

Consolidated Edison Company of New York, Inc.

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## Responses to Questions

Request for Information – Innovative Energy Solution for Low & Moderate Income Customers

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Posted: January 13<sup>th</sup> 2017

Please Note: The final submission deadline for the RFI is February 3, 2017



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### 3<sup>rd</sup> Party Investment

Question 1) Section 3.3 -- Can you please explain this section in more detail? In what circumstances is Con Edison looking for bidders to bring funding to the table?

Answer: *Third party funding is a requirement of REV demonstration projects, not a Con Edison requirement. For further details, please see section 5.3.1.2 of the RFI. Contributions from respondents can be financial in nature, or in-kind. Con Edison will be flexible in working with non-profits and community based organizations that may be challenged by this New York State Public Service Commission requirement.*

Question 2) Would ConEd consider in-kind services as a non-utility funding stream to mitigate cost of the LMI demonstration project?

Answer: *Yes.*

Question 3) Do you have any suggestions on where to seek third party funding (outside of ConEd)?

Answer: *Con Edison expects respondents to do their own research for where they might identify such funding. Con Edison is aware of complementary initiatives such as Department of Energy's Solar in Your Community Challenge ([www.solarinyourcommunity.org](http://www.solarinyourcommunity.org)) or NYSERDA's solicitation on Affordable Solar Predevelopment and Technical Assistance. However, these are only two examples of complementary programs and potential third party funding, they do not constitute a comprehensive list. Again, Con Edison expects respondents to research other potential options for third party funding. Please see sections 3.2 and 3.3 of the RFI.*

Question 4) (1) Are in-kind contributions still encouraged? (2) If yes, will they be considered only in addition to third-party funding streams? (3) Are there limitations or restrictions on the types of in-kind services that will be encouraged or considered?

Answer: *1) Yes; 2) No; 3) Con Edison will not mandate or encourage a particular type of in-kind funding. All in-kind funding must ultimately be approved by the New York State Public Service Commission.*

### Advanced Metering Infrastructure "AMI"

Question 5) Is there any dependency on the LMI programs to be initiated with the AMI rollout?

Answer: *There are not yet specific dependencies between the LMI initiative and the AMI roll out. The timing and nature of any dependencies will vary based on the type and location of responses ultimately selected. We suggest reviewing [Con Edison and O&R AMI Customer Engagement Plan](#) for additional insights.*

Question 6) Section 5.1.2 -- Are there any new products or services that Con Edison plans to roll out as a result of the implementation of smart meters that could benefit low income segment?

Answer: [Con Edison and O&R AMI Customer Engagement Plan](#) describes plans for the AMI roll out and the resulting initiatives.

Question 7) When will AMI meters (electric and gas) be available to support the demonstration and in what LMI geographies/neighborhoods?

Answer: Please see [Con Edison Advanced Metering Infrastructure Business Plan](#) document. The roll out schedule and geographic areas chart can be found on page 25 of that document.

Question 8) Will meter reads from ConEd's current AMR system be available to support a LMI demonstration if, for example, there is a delay in AMI implementation?

Answer: Yes. Con Edison may provide access to cycle meter reads data, AMR and manual, to the extent that the proposed project is dependent on the data.

Question 9) What is the frequency of AMR meter reads?

Answer: AMR and manual reads are obtained monthly, on a cycle basis.

Question 10) Once an AMR meter is read, what is the time frame for when those readings would be available?

Answer: In general, meter reads, AMR and manual, can be made available 3 days after it is captured.

Question 11) Are AMI and/or AMR meter reads captured in a Meter Data Management system or other system that would be accessed by a LMI demonstration program?

Answer: Con Edison captures and stores meter reads in internal systems which are not accessible to 3rd parties. However, Con Edison may establish data feeds via file transfers or web presentment, pending project needs and contractual agreements.

Question 12) Is ConEd open to considering demonstration projects that leverage their gas AMI or AMR infrastructure in addition to electric AMI or AMR?

Answer: The LMI demonstration project is predominantly focused on electric infrastructure. However, Con Edison will consider leveraging gas infrastructure, so long as the gas infrastructure is not the sole or primary focus of the project.

Question 13) Can Con Edison provide any information on the zones/regions and timeline for their AMI rollout plan?

Answer: *Please see response to question #7.*

## **Billing**

Question 14) Does the LMI constituency currently have access to energy usage or bill information or bill payment via mobile application(s)?

Answer: *Yes. All customers, including those with low-to-moderate incomes, can access their energy use and billing information via the My Con Edison app for iOS and Android devices. Customers with mobile devices that run other operating systems can access this information via the mobile-optimized version of ConEd.com.*

Question 15) Section 5.1.1.1 – Is Con Edison interested in proposals that include ideas to increase enrollment in the Low-income Discount Program or Level Payment plans?

Answer: *Con Edison has a very well established process for determining eligibility for the Low Income Discount Program, which is based upon our Joint Proposal and rate case agreement. If the proposal can work within the guidelines of this plan, Con Edison could consider it. As for the Level Payment plans, enrollment will switch to an "opt out" model, which begins on January 1, 2018. For this reason, the company is not interested in responses focused on enrolling our current Low Income Discount Program customers in level billing. However, Con Edison would be interested in responses which could increase the adoption of level payment plans among moderate income customers who are not enrolled in our Low Income Discount Program.*

Question 16) Would ConEd consider a Financial and Billing demonstration that involved pre-pay billing?

Answer: *Yes, Con Edison would consider such a project.*

## **Billing & Energy Information**

Question 17) Is there a metric that may be used to compare energy usage and then reduce consumption?

Answer: *It is possible to utilize a variety of metrics for usage comparisons. Con Edison expects respondents to propose metrics appropriate for this purpose. Please see section 3.6.2 of the RFI.*

Question 18) May metrics be developed that compare energy use to your neighbor?

Answer: Yes.

Question 19) How does a given neighborhood's energy use compare to another neighborhood?

Answer: Respondents should determine the geographic orientation of LMI programs or solutions they develop. There are no geographic restrictions, provided respondents address LMI customers in Con Edison's service territory. Please see questions #113 and #115 for more specific energy use information.

### **Billing & Payment Issues**

Question 20) Does Con Ed believe these demonstration projects will reduce payment issues?

Answer: The purpose of this initiative is described in section 2.2 of the RFI. Projects can address the wide variety of success criteria outlined in section 2.6 and 5.4 of the RFI.

Question 21) Are payment issues being studied in conjunction with this LMI study?

Answer: Con Edison is not currently conducting a specific, focused study of payment issues at this time.

### **Budget**

Question 22) Will estimated budget costs provided as part of the RFP response become binding in the event ConEd selects a project for funding, or will selected proposers have the opportunity to submit final cost estimates and budgets for contract purposes?

Answer: Project budgets included in the RFI responses are not binding but represent a respondent's good faith, reasonable estimates of costs. Such an estimate is necessary because costs are an important consideration in selection. Final project pricing will be negotiated based on the scope and contractual agreement between Con Edison and the partner(s). Responses should include accurate, detailed estimates of the revenues and costs of the proposed solution based on the scope and assumptions included. Although not binding, these estimates will serve as an important reference point during subsequent contract negotiations.

Question 23) Is Con Edison willing to pay for pre-development costs / comprehensive neighborhood plans / audits?

Answer: Con Edison will not pay for pre-development costs or comprehensive neighborhood plans and audits before projects have been selected. However, funds for such studies

*can be included in the costs associated with the project(s) selected, and paid for with the funds outlined in section 2.4 of the RFI.*

Question 24) You all mentioned that you have a \$25 Million budget for this initiative. Is your expectation that we bring a proposal that spends the entirety of that budget? Would you be open to a tiered approach to show what we could provide at three levels of costs?

Answer: *Con Edison anticipates selecting multiple projects within the overall \$25M budget for this initiative. Therefore, we encourage respondents to submit the most cost effective response possible. A tiered approach of options is acceptable so long as each tier has budget estimates associated with it. Please see sections 3.2 and 3.3 of the RFI for further detail.*

Question 25) Will ConEd provide all customers lists or do we need to budget for the cost of obtaining these lists?

Answer: *Con Edison expects respondents to have a plan to identify, verify, and obtain customers. Further, the company expects respondents to provide an estimate of the costs associated with this activity. Please see sections 2.3, 3.2, 3.3 and 3.5.1 of the RFI for further detail.*

#### **Clarification**

Question 26) Section 3.7.5 – What would constitute “evidence” of a bidder’s commitment to invest in NY?

Answer: *Evidence would include tangible plans to hire staff, open office(s) in New York, partner with New York organizations other than Con Edison, or other verifiable evidence of forthcoming investment/commitment to the New York State market.*

Question 27) On the website providing information about this RFI there is the following statement “Note that while the RFI process is open, Con Edison employees are not able to speak with, meet, or correspond with potential respondents.” We assume this to mean that Con Edison employees are not allowed to talk to bidders and/or their partners related to this RFI specifically. If bidders and/or their partners have other business, or are in discussions with Con Edison about other business matters not related to this RFI, are those discussions acceptable?

Answer: *Yes.*

## Clarification & Barriers

Question 28) Section 3.5 – This section states that “the current energy marketplace also provides LMI customers a sub-optimal experience.” Can you please elaborate on the “sub-optimal experience” and what barriers to accessibility are being experienced?

*Answer: Historically, low-to-moderate income customers have been frequent targets for scammers and some Energy Services Companies (ESCOs) that engage in unethical behavior. This has made many skeptical of programs that claim to offer energy savings. Additionally, it can be difficult to navigate the qualification and application processes for energy-efficiency programs offered by utilities or state and federal agencies.*

## Communications

Question 29) May I schedule a call or meeting to discuss a “Proof-of-Concept” project as part of Con Edison’s REV Demonstration program?

*Answer: No. As we say on our website, “While the RFI process is open, Con Edison employees are not able to speak with, meet, or correspond with potential respondents.”*

## Con Edison Data & Programs

Question 30) What percentage of ConEd’s portfolio is the LMI market? (Gas & Electric) a) volume percentage of total send out and b) revenue percentage of total

*Answer: The current percentage of residential customers who are enrolled in Con Edison's Low Income Discount Program is approximately 13%. Issues regarding the Low Income Discount Program customer portfolio were discussed in the PSC's Proceeding on Motion of the Commission to Examine Programs to Address Energy Affordability for Low Income Utility Customers ([Case 14-M-0565](#)). Parties can review the Staff Report filed on June 1, 2015, Appendix B, and the subsequent Order Adopting Low Income Program Notifications and Directing Utility Filings, issued on May 20, 2016, for further information – these documents are listed [here](#).*

Question 31) Section 2.1 – Are there any research studies or reports that Con Edison can make available as more context regarding the LMI segment’s challenges to getting information/education? Are there barriers specific to Con Edison’s service territories that have been identified through research or implementation of other current/past programs that bidders should consider?



Answer: *In May 2016, following a thorough examination of the low-income programs offered by New York State utilities, the New York Public Service Commission issued an order aimed at addressing the needs of low-income customers. The Commission directed Con Edison, et al to file implementation plans based on the content of this order - both [the order](#) and [implementation plan](#) subsequently filed by Con Edison offer greater context regarding the challenges faced by Low-Income Discount Program customers.*

*Additionally, company surveys conducted in 2015 indicated that the most significant barrier to low-income customers enrolling in energy efficiency programs is a lack of awareness of those programs.*

Question 32) Section 2.3 – Does Con Edison have data or studies about the LMI segment that they can share with bidders related to demographics beyond income, psychographics, behavioral data, and interests and attitudes toward energy, their utility company, and energy related products and services?

Answer: *[Con Edison's Customer Preference Study](#), filed with the New York Public Service Commission in December 2014, includes some information on low-income customers' interests and attitudes regarding energy, their utility company and energy-related products and services.*

*The Company's 2015 Advisory Community surveys also indicate that low-income customers have a high level of interest in energy-monitoring tools and online energy-savings courses. They also have a moderate level of interest in home energy audits.*

*As to demographics, it is important to note that Con Edison does not request, nor does it store, customer income data. For this reason, the Company is only able to identify low-income customers who currently participate in its Low Income Discount Program – a population of about 400,000. As noted in section 2.3 of the RFI, respondents should be prepared to use census data, third-party income verification and customer-provided income data to determine participant eligibility.*

Question 33) Section 2.3 – What consumer research, focus groups, voice of the customer studies have been done regarding LMI segment preferred communication, education, enrollment experiences?

Answer: *In December 2014, Con Edison filed a [Customer Preference Study](#) with the New York Public Service Commission. The study was not limited to low-income customers, but did include responses from 358 customers in this demographic. Pages 24 and 25 in that document summarize communication preferences.*

*The Company also urges bidders to review [the Public Service Commission's May 2016 low-income order](#) and [Con Edison's subsequent implementation plan](#).*

Question 34) Section 5.1.1.3 – What are the demographics of the customers enrolled/enrolling in the Level Payment Plan?

Answer: *Approximately 21% of our current Low Income Discount Program Customers are enrolled in a level payment plan. Level Payment Plan enrollment was discussed in the PSC's Proceeding on Motion of the Commission to Examine Programs to Address Energy Affordability for Low Income Utility Customers ([Case 14-M-0565](#)). Respondents can review the Staff Report filed on June 1, 2015, the subsequent Order Adopting Low Income Program Notifications and Directing Utility Filings, issued on May 20, 2016, and Con Edison's Low Income Implementation Plan dated September 16, 2016 for further information – they are listed [here](#). As per the Implementation Plan, all Low Income Discount Program customers will be automatically enrolled in a Level Payment Plan starting January 1, 2018. These customers will be provided with the opportunity to opt out of this enrollment. Therefore, the current Level Payment Plan enrollment percentage will likely increase significantly.*

Question 35) Section 5.1.1.3 – Which specific programs are your LMI customers most interested in than others today?

Answer: *Con Edison's [Customer Preference Study](#), filed with the New York Public Service Commission in December 2014, includes some information on the interest levels of low-income customers regarding energy-efficiency programs and services.*

*Additionally, company surveys in 2015 show high levels of interest in programs that provide access to energy-monitoring tools, as well as in educational energy courses. In contrast, respondents showed less interest in programs involving aspects such as solar and pre-paid energy.*

*These responses, however, reflect only the views of customers participating in the Company's Low Income Discount Program. Additional research may be required to gauge the perspectives of low-income customers not participating in the Discount Program, and moderate income customers.*

Question 36) Has Con Edison aligned this LMI data with its own electrical networks?

Answer: *Con Edison can segment customers participating in its Low Income Discount Program by borough, region and/or municipality. However, the Company has not historically segmented these customers by network.*

*Geographic data is not available for moderate-income customers, or for low-income customers not currently enrolled in the Company's Low Income Discount Program.*

Question 37) Will Con Ed share generalized information by electrical network regarding customers who are eligible for its discount programs?

*Answer: Con Edison can segment customers participating in its Low Income Discount Program by borough, region and/or municipality. Con Edison could share such information about the geographic location of its Low Income Discount Program participants with selected respondents at a later stage of the selection process under an appropriate legal agreement. However, the Company has not historically segmented Low Income Discount Program customers by network. In addition, geographic data is not available for moderate-income customers, or for low-income customers not currently enrolled in the Company's Low Income Discount Program.*

**Question 38)** Is Con Ed also considering sharing data about its customers that are behind in their gas/electric bills, on a leveled payment plan or another payment metric that Con Ed uses?

*Answer: No. Issues regarding additional data sharing were discussed as part of the Rate Case Implementation Plan filed September 9, 2016. ([CASE 16-E-0060](#) – Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Consolidated Edison Company of New York, Inc. for Electric Service and [CASE 16-G-0061](#) – Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Consolidated Edison Company of New York, Inc. for Gas Service). Current quarterly reporting requirements as well as additional Rate Year II and III reporting requirements are summarized.*

**Question 39)** Does Con Ed have data regarding late payments for gas bills (paid by a landlord, but collected through rent) vs. late payments for electric (paid directly by the tenants)?

*Answer: Con Edison does not currently track these data points. Please see response to question #38 above.*

**Question 40)** What percentage of low to moderate income customers are on fixed or budget bill arrangements?

*Answer: Please see response to question #34 above.*

**Question 41)** What percent of customers are disconnected on an annual basis? (or something around this so that we can - potentially- make the case that we can reduce this rate)

*Answer: Data regarding customers disconnections can be found in matter number [91-M-0744](#) (Proceeding on Motion of the Commission to examine the collection practices of the major gas and electric utilities in New York State to identify ways to reduce losses due to uncollectible while maintaining a high level of customer service). Respondents can review this report for historical data which is reported monthly. Issues regarding additional data sharing were discussed as part of the Rate Case Implementation Plan filed September 9, 2016. Con Edison's current quarterly reporting requirements as well as additional Rate Year II and III reporting requirements are summarized. ([CASE 16-E-](#)*

[0060](#) – Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Consolidated Edison Company of New York, Inc. for Electric Service and CASE 16-G-0061 – Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Consolidated Edison Company of New York, Inc. for Gas Service).

Question 42) Is there any linkage between the programs desired under the RFI and any LIHEAP program currently in place?

Answer: *LIHEAP is a Federal Program managed by states and municipalities, and one of our eligibility criteria for our existing Low Income Program. We are open to proposals which target benefit recipients. There is no linkage currently in place.*

Question 43) What is the current level of activity servicing LMI multifamily and single family units in Con Edison service territory?

Answer: *Con Edison's Multifamily Energy Efficiency Program, which has been in operation since 2010, estimates that it has serviced approximately 700 buildings and 25,000 apartments throughout our service territory that are classified as LMI. Con Edison's Residential Energy Efficiency Programs are available to all customers and do not have specific data on LMI customer enrollment. Information on other Con Edison programs that service LMI customers is provided in section 5.1.1 of the RFI. Additional energy efficiency programs servicing the LMI marketplace include: DOE Weatherization, NYSERDA MPP, New York City Community Retrofit, NYC HPD Green PNA.*

### **Customer Acquisition**

Question 44) Will material sent to the customer be branded as ConEd, the bidder's brand, or co-branded?

Answer: *Respondents should propose which of these approaches it considers most effective and why.*

### **Customer Operations**

Question 45) What is the current type and version of Customer Information System (CIS) at ConEd?

Answer: *Con Edison currently uses a customer CIS that was built in-house, and is maintained by company IT resources*

Question 46) Will LMI demonstrations be allowed to interface with the CIS system?

*Answer: No, Con Edison does not allow direct interface with its CIS system but we will work with partners to determine appropriate data and integration needs based on the nature of the project.*

### **Earnings Adjustment Mechanisms “EAMs” & REV**

Question 47) Is Con Edison open to receiving proposals to help the utility meet its Earnings Adjustment Mechanisms (EAMs) and Incentives? (pages 12-13 in the RFI)

*Answer: Yes.*

### **Eligibility**

Question 48) Would these solutions be exclusive to low to moderate customers, or would they be open to all residential customers that met necessary eligibility criteria?

*Answer: The demonstration project is focused exclusively on low- and moderate-income customers and proposals should directly target the LMI segment.*

Question 49) Will Con Edison consider funding demonstration projects for mixed-income properties that are not occupied only by low and/or moderate income residents? If so, must the majority of residents in the property be low or moderate income and what other eligibility criteria must be satisfied?

*Answer: See response to question #102.*

Question 50) Would Con Edison consider proposals for projects or programs that provide system benefits through engaging customers of all income levels (LMI and not LMI), and include provisions that mitigate barriers to participation by LMI customers?

*Answer: No. The demonstration project is focused exclusively on low-and moderate-income customers and proposals should directly target the LMI segment. However, please also see response to question #102.*

### **Energy Efficiency**

Question 51) What are the current energy efficiency and/or demand management programs that Con Edison has in place?

*Answer: See section 5.1.1.2 in the RFI. The latest detail on this program is available on our webpage at: <https://www.coned.com/en/save-money/rebates-incentives-tax-credits/rebates-incentives-for-multifamily-customers/equipment-rebates-for-multifamily-buildings>*

Question 52) What is the universe of vendors approved to provide energy services to LMI market segment?

Answer: *Con Edison is not using a list of pre-approved vendors for this RFI. However, Con Edison's Multifamily Energy Efficiency Program has a [list](#) of more than 100 market partners who are qualified to provide energy services to LMI customers under its program.*

Question 53) What information, if any, does Con Ed have on the contractor performance for the LMI sector? Can Con Ed share which quantitative and qualitative measurements and metrics are used monitor performance on an ongoing basis?

Answer: *Con Edison's Multifamily Energy Efficiency Program plans to include performance metrics on its market partner list beginning in the spring of 2017. At this time this information is not publicly available. Our performance metrics will include customer satisfaction ratings, volume of projects completed within last 12 months, and post-inspection passing rate.*

Question 54) Will the program apply to energy efficiency for heat and hot water (e.g., natural gas implications) in parts of NYC outside of ConEd's gas service territory? Or must those areas restrict themselves to electric savings projects only?

Answer: *Since the Reforming the Energy Vision initiative focuses on the electric system, all demonstration projects are required to incorporate electric measures. Projects can also incorporate heat and hot water measures. Con Edison's existing Multifamily Energy Efficiency Program incorporates both electric and gas measures, and coordinates with National Grid on projects that are located in National Grid's gas service territory.*

Question 55) Does this RFI only seek to address electric related issues and Con Ed customers?

Answer: *The demonstration project focuses on Con Edison's low and moderate income customers. As described in the answer to question #54, all programs are required to incorporate electric measures, but respondents also have the option to incorporate heat and hot water measures. Con Edison's existing Multifamily Energy Efficiency Program incorporates both electric and gas measures.*

Question 56) Should programs be designed to address both gas and electric equally considering one may target owners – who may not pass heat savings on to the renters?

Answer: *See answer to question #54.*

Question 57) Should there be a preference to reduce heating costs?

Answer: *See answer to question #54.*

Question 58) GHG emissions are greater from heating usage than electricity consumption. Will that sector be targeted?

*Answer: See answer to question #54.*

Question 59) Is the program considering gas usage where Con Ed provides both gas and electric services?

*Answer: See answer to question #54.*

Question 60) Would Con Ed considering partnering with National Grid in which Con Ed only supplies electric service?

*Answer: See answer to question #54*

Question 61) Is Con Edison open to considering urban heat island mitigation strategies? (ex. Green roofs, reflective white roofs)

*Answer: This RFI is open to all energy efficiency strategies provided that the respondent includes all the information requested in sections 3.4.1.1 – 3.4.1.8, and demonstrates benefits against the criteria in sections 2.6 and 5.4.*

#### **Gas Owner or Tenant**

Question 62) Will the RFI address heating costs and landlord / tenant issues?

*Answer: See answer to question #54*

#### **General**

Question 63) Does this RFI cover both the core Con Edison service territory (NYC & Westchester) and the Orange and Rockland Utilities service territory (see 1.2 from the RFI below)?

*Answer: This RFI is led by Consolidated Edison Company of New York, Inc. and does not involve Orange and Rockland or the unregulated businesses of Consolidated Edison, Inc. For more details please see section 1.2 of the RFI.*

Question 64) Section 3.4 – Can the proposal encompass products and services for low-income customers that are not energy related? i.e., what if a bidder can help the LMI segment in other ways not related to energy?

*Answer: Please refer to section 2.6 of the RFI. While there may be aspects of projects that are not related to energy, Con Edison expects energy to be the primary focus of all submissions.*

Question 65) Are bidders encouraged to submit multiple, but distinct ideas? If submitting more than one idea should the bidder complete a separate response for each proposal or include all proposals in one response?

*Answer: Respondents are encouraged to focus on the quality, not the quantity, of their responses. Multiple responses will be accepted, and each distinct proposal for a demonstration project requires a distinct response. However, if a single proposed demonstration project simply has multiple components, a respondent should include all the components in a single response. See also the response to question #24.*

Question 66) How is Con Edison considering using this LMI overview?

*Answer: Please see RFI sections 1, 1.3, 2.1, 2.2 and 2.5 for why Con Edison is undertaking this LMI initiative.*

Question 67) Is there a concern about the public perception of Con Edison's efforts to assist the LMI markets? If so, please describe

*Answer: Serving LMI customers is, and always has been, core to Con Edison's mission. Con Edison is taking this service to the next level by developing additional LMI-related efforts, including this one, as part of the Public Service Commission's (PSC) REV initiatives. These LMI initiatives are seeking to foster a more inclusive marketplace in ensuring all customers are able to participate in progressive energy initiatives.*

## **Geography**

Question 68) Is there a geographic orientation for a LMI pilot program anticipated?

*Answer: Respondents should determine the geographic orientation of LMI programs or solutions they develop. There are no geographic restrictions, provided respondents address LMI customers in Con Edison's service territory.*

Question 69) Are these demonstration projects being conducted across Con Edison's entire service territory, or would there be geographic constraints (i.e., areas of higher low to moderate income population density, or regions connected to specific substations, etc.)?

*Answer: Please see answer to question #68 above.*

Question 70) Section 3.4.5.6 – Scalability – Must the proposal be geographically limited for the demonstration? Or, can the proposal encompass Con Edison's entire service territory?

*Answer: Please see answer to question #68 above.*



Question 71) How will respondents determine where LMI customers are located within Con Edison's electrical networks?

Answer: *Please refer to sections 2.3 and 3.5.1 of the RFI. Con Edison expects respondents to propose an approach for identifying, verifying, and obtaining LMI customers for the demonstration. Con Edison does not have, and has no plans to collect, data on customers' income levels.*

Question 72) How is Con Edison data organized geographically (i.e., census tract, zip code, etc.)?

Answer: *Respondents should determine the geographic orientation of LMI programs or solutions they develop. Con Edison expects respondents to propose a means of identifying and verifying LMI customers. Please see section 2.3 for Con Edison's suggestions for which entities and sources of data are likely to have this information.*

### **Incentives**

Question 73) Would Con Edison be willing to offer new financial incentives that are only available to qualified LMI customers?

Answer: *Any product or service that addresses the objectives described in section 2.2 of the RFI, is included in the breadth of solutions described in section 3.4 of the RFI, and demonstrates impact against the metrics described in sections 2.6 and 5.4 of the RFI, is in scope for this solicitation.*

Question 74) Is Con Edison willing to consider funding energy incentives i) at a level that reflects grid value and ii) from non-customer funding sources? If yes, can Con Edison provide information on i) peak hours and ii) the value of EE and load reduction in \$/kWh by geography (or some indicative default value) for the project time horizon (2017-2019) that can be used for proposal preparation?

Answer: *Con Edison will consider 3rd party sources of funding for energy efficiency as an alternative to customer funding. The Company will consider funding energy efficiency incentives at a higher level than that currently offered by our energy efficiency programs. The incremental funding will reflect the value of the coincident peak load reduction at a given location on our system so long as a) the total incentive does not exceed 100% of the cost, and b) the proposed project or measure is the least-cost measure available to achieve the desired outcome.*

*The Company's Distributed System Implementation Plan (DSIP) – listed [here](#) – identifies the areas of our system requiring load relief over the next five years. (See pages 137 – 141 of that document and Appendix H&I for more details). This information is also provided in question 113 below. The Company does not currently*

*have prescriptive incentives for load relief in these areas. A similar approach to that applied in the Brooklyn Queens Demand Management (or "BQDM") program will likely be used to procure demand reduction in these areas. The 2013 marginal cost study is currently being updated but can serve as a proxy for value of peak reduction on a \$/kW basis for proposal purposes. The values included in that study for the timeframe requested are as follows: 2017 - \$227, 2018 - \$234, 2019 - \$250. It is important to note that these are levelized marginal costs. Actual values will vary in both directions depending on the location of the resource. The Company's Demand Response Programs can also provide guidance in evaluating pricing for demand reduction on a locational basis.*

Question 75) Would Con Edison entertain the creation of a new rate structure for the LMI market?

Answer: No.

#### **Low & Moderate Income "LMI" Customers**

Question 76) Will there be any comparison of the energy burden of LMI customers compared to other customers?

Answer: *As described in question #71, Con Edison does not have, and has no plans to collect data on customers' income levels. However, it is generally understood that LMI households have higher levels of energy burden compared to higher-income households. See section 5.3.4 of the RFI, pertaining to the New York State Public Service Commission's proceeding on low-income discount programs (Case 14-M-0565) for more details. See also NYSEDA's report on energy affordability in New York State, published in 2012, which can be found at this link: <https://www.nyserda.ny.gov/-/media/Files/EDPPP/LIFE/Resources/2011-affordability-gap.pdf>*

Question 77) Does Con Ed have a breakdown of most commonly spoken languages by its customers and what % of customers speak those languages?

Answer: *Con Edison does not have a demographic breakdown of its customers by language. For such information, we recommend consulting census data. Con Edison does have a requirement to support Spanish translation services for all company materials, because Spanish-speakers constitute over 20% of our customers according to census data. Spanish is the only language for which Con Edison provides these services for all company materials. However, language support is available for a much wider variety of languages at Con Edison's call center and its many bilingual representatives. In addition, certain company campaigns include languages other than Spanish and English. In short, Con Edison provides English and Spanish language materials for all*

*company efforts, but there is a wide variety of other languages supported on a less formal basis in the company call center and other Con Ed initiatives.*

**Question 78)** Are there some publicly accessible databases that Con Edison suggests should be used to identify LMI customers?

*Answer:* *The US Census Bureau collects demographic data at the neighborhood (e.g. census tract) and block level. New York University's Furman Center for Real Estate and Urban Policy has assembled a data hub and interactive mapping tool, known as "CoreData.nyc" that provides insights on New York City's neighborhoods and housing stock. The tool brings together city, state and federal data sources as well as independent analysis by the Furman Center. See <http://furmancenter.org/coredata/userguide/about>. Note that Con Edison is not endorsing this tool, or making any representation as to the accuracy of information available therein, but simply informing respondents about a potential resource. Please also see the response to question #25.*

**Question 79)** Is there a publicly accessible database that provides information on landlords and LMI residents?

*Answer:* *Please see answer to #78.*

**Question 80)** Section 2.1 – This section states that LMI customers “...pay a disproportionate amount of their income towards utility bills as compared to more affluent customers.” Does Con Edison have data they can share or a breakout of a typical LMI customer’s spend percentage for various household expenses in addition to energy? In other words what percent of LMI income on average is spent on: housing, energy, other utilities, insurance, healthcare, etc.?

*Answer:* *Issues regarding low income customers’ portfolio were discussed in the PSC’s Proceeding on Motion of the Commission to Examine Programs to Address Energy Affordability for Low Income Utility Customers ([Case 14-M-0565](#)). Parties can review the Staff Report filed on June 1, 2015, Appendix B, and the subsequent Order Adopting Low Income Program Notifications and Directing Utility Filings, issued on May 20, 2016, for further information.*

**Question 81)** Section 2.3 – What percentage of Con Edison’s overall/total LMI segment rents vs. owns (estimate is fine)? What percent of the LMI renting population is in NYCHA housing?

*Answer:* *Con Edison does not maintain data related to home ownership status. However, this information may be available via other sources, including recent census data.*

**Question 82)** Could Con Edison provide data about the rate of home ownership for LMI customers in various areas of the Con Edison service territory?

*Answer:* Con Edison does not maintain data related to home ownership status. However, this information may be available via other sources, including recent census data.

**Question 83)** Could Con Edison provide locations for customers who meet the LMI threshold, but are not in a NYCHA property?

*Answer:* Con Edison can segment customers participating in its Low Income Discount Program by borough, region and/or municipality. This customer group would not include most of those living in NYCHA housing, as NYCHA residents are generally not direct Con Edison customers – their service is provided by The New York Power Authority. Geographic data is not available for moderate-income customers, or for low-income customers not currently enrolled in the Company's Low Income Discount Program.

**Question 84)** Does Con Edison provide an overview on these LMI households? What is the source and where are these customers located within Con Edison's system?

*Answer:* Later in the evaluation phase, Con Edison can provide selected respondents with information, subject to the terms of legal and contractual agreements, such as the geographic location (borough, region and/or municipality) of customers enrolled in its Low Income Discount Program, and aggregated/anonymized energy-use data. However, the Company does not now, nor does it intend to, collect customer income data. As noted in section 2.3 of the RFI, respondents should be prepared to use census data, third-party income verification and customer-provided income data to determine participant eligibility.

**Question 85)** How does LMI energy usage compare to other Con Edison customers with different income levels?

*Answer:* Later in the evaluation phase, Con Edison can provide selected respondents with information, subject to the terms of legal and contractual agreements, such as aggregated/anonymized energy-use data for customers enrolled in its Low Income Discount Program, and can provide aggregate energy data for customers not enrolled in the program. However, Con Edison does not request, nor does it store, the customer income data necessary to conduct a more detailed comparison. This information may be available through other sources, including census data and industry research groups.

**Question 86)** Does energy use/expenses increase with income?

*Answer:* Con Edison does not request, nor does it store, customer income data. However, this information may be available via other sources, including census data and industry research groups. Please also see responses to questions # 85 and 87.

**Question 87)** Can Con Edison provide any details on the average bill for low to moderate (LMI) income customers? Specifically, dollar amount and monthly/annual kWh?

*Answer: The average monthly consumption over the last 12 months for Con Edison's current Low Income Discount Program customers is approximately 14% less than our average total residential customer populations. Issues regarding average bill data for Low Income Discount Program customers were discussed in the PSC's Proceeding on Motion of the Commission to Examine Programs to Address Energy Affordability for Low Income Utility Customers ([Case 14-M-0565](#)). Parties can look at both the Staff Report filed on June 1, 2015, Appendix B, for further information.*

**Question 88)** Does Con Edison have readily available census and demographic data, or would the vendor be expected to provide this information as requested by their proposed solutions?

*Answer: Please refer to sections 2.3 and 3.5.1 of the RFI. Con Edison expects respondents to propose an approach for identifying, verifying, and obtaining LMI customers for the demonstration. Con Edison does not have, and has no plans to collect, census and demographic data.*

**Question 89)** Does Con Edison have a breakdown of the number of LMI customers by housing type e.g., apartments, residential, public housing, etc. or a breakdown by geography? How many are master metered?

*Answer: Later in the evaluation phase, Con Edison can provide selected respondents with information, subject to the terms of legal and contractual agreements, such as the geographic location (borough, region and/or municipality) of customers enrolled in its Low Income Discount Program. The Company can also provide information on the number of these customers living in single-family homes versus apartment buildings. Information is not available for moderate-income customers, low-income customers not enrolled in the Low Income Discount Program, or master-metered customers (who do not receive Con Edison bills).*

**Question 90)** Will (or can) Con Edison provide a list of eligible/qualified third parties that can verify income eligibility?

*Answer: No. Con Edison expects respondents to find such third parties. Please refer to section 2.3 of the RFI.*

## **Metrics**

**Question 91)** What are Con Edison's overall goals with respect to load reduction, cost reduction, LMI participation, efficiency gains, etc. as they relate to the LMI market?

*Answer: Con Edison seeks to maximize impact from the demonstration according to the goals outlined in section 2.2 of the RFI, and the metrics outlined in sections 2.6 and 5.4 of the*

*RFI. Outside of those objectives and metrics, we do not have goals specific to the LMI customer segment in these measures.*

**Question 92)** How does Con Edison define cost-effectiveness?

*Answer:* *In general, Con Edison seeks to buy products and services for the lowest available price. In most circumstances, a product or service offered at a higher cost than a comparable, available product or service would not be considered cost effective.*

**Question 93)** How will Con Edison rank or rate a project's direct benefits to Community Development Corporations (specifically affordable housing preservation) vs. reducing the electric bills of tenants?

*Answer:* *The primary objective of the demonstration project is to help low- and moderate-income customers with energy-related issues. Sections 2.6 and 5.4 in the RFI outline a series of metrics that Con Edison will use to evaluate projects. Due to the wide range of potential projects, Con Edison deliberately did not rank these metrics. It is up to respondents to describe which metrics are most relevant to their projects and how they will define success.*

## **NYCHA**

**Question 94)** What role has and will NYCHA play as a "key stakeholder" in the solicitation? Will demonstration projects involving NYCHA properties be scored higher in the selection process than non-NYCHA properties, or otherwise be prioritized for funding award? Is any portion of the \$25M LMI demonstration allocation set aside or otherwise targeted for funding demonstrations proposed by NYCHA or for implementation at NYCHA properties?

*Answer:* *Targeting NYCHA facilities or otherwise collaborating with NYCHA is entirely optional. Please refer to section 2.8.1 of the RFI which reads, "Any collaboration with NYCHA is entirely optional." All responses will be evaluated according to the same criterion, which is described in sections 2.6 and 5.4 of the RFI. There is no portion of overall funds set aside for NYCHA-related projects, and there will be no scoring preference given to NYCHA-related projects during selection.*

**Question 95)** Can Con Edison provide a list of NYCHA locations serviced directly from Con Edison and not NYPA?

*Answer:* *Due to privacy concerns, Con Edison cannot provide this list of locations. However, we can provide some basic information about the size of this market. NYCHA locations serviced directly by Con Ed represent roughly 3,000 accounts, with an average usage of 300 - 400 kwh/month. Con Edison will consider sharing more detail with respondents*

who require this information, progress through the selection process, and agree to appropriate contractual/legal protections.

Question 96) May the proper link to NYCHA's Open Data site be provided as this link does not work?

Answer: Please refer to <https://data.cityofnewyork.us/Housing-Development/Map-of-NYCHA-Developments/i9rv-hdr5/data>.

Question 97) Do these NYCHA customers pay Systems Benefit Charges making them eligible for NYSERDA-based programs?

Answer: Please see section 2.8.1.1 in the RFI which addresses a subset of NYCHA residents in 'scattered buildings' that do pay their own electric bill including Systems Benefit Charges. Other than this exception, NYCHA and its residents, in general, do not pay System Benefit Charges on their electric accounts. However, NYCHA generally pays System Benefit Charges on gas accounts that supply heating and hot water service to NYCHA facilities. Payment of the System Benefit Charge is a core eligibility requirement for Con Edison's Multifamily Energy Efficiency Program. For information on NYSERDA programs please see: <https://www.nyserda.ny.gov/All-Programs/Programs/MPP-Existing-Buildings>

Question 98) Please describe the current arrangement with providing energy efficiency services to NYCHA housing? How are customers originated? What are the reporting requirements?

Answer: Con Edison does not have any formal arrangement for providing energy efficiency services to NYCHA. The Multifamily Energy Efficiency Program employs a small staff of sales & customer outreach managers who regularly communicate with NYCHA's Energy and Sustainability department. On several occasions over the last few years, these discussions have yielded a number of energy efficient projects at specific NYCHA developments. These projects were funded jointly by NYCHA's capital budget and Con Edison program incentives. There are standard program reporting requirements that apply to these projects. This includes NYCHA and its selected market partner ultimately submitting the following documentation to Con Edison:

- Program Application, Owner's Agreement, and W9 documents
- SMART Savings and Incentives Calculation Tool
- Equipment Specification documents
- Statement of Completion document

Question 99) Would Con Edison be willing to install a Silver Springs Network Gateway at a NYCHA housing location to support AMI outside the current AMI deployment plan?

Answer: Con Edison would consider installing incremental infrastructure necessary to provide additional products and services to low- and moderate-income customers. The

*incremental cost of the investment will be incorporated into the economic analysis of the proposal.*

**Owner/Tenant**

Question 100) Will Con Edison target owner occupied buildings differently than landlord owned buildings?

*Answer: Con Edison does not have any requirements to target owner occupied buildings differently than landlord owned buildings. Respondents are expected to propose their own strategies for identifying, targeting and enrolling different customer segments.*

Question 101) What is the connection between LMI and owner occupied buildings?

*Answer: As described in question #71, Con Edison does not have, and has no plans to collect data on customers' income levels. However, it is generally understood that LMI households reside in both rental housing and owner-occupied housing.*

Question 102) Are multifamily buildings with a mixture of owner classes eligible? For example, would a condo or coop that also had a number of rent stabilized apartments be eligible to participate? If so, is there a specific percentage of rent stabilized units that must be present in the building overall? Also, do the benefits of the program need to be confined to these tenants?

*Answer: Con Edison has not set a requirement on this matter within the RFI. However, Con Edison's Multifamily Energy Efficiency program requires that buildings have at least 50% of its residential units (whether owners or renters) meet LMI requirements (explained in section 2.3 of this RFI) in order to be classified as Affordable Housing. If a building meets this requirement then all residents, including those with higher incomes, can take part in the program benefits. Respondents should note, however, that the primary objective of this demonstration project is to test solutions that assist LMI customers and therefore Con Edison expects responses designed to achieve the objectives of this demonstration, which are set forth in section 2.2 of the RFI and are also focused on assisting LMI customers.*

Question 103) Can demonstration projects include measures that result in energy savings or otherwise impact energy usage for common areas of multi-family properties, i.e., lobbies, hallways and other areas which are not tenant occupied? Will energy savings from such measured be counted as part of overall project benefits as part of Con Edison's evaluation and selection of which demonstration projects to fund?

*Answer: Please see sections 2.6 and 5.4 of the RFI for how Con Edison will evaluate both responses and, ultimately, demonstration projects. Con Edison has intentionally not set*



*a specific requirement on this matter within the RFI as energy efficiency measures that address these areas of multi-family properties, and any other energy efficiency measures for that matter, will be evaluated on the criteria described in these two sections. Responses and projects will be evaluated based on all benefits achieved.*

## **Process**

Question 104) Will Con Edison consider extending the response submittal deadline beyond February 3<sup>rd</sup>, 2017 or is that date absolutely firm?

*Answer: There will not be an extension of the February 3<sup>rd</sup>, 5:00PM EST response due date under any circumstances.*

Question 105) At the conclusion of the RFI process will an RFP be issued to select the participants or will the participants be selected during the RFI process?

*Answer: Con Edison does not plan to file a RFP subsequent to this RFI. For those responses in which Con Edison has an interest, Con Edison will provide details on next steps and timelines when Con Edison notifies the respondent of its interest.*

## **Solar & Power Purchase Agreements**

Question 106) Would Con Edison consider proposals for alternative approaches to use Con Edison property, to allow for comparison with Con Edison's proposed approach?

*Answer: Con Edison will consider alternative approaches to use Con Edison's property, but subject to the conditions that (1) resources constructed on Con Edison's property will be owned by Con Edison and (2) projects must meet other requirements of projects constructed on Company property such as utilization of union labor and construction oversight by Con Edison.*

Question 107) Is Con Edison's position that Con Edison will not select responses that include PPAs with Con Edison, or that it will not select responses that include PPAs with any parties including customers?

*Answer: Con Edison believes that long term Power Purchase Agreements where Con Edison is the purchasing counterparty are typically more costly and entail higher risk to Con Edison than other structures such as direct ownership by Con Edison, and therefore does not favor PPAs. Regarding PPAs where Con Edison is not a signatory, the Company is neither in favor nor opposed to such PPAs.*

Question 108) Under which circumstances, if any, would a customer lease for a solar system be considered to be akin to a Power Purchase Agreement for the purposes of this RFI?

*Answer: For the purposes of this RFI, a long term lease agreement to purchase energy produced by a system that includes a mandatory purchase by the customer at a fixed annual price is equivalent to a PPA. See also response to question #107.*

Question 109) Under which circumstances, if any, would a customer contract for community solar credits be considered to be akin to a Power Purchase Agreement for the purposes of this RFI?

*Answer: If the 'customer contract for community solar credits' refers to purchasing the net metering credits produced by the system, then for the purposes of this RFI this is akin to a Power Purchase Agreement. See also response to question #107.*

Question 110) Would Con Edison consider responses that offer customer's leases and PPAs in cases where those structures offer greater customer benefits than direct ownership?

*Answer: See response to question #107.*

## **Stakeholders**

Question 111) How will Con Edison facilitate the potential matching of partners for participation in the RFI?

*Answer: Please refer to our [partner page](#). Con Edison has provided information regarding parties who are seeking partnerships. The Company expects potential respondents to use this information, and their own networks and relationships, to form mutually beneficial partnerships.*

Question 112) Briefly describe the current model for coordinating with other public agencies to remedy health and safety issues

*Answer: Various departments within Con Edison - including Corporate Affairs, Environmental Health & Safety, and Emergency Management - work closely with city and state agencies to remedy health and safety issues, both on a proactive basis and as issues arise. Con Edison representatives regularly partner with public agencies on specific topics impacting the company and respond accordingly.*

## **System**

Question 113) Can Con Edison provide substations that are expected to experience capacity issues within the next five years?

Answer: *The Company's Distributed System Implementation Plan (DSIP) – listed [here](#) – identifies the areas of our system requiring load relief over the next five years. (See pages 137 – 141 of the document and Appendix H&I for more details). Please note these projects are under review and subject to change. They are as follows:*

*Glendale - Due to the projected sub-transmission overloads in the Farragut-Brownsville area by the year 2019, Con Edison is planning a 60MW load transfer along with the construction of a 138kV feeder between Glendale and Newtown Substation as well as an installation of a new transformer at Glendale Substation. The project will cost approximately \$240M.*

*W 65th Street No. 1 – Con Edison is projecting about 25MW of substation bus overloads during contingency conditions at W65th Street No. 1 Substation in the summer of 2020. To elevate this overload, a traditional solution of forced bus cooling has been suggested. The cost of this project has been estimated to be \$5.85M.*

*Flushing Crossing - With increasing load in the Flushing Network, six of its crossing feeders are at or near capacity. Hence, the company needs to install additional conduits over the next five years at a cost of \$26.6M.*

*Yorkville - To meet the increasing load growth in the Yorkville Network, the plan is bifurcate existing feeder at the substation and run parallel feeders from the Bronx to Manhattan. The total cost of this six year project has been estimated to be about \$35M.*

**Question 114) Will projects be considered to improve “weak” spots in the grid?**

Answer: *Con Edison will consider all projects that address the criteria outlined in RFI sections 2.6 and 5.4. Please see answer to question #74.*

**Question 115) Can Con Edison provide the names and locations of substations that are nearing the threshold for capacity issues?**

Answer: *Con Edison analyzes load relief need at an area substation, sub transmission and feeder level on a yearly basis to develop load relief needs over a ten-year window. As stated in our Initial DSIP, our 2016 load relief plan indicated that nine of our 62 substations are projected to have overloads by 2026. What follows is information from the Initial DSIP, specifically substation 2025 load as a percentage of capacity:*

*East 179th Street 101%  
West 65th Street No. 1 101%  
Harrison 102%  
Parkchester No. 1 102%  
Wainwright 105%  
Parkchester No. 2 105%  
Avenue A 105%*

Millwood West 107%  
Plymouth Street 108%

Please refer to Question #74 above for more detailed information regarding load relief measures required within the next five years.

Solicitation Now Closed