



Battery and Energy Storage Technology Consortium, Inc.

VIA ELECTRONIC FILING

April 3, 2017

Hon. Kathleen H. Burgess
Secretary to the Commission
New York State Public Service Commission
Empire State Plaza, Agency Building 3
Albany, New York 12223-1350

RE: Case 14-E-0302 Petition of Consolidate Edison Company of New York, Inc. for Approval of Brooklyn Queens Demand Management Program

Dear Secretary Burgess:

The New York Battery and Energy Storage Technology Consortium (“NY-BEST”) is pleased to submit these comments for your consideration in the above referenced case in relation to the extension of the BQDM Program.

NY-BEST appreciates the opportunity to provide these comments and we stand ready to assist the DPS staff and PSC in establishing programs and mechanisms that support the policy framework set forth in Reforming the Energy Vision (REV) and to incorporate storage into the New York energy market.

Respectfully Submitted,

Dr. William Acker
Executive Director
NY-BEST



Battery and Energy Storage Technology Consortium, Inc.

NY- BEST COMMENTS

RE: Case 14-E-0302 Petition of Consolidate Edison Company of New York, Inc. for Approval of Brooklyn Queens Demand Management Program

On January 19, 2017 Consolidated Edison Company of New York, Inc. (“Con Edison”) filed a request for extension of the BDQM program.¹ NY-BEST supports the extension, as requested by the Company. NY-BEST believes such an extension will allow providers, customers and the Company to continue to meet the goals of REV, while also providing direct benefit to customers in the area.

On July 15, 2014, Con Edison filed a petition (“Petition”) with the Public Service Commission (“Commission”) seeking approval of its proposed Brooklyn Queens Demand Management (“BQDM”) Program to defer the need for traditional infrastructure investments in the area served by the Brownsville No. 1 and No. 2 substations in Brooklyn.² The Petition was based upon a Con Edison forecast which projected that by 2018 the sub-transmission feeders serving the Brownsville No. 1 and No. 2 substations would be overloaded for approximately 40 to 48 hours during the summer months unless the anticipated load growth in the BQDM area was reduced. The Commission authorized the BQDM Program in its December 12, 2014 *Order Establishing Brooklyn Queens Demand Management Program* (“Order”), granting authorization to the Company to incur up to \$200m in expenditures to defer traditional major infrastructure investments using customer-side solutions.

NY-BEST agrees with Con Edison that the BDQM Program demonstrates the benefits of a Non Wires Alternative (NWA) approach. As required by the Order, the Company provides a quarterly progress report and based upon our review and the information provided, to date, the Program has reached thousands of small businesses, residences and multi-family buildings, deploying a variety of demand reduction/customer solutions. Con Edison states that “it now has the opportunity to defer additional investments.”

NY-BEST supports Con Edison requests and we believe that a continuation of the BDQM Program will allow additional benefits to accrue, including: extended deferral of traditional

¹ Case 14-E-0302, *Petition of Consolidated Edison Company of New York, Inc. for Extension of Brooklyn Queens Demand Management Program* (filed January 19, 2017).

² Case 14-E-0302, *Petition of Consolidated Edison Company of New York, Inc. for Approval of Brooklyn Queens Demand Management Program*, *Order Establishing Brooklyn/Queens demand Management Program* (issued December 12, 2014).



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infrastructure investments, expanded market development in line with the principles of REV, and additional load relief.

Con Edison's BQDM program demonstrates the wisdom of the NWA approach. By taking an incremental approach with DER, rather than investing in the substation upgrade, the utility is able to adjust its investments over time to better align with real time demand and growth. This approach is saving customers millions of dollars and ensuring the New York City gets a cleaner, more flexible, and resilient system.

Significant progress has been made as a result of the BQDM program, and continuing the program will allow the lessons learned from the first iteration of BQDM to be put to work to develop the market further. By allowing Con Edison to continue with the BQDM program, the Commission will help ensure that the initial learnings from the program get applied to the market more expeditiously. An extension of the BQDM program will also provide market participants with greater market certainty and transparency. Transparency to system needs and procurement opportunities earlier in the process will enable the market to compete to address identified issues more effectively for customers and the utility.

In its request for an extension, Con Edison also states that it is seeking to also defer the Glendale Project, which has been a part of the traditional solutions portion of the overall BQDM Program and which the Company would otherwise implement to be in service in 2019. It also states that deferring the Glendale Project for two additional years would allow the Company to explore innovative opportunities that might defer or entirely offset the need for Glendale Project. NY-BEST encourages Con Edison to pursue this deferral and act quickly to share more information and details with DER providers and market participants so they are able to propose solutions as soon as practicable. Timely action is needed to ensure that DER providers and market participants are able to offer a least cost solution that can be delivered on schedule.

Conclusion

NY-BEST supports Con Edison request to extend the BQDM program. The BQDM Program demonstrates the benefits of NWA, illustrates the importance of optionality in leveraging DER to address system needs as they arise, and enables further deferral opportunities. It also supports the goals of REV, provides opportunities for DERs and produces benefits to customers.