

Con Edison

Non-Wires Solutions

Response to 2019 Newtown Energy Storage System (ESS) RFP Clarification Questions

ID	Date Last Modified	Category	Question	Response
1	7/5/2019	ESS Operations	Will Con Edison control the operations of the ESS over the term of the Agreement, or will it simply send a dispatch schedule with day-ahead notification i.e. the Respondent will maintain operational control and will commit to discharge the ESS in line with the dispatch signal sent by Con Edison?	The respondent will maintain ownership and control of the ESS over the term of the NWS agreement. The executed agreement will provide Con Edison with dispatch rights for the ESS during the Summer Capability Period (May 1 - September 30), with day-ahead notification for the duration of 10 consecutive Summer Capability Periods. The respondent commits to discharging the ESS as dictated by Con Edison during the agreement term. During the agreement term the respondent may be required to integrate the ESS with future Con Edison communications systems and equipment (see "Communications Systems and Equipment", p. 4 of the Non-Wires Solutions Energy Storage Program Agreement). Such systems integration is for the purposes of real-time data sharing, not operational control.
2	7/5/2019	ESS Operations	How many days per year is Con Edison expected to send a dispatch signal to the ESS? Does Con Edison expect to send more than one NWS Event dispatch signal for the same day?	Con Edison seeks to procure full dispatch rights for the duration of 10 Summer Capability Periods (May 1 - September 30). Dispatch requirements are entirely within Con Edison's discretion and it is the intention of the company to call the ESS for dispatch only when needed. Con Edison will not send more than one request for dispatch on an NWS Event day.
3	7/5/2019	Project Specs	With respect to the guaranteed demand reduction (kW) for an expected duration of at least 4 hours at end of life (EOL), can Con Edison confirm that end of life (EOL) is defined as the effective end of the Agreement term i.e. upon completion of	Delivery of the contracted Load Reduction Guaranty amount is required every Summer Capability Period of the contract term. For the purposes of this NWS RFP, end of life (EOL) is defined as the effective end of the agreement (i.e., following the completion of 10 Summer Capability Periods). It is expected that the systems will degrade over time, but the respondent is responsible for ensuring the full Load Reduction Guaranty is fulfilled each Summer Capability Period. For those systems that have higher capacity and degrade over time, Con Edison expects the Respondent to make available ESS capacity in earlier

			the 10th Summer Capability Period? Does Con Edison require the ESS net capacity (kW) to be guaranteed from beginning of life to end of life, i.e. no ESS degradation will be allowed duration the 10 year term?	years, at no additional cost. Please see "Dispatchable Energy Capacity" on page 4 of the Non-Wires Solutions Energy Storage Program Agreement for additional information.
4	7/5/2019	Program Agreement	For sake of clarity, will Con Edison require liquidated damages, underperformance or other penalties related exclusively to the ESS degradation over the term of the Agreement?	Liquidated damages will be applied in two ways: 1) assessed against the security provided by the respondent if the Operational Date is missed and 2) assessed each year of the 10-year contract term if the ESS has achieved less than 90% of the contracted kW (Load Reduction Guaranty) as determined by the Company's verification plan. During the first year of the contract, Liquidated Damages are applied against the Respondent's provided Security. Following the first Summer Capability Period, Security is returned to the Respondent and any future Liquidated Damages are assessed against the annual Reservation Payment. Additionally, annual Reservation Payments will be modified according to performance of the ESS against the contracted kW on NWS Event days. Respondents should include in proposals energy storage systems with a 4-hour discharge rated at end of life (EOL).
5	7/5/2019	Eligibility	Will Con Edison consider a micro grid solution for the purpose of this RFP i.e. Solar + Storage project?	Yes. Solutions pairing storage with distributed generation technologies are eligible for the Newtown NWS ESS RFP, however only the ESS portion of the solution is eligible for NWS incentives under this Con Edison RFP.
6	7/5/2019	Incentive Request	Can we make a contingent offer for this RFP that would depend on the amount of incentive that will be secured from NYSERDA? For example, asking for \$500,000 if the project secured the \$300/kwh tranche from NYSERDA retail storage incentive from & \$600,000 if the project secured the \$240/kwh tranche and \$800,000 if no incentives could	No. Contingent NWS incentive requests will not be considered under this RFP. Respondents are expected to provide the most competitive incentive request based on current market conditions. Following award, the Company will not adjust or change the incentive amount. Any projects that do not perform or meet obligations under the contract will be subject to Liquidated Damages and potential default on the contract.

			be secured.	
7	7/5/2019	Eligibility	<p>Can you clarify what are the requirements that need to be shown/demonstrated when submitting the RFP:</p> <p>1) Site Control: Do we need to demonstrate a form of site control before submitting RFP?</p> <p>2) Interconnection: does the project need to be filed and submitted the interconnection application before submitting the RFP?</p> <p>3) Credit Requirements: Is a letter of credit required?</p>	<p>Site control is not required to be eligible for the Newtown NWS ESS RFP, though site control or other documented customer support are looked upon favorably in the selection process. Additionally, awarded projects must secure site control by the Customer Acquisition Deadline. For updated Customer Acquisition Deadlines under this RFP, please see the response to clarification question number 10 below. The project does not need to be filed and submitted for interconnection application prior to submitting an RFP response. A letter of credit or cash collateral are required as security for the project and must be provided to Con Edison by October 30, 2019 - approximately 60 days following the expected contract execution date (Please see Section 3 of RFP). Please also refer to section 6 of the RFP for proposal requirements.</p>
8	7/5/2019	Eligibility	<p>In section 4.4 (Additional Technologies), it states that "Con Edison will not consider stand-alone distributed generation technologies as part of this RFP." Can you give more clarity on this? Does this mean that stand-alone front of the meter energy storage projects are not eligible for the RFP?</p>	<p>For this RFP, the Company is referencing technologies such as solar PV, fuel cells, and CHP as stand-alone distributed generation technologies. These technologies are not eligible for NWS incentives under this RFP. Distributed generation technologies may be paired with energy storage systems as proposed solutions, however only ESS (including front-of-the-meter) are eligible for Con Edison NWS incentives under this RFP.</p>
9	7/5/2019	ESS Operations	<p>Is the project allowed to start operation before May 2021 to get demand savings or value stack compensation?</p>	<p>Yes, the project may begin operation earlier than the contracted deadlines of May 1, 2021 or 2022 and can receive demand savings or value stack compensation. Additionally, Con Edison will provide the Installation Payment once the ESS has met the installation requirements. Reservation Payments will be made following the first Summer Capability Period when the ESS is expected to perform.</p>
10	7/5/2019	Project Timeline	<p>The Timeline in the RFP has the Customer Acquisition Deadline set for 5 months after the</p>	<p>For both 2021 and 2022 projects, the customer acquisition deadline is hereby extended to March 1 for ESS with an expected operational date of May 1 the following year, i.e., March 1, 2020 customer acquisition deadline for May 1,</p>

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			Expected Contract Execution Date (for May 1, 2021 summer performance period). Is there flexibility in extending the Customer Acquisition Deadline by 1 additional month?	2021 operational projects; March 1, 2021 customer acquisition deadline for May 1, 2022 operational projects.
11	7/5/2019	Data Request	Can Con Edison provide the data used to produce the hourly load curve in Appendix A on page 18 of the RFP?	Load curve data will not be provided.
12	7/5/2019	ESS Operations	We understand that meeting the load relief need will be our primary dispatch obligation during the Summer Capability Period, but if we do not receive day-ahead notification of dispatch, will we be free to operate the solution as we see fit to take advantage of other revenue streams?	Yes. Without day-ahead notification from Con Edison, the respondent is free to operate the ESS to maximize other revenue streams. NYISO market revenues are subject to revenue sharing with Con Edison. Value Stack compensation or other customer bill management revenues are not shared with Con Edison. Please see "Shared Revenue" section of the Non-Wires Solutions Energy Storage Program Agreement (p. 6).
13	7/5/2019	Agreement Term	Is there an opportunity or interest from Con Edison in the project's value streams/services after the 10-year NWS agreement term?	At this time Con Edison only seeks to enter into ten year contracts for ESS dispatch rights.
14	7/5/2019	Program Agreement	If new wholesale market revenue streams become available during the NWS contract term that were not available at the time of NWS contract execution, do the sharing rules still apply?	Yes. All future wholesale market revenue streams are subject to revenue sharing with Con Edison. Please see "Shared Revenue" section of the Non-Wires Solutions Energy Storage Program Agreement (page 6).
15	7/5/2019	Data Request	Is Con Edison able to provide the approximate cost of the traditional solution?	The cost of the traditional solution will not be published.

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16	7/5/2019	Data Request	We are interested in knowing the neighboring feeders' details and where they are fed from (sub-transmission network source). Can you please help us with data for the following table? It would be great to get headroom for each circuit based on substation capacity and line current carrying capacity (the last column of the table)!	The system need for this RFP is a sub transmission-level constraint. Local feeder capacity is not a current constraint under this RFP and is therefore not relevant to this NWS Project.
17	7/5/2019	Data Request	Is there feeder level hosting capacity maps for the targeted areas?	No, there is not a feeder level hosting capacity map for targeted areas. The Newtown NWS targeted area is comprised of underground mesh networks, therefore an ESS interconnected anywhere in the eligible networks will provide load relief.
18	7/5/2019	Data Request	If detailed map is not available, Is there a geographical location where there is a pole of any of adjacent feeders (from the table above) that is within 300 ft of a Newtown area feeder's pole (Sunnyside, Borden, and Maspeth circuits' poles)?	This information is not available at this time. To understand project and location specific interconnection costs, a CESIR study is required. Please refer to the Con Edison Energy Storage Guide for more information on interconnection: https://www.coned.com/-/media/files/coned/documents/save-energy-money/using-private-generation/specs-and-tariffs/energy-storage-guide.pdf?la=en
19	7/5/2019	Data Request	What are the load curves for the feeders and substations that are found (in Q3) to be geographically close?	The combined substation and sub transmission feeder load curves are provided in the RFP document. No other load curves will be provided under this RFP.