BQDM Prescriptive Energy Storage Program
Non-Wires Solutions Program Launch Webinar
July 28, 2022
Agenda

Introduction
- Non-Wires Solutions
- Brooklyn Queens Demand Management (BQDM)

Program Details
- Incentive Rates
- Performance Verification
- Program Requirements
- Application Process

Battery Energy Storage System in Ozone Park, Queens
Non-Wires Solutions (NWS)

Non-Wires Solutions is a portfolio of non-traditional solutions that seek to defer or eliminate traditional infrastructure projects for the benefit of the distribution system.

DER Portfolio Approach

A project or portfolio of projects to reduce peak load including:

- Energy efficiency upgrades
- Distributed generation
- Energy storage
Brooklyn-Queens Demand Management (BQDM)

- Flagship and longest running Non-Wires territory
- Initiated in 2014 and granted extension in 2017
- BQDM neighborhoods include parts of:
  - Queens: Broad Channel, Howard Beach, Kew Gardens, Ozone Park, Richmond Hill, South Ozone Park and Woodhaven.

Targeting 15 MW of total peak load relief through new battery energy storage systems operational before May 2026 for 10 consecutive summers
Incentive Rates

**Grid Connected**
*(Front-of-meter; requires distribution circuit level upgrades)*

- $2,500 / kW

**Load Following**
*(Behind-the-meter; does not require distribution circuit level upgrades)*

- $3,000 / kW

- First operational summer begins May 1, 2025.

- 50% of total incentive received after installation and performance verification. Projects operational on or before May 1, 2025 eligible for 10% bonus on installation payment.
  
  - **Must meet performance requirement of 90% of load reduction guaranty in test event to receive installation payment.**
    
    **Participants that do not meet these requirements but become operational later in summer participate in CSRP voluntary.**

- Remaining 50% performance payments paid over 10 summer terms based on system performance.

- Projects that are not installed and operationally available by May 1, 2026 will not be eligible for incentives.
Performance Verification

Projects will be eligible for up to 5% of overall project incentive after each summer period of the 10-year contract term

Performance expectations

• Projects are expected to perform **at a minimum of 90% load reduction guaranty** for each NWS Event
  • *Calculated as avg hourly kWh discharged over event period*

• Projects shall not charge during the overload window or event window on NWS Event Days or on identified Restricted Charging Days

Project data requirements

• Maintain Con Edison AMI meter and provide 15-minute interval data with real-time access

*Further information on the calculation of the annual performance payment can be found in the NWS Performance Verification Plan*
Program Requirements

- Provide first-right-of-dispatch during the Summer Performance Period (May 1\textsuperscript{st} – September 30\textsuperscript{th}),
- Provide customer or site demand reduction for a minimum of 4 consecutive hours at guaranteed load reduction amount with 21-hour advanced notification
- Participants are not eligible for other Con Edison incentive programs that may conflict with first-right-of-dispatch, including Demand Response

Battery Energy Storage System in Woodside, Queens
NWS ESS Incentive Eligibility and Application Process

- Applications reviewed on a first come, first served basis until December 31, 2023, or until Con Edison reaches 15 MW enrollment capacity.
- Applicant is limited to 5 MW of load reduction total.
- Project sites must be located within the eligible BQDM area at facility of a Con Edison customer in good standing.
- Qualifying technologies are limited to BESS approved for use in New York City.
- Must have a rated capacity between 50 and 5,000 kW.
- Must follow NYS Standardized Interconnection Requirements (SIR).
- Must select interconnection option that meets local reliability standards (e.g. N-2).

1. **Interconnection Application:** Complete interconnection application through Power Clerk Web Portal.
2. **Pay 25% of interconnection upgrade** per completed CESIR study.
3. **NWS Incentive Application:** Complete NWS energy storage incentive application (available on website) and submit to DSM@coned.com.
Accepted Participants receive a Preliminary Offer Letter (POL) that will act as an earmark of funding from Con Edison to the BESS project.

Following 100% interconnection payment, proof of site control, and proof that project will meet operational timeline, Participant will receive Program Agreement to secure incentive funding.

Prior to the operational date, Participant must provide proof of installation, Permission to Operate from Company, and all other relevant documentation from authorities including FDNY and DOB.

Company will verify installation and operation through performance of at least 90% in one of two test events at the beginning of the first Summer Performance Period.
Questions?

For more information, email DSM@coned.com or visit conEd.com/BrooklynQueensEnergyStorage