

Consolidated Edison Company of New York, Inc.

Orange and Rockland Utilities, Inc.

Request for Proposals

2024 Bulk Energy Storage Scheduling and Dispatch Rights

FINAL VERSION
– 12/16/24

Bulk Energy Storage Scheduling and Dispatch Rights Request for Proposals

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*CECONY and O&R will release the CECONY and O&R Energy Storage Services Agreements, respectively, for the 2024 RFP upon or prior to the commencement of Phase Two. For Phase One, when reference is made herein or in the appendices to “the Agreement” we refer you to the Term Sheet for this 2024 RFP, which can be found in Appendix D4. The terms reflected therein will be incorporated into the 2024 Agreement, which will be similar to the 2022 Agreement. For a general understanding of the Agreement and to reference Exhibits and definitions during Phase One, please refer to the 2022 Agreement found here: <https://www.coned.com/en/business-partners/business-opportunities/bulk-energy-storage-request-for-proposals>

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1 General Information

1.1 Introduction

Consolidated Edison Company of New York Inc. (CECONY) and Orange and Rockland Utilities Inc. (O&R; together with CECONY, the “Companies”) are jointly issuing this Request for Proposals (herein referred to as the “RFP”) to solicit Offers (“Offers”) from developers (“Bidders;” each, a “Bidder”) for the offering described herein, which requires scheduling and dispatch rights for new front-of-the-meter (“FTM”) energy storage resources.¹ These offerings are described further in Sections 2 and 3 and are further explained in the Appendices to this document.

CECONY and O&R are administering this RFP to meet the requirements of orders issued by the New York State Public Service Commission (“NYPSC” or the “Commission”) in Case 18-E-0130, *In the Matter of Energy Storage Deployment Program*.² In its decisions, the NYPSC directed New York’s electric utilities, including O&R, to conduct competitive solicitations to seek to procure scheduling and dispatch rights to at least 10 MW of energy storage resources, and CECONY to procure at least 300 MW, provided the awarded Offers do not exceed a Utility-Defined Procurement Ceiling.³ Consistent with the Storage Orders, contracts issued in the current procurement may have a maximum term of 15 years, and Project(s)⁴ must be operational by December 31, 2030.⁵

Definitions of capitalized terms used herein can be found in Section 7 of the RFP or in Exhibit A of the applicable Agreement. Bidders are expected to adhere to definitions used herein.

Unless stated otherwise, any references herein to Articles, Sections or Appendices are to Articles, Sections, or Appendices contained in these RFP Instructions.

All clock times specified throughout these RFP instructions are in Eastern Prevailing Time (EPT).

¹ Front-of-the-meter resources are those directly interconnected on distribution or transmission networks or in connection with a generation asset.

² See Case 18-E-0130, *In the Matter of Energy Storage Deployment Program* (Energy Storage Proceeding), Order Establishing Energy Storage Goal and Deployment Policy (issued December 13, 2018) (Storage Order”); Order Directing Modifications to Energy Storage Solicitations (issued April 16, 2021) (“First Modification Order”); Order Directing Further Modification to Energy Storage Solicitations (issued March 16, 2022) (“Second Modification Order;” and, collectively with the Storage Order and the First Modification Order, the “Storage Orders”).

³ The amount of MWs procured will depend upon Offer prices received and funding availability. As such, CECONY and/or O&R may procure more or less than the targeted MW capacity identified in the NYPSC Orders.

⁴ Project requirements will be defined in Appendix D1/D2 which will be released for Phase Two of the procurement; for reference please use the previously released pro forma [here](#)

⁵ See Second Modification Order.

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1.2 Schedule and Process

CECONY’s and O&R’s expected RFP schedule is as follows:

Step	Action	CECONY and O&R Dates
1	Issue RFP and Term Sheet	December 16, 2024
2	Q&A Due	January 13, 2025
3	Bidders submit Phase One proposals	February 28, 2025
4	Bid review complete, bidders notified and release of Contract documents	March 31, 2025
5	Phase Two bidders submit proposals	June 30, 2025
6	Phase Two bidders notified	July 31, 2025
7	Contracts executed (expected 3 to 6 months from selection)	Q3 and Q4 2025

The RFP schedule and documentation are subject to change at any time and for any reason. CECONY and O&R will endeavor to notify Bidders of any changes to the RFP but shall not be liable for any costs or liability incurred by Bidders or any party due to a change or for failing to provide notice of any change. Changes to the RFP will be posted on the RFP website.⁶

Bidders may submit questions until January 13, 2025 by emailing them to BulkStorageRFP@coned.com. The CECONY and O&R teams will address the questions by January 27, 2025 and post the Q&A on the RFP website.

1.3 Changes from last RFP

The Companies highlight the following changes from the 2022 RFP:

	2022 RFP	2024 RFP
Latest Operational Date	December 31, 2028	December 31, 2030
Portfolio Submissions	Not included	Provides opportunity to include a portfolio of no more than ten (10) distribution connected Projects, some or all of which may be smaller than 5 MW, provided the total size of the portfolio is greater than 5 MW

⁶ RFP website: <https://www.coned.com/en/business-partners/business-opportunities/bulk-energy-storage-request-for-proposals>

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		<p>and each individual Project is at least 2 MW.</p> <p>Projects within a portfolio must share the following common features:</p> <ol style="list-style-type: none"> 1) NYISO Zone 2) Local reliability standard⁷⁸ (i.e. N-1 or N-2) 3) Undergo same type of distribution interconnection study (i.e. USIS or SIR) 4) Located entirely within, or entirely outside, a Preferred Location 5) Year of contractually committed commercial operation, payment structure and contract length
Revised Liquidated Damages Structure	Based on a fixed per MW value determined by the Company	Based on the per day nominal value of the Contract
Removal of Distribution Charging Costs	Owner responsible for Distribution Charging Energy	Owner responsible for Auxiliary Load ⁹ Charges only

⁷ Submissions of Projects must at a minimum achieve an N-1 reliability standard. N-0 Projects are not eligible for submission.

⁸ For example, if the service territory requires new load to be interconnected at an “N-2” reliability standard, then the ESS solution must be interconnected at the “N-2” reliability standard in order to be consistent with the local reliability standard for new load in the service territory.

⁹ Station Use and Auxiliary loads will be required to be separately metered.

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	Costs and Auxiliary Load Charges	
Pre-COD Sales	CECONY entitled to a share of net positive revenue arising from sales prior to Commercial Operation	Owner entitled to all net positive revenue arising from sales prior to Commercial Operation
Defined Procurement categories	Not included	Clarifies that Distribution and Transmission Connected Projects and Portfolios are considered separately.
Consideration of Projects interconnecting at a reliability standard lower than the prevailing local reliability standard	Requires Projects be interconnected at the local reliability standard	Distribution connected Projects and Portfolios of Projects may be interconnected at a reliability standard lower than the prevailing local reliability standard. However, these Projects will be evaluated as described below and will be subject to the same performance requirements.
Explicit Project and Portfolio categorization	Projects in Preferred Locations are Prioritized	<p>Projects and Portfolios that satisfy N-2 design criteria are prioritized over those that satisfy N-1 design criteria in locations with an N-2 prevailing local reliability standard.</p> <p>Projects and Portfolios in Preferred Locations are prioritized over those located outside those areas.</p>

2 CECONY RFP: Eligibility and Requirements

2.1 RFP Overview

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CECONY intends to host recurring annual procurements seeking Offers¹⁰ for individual energy storage Projects and Portfolios of Projects connected to the transmission or distribution system, that can safely operate according to company standards, and that are capable of individual, direct participation in New York Independent System Operator Markets¹¹ (“NYISO Markets”). An energy storage resource in this RFP must be capable of acting as a standalone asset regardless of whether it is co-located with a generation asset.

Winning Bidders will be required to enter into an Agreement with CECONY for a term of up to fifteen years. Winning Bidders must become NYISO Market Participants,¹² provide all information and support necessary to successfully complete asset registration in the NYISO Markets and comply with all NYISO and Federal Energy Regulatory Commission (“FERC”) requirements. Winning Bidders must also provide the necessary staffing, communications, metering, and telemetry required to safely operate and participate in the NYISO Markets for Products (as defined in the Agreement).¹³ Winning Bidders will retain ownership of the energy storage Project and will be required to maintain the system in a manner that meets or exceeds requirements specified in the Agreement. Winning Bidders must also be able to respond and operate the asset in accordance with the schedules set and communicated by CECONY and/or the NYISO. See Section 2.5, the Appendices to the RFP, and the Agreement for additional details.

Throughout the Agreement term, CECONY will be designated the financially responsible party with the NYISO and have the sole right and responsibility to bid and schedule the storage asset into the NYISO Markets.¹⁴ CECONY will receive all associated NYISO revenues and will pay any NYISO-related charges, including posting and maintaining any necessary collateral to facilitate NYISO transactions. Bidders are

¹⁰ The Companies envision that new procurements will generally be released in the fourth quarter of each year with a similar schedule and timeline to this current procurement.

¹¹ As defined in Appendix D1/D2 which will be released for Phase Two of the procurement; for reference please use the previously released pro forma [here](#)

¹² The Winning Bidder will be a NYISO Market Participant, retain operational control of the asset, and be responsible for receiving real time dispatch signals/instructions from the NYISO Market during the Agreement term. CECONY will be responsible for asset bidding, scheduling, and NYISO settlements during the Agreement term.

¹³ Appendix D1/D2 will be released for Phase Two of the procurement; for reference please use the previously released pro forma [here](#)

¹⁴ CECONY intends to provide charging and discharging schedule to the Winning Bidder(s) by 5 p.m. the prior day via email. Within the day, any changes to the asset schedule in the real time NYISO Market will be communicated through dispatch signals originating from the NYISO. Assets are expected to have AGC capability and the appropriate communications telemetry to enable it to follow NYISO base points and qualify for NYISO Products. Lead time for dispatch signals will be based on NYISO schedule for spinning reserve and RT energy. Assets are expected to install telemetry and communications that meets the NYISO requirements to enable real time market dispatch. Additionally, developers are expected to have appropriate 24-hour monitoring and control and have appropriate staffing to be able to respond immediately when telemetry and control becomes non-responsive to meet safe operating requirements.

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responsible for enabling, operating, and maintaining service for both Station Use¹⁵ and storage charging, including standby and buyback charges to the extent applicable based on Interconnection Point.¹⁶ CECONY will directly pay for Charging Energy Costs including both distribution and supply charges related to battery charging and discharging but not including auxiliary loads.^{17,18}

At the end of the Agreement term, scheduling and dispatch rights will revert to the owner for the remainder of the asset's useful life. CECONY and the developer will notify the NYISO of the scheduling and dispatch rights transfer with sufficient advance notice to effectuate the change at the termination or expiration of the Agreement.

Bidders are expected to review the instructions in this RFP and its Appendices, as well as any clarifications to this RFP and Q&A responses, if and to the extent posted, to facilitate their submission of Offers that meet or exceed all requirements. To the extent there are any discrepancies between the RFP or Appendices and the RFP Q&A (if any), then the RFP and Appendices supersede and govern.¹⁹ Bidders will submit all required Offer documentation as articulated in this RFP, its Appendices, and any RFP Q&A. Offers will be evaluated based on the quantitative and qualitative criteria described in Section 4.

This RFP will be conducted in two Phases. The Companies will review Bidder Offers in Phase One and notify Bidders of their approval to submit a Phase Two Offer. Phase One provides initial guidance regarding the viability of a potential bid. Non-viable Offers will not proceed to Phase Two. For Phase One, Bidders proposing portfolios of Projects will need to submit all required documents describing a Reference Project and then list on Appendix B an amount of MW they are anticipating to provide both Portfolio wide and for the Reference Project. Portfolio Bidders must specify the reliability standard for the entire Portfolio and the location of the Reference Project within the Portfolio. Further details on the Portfolio approach will be described in Appendix F.

Please note that certain aspects of Phase One Offers will be considered binding, while other components may change between Phase One and Phase Two. References to Phase One and Phase Two and their respective binding and non-binding components, as well as RFP instructions, are detailed in Section 5 of this document and each appendix. Other than the Reference Project, Portfolios will not be bound to their proposed Portfolio size or every site submitted during Phase One. Notwithstanding, Bidders should use best efforts to ensure consistency between Phase One and Phase Two bids and must describe material changes between phases fully in Appendix C8.

¹⁵ Appendix D1/D2 will be released for Phase Two of the procurement; for reference please use the previously released pro forma [here](#)

¹⁶ *Id.*

¹⁷ As defined in the Term Sheet (Appendix D4)

¹⁸ Station Use and Auxiliary loads will be required to be separately metered.

¹⁹ Please note there may be instances of additional changes and/or clarifications made in the RFP and Appendices that are not fully aligned with or differ from the responses provided in any posted Q&A. The Q&A, if any, may not be updated to account for these.

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All costs anticipated to be incurred by the Bidder for the proposed Project prior to the proposed Project's Commercial Operation Date ("COD")²⁰ and throughout the Agreement term should be considered in the Offer Price.²¹ It is strongly recommended that Bidders also consider the value of market participation and all potential revenue sources for the energy storage Project in the post-Agreement period when determining an Offer Price to maximize the Offer's competitiveness.

If awarded, the Bidder will receive payments from CECONY reflecting the Offer Price. Payment terms, structure, and milestones are described in detail in the CECONY Agreement (Appendix D1/D2) included in Phase 2.

2.2 Bidder's Qualification

All Bidders must meet certain requirements. The intent of Bidder requirements is to ensure receipt of well-developed Offers from experienced Bidders that will meet the In-Service Deadline.

Bidders must, at minimum:

1. Demonstrate experience deploying the proposed commercialized storage technology at scale with Dispatchable Capacity of at least 2 MW in a single Project in an expeditious manner.
2. Provide at least three years of Audited Financial Statements.²²
3. Provide a written certification that all RFP requirements have been reviewed, are understood, and will be complied with for all Offers provided. Failure to meet all RFP requirements will result in automatic Offer rejection.
4. Complete the Bidder's Qualification Questionnaire (Appendix A).
5. Provide a W9 to permit the Company to conduct its Third Party Risk Management Process (TPRM) with respect to the Bidder. The Companies will reach out with more details on steps to follow throughout this process to permit its completion.

²⁰ As defined in Appendix D1/D2 which will be released for Phase Two of the procurement; for reference please use the previously released pro forma [here](#)

²¹ Bidders should consider the impact of property taxes throughout the life of the Project and the potential abatement options available. More information about reducing property taxes can be found here: <https://edc.nyc/nycida> and <https://www.nysenate.gov/legislation/laws/RPT/487>.

²² As defined in Appendix D1/D2 which will be released for Phase Two of the procurement; for reference please use the previously released pro forma [here](#)

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2.3 Size Requirements

Proposed Projects or Portfolios must be greater than 5 MW of Dispatchable Capacity, interconnected electrically within CECONY's service territory and separately metered from any other load or generation at the site.

Portfolios may contain up to ten (10) individual Projects, provided each is at least 2 MW in size. Projects in a Portfolio must:

- 1) Be located within the same NYISO Zone
- 2) Meet the same local reliability standard (*i.e.* N-1 or N-2)
- 3) Undergo the same type of distribution interconnection study(ies) (*i.e.* USIS or SIR)
- 4) Contractually commit to commence commercial operation within the same Year
- 5) Be subject to the same Contract term length
- 6) Be located entirely within or outside of a Preferred Locations (which are detailed and described in Appendix E).

2.4 Site Control

Bidders must have existing site ownership or site control for all proposed Projects to be electrically connected within CECONY's service territory. Site control status must be stated in Appendix B (Offer Form) and demonstrated and detailed as described in Appendix C1.

Bidders should respond to all Phase One questions with as much information as possible. Bidders are not required to have site control by the Phase One submittal date, however Bidders must have site control by the Phase Two submittal.²³ The location of at least one Project (whether submitted as an individual Project or as the Reference Project in a Portfolio) during Phase One is binding, even though we will not require the demonstration of site control at this juncture.

2.5 Technical Requirements

2.5.1 System and Operational Requirements

²³ While site control is not required for Phase One of this RFP, site control may be required for interconnection.

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All eligible systems will be energy storage systems capable of generating at maximum output for at least four-hours in duration.²⁴ Bidders may assume the following usage profile for purposes of system specification, which reflect the probable range of system usage by CECONY over the Agreement period:

- Capability to operate at maximum 21 cycles in 21 days²⁵
- Average state of charge of 50-80%²⁶
- At least 1400 MWh of discharge Throughput per MW per year of Dispatchable Capacity maintained through the term of the Agreement²⁷

All proposed Projects must meet the following requirements over the Agreement term. The methodologies and definitions for each requirement are detailed in the Agreement (Appendix D1/D2):

- Must maintain at least a 98% Availability for dispatch in each calendar year
- Must demonstrate a minimum Roundtrip Efficiency of 80%
- Must maintain a Dispatchable Capacity rating at least equal to the Offer's Guaranteed Capacity
- Must have a minimum Response Rate (or Ramp Up Rate and Ramp Down Rate) of at least 10% of the battery energy storage system's Dispatchable Capacity per minute
- Must comply with NYISO tariff requirements for providing Voltage Support Services²⁸

2.5.2 Interconnection Requirements

Bidders must have completed and submitted an interconnection application at the time of initial Offer submittal. In addition, all proposed Projects must ultimately complete required Interconnection Study(ies)²⁹ and receive Capacity Resource Interconnection Service ("CRIS") and/or Energy Resource Interconnection Services ("ERIS") rights, as applicable. Bidders must remain active in the applicable interconnection queue for proposed Projects until that Project has been interconnected.

²⁴ Operational parameters shown here are offered to Bidders for purposes of technical system design only. These parameters are separate and distinct from commercial performance requirements described in the Agreement.

²⁵ A cycle is a sequence of injecting electric energy into a battery then withdrawing electric energy from a battery, where one cycle is the charge and discharge of a battery's total useable energy storage capability.

²⁶ Average state of charge defined as ratio of average stored energy capacity available throughout Agreement period divided by total useable energy storage capacity at 100% state of charge.

²⁷ See Appendix D1/D2 which will be released for Phase Two of the procurement; for reference please use the previously released pro forma [here](#)

²⁸ We expect the Projects to adhere to the leading and lagging requirements defined in the NYISO Ancillary Services Manual: <https://www.nyiso.com/documents/20142/2923301/ancserv.pdf/df83ac75-c616-8c89-c664-99dfea06fe2f>

²⁹ NYISO and local utility distribution studies as required per interconnection location and associated requirements.

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Projects must have a single exclusive NYISO Interconnection Point, be able to send/receive electronic signals from CECONY (acting on its and O&R's behalf) and meet NYISO communication requirements to enable NYISO Market participation. Bidders will be responsible for all activities and costs associated with NYISO and/or CECONY communications requirements to enable NYISO Market participation. Bidders must submit their known and/or best estimates of interconnection costs as part of their Offer.

[Con Edison's hosting capacity map](#) provides guidance on availability of interconnection opportunities for distribution connected storage by location. Bidders at early stage of development should consult the hosting capacity maps to identify areas that may have sufficient capacity for the anticipated charging and discharging of the system.

All Projects must operate within reactive power parameters set by the Company or NYISO and be capable of dynamic adjustment upon request and as required by system operators and conditions. Projects should expect to provide reactive power support if the need is identified during the interconnection process.

For distribution connected Projects only, Bidders are able to choose whether or not to meet the local reliability standard of the Network.³⁰ Bidders that plan an interconnection design that satisfies the network's local reliability standard will receive priority consideration as described below in the evaluation process. For example, if the network requires new load to be interconnected at an N-2 reliability standard, then the energy storage solution must be interconnected at the N-2 reliability standard to receive such priority consideration. Projects proposed at N-1 for N-2 networks are still subject to the same operational requirements and contractual obligations, including liquidated damages, as Projects proposed at the local reliability standard.

As bidders are framing offers, they should account for known or anticipated charging restrictions associated with existing or forthcoming distribution interconnection agreements.

Consistent with the Storage Orders, storage Projects that have an executed interconnection agreement prior to December 13, 2018 are ineligible to participate in this solicitation. In addition, Projects that have already achieved Commercial Operation are not eligible to participate in this Procurement.

Please refer to Appendix C2 and the Agreement (Appendix D1/D2) for additional information.

2.6 Credit Requirements

Bidders must provide a Letter of Credit or cash collateral to CECONY at the time of Agreement execution. Bidder must maintain the Letter of Credit from Agreement execution throughout the term of the Agreement, on terms set forth in the Agreement. (See Appendix D1/D2). In the event of any

³⁰ If any portion of a Network has an N-2 design criteria, that Network will be treated as an N-2 Network for all Projects proposed in this RFP.

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discrepancy between the security requirements described in the RFP documents and in Appendix D1/D2, Appendix D1/D2 governs.

2.7 Safety and Security Requirements

CECONY requires Bidders to recognize that safety is of paramount importance. In connection with this solicitation and any executed Agreement, Bidders will be required to provide safety information related to the technology for the Project in Appendix C3 and information regarding safety history, including for the entities that will construct, operate, and maintain the Project(s). They are also advised to consult the resiliency considerations described in Appendix C3. Bidders will be required to submit physical security plans for adequacy evaluation by the Company. These plans should include proposed security measures to secure the plant perimeter, monitor the site, equipment, data, and control systems, and prevent unauthorized entry and control access. Storage Projects must meet all New York City Department of Buildings, Fire Department, Company, and any other government agency design and safety requirements as applicable. See Appendix C4 for additional details.

Based on current fire safety regulations and the high risk that indoor batteries of this size will not receive the necessary permits to operate, proposals for indoor batteries will not be considered in New York City.

Bidders are required to complete the Company's Third Party Risk Management Process (TPRM) that assesses whether the cyber security and other Bidder practices satisfy Company requirements and appropriately protect the Companies from undue risk. This assessment process is a standard requirement that all prospective and existing CECONY vendors complete in order to be eligible to become, and remain, a contract counterparty. Bidders will also be required to submit a cyber security plan as part of their ESSA redlines during Phase Two.

3 O&R RFP: Eligibility and Requirements

3.1 RFP Overview

As described in Section 2.1, O&R is issuing this Request for Proposals concurrently with CECONY. Unless otherwise specified, O&R will maintain the same requirements as set forth in Section 2. O&R will use the same framework and criteria as CECONY to evaluate Offers but will consider its own system needs and priorities in doing so.

As with CECONY's solicitation, O&R will contract with developers for bulk scheduling and dispatch rights for a term of up to fifteen years. O&R will accept bids exclusively for storage Projects and Portfolios connected to the transmission or distribution system that are capable of individual direct participation in the NYISO Markets.

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During the term of the Agreement, CECONY, on behalf of O&R, will have the sole right and responsibility to bid and schedule the storage asset(s) into the NYISO Markets. O&R is specifically interested in proposed battery energy storage systems that benefit the grid and the environment.

As described in Section 2.1, all costs estimated to be incurred by Bidder prior to Commercial Operation and throughout the Agreement term should be considered when formulating an Offer Price. It is strongly recommended that Bidders consider the value of market participation and all potential revenue sources for the energy storage Project in the post-Agreement period when determining an Offer Price. O&R payment milestones will reflect those described in the Agreement (Appendix D1/D2).

3.2 Bidder's Qualification

All Bidders must meet all eligibility requirements described in Section 2.2 to have their proposed Projects evaluated.

3.3 Minimum Size Requirements

All Offers within O&R's service territory must meet the same minimum size requirements as those in CECONY's service territory. Please refer to Section 2.3 for additional information.

3.4 Site Control

Bidders must demonstrate the same level of Site Control as described in Section 2.4. See Appendix B and C1 for additional information.

3.5 Technical Requirements

3.5.1 System and Operational Requirements

Offers must meet all requirements described in Section 2.5.1.

3.5.2 Interconnection Requirements

Offers must meet all requirements described in Section 2.5.2. See Appendix C2 for additional information.

O&R's [Hosting Capacity Maps](#), provide guidance on availability of interconnection opportunities for distribution connected storage by location. Bidders at early stage of development should consult the hosting capacity maps to identify areas that may have sufficient capacity for the anticipated charging and discharging of the Project.

3.6 Credit Requirements

Credit requirements for O&R are the same as required by CECONY. Please refer to Section 2.6 for additional information.

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3.7 Safety Requirements

Safety requirements are the same as those required by CECONY described in Section 2.7.

4 Offer Evaluation Criteria

The Companies will consider quantitative and qualitative criteria to evaluate Offers.

See below for a detailed summary of quantitative and qualitative criteria, and the process by which the Review Team will evaluate and prioritize Offers.

As detailed in this RFP and its Appendices, many responses in Phase One are able to be refined in Phase Two. Phase One and Phase Two submittals (containing the information required by this RFP and its Appendices) are evaluated using the quantitative and qualitative factors below. Information submitted in Phase One may be considered binding if identified as such in Section 5.2.

4.1 Quantitative Factors

Bidders should provide only their best Offer Price. Projects and Portfolios will be ranked based on their Quantitative Scores. CECONY and O&R evaluate Transmission Connected and Distribution Connected Projects and Portfolios separately as each provides unique benefits to Company customers. The exact amount of energy storage capacity that will be selected for contracting after Phase Two will depend upon the competitiveness of the bids submitted and may exceed the 300 MW target initially set out in the Storage Order.

The Companies will use the following formula based on its forecast of value, benefits, and pricing to evaluate Offers:

$$\text{Quantitative Score} = \text{Net Market Value} + \text{Distribution Benefit} + \text{Environmental Benefit} - \text{Offer Price}$$

Net Market Value =

(Energy Value + Ancillary Services Value + Capacity Value)

– (Charging Cost + NYISO Fees)

Where:

- **Energy Value** = projected revenues from NYISO energy market sales over the asset's delivery term.
- **Ancillary Services Value** = projected revenues from participation in 10-minute and 30-minute Operating Reserves markets. Where applicable, participation in Voltage Support Service under its Market Services Tariff (Rate Schedule 2) will be considered. Projects will not participate in Frequency Regulation markets.
- **Capacity Value** = projected revenues from NYISO capacity markets over the asset's delivery term.

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- **Charging Cost**³¹ = expected costs of charging at projected LBMP³² prices.
- **NYISO Fees** = includes participation fees, and related charges made by the NYISO to the asset scheduler/bidder.

Distribution Benefit considers quantifiable benefits associated with a storage system’s location in the CECONY or O&R distribution system, as applicable. Where applicable, a Marginal Cost of Service (MCOS)³³ distribution value will be assigned to Offers based on the proposed Interconnection Point in CECONY’s or O&R’s service territory. The Companies will evaluate bids based on proposed interconnections, reducing the Distribution Benefit assigned for Projects and Portfolios interconnecting at a reliability standard lower than the local reliability standard.

Environmental Benefit: Where applicable, an Environmental Value will be determined and assigned to each Offer. Bidders can also describe the qualitative aspects of the environmental benefits their Projects provide.

Offer Price (“O”) submitted by Bidders based on Project-specific hurdle rate and financing requirements.

4.2 Qualitative Factors

CECONY and O&R will use the following qualitative criteria:

1. **Project Viability-** Evaluates the likelihood that the Project or Portfolio can be successfully developed and can meet use case requirements for the Contract term. Evaluation will consider the Project’s viability, risks, and likelihood of meeting NYPSC requirements for operational Projects by December 31, 2030. For distribution connected Projects to be considered viable, the Projects must have entered the Companies Utility System Interconnection Study (USIS) process or Standard Interconnection Requirement (SIR) process prior to Phase Two. For transmission connected Projects to be considered viable for this procurement, they must have accepted cost allocation as part of the NYISO interconnection process before bidding.
2. **Location** – CECONY and O&R will evaluate Offers based on whether the proposed Project or Portfolio is in a Preferred Location as designated by CECONY and O&R. All Projects proposed in a Preferred Location must match the local reliability standard to receive Preferred Location consideration. In addition, Projects or Portfolios proposed within a Preferred Location that

³¹ The Companies account for the transmission and distribution expenses of charging the Project even if they are the Companies’ responsibility.

³² As defined in Appendix D1/D2 which will be released for Phase Two of the procurement; for reference please use the previously released pro forma [here](#)

³³ CECONY MCOS: <https://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId={D6E0CF85-2CEE-44D1-89C0-41F209ED9403}>

O&R MCOS: <https://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId={6010C7D8-0954-453A-A9DD-35C994A5E906}>

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require commitment to operate by a given date must contractually commit to a Guaranteed Commercial Operation Deadline that is consistent with that earlier date. Note that while preference is given to Preferred Locations, the Companies seek Project throughout their respective Service Territories. See Appendix E for detailed descriptions.

3. **Environmental Benefits**- Descriptions of the Project's or Portfolio's contribution towards achieving New York State's energy policy or improving local environmental conditions will be considered.
4. **Adherence to Terms** – Measures Bidder adherence to the Agreement and Terms provided in Appendix D1/D2/D5. Redlines to the Agreement will be required to be provided by Bidders as part of their Phase Two Offer package and reviewed by CECONY and O&R during the evaluation period. Preference will be given to Offers that most closely adhere to the Agreement to ensure timely execution of the Agreement.
5. **Bidding Team Experience** – Evaluates the extent of the Bidder's and Bidder Team's energy storage and New York experience developing and operating energy storage Projects as described in Appendix C7. CECONY and O&R reserve the right to request and contact references as part of the solicitation process. The experience of the entire team will be evaluated, but preference and additional weight will be given to direct Bidder and developer experience relative to others (such as EPC contractors, O&M providers, etc.).
6. **Safety** – Evaluates potential safety and risks and mitigation plans associated with Bidder implementation plans.
7. **System Design** – Evaluates system specifications, warranties, expected operational parameters and associated restrictions/ limitations on use of the proposed Project. Evaluation will consider technical responses provided in Appendix C3 coupled with additional technical materials provided (e.g., warranties). Preference will be given to proposed systems that demonstrate capabilities to meet CECONY and O&R's use case while minimizing restrictions on use of the system.
8. **Credit Quality** – Evaluates the Bidder's ability to perform all financial and financing obligations under the Agreement. Evaluation will include the response to Financial & Credit Information Appendix C5, adherence to Forms of Letter of Credit and/or cash collateral terms as specified in Appendices D1/D2. Preference will be given to Offers that adhere most closely to the terms described in the provided Letter of Credit.
9. **Bidder Concentration** – CECONY and O&R may consider the amount of MW per Bidder to promote a diversity of Projects and Portfolios.

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5 Offer Submittal Process

5.1 Offer Submission Instructions

All Offers, for either CECONY or O&R, must be uploaded to the Con Edison “Bulk Storage RFP Bidder Portal” website (SharePoint) on or prior to the deadline. Individual and secure Bidder-specific web links to upload Offers will be provided to a single point-of-contact for each Bidder. To express interest in receiving the link to submit an Offer, please email BulkStorageRFP@coned.com with one point of contact, an email address, the requesting organization, and the Company (i.e., CECONY and/or ORU”) to whom you wish to submit an offer. Emailed links will be provided on Monday, January 13, 2025 by 5pm EPT.³⁴

Bidders will be required to login via a Microsoft account or applicable Organizational account to the SharePoint Online portal (via the link provided). To avoid any delays, please confirm your ability to log-in and upload files well in advance of the submittal deadline.³⁵ Access to the designated folders will close promptly at 5pm EPT on the submission deadline. No extensions will be considered for technical issues not raised at least 5 business days prior to the submission deadline. Bidders who fail to submit by the due date and time will be excluded from the Offer evaluation process.

Instructions for use of the SharePoint portal and document naming conventions are below to ensure consistency for efficient and complete Offer evaluation.

- Within your specific Bidder folder and within the pre-established CECONY or ORU folders, create a unique subfolder for each Offer and label the folder using the naming convention “*Utility_Bidder Name_Project Name*”. Offers’ subfolders should be placed in the applicable utility folder. “*Utility*” in the name should be either “*CECONY*” or “*ORU*”. The “*Project Name*” should match the name provided in the Offer documents. For Portfolios, the Project Name should be based on the Reference Project.
- Multiple Offers will require creating multiple new subfolders within the applicable utility folder. Upload the entirety of each Offer into the relevant user-created subfolder.
- For proposed Portfolios, the required supporting documents for each Project within the Portfolio should be included in a separate subfolder. During Phase One a full submission of supporting documents is required for the Reference Project within the Portfolio only.

³⁴ The email will come with subject “[Sender Last Name, First Name] wants to share [Bidder Name]”. If you do not receive in your Inbox, please check your Junk/Spam Folder.

³⁵ When you log-in, if you get a “You need permission to access this item” message, please click the “Request Access” button. Once this request is approved you will receive a verification email with a link to access your specific folder. If you receive an error message saying your email is not listed in the SharePoint directory, please try logging in 30 minutes later. If you receive any other access error messages please let us know as soon as possible at BulkStorageRFP@coned.com.

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- Variations should be uploaded into additional separate subfolders named “Utility_Bidder Name_Project Name_Variation #” under the associated Offer folder.
- Primary documents names should use the naming convention “Utility_Bidder Name_Project Name_Document Name”. For example, “CECONY_Con Edison Inc_4 Irving Place ESS_Appendix C2”.
- Supporting or referenced documents to the primary documents should be clearly labeled as follows “Utility_Bidder Name_Project Name_Document Name_referenced document description”. For example, “CECONY_Con Edison Inc_4 Irving Place ESS_Appendix C7_Project team org chart”.
- **Offer and Variation submissions should be structured to match exactly the organization of the primary RFP documents and submitted as individual searchable PDFs for the Cover Letter, Bidder Checklist, Offer Body, and each Appendix as shown in the table in RFP Section 5.3 Offer Submission Format (reproduced below with “Submission Format” column added for format clarity)**

Please contact the RFP team at BulkStorageRFP@coned.com with any questions or technical issues.

5.2 Phase One vs. Phase Two

This RFP will be conducted in two Phases. The Companies will review bidder submissions to Phase One and notify Bidders of their approval to submit a Phase Two bid(s).

Bidders must complete all requisite Appendices as part of their Phase One bid, however, not all information will be considered binding. Please refer to the table below as a guide to what appendix inputs are considered binding vs. those that are non-binding. Please note that instructions within each Appendix may supersede this categorization, as some sub-components of an otherwise non-binding attachment are considered binding. The reverse can be true as well.

Any changes to a Bidder’s Offer between Phase One and Phase Two, including Dispatch Capacity, must be disclosed using Appendix C8, Offer Changes. Bidders may change any non-binding bid information as they choose, but the Companies may also re-evaluate bids based upon on these changes. This is true of Appendix B, the Offer Form. Bid information that is binding in Phase One may not be changed in Phase Two, i.e.: Appendix C1 (Site Control) on Phase One is non-binding, however, the location identified within this appendix is binding, or in the case of Portfolio, the location for the Reference Project shall be binding. The location of an individual Project can’t change between Phase One and Phase Two.

Appendix	Title	Phase One	Phase Two
A	Bidder’s Qualification	Binding	N/A
B	Offer Form	Non-Binding	Binding
C1	Site Control	Non-Binding	Binding
C2	Electric Interconnection	Binding	Binding

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C3	Technical Information	Non-Binding	Binding
C4	Permitting & Schedule	Non-Binding	Binding
C5	Financial & Credit Information	Non-Binding	Binding
C6	Bidder Checklist	Partial	Complete
C7	Bidding Team Information	Non-Binding	Binding
C8	Offer Changes	N/A	Required
C9	Warranties, Performance Guarantees and Maintenance Plans	N/A	Binding
D1	CECONY Energy Storage Services Agreement	N/A	N/A
D2	O&R Energy Storage Services Agreement	N/A	N/A
D3	Energy Storage Services Agreement (ESSA) Issues Matrix	N/A	Required and used to limit scope of post award contract negotiations.
D4	CECONY & O&R Term Sheet of ESSA	N/A	N/A
D5	Term Sheet Issues Matrix	Required and used to limit scope of post award contract negotiations.	N/A
E	Preferred Locations	N/A	N/A
F	Portfolio Description and Checklist	N/A	N/A
G	Letter of Engagement	N/A	N/A

5.3 Offer Submission Format

Bidders are eligible to submit one or more Offers for this RFP. Each individual Offer should be provided in the format specified below and submitted via the “Bulk Storage RFP Bidder Portal website” (SharePoint). Multiple Offers should be submitted in multiple dossiers with each Offer submitted on separate subfolders. Only complete Offers will be accepted and evaluated. Phase One Offers are due no later than 5:00 P.M. EPT on February 28, 2025. Phase Two Offers are due no later than 5:00 P.M. EPT on June 30, 2025.

It is the Bidder’s responsibility to thoroughly review all provisions of the respective supporting documents and all requirements of this RFP process and to understand all anticipated costs that should

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Orange and Rockland Utilities, Inc.

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be factored into the Offer price. Bidders are encouraged to mark sections of their bids confidential as needed so they are treated as such by the review team.

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Offers shall be organized as follows:

Offer Section	Offer Section Title	Reference	Submission Format³⁶
N/A	Cover Letter		searchable PDF
N/A	Bidder Checklist Form	• Completed Appendix C6	searchable PDF
Offer Body	<ul style="list-style-type: none"> • Proposed ESS Solution Description • Project Schedule • Potential Risks and Challenges • Professional Background and Experience with the Proposed Solution 		searchable PDF
Offer Appendices	• Bidder's Qualification	• Complete RFP Appendix A	Searchable PDF
	• Offer Form	• Completed RFP Appendix B • (One per Offer, Variant of Offer)	XLSX
	• Site Control	• Completed RFP Appendix C1	searchable PDF
	• Electric Interconnection	• Completed RFP Appendix C2	searchable PDF
	• Technical Information	• Completed RFP Appendix C3	searchable PDF
	• Permitting & Schedule	• Completed RFP Appendix C4	searchable PDF
	• Financial & Credit Information	• Completed RFP Appendix C5	searchable PDF
	• Bidder Checklist	• Completed RFP Appendix C6	searchable PDF
	• Bidding Team Information	• Completed RFP Appendix C7	searchable PDF
	• Offer Changes	• Completed RFP Appendix C8	searchable PDF
	• Warranties, Performance Guarantees and Maintenance Plans	• Completed RFP Appendix C9	searchable PDF
	• Redlines to Agreement	• Redlines to RFP Appendix D1/D2	searchable PDF
	• Agreement Issues Matrix	• Completed RFP Appendix D3	searchable PDF
	• Redlines to Term Sheet	• Redlines to RFP Appendix D4	searchable PDF
	• Term Sheet Issues Matrix	• Complete RFP Appendix D5	searchable PDF
	• Portfolio Checklist (Portfolio submissions only)	• Complete RFP Appendix F	searchable PDF

³⁶ Each individual document/file within the Offer specific folder to use the naming convention identified in section 5.1.

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Cover Letter

The cover letter shall include the following:

- Bidder legal name and address
- The name, title and telephone number of the individual authorized to negotiate and execute the Agreement
- The signature of a person authorized to contractually bind Bidder's organization
- A statement that the Bidder has read and understands all provisions of the RFP

Bidder Checklist

Bidder should provide to CECONY and O&R the properly completed Bidder Checklist (Appendix C6) as part of an Offer. A Bidder Checklist (Appendix C6) or Portfolio Checklist (Appendix F) is needed for each Offer submitted.

Offer Body

This section should contain a response to the RFP requirements as described in Appendices to this RFP. Please limit Offers to 10 pages maximum not including the Cover Letter, Checklist, and Appendices. The following information addresses major areas that shall be included in Bidder's Offer:

- Proposed energy storage system
 - Energy storage system design characteristics (e.g., equipment, configuration)
 - Energy storage system performance characteristics (e.g., Roundtrip Efficiency, Guaranteed Availability, Guaranteed Capacity, Maximum and Minimum State of Charge, Capacity and System Efficiency Degradation Rate)³⁷
 - Description of warranties and approach to maintaining Availability and Performance Guarantees³⁸
- Project schedule
- Potential risks and challenges with detailed plans to address/mitigate
- Professional background and experience with the proposed solution

Offer Appendices

Bidders must complete all documentation required of Offers as described in the Appendices to this RFP. See Appendices for details of what is required to be submitted. This document only provides a high-level description of the details provided in the various Appendices.

³⁷ As defined in appendix D1/D2 which will be released for Phase Two of the procurement; for reference please use the previously released pro forma [here](#)

³⁸ Ibid

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Redlines to Term Sheet and Agreement

For Phase One, Bidders are required to complete a full review of the Term Sheet provided in Appendix D4. Any exceptions shall be marked in a redlined copy and attached to the Phase One offer. Bidders will also summarize the proposed changes in the table provided in Appendix D5.

During Phase Two, Bidders are required to complete a full review of the Agreement provided in Appendix D1/D2 for both commercial and legal terms, with specific care to the development, financial, and operational aspects of this Project. Any exceptions shall be marked in a redlined copy and attached to the Offer. Bidders will also summarize the proposed changes in the table provided in Appendix D1/D2.

CECONY and O&R expect that all material issues have been identified during the Phase Two redline and will establish a timeline for Agreement execution accordingly. In line with the RFP schedule outlined in Section 1.2, the Companies expect to complete all redline negotiations no later than six months from Phase Two awards. Any issues raised during the contract negotiation process that were not identified during the Phase Two redline will be reviewed with heightened scrutiny and could lead to the termination of negotiations. CECONY's or O&R's acceptance of an Offer shall not be deemed acceptance of Bidder's redlined Agreement. However, Bidder should be prepared to sign the redlined version as presented if selected and to have done full due diligence to ensure ability to meet all obligations under the Agreement, including financial obligations.

Additional Materials

Bidders can provide information not specifically requested in the body of the Offer as an appendix or a separate attachment. Such items can include:

- Project experience examples (no more than one-page per Project)
- Organizational charts and resumes
- Other relevant information

5.4 Offer Fee

Bidders must pay an Offer Fee at the time of submission in the amount of \$10,000 for each Offer submitted in Phase 1. For Phase Two, the Offer Fee is \$10,000 for a standalone Project or \$5,000 for each Project in a Portfolio's submission. As many as two variations on each Offer, as described in 5.5, are permitted without an additional Offer Fee.

- Purpose of Offer Fee

The Offer Fee contributes to CECONY and O&R's administrative costs to assemble, review, prioritize, and award Offers to Bidders. Offer Fees also reflect the Bidder's commitment to prepare thorough, competitive Offers.

- Form of Offer Fee

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The Offer Deposit must be made by cash (via wire transfer) or check.

NOTE: If a Bidder fails to submit the Offer Fee prior to or contemporaneously with the Offer's submission, the Bidder's Offer will be rejected.

- Submission of Offer Fee

CECONY and O&R will provide wire transfer instructions to interested Bidders when access to the Bulk Storage RFP Bidder Portal website is granted. Bidders have until 5 p.m. EPT on the date Phase One and Phase Two bids are due to remit their fee.

- Refund of Offer Fee

In the event the RFP is canceled prior to review of any Offers, the Offer Fee will be refunded. After the evaluation process has begun, no refunds will be made, regardless of whether an Offer is or is not selected. In the event of Project or Portfolio withdrawal, the Offer Fee will not be refunded.

5.5 Number of Offers and Variations Allowed Per Bidder

Bidder's Offers are defined by Project Interconnection Point (i.e. 1 IP = 1 Offer, 2 IPs = 2 Offers, etc.) or in the case of Portfolios by the Project Interconnection Point for the Reference Project. There is no restriction on the number of Offers Bidders may submit. More than one Offer can be located at the same location, but each would require separate Interconnection Points and metering. In other words, multiple Offers at a single location will be considered separately if they have separate Points of Interconnection. In this situation, each Project would require a separate Offer submission.

A separate and complete submission is required for each Offer. Each Offer must be complete as a standalone submission and not reference information contained in other Offers. An Offer Fee is required for each Offer submitted.

Bidders are permitted to submit Offer variations using the same Interconnection Point by varying the Dispatchable Capacity of the proposed storage Project at each location within the allowable amount based on interconnection application rules. Each Offer may include up to two Offer Variations (i.e., the original Base Offer and two (2) additional variations of that Offer). Only one Offer Fee is required for a Base Offer plus Offer Variations.

An entirely new Offer package is not required for each variation. A written explanation indicating which sections are duplicative over multiple Offer Variations is required. Variations of a Base Offer must be clearly marked, described as such, and submitted with the Base Offer in a single PDF. A separate Offer Form (Appendix B) is required for each Offer Variation.

Note: Offer Variations may only alter a single system or Portfolio's Dispatchable Capacity and associated price and cost information. Other Offer variations such as (but not limited to) payment

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structure, contract term length, commercial operation date, duration, technology, capabilities, location, and Interconnection Point will not be accepted nor considered as a single Offer.

6 Collusion and Other Prohibited Activities

6.1 Collusion

Collusion with other Bidders prior to, during, or after the RFP is strictly prohibited. Collusion and other prohibited activities include but are not limited to: discussing Offer strategies with other Bidders, engaging in any activity with the intent of influencing the outcome of the RFP in a manner inconsistent with competitive behavior, or taking any action to otherwise undermine the competitive nature of the RFP or benefit from Company compensation without the intent or expectation of providing services described in this RFP. The Company shall have the discretion to determine when collusion or other prohibited activities have occurred and to take any appropriate action, including disqualifying Offers, barring participation in future RFPs or programs, and reporting the activity to the New York State Department of Public Service (the "NYDPS"), the NYPSC, NYSERDA and any other appropriate Governmental Authorities.

6.2 Confidentiality

In connection with this RFP, CECONY and O&R will keep confidential, and not disclose to any Person (except as set forth below), any information pertaining to Bidder or its Offer provided by or on behalf of Bidder that is non-public, proprietary or confidential in nature and is clearly marked or otherwise identified as such. The foregoing shall not preclude CECONY or O&R from publicly identifying the Bidders who win Agreements as a result of this RFP, or from disclosing Bidder's confidential information (a) to CECONY's and O&R's trustees, officers, employees, consultants, contractors and agents for the purpose of evaluating Bidder's Offer, or (b) pursuant to a legal or regulatory requirement (including, without limitation, of the NYPSC and/or NYDPS) provided that CECONY and O&R will make reasonable efforts to prevent the information's further disclosure. Confidential information does not include information that (i) is in or enters the public domain other than as a result of CECONY's or O&R's unauthorized disclosure, (ii) Bidder expressly authorizes CECONY or O&R to disclose, (iii) is already known or becomes known to CECONY or O&R on a non-confidential basis other than as a result of a breach of any confidentiality obligation known to CECONY or O&R, or (iv) is independently developed by CECONY or O&R without reference to the confidential information. This obligation of confidentiality will expire upon execution of a definitive Agreement between the parties with respect to the subject of this RFP, in which event the terms of this paragraph shall be superseded by the confidentiality provisions of such definitive Agreement.

6.3 Execution of Agreement

By submitting an Offer, the Bidder agrees, if its Offer is selected for CECONY or O&R, that it is prepared to negotiate and execute a definitive Agreement consistent with the Bidder's Phase Two Offer and

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containing such other terms and conditions as may be mutually acceptable to CECONY or O&R, as applicable, and the Bidder. CECONY and O&R reserve the right to consider, in the evaluation of the Bidder's Offer, any changes Bidder requests to the form of proposed Agreement attached to this RFP. Acceptance by CECONY or O&R of the Bidder's Offer will not constitute agreement by CECONY or O&R to any of the Bidder's modifications made to the form of Agreement submitted.

6.4 Termination Rights

CECONY and O&R reserve the right at any time, in their sole discretion, to terminate the RFP for any reason whatsoever without prior notification to Bidders and without liability of any kind to, or responsibility of, CECONY and/or O&R or anyone acting on CECONY or O&R's behalf. Grounds for terminating the RFP may include (but are not limited to) the failure of any Offer following evaluation to provide adequate ratepayer benefit.

CECONY and O&R reserve the right to change the Offer evaluation criteria for any reason and at any time, to terminate further participation in this process by any Bidder, to evaluate the qualifications of any Bidder, to accept any Offer or to enter into any definitive Agreement, and to reject any or all Offers, all without notice and without assigning any reasons without liability to CECONY or O&R or anyone acting on CECONY or O&R's behalf. CECONY and O&R shall have no obligation to award any contract pursuant to any Offer.

In the event of termination of the RFP for any reason, CECONY and O&R will not reimburse the Bidder for any expenses incurred in connection with the RFP regardless of whether such Bidder's Offer is selected, rejected, or disqualified.

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7 Definitions

Key terms in this RFP and Appendix documents are defined by CECONY and O&R below. See Exhibit A in the Agreement (Appendix D1/D2)³⁹ for additional RFP definitions not included below.

Base Offer: The Bidder's primary Offer submitted in response to this RFP

Beginning Energy Level: The total amount of Energy (in MWh) stored by the Energy Storage Resource at the beginning of the Day-Ahead Market day or a Real-Time Market interval.

Bidders: Entities that submit Offers in response to this RFP.

Capacity Degradation: The decline of total energy capacity attributed to the battery modules.

Charge Response Rate (Ramp Up Rate): The speed at which a storage system can move from zero output to its Maximum Allowable Charge Rate, measured as described in the Storage Rating Test Exhibit to the Agreement (Appendix D1/D2).

Commercial Operation Outside Deadline: The date by which a Project must achieve commercial operation. See Appendix D4 for more detail.

Cycle: The sequence of injecting electric energy into a battery then withdrawing electric energy from a battery, where one cycle is the charge and discharge of a battery's total Dispatchable Capacity.

Designated Schedule: The scheduling strategy CECONY will use to offer Products into NYISO Markets. It will consider operational parameters of the energy system, market prices, and any limitations on usage as specified in the Agreement.

Discharge Response Rate (Ramp Down Rate): The speed at which the storage system can move from zero output to its Maximum Allowable Discharge Rate, measured as described in the Storage Rating Test Exhibit to the Agreement (Appendix D1/D2).

Dispatchable Capacity: The amount of MWs that can continuously be dispatched by the storage system and measured as described in the Storage Rating Test Exhibit to the Agreement.

Environmental Value: The pecuniary value ascribed to reductions in greenhouse gas emissions (GHGs) and other benefits.

Greenhouse Gases: Includes carbon dioxide, methane, nitrous oxide, fluorinated and other gases.

³⁹ Appendix D1/D2 will be released for Phase Two of the procurement; for reference please use the previously released pro forma [here](#)

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Lower Operating Limit: The minimum MW level at which the Energy Storage Resource is willing to operate.

Lower Storage Limit: The minimum amount of energy an energy storage resource is physically capable of storing.

Market Participant: An entity, excluding the ISO, that produces, transmits, sells, and/or purchases for resale Unforced Capacity, Energy or Ancillary Services in the NYISO Wholesale Market. Market Participants include: Transmission Customers under the NYISO OATT, Customers under the NYISO Services Tariff, Power Exchanges, Transmission Owners, Primary Holders, LSEs, Suppliers and their designated agents. Market Participants also include entities buying or selling TCCs. Definition per NYISO Market Services Tariff (MST) Section 2.13. See the MST for more information.

Maximum Allowable Charge Rate: The maximum warranted MW quantity of electric energy that a resource using the NYISO participation model for electric storage resources can receive from the grid.

Maximum Allowable Discharge Rate: The maximum warranted MW quantity that a resource using the participation model for electric storage resources can inject into the grid.

Minimum Allowable Charge Rate: The minimum warranted MW level that a resource using the NYISO participation model for electric storage resources can receive from the grid.

Minimum Allowable Discharge Rate: The minimum warranted MW output level that a resource using the participation model for electric storage resources can inject onto the grid.

Offers: Energy Storage Project proposals submitted by Bidders to this RFP.

Offer Variation: An Offer using the same Interconnection Point as the Base Offer but varies by Dispatchable Capacity.

Participant: See Bidder.

Project: A Project consists of the Storage Unit, Owner's Interconnection Facilities, Prevention Equipment and System Protection Facilities, together with all materials, equipment systems, structures, features and improvements necessary to store, charge and discharge electric energy at the Project.

Portfolio: A proposal submitted by Bidders to this RFP comprised of at least two (2) and no more than ten (10) distribution connected Energy Storage Projects of at least 2 MW each that collectively total over five (5) MW.

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Preferred Locations: Specific geographic and electrically connected areas that are preferred locations for Projects. See Appendix E.

Rated Power: Measured in megawatts (MW), the intensity of the electricity delivered to the grid from the battery energy storage system.

Reference Project: The Project whose details are included in a Project Portfolio submission in Phase One, whose location will be binding.

Response Rate (Ramp Rate): How quickly the Energy Storage Resource can respond to dispatch instruction from the NYISO under various operating conditions.

State Environmental Quality Review Act: New York's State Environmental Quality Review Act (SEQR), which requires all state and local government agencies to consider environmental impacts equally with social and economic factors during discretionary decision-making. Such agencies must assess the environmental significance of all actions they have discretion to approve, fund or directly undertake.

Subsidiary: With respect to any Person, means any corporation, general or limited partnership, joint venture, limited liability company, limited liability partnership or other Person that is a legal entity, trust or estate of which (or in which) (a) the issued and outstanding capital stock having ordinary voting power to elect a majority of the board of directors (or a majority of another body performing similar functions) of such corporation or other Person (irrespective of whether at the time capital stock of any other class or classes of such corporation or other Person shall or might have voting power upon the occurrence of any contingency), (b) more than 50% of the interest in the capital or profits of such partnership, joint venture or limited liability company or (c) more than 50% of the beneficial interest in such trust or estate, is directly or indirectly owned or Controlled by such Person.

System Efficiency Degradation: The decline of Dispatchable Capacity not attributed to the battery modules.

Throughput: The total electrical energy withdrawn from the energy storage resource over a specified period.

Upper Operating Limit: The physical maximum MW level at which the Energy Storage Resource is willing to operate.

Upper Storage Limit: The maximum amount of energy an energy storage resource is physically capable of holding.

Utility-Defined Procurement Ceiling: The maximum the utility is allowed to pay based on the total net value of the projected benefits to be received, consistent with the Storage Orders.