconnection information as needed will be provided in the final RFP documents on July 15.

Q49: Is it possible to submit multiple points of interconnection for each project within the same area for Con Edison to evaluate?
A49: No. Con Edison will not advise on or recommend specific interconnection points.

SYSTEM DESIGN

Q50: Appendix C3: System Design #1: What level of detail is required in this description?
A50: Additional detail will be provided in the final RFP documents. For equipment specifically requested, Bidders should submit at a minimum a block diagram with the equipment OEM and model number or range of model numbers. This should include voltage at the point of interconnection and any switch gear required to safely interconnect.

For key equipment components including transformer, power conversion system, and energy storage modules, Bidders should provide expected lead times for procurement.
Q&A Related to CECONY and O&R Draft Bulk Energy Storage Request for Proposals

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Q51: Appendix C3: System Design #3: If a component within a battery rack, PCS, or transformer is made by one of these companies must it be listed, or is this requirement only intended if the unit itself is made by one of these manufacturers.

A51: Any and all components must be listed.

Q52: Section 5.3: Under “Proposal” under Section 5.3, does a site map need to be provided to show the “equipment, configuration” or just text?

A52: See Appendices for details of what is required to be submitted. This section only provides a very high level description of what is described in detail in the various Appendices.

Q53: Can ConEd provide a comprehensive list of safety standards (i.e., NFPA, FM, IEEE, etc.) it expects compliance with in the design of the energy storage system?

A53: All local, state, and federal requirements must be met. It is the Bidder’s responsibility to ascertain all requirements related to their proposed project.

OPERATIONAL PARAMETERS

Q54: Section 1.4 states that the storage system “Must be capable of discharging the battery from its Maximum Discharge Limit (Dmax) to its Minimum Discharge Limit (Dmin) in less than 4.5 hours”. Can you please confirm that Con Edison is looking to procure projects that have a maximum discharge duration of 4.5 hours (at rated power capacity)? This is not clear from the definitions of Dmax and Dmin provided in Section 7.

A54: This requirement will be removed in the final RFP. Please refer to Sections 2.5.1 and 3.5.1 in the Final RFP, and to Performance Requirements in the ESSA for additional information on requirements for the system.

Q55: In Section 2.5, ConEd notes that “All proposed projects must meet the following requirements over the contract period: … 1.4 Must be capable of discharging the battery from its Maximum Discharge Limit (Dmax) to its Minimum Discharge limit (Dmin) in less than 4.5 hours.”. Could ConEd please clarify whether this means that long-duration (i.e. >4.5 hours) resources are excluded from participating?

A55: This requirement will be removed in the final RFP. Please refer to Sections 2.5.1 and 3.5.1 in the Final RFP, and to Performance Requirements in the ESSA for additional information on requirements for the system.
Q&A Related to CECONY and O&R Draft Bulk Energy Storage Request for Proposals

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Q56: Round trip efficiency is described differently in several locations in the draft RFP, can Con Edison please provide a consistent definition as to how this will be measured? Does the RTE calculation excludes station power?

A56: The RTE definition and measurement will be clarified in the final RFP documents. RTE is defined in the RFP as the ratio of energy that can be injected to the grid to energy that must be withdrawn. RTE will be measured at the storage system’s Point of Delivery using the procedures described in the “Storage Rating Test” Exhibit to the Agreement. RTE will exclude station power.

Q57: In Section 2.5, ConEd notes that “All proposed projects must meet the following requirements over the contract period: ... 1.3 Must demonstrate a minimum Roundtrip Efficiency of 85% over the duration of the contract.”. Could ConEd please clarify the rationale for: Including an RTE requirement at all; and, selecting an RTE value of 85%?

A57: The intent of the RTE requirement is to secure the highest likelihood of achieving environmental benefits and maximizing energy arbitrage revenues when pursued. To the extent this criterion is modified, it will be reflected in the final RFP documents. The current thinking is to lower the minimum to 80% based on comments received.

Q58: Appendix D1, Appendix A (Page 18): “A. Storage Rating Test”- Will any other testing be required? For example Var Testing?

A58: A voltage support test will be added to the Storage Rating Test Exhibit with the final RFP. Additional testing requirements may also be included with the final RFP. Please refer to the Storage Rating Test Exhibit to the ESSA in the final RFP for more information.

Q59: Please clarify how the average state of charge is defined. As written, 53% average SOC could reflect the daily average when the battery is cycled, the annual average state of charge, or the average over the entire contract term. These three alternative calculations would have different implications for the degradation profile of the battery.

A59: Annual average.

Q60: Please clarify/explain the need to have a requirement that the average state of charge (“SOC”) be 53% as we believe this will require an overbuild because the battery degradation rate will increase. Most battery manufacturer’s batteries have a SOC of 30% or less.

A60: The 53% annual average SOC is not a requirement. It is the expected average SOC resulting from internal dispatch modeling and provided on a non-binding basis to support Bidders with system design. The actual SOC will be determined by the market conditions and corresponding dispatch by the NYISO.
Q&A Related to CECONY and O&R Draft Bulk Energy Storage Request for Proposals

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Q61: Is there a process of resetting the SOC average setpoint based on the services being delivered per season or during critical events?

A61: The stated average SOC is not a requirement. It is an estimate based on internal dispatch modeling and provided on a non-binding basis to support Bidders with system design.

Q62: Please define “Throughput” as that term could have more than one meaning.

A62: In this RFP, Throughput is defined as “The total electrical energy injected into and withdrawn from the energy storage resource over a specified period.” In the RFP Section 2.5.1, “Maximum” annual throughput estimates are shown for an assumed year with 350 full depth of discharge cycles (e.g., 350 cycles x 4 hours (charge) + 350 cycles x 4 hours of discharge = 2800 MWh). In the Agreement, throughput may be described over the full contract term.

Q63: Please clarify how the 2800 MWh Throughput per MW per year figure was derived. This figure seems to correspond to 700 cycles per year equivalent, unless Throughput is defined as (Charge MWh + Discharge MWh). Maintaining the system based on 700 cycles per year is significantly greater than the 100-350 cycles probable usage.

A63: Throughput estimates are based on detailed analysis of a prospective storage system using a range of “cases” assuming different performance factors (e.g., RTE), system configurations, and forward curves for NYISO products. Resulting operational parameters (e.g., cycles, throughput, avg. SOC) for each case were captured and provided in the RFP to show an indicative range of outcomes (e.g., 100-350 cycles, maximum 2800 MWh throughput, minimum avg. SOC) that reflect how the storage asset may be dispatched. These estimates are non-binding to the Bidder but should support the technical system design process. Performance requirements described in the Agreement supersede those described in Section 2.5.1.

Q64: Under Section 2.5 Technical Requirements, can the words “limited to one cycle per day” be added after “100-350 cycles per year”? It appears to be implied, but it is not clear.

A64: Yes.

Q65: Is the calculation of net market value based on 100 and 350 cycles per year? How does the calculation deal with the average state of charge requirement of 53%?

A65: The storage project must be capable to operating 350 cycles per year, one cycle per day. However, based on internal dispatch modeling, the expectation is the asset may only operate approximately 100 cycles per year to maximize NYISO gross margin from Energy, Operating Reserves, and Capacity markets. The 53% average SOC is not a requirement. It is the expected
Q&A Related to CECONY and O&R Draft Bulk Energy Storage Request for Proposals

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Average SOC resulting from the internal dispatch modeling and provided on a non-binding basis to support Bidders with system design.

Q66: Does ConED want to see separate bids for 100 cycles and 350 cycles per year? Or options within a single proposal?

A66: Projects must be capable to 350 cycles per year at one cycle per day. Offer variations other than MW size are not permitted.

Q67: Please clarify the point of measurement for the charge and discharge duration requirements. Is there an associated charge/discharge power maximum?

A67: Discharge and Charge duration requirements as described in RFP Section 2.5.1 will be removed from the final RFP. Please refer to the Storage Rating Test Exhibit to the ESSA for additional information on testing and measurement procedures for other performance-related tests.

Q68: Are the requirements for Dispatchable Capacity, RTE, and Minimum Annual Availability fixed for the duration of the contract? Or could they change in the future?

A68: Fixed for the duration of the contract term

Q69: Please confirm the general intent to design the system for Rated Performance at Point of Interconnection, inclusive of transformational and auxiliary losses, and inclusive of compensation required to provide Rated Performance across all Guarantee Conditions. For example, should Bidders design a system for 150 MW-4hr performance at POI in extreme summer heat, or 150MW-4hr at ESS in nominal conditions?

A69: Rated performance will be measured as described in the Storage Rating Test Exhibit to the final Agreement. Station Power, as defined in Exhibit D1, will be metered separately from the assets. The performance tests will be measured at the point of delivery.

Q70: Can Con Edison confirm that the Unplanned outages is calculated using a 12-month rolling average and not over the 7-year term?

A70: Yes, 12-month rolling average
Q&A Related to CECONY and O&R Draft Bulk Energy Storage Request for Proposals

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Q71: Can Con Edison agree that Availability be calculated as the percentage of time that the system is online and capable of providing the power requested by the dispatch signal within the guaranteed capacity requirements and in consideration of the stored energy available. Throughout daily operation, depending of the actual SOC at a given time, the system may or may not be capable of producing the guaranteed capacity (rated power x 4 hour discharge).

A71: The updated ESSA provided with the final RFP will detail the Availability calculation.

Q72: Does Con Edison have an expectation for the range of leading or lagging power factor for the project?

A72: Yes, Bidders are expected to comply with NYISO tariff requirements for providing Voltage Support Services. We expect the projects to adhere to the leading and lagging requirements defined in the NYISO Ancillary Services Manual.

EVALUATION CRITERIA

Q73: Will ConEd and O&R be assigning the distribution and environmental benefits values? If developers are responsible for making a value estimate, can ConEd provide estimation methodology guidance?

A73: No specific values or related methodology will be provided. Developers are not responsible for making a value estimate for these benefits. Developers are to provide their best Offer price for a scheduling and dispatch rights contract.

Q74: How do we know what areas in Coned or O&R have high distribution benefit?

A74: Applicable distribution values will be considered based on the proposed interconnection point and the utility’s latest marginal cost of service (MCOS) study.

Q75: Since the Environmental Benefit is a part of the quantitative score to evaluate bidder’s proposals, can we know, in a quantitative sense, what this value would be?

A75: No specific quantitative values will be provided.
Q&A Related to CECONY and O&R Draft Bulk Energy Storage Request for Proposals

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Q76: While we respect ConEd’s decision to not share the reserve price that it will compare offers against, please share what factors were considered in establishing the price levels, including: The risk assessment associated with the unusual RFP structure whereby owner takes all operating risk with little ongoing cash flow; The cost considerations of the NYC locality; The impact of tariffs on battery and other major component input costs; The cost of posting credit

A76: All are considered.

Q77: Please clarify the “utility-defined procurement ceiling” – does this reference a ceiling Offer Price, or a ceiling on the total MW capacity that Con Ed will procure?

A77: This is the maximum the utility is allowed to pay based on the total net value of the projected benefits.

Q78: We request that ConEd provide a bid summary to indicate where our Bid ranked in relation to other Bidders – particularly since there is a required “Offer Fee” for our submittal.

A78: Bid evaluations and rankings are considered commercially sensitive information. No such ranking will be provided. Verbal feedback will be provided to unsuccessful bidders upon written request but will not include any ranking.

Q79: What forward prices will be used for Energy, Ancillary Services, and Capacity?

A79: Forward prices for Energy, Spinning Reserves and Capacity have been developed by Con Edison from cost production modeling of Day Ahead markets and stochastic analysis of Real-time prices. Forward prices will not be provided.

Q80: How does Con Ed intend to evaluate a project’s “viability, risks, and likelihood of meeting Commission requirements”?

A80: Based on an evaluation of the complete Offer provided that meets all RFP requirements.

Q81: Please confirm how ConEd intends to evaluate the project’s capacity value to ConEd, in light of Bidder Side Mitigation rules.

A81: Capacity value will be evaluated based internal assessments and analysis of the potential impacts of Buyer Side Mitigation, including, if mitigated, the likelihood and timing of clearing the offer floor 12 times.
Q&A Related to CECONY and O&R Draft Bulk Energy Storage Request for Proposals

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Q82: Can Con Ed provide a more detailed list of safety factors that will be evaluated in the Qualitative analysis?
A82: More detail, if any, will be in the final RFP documents.

PROJECT TEAM

Q83: The definition of Affiliate is overly broad especially including indirect Control and presents a problem to Sellers with a complex upstream ownership structure that may include funds and individuals with passive investments in Seller distanced from this project – can Con Ed revise this language accordingly?
A83: No. Con Edison requires a complete understanding of Seller’s ownership structure to evaluate bids fairly. All parties with a financial interest in the project must be included.

Q84: If the primary bidder is working with a partner who has experience deploying the proposed storage technology at scale, will this satisfy the minimum bidder qualification? For example, a solar developer who teams up with an energy storage technology provider/integrator.
A84: The experience of the developer, integrator, and EPC contractor will be considered and evaluated. Preference and additional weight will be given to developer experience relative to others’ experience.

Q85: Please provide clarification on the structures that are necessary for a team of separate companies to bid into the RFP. What sort of teaming agreements, letter of intent, or other documents, if any, would be necessary for project to be proposed by a "Bidder" comprised of more than one company or organization? What would be the ongoing rules for changes to that team on the qualification of the Bidder? For example, if a bid team comprised of a developer, integrator/EPC and financing source were qualified and submitted a bid, but then then the Bid team utilized a different integrator, how would that impact the qualification of the team?
A85: Team structure and associated agreements are the prerogative of the Bidder. No changes to the submitted team will be permitted since an evaluation of the entire team is a critical input into prequalification status and submitted Offer viability. The team described in the Offer submission(s) must be ready to enter into contract if awarded.
Q&A Related to CECONY and O&R Draft Bulk Energy Storage Request for Proposals

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LOCATION

Q86: Bulk Storage Request for Proposals, Section 5.5 (Page 14): “each Offer location must be a separate and distinct” - What is the definition of location?

A86: An Offer is defined by a project with a unique point of interconnection. More than one Offer can be located at the same location but require separate interconnections and metering. This will be clarified / revised as needed in the final RFP document.

Q87: If you have multiple projects at a single location are they considered separate projects, or are these iterations of the same project?

A87: Multiple projects at a single location will be considered separate projects if they have separate points of interconnection. In this example, each project would require a separate Offer. Variations of a single project is permitted for MW size only. Variations for factors other than MW size will not be accepted.

PERMITTING/CERTIFICATIONS

Q88: Appendix C4 Permitting Schedule, Permits #1 (Page 2): Permit and certifications will not be done until after the contract award. Can Con Ed revise to reflect the anticipated schedule?

A88: A listing of all permits and certifications required, the associated status, and anticipated/actual completion date of each must be include in the Offer. For permits and certifications not already achieved, a detailed description of the steps and schedule to achieve each should be included for consideration in the evaluation of project viability.

Q89: (Appendix C4 Permitting Schedule, Permits #2 (Page 2): It is unlikely to have the UL 9540A listings prior to contract award. Can Con Ed revise such that the UL listing certification can occur after contract award?

A89: A detailed description of the steps and schedule to achieve UL9540A should be included for consideration in the evaluation of project viability, if not already obtained at time of bid.

Q90: Why is it necessary to break out cost estimates for permitting from the overall all-in project cost?

A90: For NYSERDA’s statewide storage soft cost information and analysis
Q&A Related to CECONY and O&R Draft Bulk Energy Storage Request for Proposals

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Q91: Is a SEQRA determination required at time of submittal?
A91: A detailed description of the steps and schedule to receive a SEQR Determination, if required, should be included for consideration in the evaluation of project viability.

STATION POWER & AUXILIARY LOAD

Q92: Systems are typically designed to take station loads such as HVAC necessary for charging discharging from the main POI. Can Con Edison provide more flexibility when it comes to the concept of Station Power? It is typical to connect through the main POI Switchgear to supply HVAC and other control and site power.

A92: “Station power” means the electrical load of the Project’s auxiliary equipment that are necessary for maintenance and operation of the storage system. The auxiliary equipment includes but is not limited to forced and induced draft fans, air conditioner systems, ventilation mechanisms, security systems, cooling towers, plant lighting, and control systems.

Station power must be metered separately from the storage system but can be behind the point of delivery. Systems must be designed to adhere to electric sourcing requirements of all permitting agencies. Note utility charges for station power are the responsibility of the Bidder.

SCHEDULE AND DEADLINES

Q93: Can a storage project in ConEd territory start earlier than 2022 serving in NYISO markets? If an energy storage project is operational in 2021, when would the contract with ConEd start? Jan 1, 2023?

A93: Yes, a storage project can start earlier. The contract and associated payment would reflect the actual COD date so long as it is no later than December 31, 2022.

Q94: Should a developer begin the interconnection process only after being approved through the prequalification process stage? If so, would there be enough time to be approved by NYISO for COD 2022?

A94: It is the developer’s decision when to begin the interconnection process and assess the timing needs and expectations related to the RFP schedule.

Q95: What latitude is there if the Class Year process does not yield approval (Capacity Resource Interconnection Service (CRIS) rights) in sufficient time (due to constraints outside the control of the Bidder) to complete the Guaranteed Date for Commissioning?

A95: No latitude unless the PSC allows for a later than December 31, 2022 operation deadline. Con Edison and O&R would support a developer’s petition to the PSC to extend the deadline in the
Q&A Related to CECONY and O&R Draft Bulk Energy Storage Request for Proposals

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event of project specific issues related to the NYISO’s Class Year interconnection process that will definitively delay the project’s COD beyond the current PSC deadline.

Q96: What latitude is there if other approving governmental entities do not provide their approvals in a timely fashion (due to constraints outside the control of the Bidder) to complete the Guaranteed Date for Commissioning?

A96: No latitude unless the PSC allows for a later than December 31, 2022 operation deadline.

Q97: Is the “In-Service Deadline” date referenced in this section the same as the COD referenced in Section 2.1?

A97: Not necessarily the same, but could be. COD cannot be any later than the “In-Service Deadline” of December 31, 2022. However, the “In-Service Deadline” and Guaranteed COD from the Terms and Conditions are the same December 31, 2022 deadline.

Q98: Footnote 5 contains a defined term (presumably because it is capitalized) Guaranteed Date for Commissioning. Where is the definition for that term located?

A98: This footnote refers to the Guaranteed COD Term, as defined in Appendix D1.

Q99: Is the term Guaranteed Date for Commissioning something different from the COD (Commercial Operation Date) referenced in Section 2.1?

A99: No- these are the same reference.

Q100: Definitions for Guaranteed Date for Commissioning? Commercial Operation Date? Capacity Resource Interconnection Service?

A100: Guaranteed Date for Commissioning is the same definition as Guaranteed COD in Appendix D1. Commercial Operation Date is defined in Appendix D1. Capacity Resource Interconnection Service is a NYISO term, often abbreviated CRIS.

Q101: The term “Substantial Completion” is used but not defined, so can Con Edison provide a definition and more specific explanation for what criteria need to be met in order to achieve “Substantial Completion”? 

A101: Final definitions for all milestones will be provided in the final RFP documents.
Q&A Related to CECONY and O&R Draft Bulk Energy Storage Request for Proposals

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SITE CONTROL

Q102: Would a signed landowner option agreement constitute as having site control?
A102: Yes. A fully executed, enforceable land option agreement (or similar agreement) which, upon exercise, provides Developer with ownership of, a lease to, or other valid real estate right in and to the site, for at least the term[s] of the Energy Storage Services Agreement and the NYSERDA Agreement, to construct, install, own, operate and maintain a storage project constitutes site control.

Q103: In order to receive better responsive Bids, we believe that Site Control should be evidenced at time of Bid submittal rather than at Bidder Qualification.
A103: Site control is a requirement at the time of Offer submittal, not prequalification.

Q104: Can the “expected sensitive locations” be reduced from 5 miles to 2 miles?
A104: A change, if any, will be reflected in the final RFP documents.

Q105: The requirement that projects must be greater than 5 MW AC would seem to preclude distribution-connected projects that interconnect via the Standard Interconnection Review process with Con Ed. Is this the intent?
A105: It is not the intent of the solicitation to exclude distribution-connected projects. The greater than 5 MW AC requirement was set to ensure the projects fulfill the solicitation goals of scale, cost-efficacy, and environmental benefits. Bidders are encouraged to choose the interconnection voltage they feel best serves the Offer.

PAYMENT STRUCTURE (INCL. NYSERDA)

Q106: Please clarify why Appendix B has 70% as the upfront payment hardcoded in cell C21 on the “Project Cost and Offer Price” tab as opposed to 80% in Appendix D1.
A106: The difference in percentages was a clerical error in the documents. These are only draft percentages that may change in the final RFP documents. If a change is made, we expect the percentages to remain in the same range as stated in the draft RFP of 70% to 80% for the upfront payment.
Q&A Related to CECONY and O&R Draft Bulk Energy Storage Request for Proposals

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Q107: “Shall include a NYSERDA MABI” sounds like the project will receive a NYSERDA incentive in addition to a Dispatch Rights Contract. Is this the intention?

A107: Yes. Please note the timing and sequencing of the NYSERDA payment has changed since the draft RFP documents were published. NYSERDA has now decided to require a separate contract with each winning bidder of the utility procurement and provide the MABI payment directly to the Bidder and separate from the utility payment. Both the NYSERDA and utility payment to the winning bidders will be on the same schedule.

Q108: Please clarify MABI payment timing and the sequencing of ConEd obtaining the incentive from NYSERDA. As contemplated in the draft RFP, the payment of this NYSERDA incentive to ConEd is a condition precedent to Project Commercial Operation.

A108: The timing and sequencing of the NYSERDA payment has changed since the draft RFP documents were published. NYSERDA has now decided to require a separate contract with each winning bidder of the utility procurement and provide the MABI payment separate from the utility payment. Payment structure and timing will be aligned between the two contracts. Specific details including payment terms and both contracts will be included in the final RFP documents.

Q109: In Appendix D1 in the “Conditions Precedent to Project Commercial Operation” section, one of the items is ConEdison’s receipt of the NYSERDA bulk storage incentive. Does Seller get relief if ConEdison is delayed in receiving the NYSERDA incentive?

A109: Due to NYSERDA’s change in how they will administer their incentives, Con Edison will not longer receive the incentive payment. See above questions and responses.

Q110: Please clarify that projects in Con Edison are not eligible for NYSERDA’s declining block incentives. In other words, bidders will not receive incentives directly from NYSERDA.

A110: Correct. Participation in the utility procurements precludes separate eligibility for the NYSERDA block incentives. However, winning bidders will receive a portion of their payment directly from NYSERDA. After the draft RFP documents were published, NYSERDA decided to require a separate contract with each winning bidder of the utility procurement and provide the MABI payment directly and separate from the utility payment.
Q&A Related to CECONY and O&R Draft Bulk Energy Storage Request for Proposals

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Q111: Is the NYSERDA MABI also available on both the O&R RFP and the ConEd RFP?
A111: Yes. Winning bidders in both the O&R and CECONY RFPs will receive a portion of their payment directly from NYSERDA.

OTHER – TERM SHEET

Q112: Could ConEd please clarify whether it is open to re-contracting projects after the initial 7-year contract expires?
A112: Con Edison is open to discussing but will not enter into any negotiations or make any decisions on the matter until initial contracts are nearing expiration.

Q113: If ConEd would seek to re-contract projects, could ConEd please clarify the high-level terms of such an agreement?
A113: It is premature to discuss any such terms.

Q114: In the Payments by Con Ed to Seller (pages 7 and 8) section there is statement that would give Con Ed the right to offset/net payments across other energy storage services agreements – this causes issues when considering cash implications for different projects with the same owner that have separate capital structures (different lenders). Would Con Ed consider modifying this statement such that each project is standalone?
A114: Modifications in the final documents will reflect the change to standalone projects

Q115: Please provide Con Ed’s standard cybersecurity requirements.
A115: Cybersecurity requirements will be provided in the full Storage Agreement provided with the final RFP.

Q116: Can ConEd make a more definitive Term for the Agreement – say seven (7) years, rather than up to seven years? “Up to” can include anything from one year (maybe even less) to seven years. That is a significant bandwidth of time.
A116: No. The PSC Storage Order requires utilities to procure for up to seven years. It is the Bidder’s option to select the term, with the maximum set at seven years.
Q&A Related to CECONY and O&R Draft Bulk Energy Storage Request for Proposals

CECONY’s and O&R’s best thinking is reflected in these answers; the Companies reserve the right to modify them as circumstances develop. Any changes will be clearly posted on this website.

Q117: Will Con Ed accept to be named an additional insured if Seller finances the project and the lenders are requiring to be named sole loss payee?

A117: Con Edison’s risk management team will assess proposed contract modifications when evaluating an Offer.

Q118: Will Con Ed accept 10 days’ prior notice of cancellation of insurance policies?

A118: Con Edison’s risk management team will assess proposed contract modifications when evaluating an Offer.

Q119: Is Con Ed willing to contract around operational requirements, such as 1.3 – cycling and depth of discharge limitations, 1.6 – Resting SOC limitations, and 1.9 – ambient temperature for ratings/performance tests?

A119: Appendix C3, “Operational Parameters” section, question 1 asks bidders to list any restrictions on battery use based on warranty conditions (e.g., min. / max. runtime per charge and discharge, max daily / monthly / annual / lifetime cycles, notification time requirements, resting SOC or maintenance cycling, restrictions on at-rest SOC over a year, month, or 24-hour period, changes to charging / discharging ramp rates as the system approaches 0% or 100% SOC). Con Edison’s expectation is Bidders will provide these restrictions as part of their Offers. Said restrictions will be used by the RFP review team to evaluate System Design characteristics, and to support estimation of the Offer’s Net Market Value and quantitative score.

Any contract negotiations around operational requirements and/or restrictions on battery use are premature to discuss until an award has been made.

Q120: Please clarify what, if any, additional approvals for ConEd are necessary after expected contract execution in Q1/Q2 2020.

A120: No additional internal or regulatory approvals are required after contract execution.

Q121: Is Con Edison agreeable that a battery system integrator provide a full wrap warranty on all equipment rather than passing through OEM warranties. Can Con Edison confirm the system warranty would be preferable to ConEd as it provides a full system warranty?

A121: It is the responsibility of the Bidder / Counterparty to meet all performance requirements as specified in the ESSA. Minimum warranty requirements will be provided in the ESSA with the final RFP. Con Edison will not directly hold a warranty.