



# **Energy Storage in New York State**

**Presented by Stephen Wemple  
General Manager, Utility of the Future**

# NYS Energy Storage Policies and Regulatory Environment

Policy in NYS is focused on the utilities being facilitators

## Policy Framework

Climate Leadership and Community Protection Act (CLCPA, 2019)

Energy Storage Orders of 2018 & 2021

Order Adopting Regulatory Policy Framework and Implementation Plan (2015)

Order Implementing with Modification the Targeted Demand Management Program, Cost Recovery, and Incentives (2015)

## Mandate or Goal

1,500MW of storage in NYS by 2025.  
3,000MW of storage in NYS by 2030

Procure a minimum of 300MW initially through 7 year procurements with in-service by 2022, subsequent contracts up to 10 years with a 2025 in-service date.

Utility ownership of DER is limited to four circumstances

Authorizes the Company to pursue non-wires solutions with a great level of flexibility.

## Key Concept

Energy storage is an enabler of a clean energy future. Meeting storage goals key to hitting renewables goals.

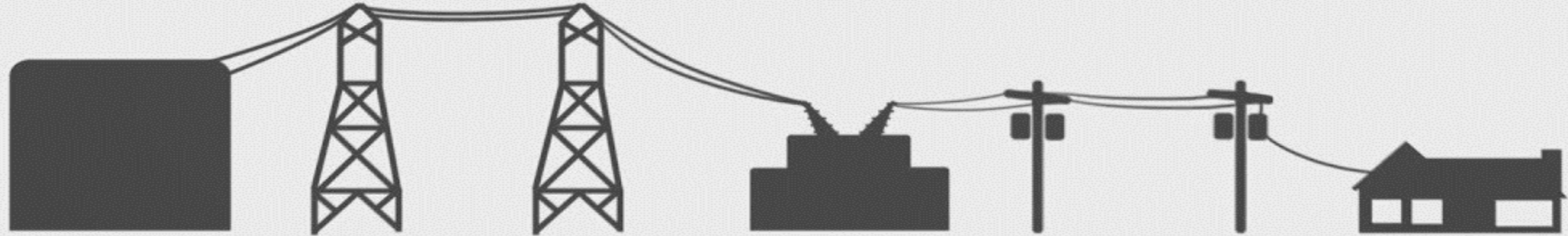
Utilities have a role procuring large scale energy storage.  
Utilities facilitate customer sited storage for beneficial use and give long term revenue certainty to developers.

DER can be owned by a utility if 1) competitive alternatives are inadequate or expensive; 2) a project is integrated into distribution system architecture; 3) it enables LMI to benefit if markets fail to be inclusive; or 4) if used for demonstration purposes.

Company given broad flexibility to pursue customer sited solutions and earn as regulatory asset.  
Utility-side non-traditional solutions face a higher bar to be approved if it is the "optimal solution" but requires a separate petition.

# Energy storage use cases that contribute to Statewide goals of 1,500 MW by 2025 & 3,000 MW by 2030

Bulk	Distribution	Customer
Large scale, transmission connected assets	Smaller scale distribution connected assets	Load connected Behind-The-Meter assets
Peaking capacity, Energy arbitrage Blackstart/voltage support Frequency regulation Renewable balancing	Infrastructure deferral Voltage support Avoided renewable curtailment	Demand charge reduction Integration into microgrids for customer/ community resilience



## How do they make money?

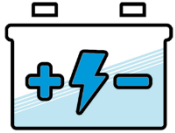
- NYISO wholesale market participation

- Incentive payments from Non-Wires Solutions (NWS)
- Multi-year Demand Response participation
- Potential for NYISO market revenues through dual participation

- “Bill savings” via demand charge avoidance
- VDER for exports when paired with solar
- Multi-year Demand Response participation



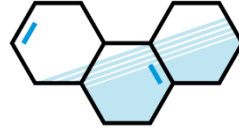
# The 2019 bulk solicitation -- Poletti site on track for 12/2022 COD



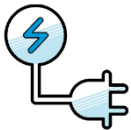
**Capacity:**  
100 MW / 400 MWh



**Project Site:**  
NYPA Poletti  
Astoria Complex



**Battery Type:**  
Lithium Nickel  
Manganese Cobalt  
[NMC]



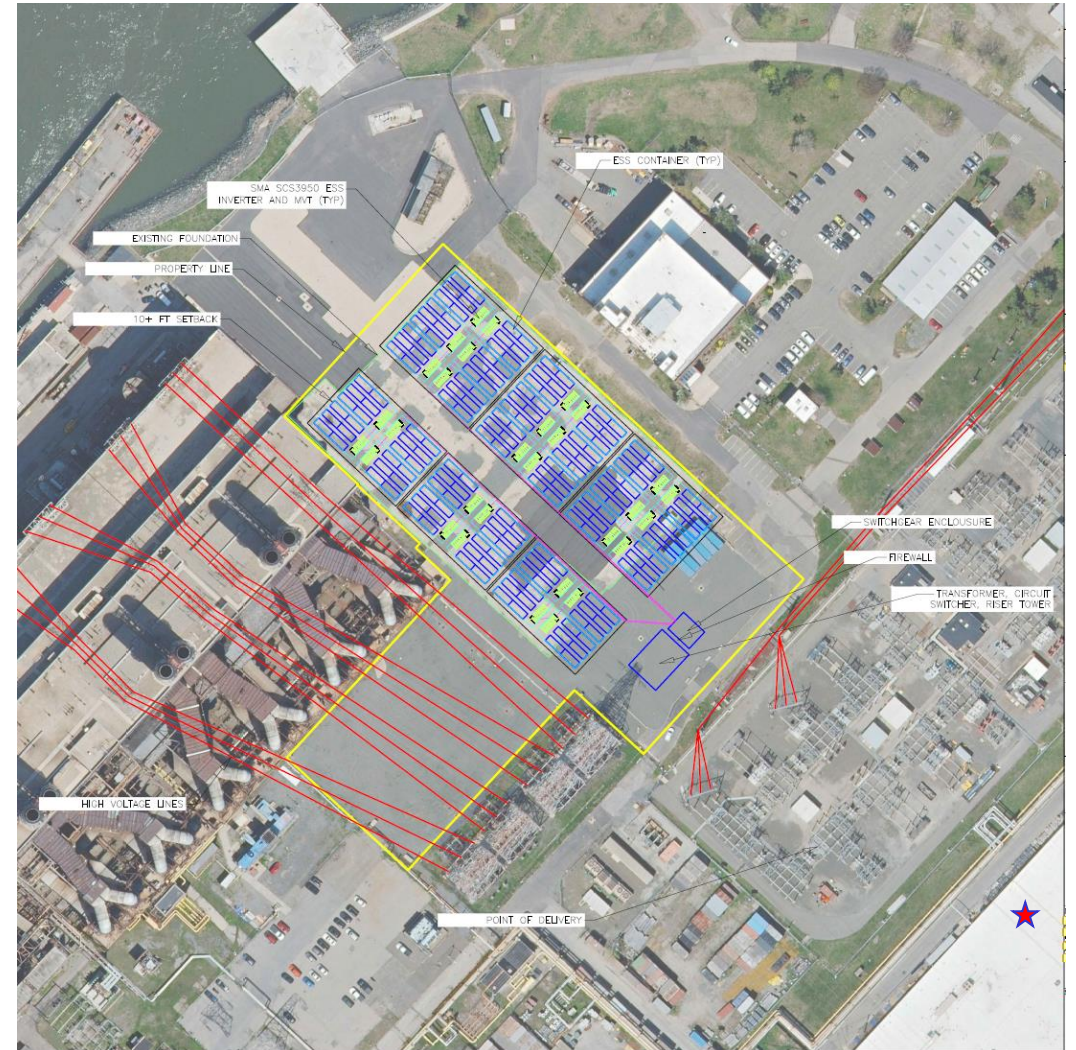
**Connection:**  
138kV  
Astoria West



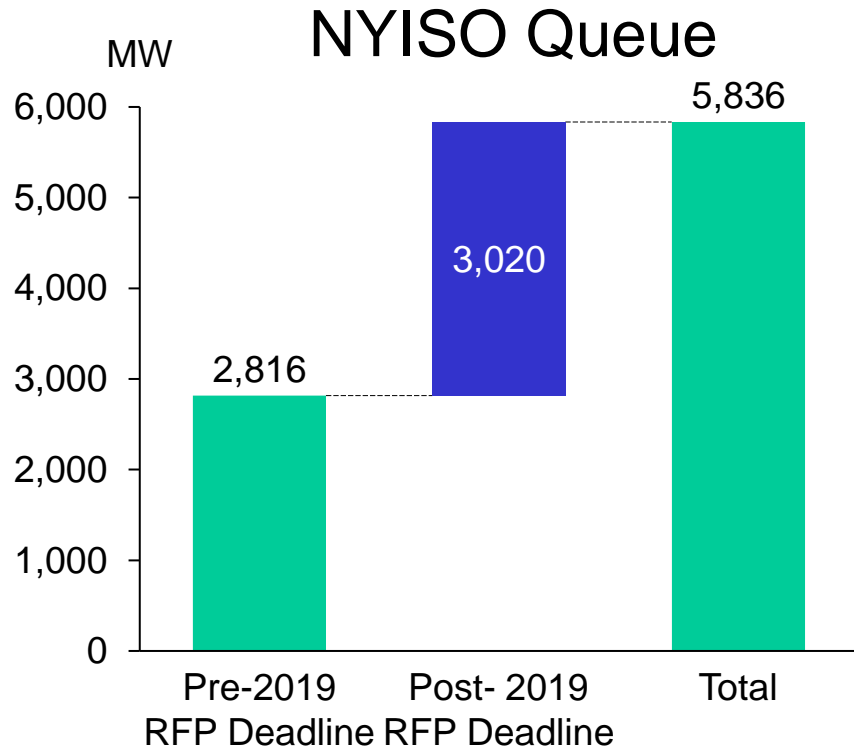
**Contract:**  
ConEdison has  
exclusive dispatch  
rights for 7 years



**Commercial  
Operation:**  
Dec 2022



# The 2021 bulk solicitation



28 Projects

14 Developers

18 POIs

- We are targeting 200 MW+ for our next solicitation; success can meaningfully contribute to NY's 2025 goals.
- There are over 5,700 MW of storage projects in the NYISO queue.
- We expect many of the same bidders to participate in the 2<sup>nd</sup> solicitation.

# Our improved RFP reflects lessons learned from 2019

1

## Increasing the agreement from 7 to 10 years

- Provides bidders with increased revenue certainty
- Increases contract bid ceiling to be more attractive to developers

2

## Moving to a two-phase procurement

- Reduces competition for land, EPC, and cells which drives down costs
- Provides interconnection cost certainty before contracting

3

## Increasing developers' confidence in access to NYSERDA's co-funding and IDA tax abatement

- Reduces risk factored into bid prices

# What is next

- Timeline for Con Edison (and O&R):
  - Order – issued April 16, 2021
  - Implementation plan – filed May 17, 2021
  - RFP release – July 2021
  - Contract signing – Q2/Q3 2022
- For more information, see PSC CASE 18-E-0130