

Integrated Energy Data Resource (IEDR)

NYSEG-RG&E Enhanced Budget Projection for Phase 2

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Case 20-M-0082 – In the Matter of the Strategic Use of Energy Related Data

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Introduction

The Integrated Energy Data Resource (IEDR) is a statewide initiative established by the Commission to provide secure, centralized access to energy-related information for utilities, government agencies, market participants, researchers, and other stakeholders. Phase 1 focused on establishing the foundational IEDR platform and delivering initial use cases and datasets. Phase 2 expands the scope of the program through the implementation of additional customer, network, rate plan, distributed energy resource (DER), electric vehicle supply equipment (EVSE), and other data domains, while further automating and operationalizing recurring data transfers between utility systems and the IEDR platform.

New York State Electric & Gas Corporation (“NYSEG”) and Rochester Gas and Electric Corporation (“RG&E” and hereinafter, collectively the “Companies”) submit this Integrated Energy Data Resource (“IEDR”) Utility Budget Projection to request an increase to the IEDR Phase 2 budget cap that was set in accordance with the Order Approving Integrated Energy Data Resource Phase 2 Budgets, dated January 19, 2024.

The Companies are requesting an increase of \$1,958,392 against the approved budget cap of \$15,248,514 to bring total anticipated Phase 2 Budget to \$17,206,906 which reflects a 12.8% increase. Details below include the collection of overhead charges against internal labor and external services, full project timeline, and changes to delivery specifications as key indicators for the need to increase the budget cap. The Companies intend to maintain staffing levels consistent with previously filed Budget Reports.

This IEDR Budget Projection Document provides estimates regarding the projected costs by the Companies across time periods through April 2027.

Completion of IEDR Phase 2 Projects and Investments

Phase 2 Milestones

Phase 2 Sourcing Work through August

During Phase 2 the Companies have made substantial progress implementing the infrastructure, governance processes, data models, and transfer capabilities required to support the Integrated Energy Data Resource (IEDR).

To date, the Companies have successfully established and operated the core data sourcing framework required to support ongoing data transfers from NYSEG and RG&E systems to the IEDR platform. This effort has included development of data transfer specifications, data model alignment, data quality validation processes, automated delivery pipelines, and coordination with the IEDR Development Team..

As of August 2026, significant milestones have been achieved across multiple data domains:

- Customer Data transfers have been fully implemented and automated using the approved Version 5 specification, with recurring production data deliveries established and operating in compliance with IEDR requirements.
- Rate Plan Data development progressed from delivery of Version 3 compliant files through Version 4 test and production file submissions. Production-ready tariff data transfers have been established and continue to support ongoing IEDR activities.
- Network Data transfer specifications and data models have been developed and approved, and the Companies have successfully submitted Network Data test files in accordance with Version 6 requirements.
- Distributed Energy Resource (DER) development activities have commenced, including submission of initial sample files and initiation of data transfer implementation activities.
- Power Quality/Grid Sensor data activities have entered the discovery and requirements development phase.
- The Companies received and responded to Information Request issued by the IEDR Development Team to evaluate the availability, feasibility, and sourcing requirements associated to Electric Vehicle Supply Equipment (EVSE).

In parallel with these domain-specific activities, the Companies developed and refined the underlying processes required to support IEDR implementation. These activities included data mapping and transformation routines, development of extract-transform-load (ETL) pipelines, data quality validation controls, and governance processes.

New Data Sourcing Work

During the remainder of Phase 2, the IEDR Program expects to advance several new data sourcing initiatives, including Distributed Energy Resource (“DER”), Electric Vehicle Supply Equipment (“EVSE”), and Grid Sensor data domains.

Current efforts are focused on stakeholder engagement, information requests, data specification development, source system identification, and transfer design activities. These datasets expand the scope of information available through the IEDR by providing visibility into distributed energy resources, electric vehicle charging infrastructure, and distribution system monitoring capabilities.

Data acquisition and transfer implementation activities for these domains are planned for the remainder of Phase 2, with timing dependent upon completion of data specifications, utility coordination activities, and source system readiness.

Labor Hours for data transfer work:

Completion of the remaining Phase 2 scope requires continued support from both dedicated internal resources and specialized external personnel. The staffing levels shown below reflect the resources required to maintain existing operational data transfers, support ongoing stakeholder coordination activities, develop and implement the remaining Phase 2 data domains, and complete the outstanding deliverables planned through April 2027.

The table below summarizes current and projected staffing levels supporting Phase 2 activities through the anticipated completion in March 2027. The full-time employees contributing to past and current scope are listed in the table below.

Headcount	Q3 2026	Q4 2026	Q1 2027
FTE's Working on IEDR Activities	5	5	5
Contractors Working on IEDR Activities	12	12	12

Phase 2 Budget Request

Expense Type	Phase 2 Budget Approved (\$)	Phase 2 Budget Request (\$)	Variance (\$)	Comments/Details
Internal Labor	\$4,370,000	\$2,959,866	(\$1,410,134)	Employee costs dedicated to or supporting the IEDR Program
External Services	\$6,620,232	\$8,232,046	\$1,611,814	Contractual labor costs for supporting the IEDR program as well as other external services
Materials	\$1,644,281	\$0	(\$1,644,281)	Hardware, software licensing, hosting, cloud services, etc.
AFUDC	\$758,910	\$1,496,872	\$737,962	Allowance for funds used during construction.
Other costs	\$1,855,091	\$4,518,122	\$2,663,031	Overhead costs, misc, travel/supplies, etc.
Total	\$15,248,514	\$17,206,906	\$1,958,392	

The requested Phase 2 budget increase reflects updated cost forecasts based on actual program execution and expenditures incurred to complete the remaining Phase 2 scope.

While expenditures for external services are projected to exceed the original estimate, a significant portion of that variance is offset by contingency funding included in the approved Phase 2 budget, as well as reductions in planned material expenditures that ultimately were not required. The increase in external services is attributable to major changes to the data specifications, structure, and delivery components.

The primary drivers of the requested budget increase are overhead costs that were not fully reflected in the original Phase 2 budget estimate. The updated forecast incorporates actual program spending, applicable cost allocations, and the resources required to successfully complete the expected Phase 2 deliverables.

The increase in Other Costs is primarily attributable to overhead allocations applied to the IEDR Program based on the Companies' standard accounting and cost allocation methodologies.

Costs accumulated within these overhead pools are allocated across eligible work orders based on established allocation methodologies. As project spending increased and additional implementation activities were required to support evolving data specifications, the associated overhead allocations also increased. These costs are not unique to the IEDR Program and are applied using the same methodologies used for other eligible Company projects.

The original Phase 2 budget estimate included overhead assumptions based on information available at the time. Actual overhead allocations experienced during project execution exceeded those assumptions and are one of the primary factors contributing to the requested budget increase.

Additional to the overhead cost allocation, the originating Order identified IEDR as lasting between 30-36 months and the NYSEG-RG&E budget forecast covered 33 months, which is an average of these potential outcomes. The revised IEDR schedule will require a full 36 months, and this additional time is a component of the request for increase.

The requested funding adjustment supports completion of the approved Phase 2 scope and reflects the Companies' current best estimate of remaining program costs based on execution experience and updated financial projections.

Phase 1 Budget performance

Phase 1 of the IEDR was completed significantly below the budget levels authorized by the Commission. While the Commission approved a combined Phase 1 budget cap of \$12.0 million for NYSEG and RG&E, actual expenditures totaled approximately \$7.0 million, representing approximately 59% of the authorized budget and resulting in nearly \$5.0 million of unused budget authority.

The actual Phase 1 expenditure reflects the Companies' continued efforts to leverage existing capabilities, optimize resource utilization, and maximize efficiencies across both operating companies while successfully meeting Phase 1 program objectives. As a result, the Companies completed Phase 1 materially below the level of expenditures originally contemplated by the Commission.

Phase 1 Budget Performance	Approved Cap (\$M)	Actual (\$M)	Variance (\$M)	Utilization
NYSEG	6.0	4.46	(1.54)	74%
RG&E	6.0	2.58	(3.42)	43%

Total	12.0	7.04	(4.96)	59%
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The requested Phase 2 budget adjustment is materially lower than the approximately \$4.96 million difference between the approved Phase 1 budget cap and actual Phase 1 expenditures. While the Phase 1 and Phase 2 budget caps are separate Commission authorizations, the Companies believe this comparison provides useful context regarding overall IEDR program cost performance.

Cost recovery treatment

Consistent with the Commission's Orders governing both Phase 1 and Phase 2 of the IEDR program, eligible program costs are deferred for future recovery through subsequent rate case proceedings.

For Phase 1, the Commission authorized each utility to defer applicable IEDR costs, up to the approved budget cap, for future recovery in a subsequent rate case. Applicable costs included incremental operation and maintenance expenses, net of associated savings, as well as carrying costs associated with capital investments.

The Commission approved a similar cost recovery mechanism for Phase 2. The request solely seeks authorization to complete the approved Phase 2 scope based on updated cost forecasts and actual program execution experience.

Original budget assumptions and changes during project execution

The original Phase 2 budget estimate was developed in 2023 based on the information available at that time and incorporated several assumptions regarding project scope, technical requirements, implementation methodology, and program duration.

Original Budget Assumptions

The original budget estimate was based on the following key assumptions:

- Phase 2 would consist of approximately 13 utility-provided datasets containing approximately 160 data elements.
- Data specifications available at the time of estimation would remain sufficiently stable to allow efficient progression from data discovery and manual extraction activities to automated data transfer processes.
- Historical data requirements would generally be limited to one year of historical information.

- Following an initial bulk transfer, datasets would primarily be managed through automated incremental ("delta") updates.
- Existing assumptions regarding automation complexity, source system integration requirements, and Azure platform utilization would remain largely unchanged throughout implementation.
- A project duration within the Commission-established Phase 2 timeframe of approximately 30 to 36 months was anticipated, with budgeting assumptions reflecting an average implementation period rather than full utilization of the maximum schedule duration.
- The budget estimate assumed that approved contingency funding would be sufficient to absorb normal levels of project uncertainty and rework.

Changes Observed during Project Execution

As Phase 2 progressed, several factors differed from the assumptions used to develop the original estimate and increased the level of effort required to complete the approved scope. These factors include:

- Continued evolution of IEDR data specifications and requirements, requiring additional iterations of data discovery, mapping, validation, transformation, and quality assurance activities.
- Additional effort associated with improving data quality and aligning utility data structures to meet evolving IEDR implementation requirements.
- Greater-than-anticipated effort required to support modifications to datasets, data processing methods, and delivery requirements as use cases continued to mature.
- Extension of project activities to the full Phase 2 implementation period, resulting in additional program support, management, and overhead costs.
- Actual overhead allocations and AFUDC costs, exceeded the level reflected in the original forecast.

Cost Mitigation Measures

The Companies actively managed program costs throughout Phase 2 and were able to offset a portion of the increased expenditures through reductions in other budget categories. Internal labor expenditures are forecasted below the original estimate, and planned material expenditures were substantially reduced from the levels assumed in the original budget. In addition, approved contingency funding was utilized to absorb a portion of the unforeseen costs encountered during project execution.

To further mitigate the risk of rework and unnecessary implementation costs, the Companies continued to coordinate closely with the IEDR Program Team and participate in the Utility Coordination Group subcommittee structure as data transfer specifications evolved. Although the monthly Utility Coordination Group (“UCG”) meeting was not held in April 2026, project activities continued through the Customer Data, Network Data, and Rate Plan Data subcommittees. During this period, the Companies worked on data model refinements, validation processes, specification reviews, production-readiness activities, and resolution of data quality issues across multiple data domains. These efforts helped align NYSEG and RG&E data transfers with evolving IEDR specifications and supported more efficient implementation of subsequent Phase 2 deliverables while reducing the potential for future rework.

Despite these mitigation efforts, the cumulative impact of evolving requirements, additional implementation activities, extended program duration, and overhead-related costs resulted in a projected funding requirement above the originally approved Phase 2 budget cap.

[Risk mitigation strategy until Additional Funding Is Approved](#)

While the requested budget adjustment is pending approval, the Companies would prioritize maintaining existing operational obligations and previously implemented data transfer capabilities within the limits of the currently authorized Phase 2 funding.

Under this scenario, the Companies are planning to continue supporting to best of their abilities ongoing operation of established data pipelines, including automated transfers for previously implemented deliverables. The Companies would also continue participating in UCG meetings, subcommittee activities, and other stakeholder coordination efforts.

However, activities requiring additional development effort would be significantly limited or suspended. This would include the development of new data pipelines, implementation of additional data transfer specifications, onboarding of new data domains, enhancements to existing delivery processes, and other Phase 2 implementation activities that require external resources. The Companies would focus available resources on maintaining existing functionality rather than expanding capabilities.