

June 23, 2025

NYSEG and RG&E Bulk Power Energy Storage Request for Proposals Q&A Document



Q&A Related to the NYSEG and RG&E Draft Bulk Power Energy Storage Request for Proposals¹

Date: June 23, 2025

Bulk Power Energy Storage Request for Proposals

- Q1: Are Projects allowed to participate in both the NYSEDA Index Storage Credit (ISC) RFP and the NYSEG/RG&E 2025 Bulk Energy Storage RFP?
- A1: There is no latitude for the December 31, 2028 in-service (Commercial Operation) date. NYSEG and RG&E would support a developer's petition to the New York State Public Service Commission (NYSPSC) to extend this NYSPSC in-service deadline in the event of project specific issues related to the NYISO's Class Year interconnection process that would delay the project's Commercial Operation Date (COD) beyond the current NYSPSC in-service deadline.
- Q2: Are fuel cell projects eligible to participate in the NYSEG/RG&E Bulk Energy Storage RFP?
- A2: No. Fuel cell projects are not eligible to participate
- Q3: Is there a size cap for projects beyond the "at least 10 MW" requirement?
- A3: The RFP specifies that each utility (NYSEG and RG&E) is required to procure at least 10 MW of energy storage, but this is a minimum, not a cap. The actual amount procured will depend on:
- Offer prices
 - Availability of funding
 - Utility-defined procurement ceilings
- There is no explicit maximum project size cap stated in the RFP. However, the utilities reserve the right to procure more or less than the 10 MW target, depending on the value and cost-effectiveness of the offers received.

¹ Responses to these questions represent NYSEG and RG&E's best thinking at the time of the response. NYSEG and RG&E reserve the right to change responses as circumstances develop. Any changes will be posted on the NYSEG or RG&E RFP website(s).



Q4: Can a project be larger than the preferred location capacity (e.g., 80 MW near a 20 MW preferred substation), and only a portion be bid?

A4: Yes, this is explicitly allowed under the RFP:

- You can submit a portion of a larger project as an offer.
- The RFP allows multiple offers from the same bidder, and each offer is defined by a unique Interconnection Point.
- You can submit variants of a base offer with different Dispatchable Capacities (e.g., 20 MW, 40 MW, etc.), as long as they share the same Interconnection Point.
- The portion of the project that is offered would need to be metered and controlled separately from the remainder of the project, and would need to be able to separately bid into the NYISO market.

As an example:

You have an 80 MW project within 30 miles of a preferred substation that is listed as “up to 20 MW.” You can submit a 20 MW portion of that project to the program. This would be treated as a standalone offer, and you could potentially submit additional offers for other portions of the project if they meet the interconnection and metering requirements.

Q5: In the Q&A doc (marked June 23rd), the in-service deadline is suggested to be December 31, 2028. Should this be December 31, 2030 instead (the deadline stated in section 2.2 of the RFP)?

A5: As outlined in Section 1.2 of the RFP, the Latest Operational Date for projects for this RFP is December 31, 2030.

Q6: Can you please confirm that the \$5k/offer offer fee is due by the Phase I bid submission deadline (5pm EPT on Aug 4, 2025)? If an offer is not selected to continue on to Phase II, the offer fee is not refunded, correct? Is an additional offer fee due at the time of the Phase II bid submission?

A6: As specified in Section 4.4. of the RFP, the Offer Fee must be submitted by 5 p.m. August 4, 2025, which aligns with the Phase 1 submission deadline. Offer Fees will only be refunded if the RFP is cancelled prior to NYSEG/RG&E’s review of Offers submitted. No Offer Fee is required for Phase 2 submissions.

Q7: Can you please confirm if appendix C9 should be completed by the Phase I bid submission deadline? The table in section 4.2 of the RFP suggests it should be completed with the Phase I submission (the information being non-binding), and then also included in the Phase II submission (the information being binding at this time). However, the appendix itself reads "This section is required for Phase II offers only". Does that suggest this appendix does not need to be completed by the Phase I submission deadline?



A7: For Appendix C9: Warranties, Performance Guarantees, and Maintenance Plans, bidders should include an initial, non-binding response as part of their Phase 1 submission. Changes to Appendix C9 are permitted as part of Phase 2 submissions, which should be noted Appendix C8: Offer Changes.

Q8: In Appendix B on the "Project Cost and Offer Price" tab, is cell C39 (Offer Price) meant to represent the "Total Compensation Amount" referenced under "Payment Structure" in Appendix D4? Although Appendices D1/D2 will not be released until Phase 2, can you provide more information as to the payment structure? On what time basis is the Owner paid?

A8: Yes, the Offer Price in Appendix B represents the "Total Compensation Amount" referenced in Appendix D4 for a given size project in MW. The Total Compensation Amount is paid in installments beginning on the Commercial Operation Date (COD) and continuing annually on the anniversary of COD over the delivery period. For a 15 year term delivery period, a given Project would expect to receive 16 annual payments that sum to the Total Compensation Amount, provided that no event of default has occurred.

Q9: Can you please clarify how the "Commercial Operation Payment" is defined (referenced in Appendix D4)? How is the amount of that payment calculated? Is this payment supposed to be the same as "Initial Payment" (cell C40 of the "Project Cost and Offer Price" tab in Appendix B)?

A9: The "Commercial Operation Payment" listed in Appendix D4 means an amount equal to the "Total Compensation Amount" (listed in Appendix B as the "Offer Price") divided by the sum of Delivery Period in years plus one. For example, a 15-year Delivery Period would receive 16 equal payments: the first payment at the Commercial Operation Date ("COD") and each successive payment at the end of each Contract Year, provided that no event of default has occurred.

Q10: Can you please clarify what the definition of "Financially Responsible Party" is (referenced in Appendix D4)?

A10: The "Financially Responsible Party" (FRP) term has the meaning set out in the NYISO Tariffs and associated NYISO documents, such as the NYISO Market Participants User's Guide and the NYISO Customer Registration Agreement for generation.

Q11: Can you please provide more detail as to the process for how the potential incentive split between NYSEG and NYSERDA is determined prior to providing that information during the contracting phase?



A11: NYSEG and RG&E will collaborate with NYSERDA to determine potential incentive funding available during the Phase 1 review, with the payment split being determined at that time. NYSERDA incentive payments will follow the same structure as payments from NYSEG or RG&E, with an initial payment at the Commercial Operation Date (“COD”) and an annual payment for each year of the Delivery Period, provided that no event of default has occurred. Bidders should submit one Offer Price in their proposals regardless of the funding source.

Q12: Can you please clarify if there is subsidized power available for Station Use?

A12: The Project Owner must procure, separately meter, and pay for electrical service required to serve the ancillary needs of the Project, which is known as Station Use. There is no subsidized power or discounts available for Station Use.

Q13: Can you please clarify if Wholesale Distribution Service is included in "distribution charges" as referenced in the "Charging Costs" section of Appendix D4? (i.e.: "Company shall be responsible for costs associated with charging the Project, including any **distribution service charges...**")

A13: At this time NYSEG and RG&E do not have Wholesale Distribution Service (“WDS”) tariff. As specified in Appendix D4, NYSEG or RG&E shall be responsible for distribution service costs during the Contract Term unless such costs arise from any dispatch of the Project not for the benefit of Company.

Q14: Can you please clarify the timing as to when NYSEG will file a WDS tariff with FERC?

A14: At this time NYSEG and RG&E do not have a defined timeline for their Wholesale Distribution Service (“WDS”) tariff filing.

Q15: Under "Owner Obligations" in Appendix D4, can you please clarify the definition of "Charging Energy Requirements"?

A15: The “Charging Energy Requirements” term means electric energy stored in the Project to be discharged at a later time, which term expressly excludes any electric energy required for Station Use. As specified in Appendix D4, NYSEG or RG&E shall be responsible for costs associated with charging the Project during the Contract Term unless such costs arise from any dispatch of the Project not for the benefit of Company.



Q16: In Appendix C4 question 3, can you provide an example of what an "additional system certifications required by Government Authorities" would be?

A16: The additional system certifications required by Government Authorities include requirements from code updates that may be in place when the project is placed in service. As an example, New York's Inter-Agency Fire Safety Working Group released a Fire Code Recommendations report in July 2024, which includes proposed recommendations for fire code updates and additions. NYSEG and RG&E expect these recommendations to be incorporated into the fire code, resulting in additional requirements for proposed projects.

Q17: Regarding auxiliary load charges and the applicable rate, for a storage project with a demand between 200 - 450 kW interconnected at 34.5 kV, would the Service Classification No. 11 - Standby Service SC No. 3 - Primary be applicable? If not, which rate would be applicable?

A17: For auxiliary loads metered on the low side of a transformer, the secondary service portion of the tariff would be applicable. Specifically, the applicable rate would be either on SC 2 for demand less than 500 kW or SC 7-1 for demand greater than 500 kW.

Q18: In Appendix D4 under "Owner Credit Support", can you please clarify the timing as to when Performance Assurance is posted. It is at execution (as written), correct? Just want to confirm that credit support is posted initially at execution and not initially at Commercial Operation. At execution, is Performance Assurance due only in the amount of the Commercial Operation Payment?

A18: Performance Assurance must be posted at or before the Commercial Operation Date (COD) and on the anniversary of COD for the remainder of the term. The Performance Assurance is in the amount of the annual payment to the project owner, specifically the Commercial Operation Payment at COD and the Annual Post-Commercial Operation Payment at each anniversary of COD.

