

NYC Reliability Needs: Responses to Market Questions

Consolidated Edison Company of New York, Inc. (the “Company” or “Con Edison”) acknowledges receipt of a wide variety of questions. The questions presented below are focused on those that pertain to the Company’s January 20, 2026, Request for Information and the process the Company will follow going forward. Further, they are paraphrased and edited for clarity and confidentiality.

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1) Program Scope

- 1. For solutions that do not create on-site emissions, does Con Edison consider controls, optimization, and electrification technologies that reduce peak demand to be compliant with the “clean and non-emitting” requirement, even if deployed in buildings with existing legacy equipment? Can solutions that eliminate or materially reduce fossil fuel usage during peak periods, rather than immediately removing all fossil assets, be considered acceptable responses under the RFI?**
 - o We welcome and encourage energy efficiency solutions.*
- 2. Con Edison has defined the need to cover a five-year period (2032 – 2036). Will Con Edison only look to contract for resources/solutions for that five-year period, or would they be open to longer term contracts, and if so, for how long?**
 - o The Company is looking for solutions that align with the current 10-year planning window but noted in the NYC Reliability Needs Report that the*

Needs are expected even beyond the 10-year window. If your solution can deliver resources beyond that, please note the time, duration, and pricing for the additional solution years.

- 3. Does Con Edison anticipate selecting: Individual projects? Pre-defined MW tranches? Or a diversified portfolio across technologies?**
 - *Con Edison will evaluate RFI proposals including any of those options. The structure of any future RFP has not been determined.*
- 4. How should electrification be viewed beyond Transportation? On one hand, electrification technologies risk growing the peak for Con Edison. On the other hand, they may be leveraged to shift load to off-peak hours in ways that improve overall system efficiency.**
 - *The Company is looking for solutions that achieve load reduction or load shifting during the summer capability period for the proposed hours in support of the Needs.*

2) Geography, Site Information

- 1. Could Con Edison confirm the Zone J target areas that are allowed under this RFI? Specifically, are the shaded areas in Appendix D: Boundaries of Ineligible Networks, ineligible or eligible?**
 - *The shaded areas of the maps included in Appendix D of the RFI are ineligible.*
- 2. Must proposed resources be sited in specific substations or load pockets within Zone J, or is any eligible area (excluding listed networks) acceptable?**
 - *Any site in the eligible areas identified in the RFI is acceptable.*
- 3. In the RFI, Con Edison specifically excludes from the Needs Staten Island and the following six networks: Washington Heights, Riverdale, Fordham, Southeastern Bronx and Northeastern Bronx.**
 - **Can Con Edison identify specific networks where need is most critical?**
 - *The Company welcomes solutions sited anywhere in Zone J other than Staten Island and the networks specified in the RFI.*
 - **Can Con Edison provide a map (or GIS information) identifying Disadvantaged Communities?**
 - *The official Disadvantaged Communities map can be found at <https://www.nyserda.ny.gov/ny/Disadvantaged-Communities>. There is also a Disadvantaged Communities layer on the Electrification tab of the Company's hosting capacity maps*

<https://coned.maps.arcgis.com/apps/MapSeries/index.html?appid=dce09020bba4f999c06c462e5458ac7>

- **Can Con Ed identify interconnection points that will not need upgrades to accommodate additional capacity equal to or greater than 3MW?**
 - *The Company is not able to provide specific interconnection details on any prospective projects. Potential interconnecting customers should use the Hosting Capacity maps, which are subject to updates, to understand which networks may be the right place to deliver their solution.*
- 4. For multi-site portfolios within Zone J, does Con Edison prefer reporting by network, substation area, feeder, or census tract/ZIP to confirm compliance with excluded networks?**
 - *The Company encourages Respondents to be as specific as possible in their response. Network-level or more specific, if the information is known.*

3) Process, Timeline, Communications

- 1. Is it an accurate understanding that Con Edison will not be providing any of the following applicable requirements/terms for Bidder review during the RFI period: Company's creditworthiness criteria, the required cybersecurity risk assessment, required environmental health and safety criteria (if applicable), and insurance requirements, among other things, including Con Edison's standard terms and conditions?**
 - *Yes.*
- 2. Will any security be required of the awardee under this RFI?**
 - *No. Con Edison is not making awards based on this RFI.*
- 3. Will future RFPs only be issued to RFI respondents?**
 - *No.*
- 4. Are future RFP respondents limited to the sections they proposed in the RFI?**
 - *No.*
- 5. Would Con Edison consider releasing an RFP specific to a Distribution Network, based on current near-term industrial, EV charging load growth for a Distribution Network-specific BTM proposal?**
 - *Con Edison has not made decisions about any future RFPs. The focus this RFI is addressing Transmission system needs.*

6. **Will all proposals lead to an RFP? For example, if a proposed solution is so cost-effective that it falls below some threshold, would Con Edison still issue an RFP? Said another way, is an RFP the only outcome, and is there a stated RFP threshold?**
 - *Con Edison may propose solutions that do not involve an RFP.*
7. **Effective utilization of the maps provided in your previous documents is very cumbersome and difficult for our representative to efficiently gather information. Is it possible to develop a chart that lists the distinct geographic areas and time periods for which contingency measures are sought?**
 - *The hours of the Need span across the entire area. See the map of NYC on ConEd.com/PeakSolutions for the street borders delineating the networks in Manhattan and the Bronx.*

4) Evaluation Approach, Solution Principles

1. **For non-dispatchable solutions, what level of historical performance data or real-world deployment evidence is sufficient to demonstrate reliability and availability during peak periods?**
 - *Respondents should submit whatever data and evidence they believe demonstrates reliability and availability during peak periods.*
2. **Are solutions with lower upfront capital costs but strong, persistent peak reduction viewed favorably compared to higher-capex assets with shorter-duration relief?**
 - *Yes. The Company will evaluate each submission to the RFI using the evaluation criteria set forth in the RFI.*
3. **Does Con Edison value solutions that remain effective as buildings transition from mixed-fuel systems to full electrification over time?**
 - *Yes.*
4. **Can solutions that support both near-term peak relief and long-term decarbonization goals score higher under flexibility and feasibility criteria?**
 - *Con Edison seeks to understand the effective useful life of the solution along with how it can provide benefits as needs change over time.*
5. **Are solutions that lower energy costs, improve comfort, and reduce combustion-related risks in multifamily housing considered to have positive DAC impacts?**
 - *Yes, those outcomes are considered to have positive community impacts.*

- 6. Does Con Edison consider non-intrusive, low-noise, exterior or controls-based retrofits as beneficial in DAC-focused evaluations?**
- *Yes, those outcomes are considered to have positive community impacts.*
- 7. Does Con Edison view persistent load reduction achieved through efficiency, controls, and optimized operations as equivalent or superior to dispatchable load shifting when evaluating reliability value?**
- *The Company cannot speculate on the results of future analyses. The Company will evaluate each submission to the RFI using the evaluation criteria set forth in the RFI.*
- 8. If recommended load relief is approved as part of an ensuing RFP process, when would the load relief need to be installed and 100% available?**
- *The Company is looking for solutions that align with the current 10-year planning window but noted in the NYC Reliability Needs Report that the Needs are expected even beyond the 10-year window. If your solution can deliver resources beyond that, please note the time, duration, and pricing for the additional solution years.*
- 9. Can Con Edison provide more detail regarding how criteria in Table 2 (cost effectiveness, scale of relief, flexibility, timeliness, availability/reliability, community impacts, etc.) will be quantified and weighted when comparing significantly different technologies and commercial models?**
- *Not at this time.*
- 10. Would Con Edison provide preference for projects capable of COD prior to 2032 (e.g., pilot deployments)?**
- *The company is focused on solving the needs identified in the LTP. If a respondent solution can be implemented before the 2032 need arises, the respondent should note that in their submission.*
- 11. When evaluating “reliable MW of effective relief,” does Con Edison prefer: (a) average kW reduction during each Need hour, (b) reduction at the single most critical hour, or (c) both?**
- *Respondents should identify the relief provided during each Need hour.*
- 12. If a participating site is enrolled in existing energy efficiency, demand response, or storage programs, what is Con Edison’s preferred approach to prevent double-counting while recognizing incremental relief aligned with the Zone J transmission Need?**
- *To the extent a solution is already under contract in an existing program, Respondents must explain how using the proposed solution to satisfy the Needs will impact the Respondent’s ability to meet its contractual commitments for the existing program (e.g., can the proposed solution offer load relief that satisfies requirements across programs), and clearly state the incremental relief that would be achieved with the proposed Solution.*

5) Customers, Incentives, Cost-Effectiveness & Measurement

- 1. When evaluating cost effectiveness, does Con Edison consider cost per reliable MW reduced over the life of the solution, including avoided infrastructure upgrades?**
 - *Evaluation of cost effectiveness will compare the requested incentive for the proposed solution relative to its impact on the Need.*
- 2. Is Con Edison contemplating:**
 - **An availability-based payment structure (i.e., capacity payment for being available during defined windows)?**
 - **Or a strictly performance-based payment structure (i.e., paid only when dispatched)?**
 - **Additionally:**
 - **Would performance obligations include liquidated damages?**
 - **Is there an annual cap on damages?**
 - *Respondents should propose a payment structure they believe to be appropriate for their solution. No solutions will be selected based on the RFI. The current RFI is soliciting a broad range of submissions and will inform any future RFP.*
- 3. What contract tenor is Con Edison contemplating for reliability solutions selected through a potential future RFP (e.g., 5-year, 10-year, 15-year term)?**
 - **Is Con Edison open to longer-term contracts to support financing of capital-intensive dispatchable assets?**
 - *Respondents should propose a contract tenor they believe to be appropriate for their solution. No solutions will be selected based on the RFI. The current RFI is soliciting a broad range of submissions and will inform any future RFP. Needs are expected beyond the 10-year window. If your solution can deliver resources beyond that, please note the time, duration, and pricing for the additional solution years.*
- 4. Please provide any available information regarding potential compensation structures.**
 - *Respondents should propose an incentive structure appropriate to the solution.*
- 5. Will Con Edison define a program-specific compensation mechanism? If so, how will project performance be measured and validated? For example,**

- **Will enrollment of assets be done each Capability Year or Capability Period (Summer and Winter)?**
 - **Will there be Capability Test by Capability Year or Capability Period (Summer and Winter)?**
 - **What will the project baseline capability measurement and validation methodology be?**
 - **What will the project performance measurement and validation methodology be?**
 - **For an aggregation of assets constituting a single project, will performance be measured at aggregated level or asset level?**
 - **How will Con Edison account for assets that change enrollment status?**
 - **Assure that an asset isn't enrolled in more than one project**
 - **How often will enrollment data be verified?**
 - *As discussed in the RFI, Respondents should assume that any incentive will be predominantly paid upon project completion. If a solution requires a different incentive structure, Respondents must describe the proposed incentive structure as a key and necessary assumption.*
- 6. Is Con Edison expecting to be involved in customer acquisition (co-marketing) or to be able to share customer data to enable targeted customer recruitment campaigns**
- *To the extent a solution does not have pre-identified locations or customers, the response should detail who the target customers are, the achievable number of customers that need to be engaged, and the most cost effective and most confident strategy to acquiring the target customers identified. If the proposed solution requires support from Con Edison to acquire customers, Respondents should describe the requested activities.*
- 7. For technologies not represented in NYS TRM v13 (custom electrical loss-reduction measures), will Con Edison accept an M&V-based methodology using interval meter baselines and post-installation verification, provided assumptions and unlocked calculation workbooks are submitted?**
- *Respondents should propose performance measurement strategies appropriate for their solutions. Con Edison will evaluate the expected load reduction impact of proposed solutions based on several factors, including but not limited to, information submitted in the proposal, technical review, and prior performance.*
- 8. For non-dispatchable load-reduction measures (always available efficiency impacts), what availability or assurance standard is expected at the RFI stage?**

Should respondents demonstrate coincidence during each specified Need hour, peak-hour reduction only, or both?

- *Respondents must make clear in their proposal the estimated demand reduction during deficiency period hours for each year of the reliability period provided by their solution.*

9. Does Con Edison have a preferred M&V framework (e.g., IPMVP Option B, Option C, hybrid regression methods), or should respondents propose a segment-appropriate methodology?

- *Respondents should propose performance measurement strategies appropriate for their solutions. Con Edison will evaluate the expected load reduction impact of proposed solutions based on several factors, including but not limited to, information submitted in the proposal, technical review, and prior performance.*

6) Technology Participation, Dispatch & Operating Requirements

1. Are solutions that reduce coincident summer peak demand through improved HVAC performance and thermal management considered eligible even if they are not traditionally dispatched like batteries?

- *Yes, if they meet the requirements within the RFI.*

2. Does the RFI allow for software-driven or building automation-based solutions that actively manage and reduce demand in real time across portfolios of buildings? Can centralized platforms that provide measurement, verification, fault detection, and automated control be considered reliability solutions if they demonstrate firm, verifiable peak demand reduction?

- *Yes, if they meet the requirements within the RFI.*

3. Is Con Edison open to using BAS data, submetering, or third-party verified analytics to confirm system-level demand reduction?

- *Respondents should propose performance measurement strategies appropriate for their solutions. Con Edison will evaluate the expected load reduction impact of proposed solutions based on several factors, including but not limited to, information submitted in the proposal, technical review, and prior performance.*

4. **Does Con Edison consider solutions that can be deployed incrementally or at scale across existing building stock to be eligible for meeting near-term reliability needs?**
 - Yes
5. **Are retrofit solutions that minimize tenant disruption and avoid major interior construction aligned with the RFI's timeliness objectives?**
 - Yes.
6. **Can fully electrified heating and cooling systems that significantly reduce summer peak demand and improve overall system efficiency be considered reliability solutions under this RFI?**
 - *Yes, if they meet the requirements of the RFI.*
7. **How does Con Edison evaluate electrification technologies that reduce total system load through higher efficiency (COP ≥ 3) rather than simply shifting load?**
 - *Permanent load reduction through incremental energy efficiency, including improvements to equipment performance, is eligible to participate in the RFI.*
8. **Can aggregated solutions across multiple buildings or portfolios be evaluated collectively for their contribution to MW-scale relief in Zone J?**
 - Yes.
9. **Does Con Edison encourage solutions that create a controllable demand-side resource that could be leveraged in future reliability or grid-interactive programs?**
 - Yes.
10. **Table 1 shows reliability needs expanding to longer summer dispatch windows over time (up to 9 hours by 2036).**
 - **Would the Company consider:**
 - **Phased commitments that scale MW or duration over time?**
 - **Or must resources meet full future-year duration requirements at COD?**
 - *Yes, the Company would consider phased commitments that scale MW or duration over time.*
11. **How does Con Edison anticipate treating storage degradation over time? Will MW commitments be fixed at contract execution? Or will contracted capacity adjust to reflect degradation?**
 - *RFI Respondents should factor in degradation to their solution submission and account for any future costs associated with providing firm MW capacity.*
12. **If Con Edison exercises dispatch rights during reliability windows, who bears the risk of charging energy costs required to ensure availability?**

- *As stated on Pg. 14 of the RFI, respondents should account for all charging costs in their submission.*

13. Does Con Edison anticipate requiring development-stage credit support or performance security prior to COD?

- *Respondents should propose any structure they think is appropriate for their solution.*

7) Forecasting, Need Methodology & Technical Definitions

1. To help respondents develop solutions that precisely target the underlying constraints, could you please share additional details on the specific NYC 345 kV and 138 kV elements that are projected to violate ratings in the need years (2032-2036)? Specifically, the list of overloaded 345 kV and 138 kV lines, feeders and transformers that drive the identified need levels, the limiting contingency conditions associated with those violations, and whether binding constraints shift materially by years or remain on a consistent set of facilities. Saad adds “I understand some information may be CEII-sensitive; even a high-level summary of the limiting elements and contingencies would significantly improve the quality of the proposed solutions.”

- *Because the requested information constitutes Critical Energy Infrastructure Information or CEII, Con Edison is not able to provide the requested detail. However, the filed January 2026 Reliability Needs Report (Attachment A) stated that the limiting reliability needs were established under the sequential and independent loss of CHPE (at 1,250 MW) followed by loss of Ravenswood 3 (at 986.8MW), whereas multiple 345 kV and 138 kV feeders were identified to be above their normal operating parameters (i.e., overloaded).*

2. Attachment A states: Increasing capacity shortfalls are in part offset by predicted adoption of distributed battery energy storage systems. What is the anticipated behavior of these systems? Are they accompanied by photovoltaics? What are the price triggers (if any) they are following? Reading the appendix it appears battery behavior is purely based on historical AMI data of already installed systems. Is this correct?

- *The anticipated behavior of battery energy storage systems varies by system size, presence (or absence) of paired photovoltaics, and the CSRP call window of the DLA in which the system is seeking to interconnect into. The price trigger that these batteries are following are the DRV and LSRV*

components of the VDER value stack tariff. The forecast does account for battery energy storage systems that are paired with photovoltaics. As outlined in previous filings, the Company analyzed historical AMI data of already installed, in-service battery energy storage systems to determine representative profiles to utilize in its forecast.

- 3. Can you provide a typical plan of battery action for a behind the meter residential battery used in the modelling?**
 - *No, the Company cannot provide this information at this time.*
- 4. Does Con Edison anticipate requiring compliance with current FDNY guidance and NYC Fire Code at the time of contract award, or at the time of permitting/COD?**
 - *Yes, all solutions must meet FDNY and NYC codes as stated on Page 8 of the RFI.*
- 5. For a future RFP, will Con Edison require respondents to demonstrate:**
 - **Site control at bid submission?**
 - **DOB filing status?**
 - **FDNY pre-approval?**
 - **Completed interconnection studies?**
 - *Respondents should provide the required data for Energy Storage projects in their RFI submission. The Company has not made any decisions on evaluation methods for potential solution RFPs.*
- 6. Does Con Edison anticipate requiring formal community engagement plans or documented outreach as part of proposal evaluation, particularly for projects located near Disadvantaged Communities?**
 - *Solutions must minimize negative impacts to Disadvantaged Communities. RFI responses are not required to include a formal community engagement plan or documented outreach, but the Company encourages Respondents to discuss any potential outreach or considerations for a future community engagement plan.*
- 7. Will Clean NERS projects require coordination under SEQRA or other environmental review processes triggered by inclusion in the Reliability Contingency Plan?**
 - **If so:**
 - **Would Con Edison provide centralized support?**
 - **Or would developers be responsible for all review coordination?**
 - *Respondents are responsible for adherence to all existing rules, regulations, and permitting and legal requirements. If a regulatory modification is required, respondents should note that in their RFI submission.*
- 8. Will Con Edison require demonstration of compliance with NYC Noise Code standards at the proposal stage, or prior to contract execution?**

- *As outlined on Page 11 of the RFI, respondents should explain any compliance with or deviations from existing rules, regulations, or permitting and legal requirements for their solution.*
- 9. Please explain why a 90% derate is applied to offshore wind resources rather than using the applicable NYISO Capacity Accreditation Factor (CAF)?**
- *CAFs are not applicable in a deterministic transmission security assessment. Offshore wind (OSW) is derated to approximately 10% of its nameplate capacity in deterministic transmission security assessments primarily to ensure the grid remains reliable during peak load conditions.¹*
- 10. How would the LTP results differ if it was not assumed that an equivalent amount of generation is available from retiring NYPA Small Gas Plants?**
- *The needs would increase 1 MW for every 1 MW retired.*
- 11. Does “not increase demand during Summer Capability Periods between 12:00–21:00” mean no net increase versus baseline at any interval, or simply no incremental load attributable to the proposed solution?**
- *No incremental load attributable to the proposed solution.*

¹ NYISO Report: Valuing Transmission Security. November 2024. Page 19. Table 2: Effective Capacity Contribution of Different Resource Types.
<https://www.nyiso.com/documents/20142/48053283/Valuing%20Transmission%20Security%20Draft%20Issue%20Discovery%20Report.pdf/413a2b5f-4ffe-3727-afe1-5ef5a8d7558e>.