Consolidated Edison Company of New York, Inc.

Request for Proposal

Amendment

Energy Storage Installer / Owner / Operator
for
Nevins Street (Make-Ready Site) Energy Storage System (ESS)

ISSUED: May 15, 2020
SUBMISSION DEADLINE: Friday, June 5, 2020
LAST UPDATED: May 15, 2020
1 Information
Consolidated Edison Company of New York, Inc. (the “Company” or “Con Edison”) is issuing an Addendum to its Request for Proposal ("RFP") “Energy Storage Installer / Owner / Operator for Nevins Street (Make-Ready Site) Energy Storage System (ESS)", and it is extending the submission deadline accordingly.

1.1 Background
As stated in the RFP, Con Edison is looking to install up to 10MW of energy storage at its Nevins Street site. As Con Edison intends to build a blockhouse on the premises with multiple take-offs for interconnections, it was assumed that breaking the 10MW into two 5MW independent operating systems would be acceptable.

However, after reviewing State of New York Public Service Commission publication of December 15, 2014, titled “ORDER RAISING NET METERING MINIMUM CAPS, REQUIRING TARIFF REVISIONS, MAKING OTHER FINDINGS, AND ESTABLISHING FURTHER PROCEDURES”, we find that the PSC requires a three factor test for accepting community distributed generation under the 5MW net metered limitation:

1) Each 5 MW facility must be separately metered and interconnected to the utility grid
2) Each must operate independently of the others
3) Each must be located on a separate deeded site

Whereas the Nevins Street site will fulfill 1), and 2), Con Edison is not in a position to sub-divide the site into separate deeded lots, as that would violate the future-use status of the site.

Based on these findings we are reissuing this RFP with this Amendment.

2 Energy Storage System Solutions
Based on the findings above, Con Edison is requesting proposals that fall within one of the following categories. Please note that the order does not reflect a preference from Con Edison’s side. All other conditions stated in the original RFP remain the same.

2.1 Single system up to 5MW
A single system with maximum capacity of 5MW. Interconnection will follow the Standard Interconnection Requirements (“SIR”). System will be able to export to the grid and participate in the electricity market (if applicable).

2.2 Single system up to 10MW
A single system with maximum capacity of 10MW. Interconnection will not follow SIR but must follow Utility Interconnection guidelines. System will be able to export to the grid and participate in the electricity market (if applicable).
2.3 One 5MW net-metered system and one system 5MW or less for EVC support
This installation concept consists of two separately operated systems. The first 5MW net-metered system is the same as described in 2.1 above. The second system will provide demand reduction and load shifting service to the EV chargers to be co-located on the site. This system will not be allowed to export to the grid. Con Edison will not facilitate any agreement between the energy storage operator and the EV charger operator.

3 General
Please refer to Con Edison’s RFP “Energy Storage Installer / Owner / Operator for Nevins Street (Make-Ready Site) Energy Storage” version 2 issued March 9th, 2020, for detailed information on the site, the Make-Ready concept and what it includes, and for submission requirements.
Consolidated Edison Company of New York, Inc.

Request for Proposal

Energy Storage Installer / Owner / Operator for Nevins Street (Make-Ready Site) Energy Storage System (ESS)

ISSUED: FRIDAY, FEBRUARY 7, 2020
SUBMISSION DEADLINE: FRIDAY, MARCH 20, 2020
LAST UPDATED: MONDAY, MARCH 9, 2020
Energy Storage Installer / Owner / Operator for
Nevins Street (Make-Ready Site) Energy Storage System (ESS)

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1 Information

Consolidated Edison Company of New York, Inc. (the “Company” or “Con Edison”) is extending a request for proposal (“RFP”) from qualified and experienced vendors (“Respondents”) with the capability to deliver innovative Energy Storage System (“ESS”) solutions at its Energy Storage & Electric Vehicle Charging Station (ES & EVC) Make-Ready site at 223 Nevins Street in Brooklyn, NY.

1.1 Objectives

This RFP solicits responses from qualified Respondents that are interested in participating in building, owning, and operating an Energy Storage (“ESS”) facility in a Brooklyn load pocket.

It is the Company’s goal to enabling the energy storage market by converting a vacant Company owned property to energy storage application. The Company also seeks to lower the interconnection hurdles by providing the electrical infrastructure and off-setting the cost of interconnection.

As part of the Make-Ready concept Con Edison is also allocating space and electrical interconnection on this site for vendors that want to install and operate EV chargers. Please see separate RFP issued for the EVC section. Vendors can respond to either or both RFP’s.

Con Edison will receive a monthly, quarterly or annual lease payments from the Respondent for the Make-Ready site according to ‘Section 70’ requirements as per below Footnote1.

The installed storage system will have a limited planned tenure on Con Edison property from the summer period of 2021 – 2030. After 2030 Con Edison may require the removal and safe disposal of the system or the Company may pursue an arrangement to purchase the system, extend the reliability contract and/or expand the system.

Con Edison will prepare the site under the Make-Ready model, and it will do all reasonable civil and electrical construction to accommodate energy storage modules according to vendor requirements and facilitate the connection to the secondary side of the electrical connection. The Company will also provide a NYISO utility grade meter for integration with the NYISO electricity markets. It will be up to the Respondent to establish an agreement directly with NYISO.

The power rating of the energy storage system should be up to 10MW and the energy rating should be at least 40MWh. The actual energy rating will depend on the design of the vendor’s energy storage system and the need to fit in the assigned space, while adhering to all applicable local, state, and federal rules, regulations, and laws.

1 Contract must be approved by the Public Service Commission and section 70 filing before finalized and signed before a final contract is awarded.
The Respondent will be the primary user and beneficiary of the proposed energy storage system. The Respondent may participate in Con Edison’s Commercial System Relief Program\(^2\). The only limitation is that the energy storage system will not be allowed to charge during the Borough Hall network independent peak, which spans a period of 4 hours from 15:00 to 18:59. It is preferred if the energy storage system is charged between 22:00 and 06:00.

Respondent is expected to share basic operational data such as total power and system state-of-charge with the Company using DNP 3.0 compliant protocol.

Con Edison is building out the site with N-1 contingency, allowing continues operation even with the loss of one feeder. However, the Company retains the right to electrically isolate the energy storage system in case further loss of feeders. The company also retains the right to isolate the system in case charge occurs within the prohibited time or if the charge or discharge power exceed 10MW.

The RFP response should include all information pertinent to the ability of your team to meet the requirements of Con Edison as set forth in this RFP. Respondent firms should provide as much information as possible to assist in Con Edison’s evaluation and selection process including:

- **ESS functionality**, including the operational and functional aspects of the proposed energy storage system including past experience with utility scale ESS
- **ESS technical information**, including the technology type, system design and ability to perform load relief as well as integrate into the Con Edison’s distribution system environment
- **Maturity and viability** of the organization of the respondent’s commercial and technical team.
- **Respondent’s company profile**, including financial health (audited financial statements); biographical information of senior leadership team; and customer references

Successful responses will be evaluated based upon their ability to meet the requirements of this RFP, provide load relief during the time periods established above, as well as on favorable lease agreement, and the likelihood of successful performance taking into account the Respondent’s experience, proposed implementation plan and past performance.

### 1.2 Background

Consolidated Edison Inc. is one of the nation’s largest investor-owned energy companies, with almost $13 billion in annual revenues and approximately $29 billion in assets. Consolidated Edison Inc. provides a wide range of energy-related products and services to its customers through its two regulated subsidiaries: Consolidated Edison Company of New York, Inc. (CECONY), providing electric, gas and steam service to New York City and Westchester County, and Orange and Rockland Utilities, Inc. (O&R) providing electric and gas services in New York and New Jersey.

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\(^2\) The Commercial System Relief Program aims to reduce the peak demand at the network level by calling on customer to reduce energy use during respective assigned call window
Consolidated Edison Inc. also has three unregulated businesses: Con Edison Solutions, a retail services company; Con Edison Energy, a wholesale energy supply company; and Con Edison Development, an infrastructure development company.

Con Edison owns a plot on 223-205 Nevins St originally intended for a new substation. Based on the area load forecast the substation has been postponed for now.

As an alternative it has been decided to use part of the lot for an EV charging facility with up to 20 charging stations, and on the remainder of the site enable the installation of up to 10MW of energy storage under a Make-Ready concept.

As part of the Make-Ready concept Con Edison will do the interconnection study and install transformers, NWP and switchgears on the energy storage site. Con Edison will also together with the Respondent work to lay out the site and provide concrete platforms to maximize the amount of energy storage.

Commissioning of the energy storage system and any associated cost is the responsibility of the Lessee.

The Lessee is expected to adhere to Con Edison’s security protocols, which will be shared as part of the lease agreement.

Ground maintenance and snow removal will be the responsibility of the Lessee.

Con Edison will receive a monthly, quarterly or annual lease payments or other compensation from the Respondent for the occupation and use of the make-ready site.

1.3 General Guidelines
Contact by respondent firms regarding this RFP with any Con Edison employee, contractor or consultant, other than the individual(s) designated herein, prior to finalization of a contract is prohibited and may constitute grounds for disqualification. Respondent firms will have adequate opportunity to obtain any reasonably necessary information.

Con Edison reserves the right to make changes to this RFP by issuance of one or more addenda or amendments and to distribute additional clarifying or supporting information relating thereto.

Con Edison may ask any or all respondents firms to elaborate or clarify specific points or portions of their submission. Clarification may take the form of written responses to questions or phone calls or in-person meetings for the purpose of discussing the RFP and/or responses thereto.

It is solely the responsibility of all Respondent firms to ensure that all pertinent and required information is included in its submission. Failure to adhere to the described format and to include the required information could result in disqualification of responses to the RFP. Con Edison reserves the right to determine at its sole discretion as to whether a submission is incomplete or non-responsive.

If Respondent makes assumptions about the meaning or accuracy of information contained herein, Respondent should state the assumptions in your submission. If Respondent does not ask questions or
seek to clarify any assumptions, Con Edison will assume that Respondent agree with and understand the requirements in the RFP.

While Con Edison has endeavored to provide accurate information to respondent firms, Con Edison makes no such warranty or representation of accuracy.

Con Edison reserves the right, but does not have the obligation, to verify all information provided by a respondent firm by any means it deems reasonable, including direct contact of prior clients of a respondent firm as well as its past employees. Respondent firms must agree to provide and release necessary authorizations for Con Edison to verify any of such respondent firm’s previous work, except where it is contractually prohibited from doing so pursuant to customer agreements. Misstatements of experience and scope of prior projects may be grounds for disqualification from this RFP process.

Respondent firms will not issue any public statements or otherwise disclose any information concerning this RFP, this RFP process or their participation in the process without prior written approval of Con Edison.

This RFP shall not be construed in any manner to create an obligation on the part of Con Edison to enter into any contract, or to serve as a basis for any claim whatsoever for reimbursement of costs for efforts expended by respondent firms. Furthermore, the scope of this RFP may be revised at the option of Con Edison at any time, or this RFP may be withdrawn or canceled by Con Edison at any time. Con Edison shall not be obligated by any responses or by any statements or representations, whether oral or written, that may be made by the Firm or its employees, principals or agent and reserves the unqualified right to reject any or all submissions submitted hereunder for any reason whatsoever.

Any exceptions to the terms, conditions, provisions, and requirements herein must be specifically noted and explained by a respondent firm in its response to the RFP. Con Edison will assume that any response to this RFP expressly accepts all the RFP terms, conditions, provisions and requirements, except as expressly and specifically stated by a respondent firm in its response to the RFP.

Participating respondent firms agree to keep confidential all information provided by Con Edison in connection with this RFP.

1.4 RFP Schedule
The expected project timeline for all ES proposals is shown below. Responses that are selected for implementation must be installed and in service before June 1st, 2021.
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<td>Issue RFP</td>
<td>February 7, 2020</td>
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<tr>
<td>Deadline for Respondents to submit clarification questions</td>
<td>March 11, 2020</td>
</tr>
<tr>
<td>Q/A conference call</td>
<td>March 12, 2020</td>
</tr>
<tr>
<td>Con Edison responses to clarification questions due</td>
<td>March 13, 2020</td>
</tr>
<tr>
<td>Qualified Respondents proposals due</td>
<td>March 20, 5PM EST</td>
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It shall be the Respondent’s responsibility to advise Con Edison, before the proposal response deadline, of conflicting requirements or omissions.

Con Edison reserves the right to change any of the above dates.

If the Service Date is not achievable, please state in the response the earliest date the equipment can be expected to be placed into service.

1.5 RFP for EV Charging
In parallel with this RFP, the Con Edison has issued a RFP seeking tenants for the EV charging part of the properties. Respondents can submit qualified proposals to both, and the Company will consider awarding both the energy storage and the EV charging contracts to the same Respondent, especially if the Respondent can show operational synergy between the two sites.

2 Energy Storage System Solution
This section identifies the scope of the ESS solution proposal. The following requirements listed are not intended to be exhaustive but are the major requirements that must be met by any ESS to be implemented on the Con Edison system.

Additionally, it should be noted that Con Edison is requesting a Turnkey installation, therefore all bid pricing shall include development, design, financing, marketing, permitting, construction in addition to the make-ready infrastructure, installation, interconnection, operation, maintenance, repair, and other activities with respect to the selected ESS. It is the responsibility of the Respondent that their ESS conform to all applicable laws, regulations, codes, and orders of AJH – Authorities having jurisdiction at the location of installation.
### 2.1 Con Edison Make-Ready Concept

As part of the Make-Ready concept Con Edison will furnish the following on the site:

- **Blockhouse with**
  - 5 (five) 2500kVA 27kV/460V transformers and network protectors (NWP).
  - Point of Common Coupling ("PCC") for the ESS site and for the EVC site.
  - Paralleling switchgear for multiple power conversion systems (rectifier/inverter)
  - Revenue-grade meter including NYISO meter for ESS site
  - 120/208 Auxiliary Station Services power including revenue-grade meter.
    - Dedicated panel for fire suppression system.
    - Service for site lighting and security system

- **ESS Site**
  - Concrete pads or blocks with proper foundation for energy storage modules
    - Initial design based on a 40ft shipping container form factor but actual design and quantity depends on input from the winning bidder to this RFP
  - Electrical conduits connecting ESS modules with PCC
  - Remote fire alarm panel at ESS main gate
  - Dry pipe system for fire suppression
  - Fencing, lighting, and landscaping of the general area
    - Snow removal and landscaping within the energy storage area will be the responsibility of the lessee

Con Edison will also do the interconnection study and help the chosen vendor filing for interconnection permit.

### 2.2 Financial Requirements

#### 2.2.1 Lease Arrangement

The Company expects to enter into a lease agreement with a Lessee based upon the sample lease term sheet included with this RFP, that will require a site lease payment payable monthly, quarterly or annually.

#### 2.2.2 Insurance

The Lessee will be required to carry insurance. Detailed information is given in Appendix B.

### 2.3 Functional Requirements

#### 2.3.1 General

The power rating of the energy storage system should be 10MW and the energy rating should be at least 40MWh. The actual energy rating will depend on the design of the vendor’s energy storage system and the need to fit in the assigned space, while adhering to all applicable local, state, and federal rules and laws.

As stated above, the Respondent will be the primary user and beneficiary of the proposed energy storage system. However, the Respondent is expected to participate in Con Edison’s Commercial System
Relief Program\(^3\). Furthermore, the energy storage system will not be allowed to charge during the Borough Hall network independent peak, which spans a period of 4 hours from 15:00 to 18:59. The preferred charging time is between 22:00 and 6:00.

2.3.2 Design Life

The lease period will be for 10 summer periods starting 2021 and including 2030. It is expected that the ESS will as a minimum participate in Con Edison’s Commercial System Relief Program every year with the full 10MW and a minimum of 4 hours of discharge.

After the lease period is over, Con Edison may require the removal of the system or the Company may pursue an arrangement to purchase the system, extend the reliability contract and/or expand the system.

2.3.3 Codes, Regulations, and Standards

The ESS plant is intended for use in Con Edison’s distribution area. The Respondent shall be responsible for identifying, obtaining and complying with local agencies and Con Edison codes & standards for the design of the ESS and EVC site.

The ESS will be designed in accordance with applicable sections of the following codes and standards. Any deviations from these codes and standards must be identified and will require acceptance by Con Edison.

- Con Edison Interconnection Specifications
- National Electric Safety Code (NESC)
- Occupational Safety and Health Act (OSHA)
- American Society of Heating, Refrigeration and Air Conditioning Engineers (ASHRAE)
- American National Standards Institute (ANSI)
- American Society for Testing and Materials (ASTM)
- American Welding Society (AWS)
- National Fire Protection Association (NFPA)
- New York Fire Department (FDNY)
- New York Building Department (DOB)
- Institute of Electrical Engineers IEEE Std. 1547
- Noise codes for battery in New York City
- Any other official code or standard that may be applicable.

Specifically, Respondent must show thorough understanding of FDNY requirements and must demonstrate how they intend to obtain FDNY approval of their proposed solution.

Additional to other specific design standards listed in the following sections of this RFP, the National Electric Code (NEC) will be used as a basis for design requirements. Deviations from NEC requirements will be identified to Consolidated Edison in the response to this RFP.

\(^3\) The Commercial System Relief Program aims to reduce the peak demand at the network level by calling on customer to reduce energy use during respective assigned call window
2.4 Technical Requirements

2.4.1 General

All components of the ESS, including storage modules, switching devices, components of monitoring and control systems, and components of auxiliary systems must be commercially available. Electrochemical cells or modules must be replaceable. Designs employing experimental or otherwise undocumented components are not permitted.

All equipment supplied under this Specification shall meet or exceed the surge withstand capability requirements of IEEE C37.90 (latest version).

The ESS design shall be based on careful consideration of resonance, ferro-resonance, and electromagnetic interference.

The Respondent shall include in their proposal a summary table of all technical requirements pertinent to the ESS design, for example, the table could have a column for efficiency, listed by component, a surge withstand column, a noise level column, an environmental considerations column, a temperature range column, a column on cycle life and one shelf life, optimal charge and discharge rates, maintenance requirements, previous projects/implementations, etc.

2.4.2 ESS Proposed Location and Ownership

The official address for the ESS site is 223 Nevins St, Brooklyn, NY 11217, however, main entry to the ESS site will be on Baltic Street. A draft schematic of the site location is given below. More detailed drawings will be made available as they become available from the project. Final layout of the ESS site will be determined in collaboration with the winning bidder.
Figure 1: Draft schematic of Nevins Street ESS and EVC Make-Ready site

The ESS shall be designed to minimize footprint and volume (taking into account the space necessary to maintain and install the system). ESS installation, FDNY permitting, ESS site security\(^4\), operation, maintenance, repair, and other activities with respect to the selected ESS initiative shall be the responsibility of the selected Respondent. All ESS measures must conform to all applicable laws, regulations, codes, and orders of AJH – Authorities having jurisdiction.

2.4.3 Environmental

The ESS shall be designed to perform all its functions in the following outdoor environment:

\(^4\) Con Ed will have security systems in place on the property to comply with internal security protocol. Vendors should make provisions for their own security systems at the battery containers.
The equipment shall be suitable for outdoor unsheltered installation in residential areas where the outdoor ambient air temperature may vary from -30 C to +40 C. The effect of solar irradiation shall be considered in the design.

Humidity: 10% to 95% normal-relative

Altitude: Sea level to 200ft without kVA derating.

Based on FEMA FIRM 3604970211F, a portion of the site is outside the 100-year flood zone but within the 500-year flood zone.

**2.4.3.1 Environmental Impact Assessment**

The Respondent shall include in their response information pertaining to the environmental impacts of their proposed solution / technology and any measures included to reduce or mitigate impacts to the local environment. Environmental impacts could be those associated with normal operation in addition to cell leakage, fire, explosion, noise levels etc. The assessment will be included as an appendix to the Respondents submittal as identified in section 5.5 of this RFP.

**2.4.4 Sound & EMI Emission Limits**

In all modes, noise levels are recommended to be less than 35 dBA at 10 meters away from the system. This is the same as the noise level requirements for a Con Edison unit substation. During any mode of operation, EMI shall not exceed levels established in the FCC Code of Federal Regulations in Sections 15.109 and 15.209. In addition, the ESS shall have the capability to withstand EMI in accordance with IEEE Std. C37.90.2-2004.

The Respondent must state proposed noise and EMI levels in their response

**2.4.5 ESS Interconnection**

The ESS will be interconnected with Con Edison’s electrical system at the Point of Common Coupling (PCC) between the ESS and utility as defined in IEEE 1547.

The PCC for the purpose of this RFP is considered the four (4) taps and breakers off the 460V secondary bus on the block house.

The ESS shall consist of voltage transformation to 460V (if required), a circuit breaker, auxiliary loads (as necessary for internal use and environmental control), an operating contactor controlled by the ESS, and the energy storage and power conditioning subsystems. The ESS shall include communications and control subsystems typical for utility scale systems including self-monitoring and low maintenance applications. The Respondent must state the type of communications system to be utilized and will be responsible for all telemetry and communication compliance required for NYISO market participation.

The ESS shall follow IEEE 519, IEEE Recommended Practices and Requirements for Harmonic Control in Electrical Power Systems for protection during charging mode.

The ESS shall follow the latest revision of Con Edison specification EO-2115 “Handbook of General Requirements for Electrical Service to Dispersed Generation Customers.”

The ESS shall include all switch gear, bus work, cable, connectors, transformers, and protective relaying required for connecting the ESS at the PCC. The Respondent shall design all AC interconnection equipment on the ESS side of the PCC.

The Respondent shall provide details about AC characteristics of the ESS including available short circuit current, real and reactive power, harmonics (see section 2.4.6), and related factors.

2.4.6 Harmonic limits
Following are the requirements on current and voltage harmonics of the ESS at the point of common coupling to the utility system:

- Total Demand Distortion (TDD) at 50%-100% of rated power < 5%
- Individual harmonic currents
- During peak shaving (as a source) IEEE Std. 1547-2018
- During charging & standby (as a load) IEEE Std. 519-2014
- Voltage Total Harmonic Distortion (THD) when Islanding IEEE Std. 1547-2018
- Voltage THD (during Islanding) < 5% IEEE Std. 1547-2018

2.4.7 Con Edison System Enhancements
Appendix 1 documents the electrical single line diagram for connecting the ESS to the block house on the site. Four bus take-offs with individual breakers will be available for the ESS.

The respondent must provide a design solution which meets the requirements outlined in this section. Con Edison recommends that respondents unfamiliar with the Con Edison system design utilize the services of a third party vendor who is experienced in carrying out this type of upgrade work on the Con Edison’s system.

2.4.8 ESS Remote Control / SCADA
Respondent SCADA communication to Con Edison’s SCADA system must be via a redundant DNP 3.0 communication link. DNP 3.0 should be native to the customer Data Concentrator/RTU and the use of an intermediate protocol converter should be avoided. The customer Data Concentrator/RTU must respond to integrity and class polls as a server RTU to the Con Edison client RTU.

Internet connections, or any routable connections outside of the Electronic Security Perimeter of the LAN, are not allowed to be connected between the customer’s and Con Edison’s SCADA RTUs.

The Respondent shall be responsible for all charges associated with the Verizon/ATT wireless 4G/LTE Data Plans installed and connected to the RTU located in Con Edison’s block house. A second modem shall be installed and used as backup. A field survey may be necessary to determine signal strength.
Relays, IEDs, and/or Respondent’s Control System shall utilize compatible DNP 3.0 communications to interface with Con Edison’s SCADA equipment.

The physical data interconnection cable run by the customer from their RTU to Con Edison’s SCADA RTU can be either Ethernet or serial (RS232 or 2-wire RS485). The Respondent’s data concentrator/RTU shall be equipped and support multiple serial port connections.

120V AC/DC from an uninterruptible power source (preferably from a critical load panel) or 24V DC from batteries is the preferred supply for the field devices.

We require the Respondent to aggregate all sets of data before passing it back to our SCADA system, as reflected in the required points. The data that we require from the Respondent are as follows:

**Analog Output:**

- Customer RTU status (i.e. Heart Beat)
- 3 Phase Current
- 3 Phase Voltage
- 3 Phase KW
- 3 Phase KVAR
- 3 Phase KVA
- State of Charge, MWh or kWh

**Digital/Binary/Status Points**

- Breaker Status
- Blocked From Closing
- Calling for Trip
- Calling for Close

**2.4.8.1 System Compatibility**

The information received from the ESS installation must be compatible with the Company’s SCADA system. The Respondent must furnish the above described minimum data requirements via a single DNP RTU to be addressed as decided by the Company. The RTU must be certified by a third party to be compliant with a DNP 3.0 level 2 implementation of the DNP protocol. After installation the connection will be tested and verified to be in compliance with Company protocols.

**2.4.9 Grounding**

A suitable equipment grounding system shall be designed for the ESS that uses accepted engineering practices and adherence to standards. This system shall be designed to be tied to the blockhouse grounding system. The system also shall be adequate for the detection and clearing of ground faults.

All exposed non-current carrying metal parts shall be solidly grounded. Particular attention shall be given to prevention of corrosion at the connection of dissimilar materials such as aluminum and steel.

The grounding of the ESS shall not cause over-voltages that exceed the rating of equipment connected to the Con Edison distribution system. The connection of the ESS shall not cause the neutral to ground voltage to exceed applicable codes or standards on 4-wire multi-grounded distribution system.
2.4.10 Auxiliary Power
Power for the ESS auxiliary loads (fans, lights, controls, thermal management, pumps, motors, etc.) will not be available separately from Con Edison. The ESS shall therefore include auxiliary power circuits, as necessary, derived from the PCC. The point of supply for the auxiliary power system shall be downstream from the PCC. The auxiliary power system shall include all step-down transformers, breakers, fuses, motor starters, relaying, panels, enclosures, junction boxes, conduits, raceways, wiring and similar equipment, as required for ESS operation.

2.4.11 Emergency Shutdown
A shutdown switch shall be provided and located in a secured/lockable area, accessible at/near the ESS control interface. It shall be located on the outside of the ESS and shall be lockable. It shall be identified/labeled as an emergency shutdown switch with a protective cover to prevent misuse and designed to allow authorized personnel to perform a controlled shutdown during an emergency, such as a flood, fire, vehicle damage, etc.

2.4.12 Enclosures
The ESS shall be contained within NEMA 3R enclosures, consisting of 12 gauge sheet steel containers suitable for mounting outdoors in a weatherproof construction on a concrete pad and shall be fitted with a ventilating system designed to provide the proper environment for the ESS components (NESS, PCS-MC, IP).

The enclosures shall be grounded according to Code and the finish shall conform to the applicable requirements of ANSI C57.12.28.

2.4.13 Storage Subsystem
The storage subsystem shall be equipped with safety sensors, alarms, and emergency response equipment as necessary based upon the storage technology. For example, if the subsystem had the potential to emit hydrogen gas, then the storage subsystem should be equipped with hydrogen sensors to automatically trip the ESS when hydrogen is detected.

All racks and metallic conductive members of stackable modules shall be grounded to earth. Racks shall meet the seismic load and road vibration requirements and shall include means to restrain cell movement during seismic events and highway transport to site. The Respondent shall furnish analyses and/or other data that show the rack and cell designs are intended to meet all potential seismic and transport vibration requirements.

2.5 Professional Services
It is expected that as a minimum the Respondent will work with our engineering team to finalize the site layout, and civil and electrical engineering design.

3 Project Timeline
The expected project timeline for all ES proposals is shown below. Responses that are selected for implementation must be installed and in service before June 1st, 2021.
<table>
<thead>
<tr>
<th>Year</th>
<th>Milestone</th>
</tr>
</thead>
<tbody>
<tr>
<td>February 7, 2020</td>
<td>RFP Issued.</td>
</tr>
<tr>
<td>May 1, 2020</td>
<td>Contracts executed (3 to 6 months from selection)</td>
</tr>
<tr>
<td>May 4, 2020</td>
<td>Filing of ‘Section 70’ to the PSC</td>
</tr>
<tr>
<td></td>
<td>Engineering Design, Civil and Electrical Construction</td>
</tr>
<tr>
<td>Dec 1, 2020</td>
<td>Installation, testing and commissioning</td>
</tr>
<tr>
<td>May 1, 2021</td>
<td>Go-Live test</td>
</tr>
<tr>
<td>June 1, 2021</td>
<td>System in Service</td>
</tr>
</tbody>
</table>

4 Proposal Evaluation Approach

Solutions proposed in response to this RFP will be reviewed in detail by Con Edison. Con Edison will utilize an evaluation framework to develop the optimal portfolio to address the RFP requirements. Some primary review criteria to be applied to qualified submitted proposals are listed below. The review process is intended to be fair and equitable, with the objective being to achieve the greatest overall value while maintaining the reliability of the electric distribution system.

Respondents should note that although Con Edison will be reviewing the Respondents’ proposed solution if the submission criteria are met, there is no guarantee that it will be selected.

Respondents should also note that each measure of any proposal submitted, whether part of a single-measure proposal or a multiple-measure proposal, will be evaluated against other like measures for equal comparison; and, thereafter, the Company may evaluate all measures in the aggregate in a manner that considers the overall benefit to the Company based on the criteria set forth in this RFP, and include considerations that could allow for the selection of individual measures across multiple proposals.

Projects will be disqualified if the Respondent does not provide the necessary information requested in this RFP and Projects questionnaire.

4.1 Proposal Criteria

Proposals will be evaluated and scored on the basis of the following criteria which are not necessarily listed in order of significance:
<table>
<thead>
<tr>
<th>Review Approach</th>
<th>Objective</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposal Content and Presentation</td>
<td>Information requested has been provided and is comprehensive to allow for evaluation.</td>
</tr>
<tr>
<td>Project Revenue</td>
<td>Proposed site lease payment</td>
</tr>
<tr>
<td>Execution Risk</td>
<td>The expected ease of project implementation within the timeframe required for the ES &amp; EV (e.g., permitting, construction risks, and operating risks etc.).</td>
</tr>
<tr>
<td>Qualifications</td>
<td>The relevant experience and past success of Respondents in providing similar projects to other locations, including as indicated by reference checks and documented results.</td>
</tr>
<tr>
<td>Functionality</td>
<td>The extent to which the projects would meet the defined functional requirements.</td>
</tr>
<tr>
<td>Timeliness</td>
<td>The ability to meet Con Edison’s schedule and project deployment requirements for the particular project, reflecting that the detailed project schedule from contract execution to implementation and completion of projects is important for determination of feasibility.</td>
</tr>
<tr>
<td>Community Impact</td>
<td>The positive or negative impact that the project may have on the community in the identified area (i.e., noise, pollution).</td>
</tr>
<tr>
<td>Availability and Reliability</td>
<td>The ability of the project to provide permanent or temporary load reduction will be considered, along with the dependability and benefits that would be provided to the grid.</td>
</tr>
<tr>
<td>Innovative Solution</td>
<td>Innovative solution that (i) targets ESS technologies to facilitate NYS energy storage goals, (ii) targets generally underserved customer segments, and/or (iii) is based on the use of advanced technology that helps foster market penetration and provides potential future learnings.</td>
</tr>
</tbody>
</table>

5 **Instructions to Respondent**

Respondent is instructed to prepare the proposal response in accordance with the instructions outlined in this section. Respondents are required to submit their bid response through the Con Edison Oracle system. Any limitation regarding the Respondent’s ability to supply information requested in this RFP (or to support or perform a particular function or service) should be explicitly stated in the proposal.
response. Any partnering with third-party Respondent to support or perform a particular function or service must be explicitly stated.

5.1 Commercial Qualifications
Con Edison policy requires all potential Respondents to be commercially qualified prior to consideration for a contract award. The Company may make such investigation as the Company deems necessary to determine the qualifications of Respondents and proposed subcontractors to perform the work. A Respondent should promptly furnish any information and data as may be requested by the Company as part of any such investigation. The failure of a Respondent to produce timely information and data requested by the Company may provide a basis for rejection of the proposal.

5.2 Contact Information
All Respondents shall direct questions via email to the Procurement Specialist, Michael Heaton at heatonm@coned.com. All questions and answers deemed essential for the viable submission of a bid response will be forwarded to all vendors through the Oracle RFQ. The cutoff time period for all Respondent questions shall be indicated in the Oracle RFQ.

5.3 Proposal Response and Submittal Instructions
All proposals must be submitted through the Oracle RFQ System on or prior to the due date and time. Respondents who fail to submit by the due date and time will be locked out of the Oracle RFQ System. Therefore, Respondents are encouraged to upload submissions well in advance of the closing time to avoid any potential issues that may occur, including any unfamiliarity with the Oracle RFQ System.

Respondents who have never participated in Con Edison RFQ must take the following actions to successfully submit a proposal:

1. Download this Nevins Street ESS Vendor RFP and sample lease term sheet
2. Become enabled in the Oracle RFQ System by submitting the below items to Michael Heaton at heatonm@coned.com
   a. W-9 form (version last updated October 2018)
   b. Supplier Enablement Template (Select CE Sourcing under Oracle responsibility field)
3. Receive Formal RFP response request (will be same information downloaded from Con Edison)
4. Submit response and fully completed Questionnaire to Con Edison Procurement System through the Oracle RFQ System

Please note, if you are already enabled in Con Edison’s Oracle RFQ system, please email Michael Heaton indicating your interest in participating. Please only follow steps 3 and 4 after you have emailed Michael. Con Edison shall not be responsible for late submissions.

5.4 Respondent Presentations
Selected Respondents may be expected to demonstrate functional requirements through product presentation / demonstrations. Respondents that are short-listed may be invited to Con Edison’s 4 Irving Place Headquarters in New York City to demonstrate their proposed solution to Con Edison staff. During
the presentation, Con Edison technical staff will expect to meet with the Respondent’s technical personnel for any required clarification to the Respondent’s technical response.

5.5 Proposal Response Format
The response shall include a proposal and a separate price proposal,

Note: The Oracle RFQ System is only capable of accepting individual documents no larger than 5MB in size. Respondents may find it necessary to split up large documents into smaller files due to this system constraint.

The technical proposal response for this RFP shall be submitted as either a Word or a PDF document, and shall be organized as follows:

<table>
<thead>
<tr>
<th>Proposal Section</th>
<th>Proposal Section Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>N/A</td>
<td>Cover Letter</td>
</tr>
<tr>
<td>N/A</td>
<td>Respondent Checklist</td>
</tr>
<tr>
<td>N/A</td>
<td>Table of Contents</td>
</tr>
<tr>
<td>1</td>
<td>Executive Summary</td>
</tr>
<tr>
<td>2</td>
<td>Proposal</td>
</tr>
<tr>
<td></td>
<td>• Project Description</td>
</tr>
<tr>
<td></td>
<td>• Project Schedule</td>
</tr>
<tr>
<td></td>
<td>• Detailed costs associated with the Project(s)</td>
</tr>
<tr>
<td></td>
<td>• Risks, Challenges, and Community Impacts</td>
</tr>
<tr>
<td></td>
<td>• Professional Background and Experience with the Project(s)</td>
</tr>
<tr>
<td>3</td>
<td>Assumptions and Exceptions</td>
</tr>
<tr>
<td>Appendix</td>
<td>• Organizational Chart &amp; Resumes</td>
</tr>
<tr>
<td></td>
<td>• Respondent Qualifications and References</td>
</tr>
<tr>
<td></td>
<td>• Financial statements for the past three years</td>
</tr>
<tr>
<td></td>
<td>• Other relevant information</td>
</tr>
</tbody>
</table>

5.5.1 Cover Letter
The cover letter shall include the following:

- Respondent legal name and address
- The name, title and telephone number of the individual authorized to negotiate and execute the Agreement
- The signature of a person authorized to contractually bind Respondent’s organization
• A statement that the Respondent has read, understands and agrees to all provisions of the RFP, or, alternately, that indicates exceptions will be taken to the RFP

5.5.2 Respondent Checklist
Respondent should provide to the Company the properly completed Respondent Checklist (Appendix) as part of the proposal.

5.5.3 Table of Contents
Include a clear identification of the proposal by section and by page number as identified above.

5.5.4 Executive Summary
In this section, Respondent should provide an executive overview and summary of the key features of Respondent’s solution.

5.5.5 Proposal
This section should contain a response to the Requirements section above. The following information addresses major areas that shall be included in Respondent’s proposal:

• Project Description
• Project Schedule
• Detailed costs associated with the Project(s)
• Risks, Challenges, and Community Impacts
• Professional Background and Experience with the Project(s)

5.5.6 Assumptions & Exceptions
• Respondents should provide a list of assumptions made in developing the response to this RFP that should be considered when evaluating the response
• Respondents should provide a stand-alone section listing any exceptions to the RFP

5.5.7 Glossary of Terms
Respondent should provide a glossary of terms that is specific to the Respondent’s solution.

5.5.8 Appendix
Respondents should provide information not specifically requested in the body of the proposal in an appendix or as a separate attachment. Such items include:

• Organizational charts and resumes
• Financial statements for the past three years
• List of company experience in energy storage with focus on activities in the New York City area
• Commissioning and testing procedures
• Full description of Cyber security measures incorporated in remote monitoring and control platform, including standard operating procedures in place to keep security measures up to date.
• Other relevant information
5.6 Pricing Proposal
The Respondent’s pricing proposal must be separate from the written proposal response.

5.6.1 Lease
The Lease to be executed by the Respondent chosen by the Company shall be based upon the sample lease term sheet included with this RFP.

5.7 Right to Reject
This RFP shall not be construed to create an obligation on the part of Con Edison to enter into any contract, or to serve as a basis for any claim whatsoever for reimbursement of costs for efforts expended by Respondent. Con Edison shall not be obligated by any statements or representations, whether oral or written, that may be made by the Company, its employees, principals, or agents.

Con Edison reserves the right to accept any responsive proposal, to reject any and all proposals, and to waive irregularities or formalities if deemed to be in the best interests of the Company. Any such waiver shall not modify any remaining RFP requirements nor excuse any Respondent from full compliance with all other RFP specifications and contract requirements if the Respondent is awarded the contract. Con Edison shall reject the proposal of any Respondent that is determined not to be a responsible bidder, or whose proposal is determined by the Company to be non-responsive.

Con Edison reserves the right to withdraw this RFP at any time and for any reason, and to issue such clarifications, modifications, and/or amendments at any time as it may deem appropriate. Receipt by the Company of a response to this RFP confers no rights upon a Respondent, nor any obligations upon the Company.
Appendices

A. One Line Diagram

Figure 2: Sample one-line diagram connecting five inverters with one 480V 3000A Point of Common Coupling ("PCC")
B. Draft Lease Term Sheet and Insurance Requirements

See next page
Exhibit A

DRAFT LEASE TERM SHEET

This Lease Term Sheet (this “Term Sheet”) is not a binding offer, agreement or commitment of Con Edison Company of New York, Inc. (“Landlord”) or [______________] (“Tenant”). The potential transaction described herein will be subject to (i) the negotiation of a Lease Agreement (the “Lease”), (ii) the approval and execution of the Lease, by the authorized representatives of both parties and (iii) approval of the Lease and the terms of the Lease by the New York State Public Service Commission (the “PSC”) pursuant to Section 70 of the NYS Public Service Law. Notwithstanding anything contained herein to the contrary, this Term Sheet does not create any legally binding agreement or obligation on Landlord to lease the Premises (as defined below) to Tenant, or on Tenant to lease the Premises, or for either party to enter into the Lease and neither party shall be deemed to have undertaken any legally binding obligation with respect thereto until it is has executed and delivered the final Lease acceptable to each such party in its sole discretion.

Date: May [__], 2020

Landlord & Tenant: Landlord: Consolidated Edison Company of New York, Inc., a New York corporation
Address: 4 Irving Place, New York, NY 10003

Tenant: [______________], a [______________________]
Address: [______________________________]

Effective Date/Term: The effective date of the Lease shall be the date of execution, but the initial term of ten (10) years (“Initial Term”) shall commence on the date (the “Lease Commencement Date”) that is the later of (i) the date that final unconditional approval of the Lease by the PSC is obtained (“PSC Approval”) and (ii) the date that is the later of (a) the substantial completion of Landlord’s Buildout (as defined below) and (b) the date that all governmental approvals are received for Landlord’s Buildout.

Termination: Landlord may terminate the Lease without fault upon twelve (12) months’ notice.

Landlord may terminate the Lease upon a Tenant default, including, without limitation, the failure of Tenant to complete the Tenant Work (as defined below) within sixty (60) days of the Lease Commencement Date. If Landlord terminates the Lease upon a Tenant default, Landlord will have the option to purchase Tenant’s improvements at the Premises (including, without limitation, the ESS Modules) for an amount equal to the difference between (i) the fair market value of such improvements as of such
date, and (ii) the cost of removal and disposal of such improvements and restoration of the Premises to the condition as described in the Site Condition Survey (as defined below) (as determined by Landlord), subject to reasonable wear and tear (the “Purchase Option”).

Landlord may terminate the Lease if PSC Approval has not been obtained within 18 months of the date of the Lease.

Premises: A portion of the parcel of land designated as Block: [___], and Lot: [___] on the Tax Map for [___] County in the City of New York (see Exhibit A annexed hereto) with the address [________________________________________] equal to approximately [_____] square feet (the “Premises”).

Permitted Use: Subject to applicable federal, state and local laws, rules, regulations and approvals (collectively, “Applicable Legal Requirements”), Tenant shall use and occupy the Premises for the installation, maintenance, and operation of [______________] energy storage modules that do not exceed 10 megawatts (“ESS Module(s)”) and associated ground-mounted electrical cabinets and equipment for the use of Tenant (collectively, the “Permitted Use”), provided, however, that the Permitted Use shall not interfere with the ability of Landlord or any third party to access, utilize, operate, maintain, repair, replace or improve any of Landlord’s or any third party’s existing facilities located above ground or below ground at the Premises. The [_______] ESS Modules must be a type that are installable at the Premises without any changes to the Landlord’s Buildout. Tenant’s right to charge Tenant’s energy system will be prohibited during certain peak hours.

Permitting/Zoning/Approvals Tenant, at its sole cost and expense, shall be responsible for securing and maintaining all required permits and approvals in accordance with Applicable Legal Requirements, which arise from or relate to the design, construction, installation, operation and use of the Initial Tenant Improvements (as defined below), any other permitted energy storage equipment and related equipment and the Permitted Use (“Required Approvals”), with the assistance of Landlord, as necessary; provided however, that Landlord shall not be required to incur any costs or expenses arising from or relating to the Required Approvals.

Base Rent for the Premises: [____________________] dollars ($_______) per year plus an additional amount equal to ($______) (escalated by [___]% for each year that has elapsed since the Rent Commencement Date.
Late rent payments shall be subject to a late fee of [___] and (___)% interest per annum.

Rent Escalation: [________________] ([___]%) per annum.

Rent Commencement: The first day of the month following the Lease Commencement Date.

Security Deposit: A letter of credit shall be provided upon the Lease Commencement Date in an amount equal to [Insert amount equal to (i) the cost of removal of Tenant’s improvements and (ii) additional costs to restore the Premises to the condition described in the Site Condition Survey prepared on behalf of Landlord upon completion of Landlord’s Buildout, but prior to the commencement of the Tenant Work (the “Site Condition Survey”), subject to reasonable wear and tear, for Landlord’s use in the event of a Tenant default. The letter of credit shall be in a form acceptable to Landlord in the sole discretion of Landlord. The letter of credit shall be amended on the [___] anniversary of Rent Commencement so that the amount of such letter of credit is equal to (i) the cost of removal of Tenant’s improvements and (ii) the additional costs to restore the Premises to the condition described in the Site Condition Survey, subject to reasonable wear and tear, as determined by Landlord.

Utilities: Tenant shall be solely responsible to obtain and hold accounts directly with the electric, gas, Internet, phone and water utility companies, and be solely responsible for associated use, charges and expenses. Only [___] electric meters will be provided by Landlord at the Premises. Tenant’s obligations under the Lease, including, without limitation, the obligation to pay rent, shall not be affected by an electricity outage caused by the non-operation of more than one (1) feeder that provides electricity to the Premises.

Real Estate Taxes: Tenant shall be solely responsible for 100% of the taxes attributable to Tenant’s equipment at the Premises, the Permitted Use and Landlord’s Buildout (“Tenant’s Tax”). Tenant shall be responsible for the pro-rata share of all real estate property taxes imposed upon Block: [___], and Lot: [___] on the Tax Map for [_____] County in the City of New York allocable to the Premises. Tenant’s pro-rata share of the real estate taxes shall be calculated by multiplying the total annual real estate taxes imposed upon Block: [_____] and Lot: [____] on the Tax Map for [_____] County in the City of New York by [________] percent (([___]%)
Tenant shall reimburse Landlord for Tenant’s Tax and Tenant Share of the Real Property Tax within 30 days of Landlord’s invoice.

Insurance: Tenant shall procure and maintain, and cause any of its permitted subtenants to procure and maintain, the insurance described on Exhibit B annexed hereto during the Initial Term, as the same may be extended, with insurance companies licensed to write insurance or approved eligible insurance carriers, that in either case have a minimum AM Best financial strength rating of A or better and financial size category of VIII or better.

Landlord may increase the amount of required insurance coverage annually on a reasonable basis.

Condition of Premises: Subject to Landlord’s obligation to complete Landlord’s Buildout, Tenant shall accept the Premises as-is and Landlord shall not make any representation or warranty with respect to the condition of the Premises, including, without limitation, with respect to (i) the physical condition (including the environmental condition) of the Premises or (ii) the ability to use the Premises for the Permitted Use under Applicable Legal Requirements. Tenant shall accept title to the Premises subject to such title defects, encumbrances, conditions, restrictions, agreements, and violations as may exist with respect to the underlying fee interest held by Landlord in the Premises.

Hazardous Substances In the event that Tenant or Tenant’s contractors, subcontractors, agents or invitees use, store, bring, release, discharge, spill, empty, emit, dump, inject, pour, deposit, discover, disperse, or otherwise cause the leak, escape, leach or migration of hazardous substances on or about the Premises or any other property of Landlord in connection with the Permitted Use or any unauthorized use of the Premises or any other property of Landlord, Tenant shall, at the option of Landlord, remediate, or reimburse Landlord for the remediation of, such hazardous substances. Tenant shall indemnify, defend and hold harmless Landlord for any damages, liabilities, costs, expenses and losses (including, without limitation, attorneys’ fees, costs and expenses) arising from such hazardous substances.

Maintenance Obligations: Tenant, at its sole cost and expense, is responsible for the repairs and maintenance of the Premises, including, without limitation: (i) the ESS Modules and ancillary equipment; (ii) all pavement, including the drive aisles (including repaving when necessary); (iii) keeping the Premises (including the drive aisles) free of debris, snow and ice; and (iv) lighting and associated light poles.

Landlord’s Buildout: Except for Party Collaboration (as defined below), Landlord, at its sole cost and expense, shall be responsible for the initial buildout
of the Premises for [_____] ESS Modules, including grading, paving, egress and striping, the installation of light post footings, light posts and bollards and will also install a utility interconnection and conduit lines to each of such [_____] ESS Modules ("Landlord’s Buildout"). Landlord’s Buildout shall be constructed in a good and workmanlike manner. Upon the earlier of (i) Landlord’s request and (ii) the receipt of PSC Approval, Landlord and Tenant shall cooperate in the development of schematic design documents (“Party Collaboration”) of Landlord’s Buildout. Landlord and Tenant understand and acknowledge that during the normal course of design development, Landlord may authorize, in its sole discretion, minor modifications to the design subsequent to schematic design and notify Tenant prior to making any such minor modifications, but any such modifications, shall not constitute a breach of the Lease. Landlord shall have the right to install a security system at the Premises for the sole and exclusive benefit of Landlord ("Landlord’s Security System").

Tenant Work/Alterations:

Commencing within fifty (50) days following the Lease Commencement Date, Tenant shall, at its sole cost and expense, install [_________] ESS Modules and associated electrical cabinets and equipment (collectively, “Initial Tenant Improvements”) on the Premises, all of which that are installable without any changes to the Landlord’s Buildout (i) in accordance with (a) Applicable Legal Requirements and (b) the Lease, and (ii) that are operational and in public use, which shall be completed within sixty (60) days of the Lease Commencement Date, as determined by Landlord (collectively, the “Tenant Work”). The plans and contractors for the construction, installation, modification, replacement or restoration of any of the ESS Modules shall be subject to the prior written approval of Landlord. Any other alterations or other improvements shall be subject to the prior written approval of Landlord, including, without limitation, the applicable plans and contractors. Prior to the commencement of the Tenant Work or any other alterations or improvements, Tenant shall provide to Landlord a work plan for such Tenant Work or any other alterations or improvements, including means and methods and a list of all applicable equipment, materials and MSD codes, which shall be subject to the prior written approval of Landlord (a “Tenant Work Plan”). In no event shall Tenant dig into or breach the ground surface at the Premises. Tenant shall remove all Tenant Work and other alterations upon Lease expiration or earlier termination and
restore the Premises to the condition described in the Site Condition Survey, subject to reasonable wear and tear, as determined by Landlord.

Rubbish Removal: Tenant shall, at its sole cost and expense, contract with a private carting company to remove rubbish from the Premises.

Security: Tenant shall be, at its sole cost and expense, solely responsible for the security of the Premises. The installation and operation of Landlord’s Security System shall in no way diminish Tenant’s sole responsibility for the security of the Premises.

Signage: With Landlord’s prior written approval, (which may be withheld in the sole discretion of Landlord), Tenant shall be permitted to install signage at the Premises ("Signage"). Signage shall be subject to the receipt by Tenant, at Tenant’s sole cost and expense, of all governmental approvals in accordance with Applicable Legal Requirements. Landlord agrees to reasonably cooperate and use its reasonable efforts to assist Tenant in obtaining all required approvals, at the sole cost and expense of Tenant. Landlord may require that Signage include specified language, including, without limitation, Landlord’s name. Landlord reserves the right to install signage at the Premises.

Broker: Each of Landlord and Tenant warrants and represents to the other party that it has dealt with no broker in connection with the execution of the Lease. Both parties shall indemnify the other party for any claim resulting from a misrepresentation of the foregoing.

Expenses: Each party shall bear its own legal, accounting, regulatory and other professional fees and expenses and other costs associated with the potential transaction herein contemplated, regardless of whether a transaction is consummated.

Indemnity: Tenant shall indemnify, defend and hold harmless Landlord and all Landlord affiliates, employees, officers, directors, contractors, subcontractors and representatives from all damages, liabilities, costs, expenses and losses (including, without limitation, attorneys’ fees, costs and expenses) arising from the Lease or Tenant’s use or occupancy of the Premises, except to the extent caused by Landlord’s gross negligence or intentional misconduct.

Limitations on
Liability: The Lease shall provide that notwithstanding anything to the contrary, in the event of a breach of the obligations of one of the parties or otherwise, such party would be liable for direct damages only, and under no circumstances shall such party be liable to the other party for consequential (including, without limitation, lost profits, business interruption and the like), incidental, punitive, exemplary or similar damages.

Sublet: Subletting all or part of the Premises is not permitted.

No Assignment: Tenant may not assign its rights under the Lease, without the prior written approval of Landlord, which may be withheld in the sole absolute discretion of Landlord. Tenant, however, may assign the Lease to a third party successor in connection with the sale of Tenant’s business by assignment or merger, subject to the prior written approval of Landlord, not to be unreasonably withheld if such third party successor has a financial condition equal to or greater than the financial condition of Tenant as set forth in the financial statements provided to Landlord prior to the execution of this Lease.

Data/Reporting: Tenant shall be required to comply with certain data collection, reporting and operational requirements.

Renewal Option/Purchase Option: Upon expiration of the Initial Term, Tenant will have the option to renew the Lease (the “Renewal Option”) on terms mutually agreed upon by Landlord and Tenant, subject to (i) the prior written approval of Landlord, which approval may be withheld by Landlord in the sole discretion of Landlord, and (ii) the absence of a Tenant event of default under the Lease on the date on which Tenant requests such renewal in writing, and on the date of expiration of the Initial Term.

Upon expiration of the Initial Term, in the event that Tenant does not exercise the Renewal Option, Landlord will have the right to exercise the Purchase Option.

Governing Law: This Lease Term Sheet and the Lease contemplated in this Lease Term Sheet, shall be governed by and construed in accordance with the laws of the State of New York applicable to agreements to be entered into and performed within such State, without regard to conflict of law principles.

Publicity: Any press releases, promotions or photographs relating to the Lease or the Premises shall be subject to the prior written approval
of Landlord. Landlord shall have the right to promote the operations on the Premises.
EXHIBIT B

Landlord Insurance Requirements

(i) Workers' Compensation Insurance as required by law; (ii) Employer's Liability Insurance covering accidents (with a limit of not less than $1,000,000 per accident) and occupation diseases (with a limit of not less than $1,000,000 per employee); (iii) Comprehensive Automobile Liability Insurance covering all owned, non-owned, borrowed and hired vehicles used by Tenant, its contractors and subcontractors with limits of not less than $1,000,000 per occurrence for bodily injury or death and $500,000 per occurrence for property damage or a combined single limit of not less than $1,000,000 per occurrence (such insurance shall contain an “occurrence” and not a “claims made” determinant of coverage); and (iv) Comprehensive (also called Commercial) General Liability Insurance, including Contractual Liability coverage, with limits of not less than $7,500,000 per occurrence for bodily injury or death and $1,000,000 per occurrence for property damage or a combined single limit of not less than $7,500,000 (such insurance shall contain an “occurrence” and not a “claims made” determinant of coverage, shall name Consolidated Edison, Inc. and Landlord, as additional insureds and contain a waiver of subrogation claims against Consolidated Edison, Inc. and Landlord, shall not contain an exclusion for claims by Tenant’s or its contractor’s or subcontractor’s employees against Consolidated Edison, Inc. or Landlord based on injury to or the death of such employees and shall, for the full limits of liability, be primary and non contributory to any insurance maintained by Consolidated Edison, Inc. and Landlord; such insurance may be satisfied through a combination of a primary or underlying policy and an excess policy).