

Non-Pipeline Solutions to Provide Peak Period Natural Gas System Relief Request for Information

Responses to clarification questions 3/19/2020

1. Q. Has Con Edison extended the response submission deadline or put the RFI on hold?
A. *No, The RFI Submission deadline remains Friday April 3rd at 3pm.*
2. Q. How soon can I submit my solution response in Con Edison's Oracle RFQ Procurement system?
A. *The Oracle system will begin allowing submissions at 9am on Monday March 30th and close on Friday April 3rd at 3pm.*
3. Q. Can you provide additional information on how to complete the Attachment A Questionnaire for Demand Response solutions?
A. *A section at the end of this FAQ adds clarity to how to complete certain fields.*
4. Q. Do Resumes count toward the total page count.
A. *No, but those provided should be limited to key project personnel*
5. Q. If two or more companies are considering a joint venture, must all companies complete the Supplier Enablement Template?
A. *No, only the lead point of contact company needs to submit their W9 and Supplier Enablement Template. When submitting a solution Respondents are strongly encouraged to identify the specific partners and sub-contractors that will participate in project development, especially where the Respondent does not have in-house expertise, resources, or experience necessary to implement the proposed Measures. Including letters of commitment from partners as well as resumes from key individuals employed by partners and sub-contractors provides additional useful information for Con Edison during its evaluation process. Where identification of specific partners or sub-contractors is not possible, Respondents should at a minimum express their intent to rely on partners or sub-contractors for the delivery of their solution, and outline the envisioned scope of their involvement.*

6. Q. Can Respondents propose variants on their proposed approach in their RFI responses?
A. *Yes. Respondents may offer different levels of Relief or performance for different levels of compensation or other terms. For example, a dispatchable resource could offer to be available for more days, to be activated more quickly, or provide a greater quantity of Relief, depending on the compensation provided. Proposals should be specific about levels of performance that would be provided, in-service dates and the compensation required.*
7. Q. Will Con Edison meet with potential Respondents prior to submission of a solution?
A. *No. Con Edison will respond to emailed questions by adding to this document again on March 19 2020. Respondents are encouraged to submit variants of solutions for Con Edison to determine the most appropriate fit with existing sources of Relief.*
8. Q. If multiple Respondents propose identical technology solutions and similar business models, will Con Edison contract with more than one respondent for the same geographic location(s)?

A. *No. The Company utilizes an evaluation framework for all NPS projects to determine if they can fulfill areas of need in our existing portfolio. Cost-effectiveness will be a key metric used by Con Edison to evaluate Responses. The review process is intended to be fair and equitable, with the objective being to achieve the greatest overall value for customers.*
9. Q. Will Con Edison consider gasification of waste as a potential supply-side solution?
A. *Yes, proposals to construct gasification plants directly connected to Con Edison's gas system will be considered. However, Con Edison is not seeking to fund R&D or development of prototypes through the RFI. All supply-side technologies included in RFI responses should be ready for commercial deployment.*
10. Q. Are gas supply solutions that are used for electricity generation eligible for consideration under the RFI?
A. *Supply-side solutions should be able to provide supplies directly to Con Edison's natural gas system during the coldest days of the winter season. During other seasons, they may be used for other purposes, including electricity generation. Respondents should detail any such plans in their responses and should account for the revenues that would be generated during these activities during off-peak periods.*
11. Q. Can Respondents propose to provide gas or other fuel supplies directly to large gas customers within Con Edison's service territory?
A. *Respondents may propose to directly supply firm gas customers within Con Edison's service territory with natural gas or other fuels on peak days or for longer periods (e.g., by truck or from a storage tank). However, Respondents should note that Con Edison will not consider any proposal that would lead to significant shifts in end-use natural gas consumption to fuels with higher local emissions, such as fuel oil or wood.*
12. Q. Will conversation to an alternative liquid fuel such as renewable methanol be considered?
A. *No. Increases in the end use of renewable methanol, like increases in end use of fuel oil, propane and other fuels prohibited under the RFI, would not be consistent with goals to avoid increases in emissions of non-greenhouse gas pollutants, such as particulate matter.*

13. Q. Do Respondents proposing supply-side solutions need to identify the location(s) at which they would develop their supply source?
- A. *No. Responses that identify specific locations for supply-side projects are preferred, but Respondents are not required to identify specific locations for their projects. Respondents that do not indicate a specific location for their project(s) should discuss how they would identify and acquire a site(s) if Con Edison opts to move ahead with their proposal.*
14. Q. What is the timeline for Con Edison to move ahead with solutions?
- A. *Con Edison's timeline for moving forward with each solution may vary depending on the type of solution. Con Edison may opt to fund some solutions from its existing funding sources, but may need to seek regulatory authorization to fund others. In addition, Con Edison may work directly with some Respondents to develop their solutions further, and may issue a Request for Proposals or other solicitation to obtain more in-depth proposals for some measures.*
15. Q. Can a Respondent who does not submit a response to the RFI be allowed to bid in the follow-up RFP?
- A. *A future RFP is only one of several potential procurement options but without a submission of a solution to the RFI a potential solution may not be invited to participate in a subsequent RFP.*
16. Q. Please share information about the quality of natural gas that Con Edison currently delivers to its customers.
- A. *The natural gas Con Edison delivers to its customers typically has a heating value of approximately 1030 BTU/scf and a Wobbe Number of approximately 1360. Additional information about the quality of the natural gas Con Edison currently receives from interstate pipelines is available on the "Informational Postings" websites of the following pipelines: Texas Eastern Transmission Company, Transcontinental Gas Pipeline, Iroquois Gas Transmission, and Algonquin Gas Transmission.*
17. Q. Will Con Edison consider proposals to directly inject RNG delivered by truck into its gas system?
- A. *Con Edison will consider proposals to deliver Renewable Natural Gas (RNG) by truck, but will not consider proposals to transport such gas by truck as Compressed Natural Gas (CNG), as specified in the RFI.*
18. Q. Will Con Edison consider hydrogen blending?
- A. *Yes, provided that the hydrogen production and transportation (if any) is accomplished using technologies that are ready for commercial deployment. Respondents proposing hydrogen blending solutions should discuss how they may be able to assist Con Edison in identifying and addressing potential risks associated with hydrogen blending, including impacts on distribution system facilities and equipment, customer equipment, and safety.*
19. Q. Can supply-side projects be proposed outside of Con Edison's gas service territory?
- A. *The RFI states that Con Edison will consider proposals for supply-side resources directly connected to its gas distribution system. Con Edison will also consider projects attached National Grid's gas distribution systems in New York City and Long Island, which are interconnected with Con Edison's distribution system. Projects in other areas of New York State or outside of New York State will not be considered. Respondents proposing projects in National Grid's service territory should explain how*

their resources will help provide additional peak day supply capacity for the benefit of a Con Edison's firm gas customers and should discuss the additional business arrangements that would be required to implement the proposal (e.g., agreements with National Grid). Respondents are reminded that supply resources benefitting Zone 1 (Lower Westchester) are preferred over other projects.

20. Q. Is this RFI expected to run in parallel with the current on-going Gas Demand Response Pilot or is the Pilot expected to retire after this winter?

A. The RFI is in parallel with the existing gas Demand Response Pilot. Demand Response measures proposed in response to the RFI should differ from the measures already compensated under the Pilot. Descriptions of possible Demand Response solutions are included on page 8 of the RFI. They include installation of controls or other equipment at customer premises that would permit additional customers to participate in the Pilot or new Demand Response programs proposed by the Respondent.

21. Q. Are CHP projects eligible for consideration under the RFI?

A. Shutting down/curtailment of gas fired CHP generation is one of the suggested participation strategies in the existing Gas DR Pilot. Respondents with this a demand side measure should demonstrate how their proposal will facilitate or improve upon Con Edison's existing Pilot. It is important to note that any reduced use of that CHP shifts natural gas consumption to other accounts will not be considered.

22. Q. Will Respondent's pricing information be made public?

A. Respondents' pricing information generally will not be made public by Con Edison; but, in certain circumstances, there is the potential that some public disclosures of information provided may occur due to required disclosures to regulators. When Con Edison is required by law or regulation to file or disclose to regulators information that may include Respondent's pricing information, Con Edison will take reasonable measures to avoid disclosures to the general public of Respondent's proposal in a form identifiable to Respondent.

23. Q. Will demand-side solutions that are could be available by November 1st, 2020 for the 2020-2021 winter season be considered?

A. Yes, the need for relief is immediate and solutions that are available sooner are preferred. However, the timeframe for contracting may extend beyond November 1st, 2020, particularly if regulatory approvals are required.

24. Q. Would Con Edison consider significant demand-side winter steam reduction projects in response to this RFI?

A. No, reducing Peak Day steam load does not reduce Con Edison's need for natural gas capacity to serve firm gas customers.

25. Q. Will Con Edison evaluate a potential supplier's ability to procure equipment in support of its proposed project?

A. Con Edison will consider Project Risk as part of its evaluation of all solutions, including risk associated with the procurement of equipment and the financial capability of the Respondent to access capital needed to procure equipment. Respondents are required to detail all major milestones associated with their projects in their project timelines. For large projects or projects relying on equipment that may be difficult to procure, the timeline should include equipment procurement and



outline a plan to mitigate any procurement challenges. Respondents that have already procured equipment critical to the success of the solution should indicate that they have done so.

26. Q. If a Respondent proposes multiple projects, will the projects be evaluated and selected individually or only as a group?

A. Respondents must provide information about each of the Measures that they are proposing to undertake in the Attachment A Questionnaire. The planned Measures may be evaluated by Con Edison individually and as a group. Con Edison may seek to contract with the Respondent to proceed with all or only a portion of the proposed Measures.

27. Q. Will Con Edison develop projects submitted in the RFI on their own?

A. No. Con Edison is an energy distribution utility and seeking qualified and experienced vendors, suppliers, and customers with the capability to deliver innovative Non-Pipeline Solutions that provide natural gas supply or Demand Relief during Peak Days and peak periods. If a solution presented appears to resemble a utility service, licensing or division of value may require additional consideration.

Attachment A Questionnaire clarifications

Gen Solution Information Section

1. Column C – Customer Segment: What if potential customers are in multiple types of buildings: residential, office, manufacturing, lodging, healthcare, etc?

By specifying the customer segment in column C, the tool will be able to more accurately tabulate peak demand reduction. If you have not yet identified which customers you'll be working with, you have the option to generalize and use just one or two customer segment types that are most likely to participate. For each segment type you elect to use, the tool requires you to use a separate line.

2. Column F – End Use: How is this applicable to demand response solutions?

Identify which end-use load is being impacted/offset by the demand response action being taken by the customer.

3. Column G – EUL: What is the EUL of demand response?

Enter the number of years of demand response commitment that you're requiring from all your program participants.

4. Column H – In Service Year: How should this be completed when proposing a solution that will incrementally add new customers every year?

Separate your program years onto separate lines.

Demand Reduction Impacts Section

5. Column I – Reduction in Natural Gas Consumption: How is this done for a demand response solution?



The amount of annual energy savings is contingent on the number of DR events, make an assumption (e.g. 5 days) and note this in the comment section.

6. Column M – Con Edison Estimated Peak Demand Reduction:
This field auto-populates for energy efficiency solutions only. Demand Response solutions should leave this field blank and instead enter the total peak day demand reduction from all solution participants in that given year in column O.
7. Column N – Description of Annual Gas Reduction Calculation: What is the TRM guidance on demand response?
The TRM does not advise how to calculate demand response savings. Demand Response solution Respondents should use this field to briefly explain how the baseline was set for your participants and measuring their DR event-day performance.
8. Column Q – Annual Increase in Heating Electricity Consumption: How can this be competed for a demand response solution that does not directly impact electric consumption?
Respondents should take into consideration any indirect increases in electric energy usage that may arise as a result of shifting load off any gas-fired equipment.

Annual Costs Section

9. Column U – Non-Energy Annual Costs:
Respondent is expected to quantify any decreases or increases in equipment maintenance costs. Do not include the fuel costs here.
10. Column V – New Participant Revenue Streams:
This field should be used for any revenue stream that is created as a result of the solution. Do not include the Con Edison NPS funding being requested here.
11. Column W – Annual Administration Costs:
This field should include the cost of providing any incentives or rebates to participating customers in your solution.
12. Column Y – Participant Contribution:
This field should contain any recurring annual solution costs that you intend to charge directly to the participants.

Start-up / One-Time Costs Section

13. Column AC – Total Startup Costs:
This refers to any separate one-time startup costs as opposed to recurring annual costs that have already been listed. This may include DR enablement costs for participating customers to have their equipment and controls modified so they can participate in DR events.



The total RFI solution cost is a combination of the net annual (recurring costs) to Con Edison and the net start-up costs to Con Edison. This total will compute on the summary page.

Baseline Solution Section

This section can be left blank if proposing a demand response solution.