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.

Contents

1) Portfolio solutions

1. **Will distribution-connected BESS facilities, as intended to operate as a coordinated, dispatchable portfolio, be considered as part of the transmission reliability solution?**
2. **Will Con Edison evaluate and credit these BESS facilities as a single aggregated reliability resource, modeled as injection elements at their respective buses, with the portfolio collectively satisfying the identified transmission deficiency?**
3. **Is Con Edison open to portfolio-based proposals aggregating multiple distributed storage sites or does Con Edison anticipate favoring larger, transmission-connected resources?**

4. **If a portfolio-based proposal is selected, would Con Edison permit substitution of individual sites (within Zone J and eligible networks) prior to COD, provided aggregate reliability commitments are maintained?**

   Yes. Con Edison will evaluate all solutions including those which are aggregated portfolios of distribution-connected storage sites. The RFI is open to both transmission- and distribution-connected solutions. Respondents should provide the operational details and location of each proposed storage site within each aggregated portfolio.

2) Defining firm, permanent, and dispatch windows

1. **When Con Edison refers to a BESS resource as "firm" or "reliable" for transmission planning purposes, please identify the governing document and section that defines the applicable performance criteria, including (as applicable) sustained output duration, dispatch responsiveness, availability assumptions, and any other qualifying requirements.**
2. **Can you confirm that to be considered firm, capacity needs to be available ONLY for the hours identified in Table 2 of Attachment A (Jan 2026 projections), and Table 1 in the RFI (Attachment B) not 24hrs per day (noting these are forecasts and the portfolio needs to be flexible)**
3. **Does Con Edison anticipate back-to-back dispatch days during extreme heat events? If so, would minimum recharge windows be guaranteed?**
4. **Please confirm the daily reliability risk window and applicable operating season that Con Edison will use for purposes of counting BESS as a "firm" resource toward meeting the identified transmission reliability need.**
5. **The RFI indicates that proposed dispatch times for energy storage must be at least four (4) hours. To ensure alignment with the underlying reliability modeling, please clarify the following:**
   - **Within the identified window (in the limiting scenario/year), what is the maximum number of consecutive deficient hours, i.e., the number of hours the BESS must be capable of discharging continuously at its committed MW? Does the four-hour minimum represent the full modeled requirement, or is it a qualification threshold?**
   - **Once the daily reliability risk window is defined, will the BESS be required to operate for the entire identified window, or only during the specific hours within that window when a reliability deficiency occurs?**
   - **When crediting BESS as "firm," does Con Edison assume the resource can recharge and be re-dispatched within the identified window, or must**

it be capable of sustaining discharge continuously across the maximum consecutive deficient hours without recharging?

6. **Why is the minimum dispatch 4 hours when the need in 2032 is only 3 hours long (and the majority of it is only 1 hour long)?**
7. **What is the anticipated notice period for resources to be dispatched in the event of need occurring in the forecast times in the forecast periods. E.g. would notification be day-ahead, a few hrs ahead, a few minutes ahead, or a few seconds ahead?**
8. **For dispatchable energy storage systems, does Con Edison anticipate fixed annual dispatch windows, event-based dispatch similar to Demand Response programs, or a maximum number of events per year?**
9. **From a Con Edison load forecasting and planning perspective, under what criteria would load shifting count towards peak load reduction (any derating?)?**
10. **What is the technical reason behind the requirement to study asset's availability 24/7 when Con Edison has provided specific temporal windows for the reliability need? Storage resources interconnected above 100 KV are studied by the NYISO using developer-defined operating windows rather than 24/7 charging ability (put in place after FERC Order No.-2023). These new interconnection rules do not limit an asset from being considered for resource adequacy. Assuming that this is a NYISO requirement, are there any reasons that Con Edison would need to evaluate the assets in this way?**

Refer to the "Explanation of Transmission Security Needs and Minimum Evaluation Requirements for Distribution-Connected Energy Storage Solutions" document on ConEd.com/PeakSolutions for the minimum requirements the Company is seeking from potential RFI respondents connecting energy storage to the distribution and transmission systems. Proposals which meet those minimum requirements are eligible to be evaluated to address the identified needs.

Respondents may choose to commit load relief to all identified need hours or only a portion of those hours. Respondents must clearly identify the hours of load relief provided by their solutions in their responses. Solutions may not re-charge during the identified need hours. The 4-hour minimum discharge requirement is a qualification threshold for the purposes of this RFI. Con Edison has not made decisions on minimum qualification thresholds for any future RFPs.

To the extent that a respondent proposes a solution which provides load relief but does not meet the specific requirements of the RFI, including the 4-hour minimum

discharge requirement, the respondent should provide justification and the Company will evaluate the proposal.

3) Interconnection considerations

1. **If portfolio-level treatment is permitted, can Con Edison confirm that each individual BESS site may be designed as a standard radial distribution interconnection, consistent with normal distribution interconnection requirements, without being required to incorporate additional site-level contingency redundancy (e.g., internal N-1 or N-2 configurations) solely for purposes of qualifying as a transmission reliability resource? If Con Edison intends to require additional site-level reliability or redundancy beyond standard distribution interconnection criteria, please identify the governing specification or planning basis for such a requirement.**
2. **What is the transmission redundancy at each distribution substation? Is it N-1 (are all substations served by two redundant transmission wires?)? And, therefore, should a virtual power plant across several substations be derated to account for some transmission-level redundancy standard? Or has this already been accounted for in Table 1?**
3. **If one has an existing N-1 5MW ESS High Tension w/SCADA (and a record performing in Auto-DLM) AND wanted it to be considered "firm" by Con Edison per the technical conference would you need to make any changes to it (administratively, or physically)? If so what changes would need to be made?**
4. **Does participation as a transmission reliability resource trigger any direct or flowed-down compliance obligations under specific NERC Reliability Standards (e.g., COM, CIP)? If so, please identify the applicable standards, the asset classification basis, and the governing document references.**
5. **What is necessary to increase an existing N-1 connection (either High-Tension or Low-Voltage) to N-1-1-0?**
6. **Will Clean NERS resources be required to meet a specific deliverability standard (e.g., full transmission deliverability), or will distribution-connected resources be evaluated based on localized load relief performance only?**

Refer to the "Explanation of Transmission Security Needs and Minimum Evaluation Requirements for Distribution-Connected Energy Storage Solutions" document on ConEd.com/PeakSolutions for the minimum requirements the Company is seeking from potential RFI respondents connecting to the distribution and transmission systems. Proposals which meet those minimum requirements are eligible to be

evaluated to help address the identified needs. All currently approved distribution-system interconnection standards for energy storage will be considered. Additional consideration will be given to proposals meeting local reliability requirements.

4) Interconnection studies and processes

1. **For projects that have completed CESIR/interconnection studies based on defined operating characteristics:**
    - **If these distribution-connected BESS facilities are now expected to operate as transmission reliability resources under different dispatch assumptions, please clarify:**
        - **Will updated interconnection or impact studies be required due to the change in operating assumptions?**
        - **How does Con Edison intend to reconcile the charging and discharging assumptions used in prior CESIR/interconnection studies with those applied in transmission reliability modeling?**
        - **Specifically, how will Con Edison ensure that charging and discharging impacts are not conservatively double-counted between distribution interconnection studies and transmission reliability evaluations (for example, assuming peak charging conditions in distribution studies while simultaneously requiring peak discharge obligations for transmission reliability purposes)?**
2. **Would projects selected through a future RFP receive any prioritization or streamlined review within the SIR/USIS process?**
3. **Regulatory Modifications/Exception -- Will Con Edison consider using flexible (non-firm) interconnections to expedite the process and reduce upgrade costs? Can Con Edison identify eligible interconnection points?**

Projects with existing studies may need to be re-studied if current operational restrictions differ from the transmission reliability need hours. For new projects, respondents should refer to the hosting capacity maps and to the RFI for network eligibility requirements. Respondents should propose any regulatory or process changes that are either required, or would enhance, their solution.

5) Participation in other programs and coordination of operational requirements

1. **If a resource is under contract to provide reliability services during defined hours, would Con Edison require exclusive dispatch rights during those hours, or would dual participation (e.g., VDER + NYISO markets) be permitted subject to performance guarantees?**
2. **In order to optimize the value of BESS located on the distribution system for ratepayers, can assets be studied to provide distribution level load relief as well as solve for transmission reliability where the hours of need are overlapping and distribution assets fulfill other reliability criteria? The RFI mentions that assets need not provide a complete solution, however, at the technical conference, it was mentioned that projects would need to be restudied to assume 24/7 availability.**
3. **We seek clarity on how operating assumptions will be harmonized between distribution and transmission planning models to avoid inconsistent or duplicative modeling impacts.**
4. **Is there a time after which availability is no longer required for a given summer day, after which the resources can be used for something else?**
5. **Would Con Edison consider contracting for only a portion of a resource's nameplate MW or MWh capacity (i.e., partial capacity commitment), with the remaining capacity allowed to participate in other eligible programs? If so: would the contracted portion require physical or operational separation? How would performance be measured in a partial commitment scenario?**
6. **Would Con Edison consider structures where a portion of capacity is committed as firm reliability MW, while additional capacity remains merchant or market-exposed, provided the firm portion is fully dispatchable and performance-guaranteed?**
7. **Would Con Edison expect full charging/discharging control during committed reliability windows, or would respondents retain operational discretion provided performance obligations are met?**

Refer to the "Explanation of Transmission Security Needs and Minimum Evaluation Requirements for Distribution-Connected Energy Storage Solutions" document on ConEd.com/PeakSolutions for the minimum requirements the Company is seeking from potential RFI respondents connecting to the distribution and transmission systems. Proposals which meet those minimum requirements are eligible to be evaluated to help address the identified needs.
Con Edison will evaluate proposals that include current or planned participation in other programs. Respondents must clearly state any current or planned participation by proposed solutions in other existing programs and any operational

limitations stemming from that participation. Finally, Con Edison has not yet defined the requirements for any future RFP or program. Respondents should propose any control or operational strategies appropriate for their solutions which are required to enable participation in other programs.

6) Inclusion of other revenue streams

1. **The RFI indicates respondents should optimize and account for other revenue streams (e.g., NYSERDA, NYISO, VDER). Does Con Edison envision Clean NERS contracts as fully additive to those programs or designed to replace certain value streams (e.g., Utility Dispatch Rights, Alt 3)?**
2. **Would Con Edison envision its reliability contract as additive to VDER compensation (and other non–Con Edison revenues) during and outside the Need hours, or would participation require modifications to, or substitution for, VDER compensation? More broadly, how does Con Edison anticipate treating revenue stacking and any limits on concurrent participation in VDER, NYISO markets, and other programs for storage resources providing Clean NERS services?**
3. **If an energy storage resource participating in VDER (including Alt 3 and DRV) is selected under this RFI, how does Con Edison envision the interaction between the reliability contract and existing VDER value streams? Specifically: Would participation under a Clean NERS contract require modification, suspension, or reduction of Alt 3 compensation? Would DRV participation continue as-is, assuming the resource remains compliant with VDER dispatch rules?**
4. **If a project is a current participant in VDER program will Service Tariff be amended to allow projects to participate in the Con Edison compensation mechanism and not be in violation of VDER rules?**

Con Edison has not yet determined the requirements for any future RFP or program. For the purposes of this RFI, respondents should include information in their submittal about the financial support required from Con Edison to deliver the proposed load relief, including any proposed incentive structures. Respondents must clearly state any current or planned participation by proposed solutions in other existing programs in their responses and any other revenue streams stemming from that participation should be clearly identified in Attachment B2. Additionally, respondents should identify any operational limitations stemming from planned participation in other programs. Finally, respondents should include any regulatory or programmatic changes which may be required to provide the proposed load relief.

7) Performance measurement

1. **How will performance be measured for storage resources: Against telemetry at POI? Against forecasted baseline? Against pre-committed schedule?**

2. **Will the reliability MW obligation be based on nameplate rating, guaranteed deliverable capacity at POI, or a derated/accredited value?**
3. **From a Con Edison load forecasting and planning perspective, under what criteria would load shifting count towards peak load reduction (any derating?)?**
4. **How would a distribution load shifting solution be discounted before it is credited as a load modifier for the peak on the transmission grid?**

Solutions must meet the discharge commitments made in their submitted proposal. Con Edison has not yet defined the requirements for any future RFP or program. 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) Communications, telemetry and cybersecurity requirements

1. **Please identify the specific telemetry and communications standards applicable to BESS resources relied upon to satisfy transmission reliability needs, including any requirements related to communications architecture, redundancy, latency, polling intervals, and failover performance. Please provide the governing document(s) and applicable section references.**
2. **Please confirm whether Con Edison intends to apply any cybersecurity or communications requirements beyond those explicitly referenced in published NYISO manuals, NYISO tariff provisions, or Con Edison Transmission Planning Criteria. If so, please identify the applicable manuals, specifications, and governing documents, including relevant section references.**
3. **What DERMS architecture or mechanism for dispatches are you foreseeing?**

Con Edison has not yet defined the requirements for any future RFP or program. Respondents should propose communications, telemetry and cybersecurity strategies appropriate for their solution.

9) Upper and emergency operating limits

1. **Regulatory Modifications/Exception -- Will Con Edison and the project owner/aggregator establish an Upper Operating Limit (UOL) for a project?**

2. **Regulatory Modifications/Exception -- Will costs related to accommodating emergency operating limits be paid for by Con Edison?**
   Con Edison has not yet defined the requirements for any future RFP or program. Respondents should outline the operating parameters and potential interconnection limits of their proposed solution. Respondents should include information in their submittal about the financial support required from Con Edison to deliver the proposed load relief.

10) Miscellaneous

1. **If a solution can be configured with a defined peak-window operating mode to reinforce reliability assurance, would Con Edison view that as beneficial at the RFI stage, and would any dispatch or control rights be contemplated only at a later RFP phase?**
   Con Edison has not yet determined the requirements for any future RFP or program. Respondents should propose control strategies appropriate for their solution.
2. **Is Con Edison allowed to and interested in owning residential sited ESS as part of the solution to its reliability need?**
   Con Edison does not own residential energy storage under current PSC regulations. If your proposed solution requires utility ownership of residential energy storage, please note the potential regulatory updates required in your submission.
3. **Attachment B-2 states: "For proposals with more than one energy storage system project, please create a Cash Flow Template tab within this attachment for each individual project." If an Applicant has multiple projects with similar Cash Flow (e.g., CapEx, OpEx, Revenue) and Operation (e.g., round trip efficiency, dispatchable duration, reactive power) profiles, can a single representative "ESS 1 Annualized Detail" workbook tab be provided that captures a representative profile rather than one tab per individual project (especially if the Excel file will be >20 MW including tabs for each individual project)?**
   Yes.