

2019 BQDM Extension Auction

Frequently-Asked Questions Updated January 29, 2018

See [2019 BQDM Extension Auction Technical Requirements](#) for definitions of terms in **bold**.

General Auction Questions

1. *How frequently does Con Edison intend to utilize the resource? Is this something that can be specified in the bid?*

Constant load reduction technologies must produce contracted **Peak Demand Reduction** during **BQDM Events** and throughout the summer, May through September, Monday through Friday, noon through midnight. Callable resources must produce **Peak Demand Reduction** during **BQDM Events**. Up to four test events will be called during each performance year. Final incentives will be adjusted to reflect project performance during these periods.

2. *Do we need a specific Con Edison customer identified at the time of the application?*

Applicants must submit projects with customer Letter of Intent.

3. *Should bids in the application reflect the total incentive or the incentive rate (i.e. \$/kW)?*

Applicants should complete their **Bid** as an all-in, total requested incentive amount. The **Bid** must not exceed the **Maximum Incentive Level**. Con Edison will calculate the **Incentive Rate** based on these values.

4. *How long does it take to get a project approved once it has been submitted?*

Application and security deadline is April 2, 2018. Approved projects will be announced on the auction award date of June 1, 2018.

5. *What are the prospects of having a 2020 BQDM program?*

Con Edison will evaluate the outcome of the 2019 BQDM Program Extension Auction to determine if future program years are necessary.

6. *Are behind the meter residential storage technologies eligible?*

Yes, behind the meter residential storage is eligible for this auction.



7. *What is Con Edison's budget and kW reduction goals for this extension period?*

For this auction, Con Edison is seeking to acquire the most **Peak Demand Reduction** from available BQDM funds.

Projects with the highest chances of winning an incentive award will have:

- The lowest incentive requested per kW of **Peak Demand Reduction** reduced; and
- The lowest ratio of total Project cost to kW of **Peak Demand Reduction** level

8. *How do I account for other funding sources in the application's total project cost?*

Any incentives or funds from other Con Edison programs or from other agencies will be counted towards the **Maximum Incentive Level**. This includes Con Edison's Commercial System Relief Program ("CSR") and Distribution Load Relief ("DLR") Demand Respond programs.

Incentives are capped at the LESSER of:

- One hundred percent of the Project cost estimate minus any incentive or funds from other Con Edison programs or funds from other agencies, or
- One hundred percent of the actual Project costs, or
- Five million dollars per Bid

At the end of the performance period, the final incentive may be adjusted if the total BQDM incentive exceeds the difference between the total project cost minus the sum of incentives or funds from other Con Edison programs or other agencies.

9. *May existing BQDM projects participate in the 2019 BQDM Extension Auction?*

Only projects that provide new load reductions are eligible for the 2019 BQDM Extension Auction. Existing projects, including BMS, may participate in Demand Response Programs.

10. *Are eligible technologies allowed to participate in both the BQDM Extension Auction and a Non-Wires Solutions?*

Yes, eligible technologies can participate in the 2019 BQDM Extension Auction and other Non-Wires Solution RFPs.

However, the BQDM Area and current Non-Wires Solution RFPs do not geographically overlap. Each application must have an eligible Con Edison electric account in the targeted network or area.

11. Is solar PV an eligible technology for the Extension Auction?

Stand-alone Solar PV projects are not eligible for 2019 BQDM Program Extension Auction. Con Edison is seeking demand reduction in the BQDM area from the hours of 9 PM to 10 PM. A stand-alone Solar PV project is not capable of generating substantive power at these target hours.

A Solar PV project coupled with energy storage is eligible for this auction.

12. Why is there a different deadline for Permitting documents for batteries vs other technologies?

The time required to process permitting documentation for batteries is often longer than the time required for other technologies. Accordingly, Con Edison adjusted the deadlines for permitting documentation based on technology.

13. If a bidder submits a portfolio of batteries comprised of several different smaller projects, are all the deadlines applied at the portfolio level or project level?

Con Edison will apply deadlines at the project level, even for portfolios with multiple projects.

14. Are individual (but aggregated) residential load reductions eligible for this?

Yes, aggregated residential load reductions are eligible. An Applicant's Portfolio (of aggregated projects) must total at least 50 kW of **Peak Demand Reduction**. There is no minimum **Peak Demand Reduction** requirement on a Project level.

15. Is there a preference for renewables i.e. batteries?

There is no preference for particular renewable technologies. Any qualifying technology may apply for the 2019 BQDM Extension Auction and all qualifying technologies are subject to the Auction Clearing Mechanism.

16. Will Con Edison provide any candidate sites for bidders/developers to consider?

Con Edison will not provide a list of candidate sites for Applicants. However, Con Edison will provide program support as needed.

Measurement and Verification Questions

17. How will Con Edison handle measurement and verification (M&V) for different technologies?

Con Edison will work with Applicants to develop a comprehensive M&V Plan based on capabilities of the proposed technology. The general requirements will follow the current BQDM M&V Plan Distributed Generation & Energy Storage.

Demand Response

18. Will Con Edison CSRP be reinstated as a program option for participation?

Yes, CSRP will be reinstated in the BQDM Area starting in 2019. Existing customers in BQDM may enroll in Con Edison CSRP or DLRP Demand Response Programs.

19. What are the criteria for activating a BQDM Event?

After 2018, **BQDM Events** will be called at the same time as events called in the BQDM Area by the Commercial System Relief Program (“CSRP”), as defined in General Rules 24, Rider T¹ of the most current rate schedule. BQDM Events will be given upon not less than 21 hours advance notice, for **Peak Demand Reduction** during the **On-Peak Hours**.

20. What are the DR call windows and months of operation?

The 2019 CSRP call windows will be announced along with all CSRP call windows at the end of 2018. The 2018 call windows can be found here: <https://www.coned.com/-/media/files/coned/documents/save-energy-money/rebates-incentives-tax-credits/smart-usage-rewards/networks-and-tiers.pdf>

The 2019 DR season is May through September.

21. Does Con Edison have data on the frequency of CSRP events?

Historical data can be found here: <https://www.coned.com/-/media/files/coned/documents/save-energy-money/rebates-incentives-tax-credits/smart-usage-rewards/demand-response-events.pdf>

CSRP Events are weather dependent.

22. Are standby generators allowed to participate in Con Edison DR Programs 2019 moving forward?

The rules on how generators can participate in CSRP and DLRP are found in Rider T of the Con Edison Tariff and the DR Program Guidelines. Some points to note:

- The generator must meet all applicable local, state, and federal rules and regulation
- The generator must have the appropriate emissions permits (Department of Environmental Conservation “DEC”)
- The generator must be in compliance with Con Edison interconnection requirements
- Diesel generators with model year older than 2000 require a certification from a professional engineer that NOx emissions are less than 2.96 lbs/MWh
- There is a 20% cap on diesel generators in the CSRP program. This threshold has not been hit in the past, however if it is reached, diesel generators will be accepted into the CSRP program on a first-come first-served basis until the 20% threshold is reached.

¹ <https://www.coned.com/-/media/files/coned/documents/save-energy-money/rebates-incentives-tax-credits/smart-usage-rewards/rider-t.pdf>

23. Can the Front of the Meter installations participate in the 2019 CSRP or DLRP programs?

Con Edison electric Service Classes 1, 2, 5, 8, 9, 11, 12, and 13 may participate under current rules. "Load Relief" is currently defined in General Rules 24, Rider T as "power (kW) and energy (kWh): (a) ordinarily supplied by the Company that is displaced by use of Electric Generating Equipment and/or reduced by the Direct Participant or Aggregator at the Customer's premises; or (b) produced by use of Electric Generating Equipment by an SC 11 Customer and delivered by that Customer to the Company's distribution system during a Load Relief Period."

24. For a site that would export power, under what tariff do they fall?

The only export customers permitted to participate in Con Edison DR are SC 11 (export) or Rider R (net metering).

25. What are the limitations on exporting power?

The only export customers permitted to participate in Con Ed DR are SC 11 (export) or Rider R (net metering). In Rider T programs, sites that export are dispatched separately. Exporting accounts are governed by interconnection agreements as well as local, state, and federal rules on generation.

26. Are sub-metered projects acceptable or must the project be measured at the utility meter?

Depending on technology type, sub-metered projects may be acceptable. Project-specific M&V Plans will be established to identify effective load reduction M&V method.

Qualifying Technologies

27. Would upgrades to existing standby generators (such as emissions controls) to make them compliant for non-emergency use be considered for BQDM 2019? Are new non-emergency use generators eligible for this auction?

Emergency and standby generators, and lighting replacement measures are not considered advanced technologies for this auction and, therefore, are excluded from participation. Additional examples of equipment or measures that alone are non-qualifying technologies are: variable frequency drives, energy monitoring only systems, equipment scheduling or setbacks, economizers (air or water side), and temperature resets (condenser water, chilled water supply, or supply air).

Eligible Projects must use one or more qualifying technologies. Qualifying technologies include, but are not limited to, distributed generation (e.g. fuel cells, combined heat and power), energy storage, and advanced controls.

To be considered an "advanced controls" Project, the control system should include:

- Two-way connectivity (can both send and receive data or commands) capable of responding to dynamic conditions in an automated fashion; OR



- A Building/Energy Management System (“BMS” or “EMS”) capable of on-demand control of one or more energy consuming building systems (mechanical, ventilation, electrical, and/or lighting)

28. Would upgrades from a manual load curtailment system into an automatic load curtailment system (advanced demand response controls, such as BMS, remote toggle, etc) be qualifying technology?

Only new load reduction will be consider for the 2019 BQDM Auction.

If the automated demand response controls produce kW reduction above a manual system, that incremental kW reduction would be eligible for this program. This incremental kW reduction must be measured and verified by Con Edison.