



NON-WIRES SOLUTIONS IMPLEMENTATION AND COMMUNITY OUTREACH PLAN

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1. Introduction

On April 10, 2015, Consolidated Edison Company of New York, Inc. (“Con Edison” or “the Company”) petitioned for approval of a proposed Targeted Demand Management (“TDM”) Program.¹ On December 17, 2015, the Public Service Commission (“Commission”) issued its *Order Implementing with Modification the Targeted Demand Management Program, Cost Recovery, and Incentives* approving the TDM Program and allowing the Company to implement load relief in targeted areas through Customer-Sided Solutions (“CSS”) and non-traditional Utility-Sided Solutions (“USS”) when it would cost effectively enable deferral of new infrastructure investments.²

On January 25, 2017, the Commission issued its *Order Approving Shareholder Incentives* (“TDM Incentives Order”), requiring, *inter alia*, that the TDM Program end on January 25, 2017,³ and that, henceforth, any Non-Wires Solution (“NWS”) project be completed under the NWS provisions of the rate plan adopted in the Con Edison Rate Case order (“2017 Rate Case

¹ Case 15-E-0229, *Petition of Consolidated Edison Company of New York, Inc. for Implementation of Projects and Programs that Support Reforming the Energy Vision* (“REV Projects and Programs Petition Proceeding”), Petition of Consolidated Edison Company of New York, Inc. for Implementation of Projects and Programs that Support Reforming the Energy Vision (filed April 13, 2015).

² REV Projects and Programs Petition Proceeding, *Order Implementing with Modification the Targeted Demand Management Program, Cost Recovery, and Incentives* (issued December 17, 2015).

³ REV Projects and Programs Petition Proceeding, *Order Approving Shareholder Incentives* (“TDM Incentives Order”) (issued January 25, 2017).

Order”) issued on the same date.⁴ These provisions were continued in the 2023 Rate Case Order (“2023 Rate Case Order”).⁵

In accordance with those provisions, the Company periodically updates this NWS Implementation Plan with information on the components of its NWS projects, including:

- detailed measurement and verification procedures;
- ongoing and completed project portfolios;
- demonstrating whether NWS project expenditures are incremental to the Company’s revenue requirement or displacing a project subject to the Net Plant Reconciliation mechanism; and
- customer and community outreach plan.

Through this update to the NWS Implementation Plan, the Company is formally closing the Newtown NWS Portfolio. The Portfolio has successfully deferred the need for a traditional solution through 2026 at the Newtown Substation through the deployment of approximately 21 MW of peak load relief. In accordance with the TDM Incentive Order,⁶ the Company will begin collecting a performance incentive of \$7.28 million following this formal closure. The Portfolio generated approximately \$24.1 million in net societal benefits, of which 70% (\$16.9 million) is

⁴ Case-16-E-0060, *Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Consolidated Edison Company of New York, Inc. for Electric Service* (“2017 Rate Proceeding”), Order Approving Electric and Gas Rate Plans (issued January 25, 2017). These requirements were continued in Case 19-E-0065, *Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Consolidated Edison Company of New York, Inc. for Electric Service* (“2020 Rate Proceeding”), Order Adopting Terms of Joint Proposal and Establishing Electric and Gas Rate Plan (“2020 Rate Case Order”) (issued January 16, 2020).

⁵ Case 22-E-0064, *Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Consolidated Edison Company of New York, Inc. for Electric Service* (“2022 Rate Proceeding”), Order Adopting Terms of Joint Proposal and Establishing Electric and Gas Rate Plans with Additional Requirements (“2023 Rate Case Order”) (issued July 20, 2023).

⁶ REV Projects and Programs Petition, TDM Incentives Order.

for customer benefit and 30% (\$7.2 million) is allocated as the Company's performance incentive. Additional details on the success of the Newtown NWS Portfolio, and the subsequent performance incentive can be found in Appendix B.

2. Identification of NWS

Pursuant to the 2023 Rate Case Order, the Company uses the process described below to identify and implement NWS.

2.1 System Need

Load forecasts for the Company's distribution system are revised annually by the Resource Planning department. Based on the load forecast, the Company's engineering team identifies potential distribution system constraints, including where forecasted load is greater than system capability, and begins planning for traditional load relief solutions to provide continued reliability. Recommended projects may include substation reinforcement, load transfers, and other traditional solutions. The Company may then evaluate NWS projects as an alternative to these traditional solutions.

2.2 Project Suitability

The Company identifies potential NWS if a planned capital project meets the suitability criteria ("NWS Suitability Criteria") outlined in the Distributed System Implementation Plan.⁷

Suitability Criteria characteristics include:

⁷ Case 16-M-0411, *In the Matter of Distributed System Implementation Plans*, 2025 CECONY DSIP (filed June 30, 2025).

- Non-traditional project or NWS portfolio may avoid or defer a traditional project. These project types can include achieving specific load relief targets for the network(s), or load relief in combination with reliability at the primary distribution levels. Additional categories of project type are periodically reviewed for suitability for NWS, including reliability, load increases due to generator retirements, and sub-transmission capability.
- Timing of load relief need allows the development of alternative, non-traditional CSS and/or USS solutions, including preliminary pricing estimates, competitive market solicitation, and procurement.
- If the project is located at the feeder level or below, the project cost is greater than or equal to \$450,000. Substation-level projects and above do not have a cost floor.

All projects that meet the NWS Suitability Criteria must be evaluated for NWS feasibility. Additional load relief projects that do not meet the NWS Suitability Criteria may also be evaluated, such as projects addressing transmission load relief needs due to peaker plant retirement.

2.3 Initial Feasibility Analysis

The Company then evaluates identified projects for overall feasibility to determine whether an achievable and cost-effective load reduction solution via a non-wires portfolio can defer or eliminate the traditional solution.

Portfolios require a balance of Distributed Energy Resources (“DERs”) and Energy Efficiency (“EE”) projects with the portfolios heavily weighted towards lower cost initiatives to deliver a positive Benefit-Cost Analysis (“BCA”). Each proposed NWS undergoes an initial desktop feasibility analysis which evaluates EE and DERs necessary to defer or eliminate the traditional project. The initial desktop feasibility analysis evaluates customer demographics across customer market segments, customer energy consumption patterns, potential for load management from EE and DERs, as well as estimated costs based on previous NWS Request for Proposals (“RFPs”) and portfolios.

The Company evaluates a combination of EE Adders and DER projects for their ability to meet the peak hour reduction and the duration of the forecasted overload period. For example, the Company will determine potential load reductions from Residential EE through the process described above. The Company will modify these estimates to account for expected residential customer participation rates based on program experience and examine this in combination with other potential EE and DER options.

This initial desktop feasibility analysis, which incorporates market and delivery channel information from past NWS programs and market solicitations, determines whether there is sufficient potential for load reduction in the territory to meet the load relief needs indicated by the forecast and whether year-over-year program implementation goals are reasonably achievable with a positive BCA.

Traditional projects whose need may be met through DERs but do not meet the NWS Suitability Criteria can also be considered as potential NWS candidates. Both the quantity and duration of necessary load relief are specifically evaluated to assess a potential NWS portfolio's ability to meet operational reliability needs and achieve deferral of the traditional utility infrastructure project(s).

Once the Company completes the initial feasibility analysis for an NWS, there are two options. First, the Company may deem the NWS feasible and pursue the project; second, the Company may deem the NWS infeasible and not pursue the project.

First, if the Company deems a project potentially feasible based on the initial desktop feasibility analysis, it will issue an RFP to obtain specific proposals for the affected area from customers and potential vendors and develop a more granular understanding of the total costs and benefits that will be achieved in such a portfolio. After assessing the response to the RFP, if the proposed projects to be included in a portfolio result in a BCA score greater than 1, the portfolio is approved to pursue procurement, execute contracts, and subsequently deliver the guaranteed load reduction. After the Company has determined that a project is feasible, and prior to the signing of contracts for the NWS project, the Company will consult with Department of Public Service ("DPS") Staff and file a letter explaining that the Company has discussed the project with DPS Staff and that the project is expected to have a BCA score greater than 1. The project is then

added to the Company’s internal 10-Year Area Station and Sub-transmission Feeder Load Relief Plan (“LRP”).⁸

Second, if the Company deems a project that meets NWS Suitability Criteria infeasible or unlikely to be cost-effective based on the feasibility analysis described, the Company will discuss the project with DPS Staff and subsequently pursue the traditional solution.

2.4 Procurement Strategy and Market Solicitation

The Company deploys different procurement approaches as appropriate. In many cases, this includes first leveraging system wide EE programs using an established network of local contractors. The NWS project funds incremental incentives to increase adoption of those EE programs in the affected area; this is known as the “EE Adder program” or “Neighborhood Program” within the NWS portfolio. If there is additional need for EE or the portfolio that has been developed contains DERs, such as Energy Storage Systems (“ESS”), subsequent competitive procurement approaches are used. This may include Requests for Information (“RFIs”) or RFPs. Other strategies may include prescriptive incentive offerings provided on a first-come, first-served basis for qualifying applicants, and as appropriate, a sole-source approach where a unique solution⁹ is available or a specific customer or developer presents an opportunity. Con Edison continues to strategically time procurements to meet the NWS portfolio needs as

⁸ The LRP tracks network load capabilities and indicates where projected loads may exceed substations and/or supply feeder capacity. Additionally, the LRP recommends and describes traditional and non-traditional load relief projects to address these overloads annually in response to the latest forecast.

⁹ While the implementation plan outlined here represents the standard process the Company intends to follow for NWS, some sections of the implementation plan may not be applicable with respect to unique solutions.

opposed to static, one-time solicitations. The Company also considers the impacts of NWS projects and procurements on issues aligned with State policy goals.¹⁰

The Company assembles finalized NWS portfolios using projects proposed through market solicitation (*e.g.*, RFPs). Proposed solutions undergo a detailed review, with the objective of achieving a cost-effective portfolio while maintaining continued reliability of the electric distribution system. Proposals are evaluated based on several criteria, including but not limited to: content and presentation; project cost and incentive requested; execution risk; respondent qualifications; customer acquisition; proposed project's coincidence with the load relief needs; reliability and availability of the resources; community impact (*e.g.*, underserved segment); and solution innovation.

The Company will continue using lessons learned from the execution process of the Brooklyn Queens Demand Management (“BQDM”) Program and other NWS projects, including: best practices for mitigating contracting challenges; assumptions made by third parties when proposing load relief solutions; risks arising from customer decisions and timelines; risks from engaging with multiple parties with independent motivations and specific procurement processes; technology risks; and the relative merits of different solicitation approaches, such as using RFIs as an initial market information solicitation exercise; and then RFPs and auctions to procure resources with specific performance attributes.

¹⁰ These considerations include DER integration, Climate Leadership and Community Protection Act (“CLCPA”) goals, Clean Energy Standard (“CES”) compliance, and environmental justice concerns. See, *REV Projects and Programs Petition Proceeding*, TDM Incentives Order, p. 10

As affected areas are identified, the Company intends to continue providing the necessary information regarding status and load relief needed in market solicitations and on the Con Edison NWS webpage.¹¹

2.5 Portfolio Development

The Company uses market responses to analyze the resource mix that can meet the need in the affected area and develops an appropriate portfolio. Portfolio development and BCA analysis are conducted concurrently through an iterative process to identify the best combination of resources for the NWS. Considerations for assembling the NWS portfolio include but are not limited to: ability of the solutions to meet the identified load relief at the network peak and for the duration of the overload period; cost-effectiveness, execution risk of the various solutions; length of deferral; implementation costs; diversity of technology and vendors; and the ability to achieve a Societal Cost Test (“SCT”) score of 1.0 or greater as required by the Commission.

The Company developed and filed a BCA handbook in consultation with DPS Staff, which is used to provide and calculate the benefits and costs of potential projects and investments.¹² The handbook is a tool to evaluate the effectiveness of NWS project portfolios. The NWS portfolio of CSS and/or USS will defer or replace the traditional project if deemed feasible and if it achieves a BCA SCT score of 1.0 or greater, calculated in accordance with the BCA Handbook.

¹¹ See, <http://www.coned.com/nonwires>

¹² Case 16-M-0411, *In the Matter of Distributed System Implementation Plans*, Con Edison Electric BCA Handbook v4.0 (filed June 30, 2023).

The Company considers other strategies if a working portfolio cannot be created from the initial RFP and there is still adequate time remaining before the construction of a traditional solution must begin. For example, the Company may leverage non-Con Edison programs when appropriate, including working in partnership with entities such as the New York State Energy Research and Development Authority (“NYSERDA”) to identify additional opportunities to successfully implement solutions. Joint marketing approaches among partners may be used to pursue engagement with customers as well as improve the potential customer savings.

3. Implementation of NWS

3.1 Community Engagement

The Company prioritizes community engagement as an important aspect of NWS deployment and recognizes the importance of being proactive in understanding sensitivities in the affected communities as it pursues NWS projects. As specific projects are identified in scope, technology, and geographic location, the Company shares those specifics, to the extent confidentiality considerations permit, as well as a community engagement and information sharing plan, with a list of key stakeholders in the affected area.

NWS projects are designed to address load relief needs, while also considering system improvements, environmental benefits, and any specific customer needs. As such, NWS projects can take many different forms, and community engagement depends on the plan and program type developed for a specific area. The Company is committed to transparency in sharing the goals, objectives, project schedule, status, and impacts of NWS projects with community stakeholders.

The Company's ongoing presence and strong relationships with important stakeholders in NWS areas facilitates the Company's ability to convene formal and informal meetings with the stakeholders. Depending on the type of program implemented, the stakeholders may include elected officials, local chambers of commerce, business improvement districts, local development corporations, not-for profit community-based organizations, government entities, such as community boards and the New York City Housing Authority, community housing associations, block associations, and tenant associations. The Company also works closely with community-based organizations who regularly work with local communities on environmental and energy issues.

The Company has worked with local leaders in several ways, including placement of program information in print and electronic newsletters and other communications with links to the Company's Customer Clean Energy Programs website and social media platforms. Con Edison plans to continue to further engage local communities and conduct outreach to customers through events with public officials, community groups and local businesses.

While the deployment of typical EE programs has general customer benefits, NWS projects are even more customized and local, requiring greater customer engagement and proactive communication to address concerns and promote participation. In addition to direct community engagement, the Company develops and deploys focused marketing campaigns to program-eligible customer segments.

The Company reaches potential small business customers in an affected area through efforts that include engaging with local business associations, direct mail, email, street sweeps, digital advertising, and advertisements in community settings, such as bus shelters.

For multi-family programs, the Company reaches out to eligible building owners and tenants using marketing material produced for contractors authorized to work in the affected area. This outreach is coordinated with direct mail and email campaigns informing tenants and building managers of potential EE or demand response devices that may be installed in their homes or buildings.

For commercial and industrial EE customers, the Company delivers offerings through multiple channels, including the Company's website and email as well as direct engagement through business development representatives on the Company's Commercial and Industrial Energy Efficiency program team. For eligible large commercial customers, the Company also employs custom solutions to increase DER deployment. The Company markets the program as appropriate through efforts including events, social media, content marketing, and trade industry channels, such as the American Institute of Architects, American Society of Heating, Refrigeration, and Air-Conditioning Engineers, Building Owners and Managers Association, and Urban Green Council.

Finally, the Company aligns messages across multiple solution providers and customer segments to mitigate possible confusion caused within the affected community as the result of multiple actors participating in the market and will continue to provide information in multiple languages

(such as, English, Chinese, Haitian Creole, Korean, Russian, Spanish, Polish, Yiddish, and Bengali).

3.2 Measurement and Verification

The goal of Measurement and Verification (“M&V”) is to assess the impact of NWS programs on total load relief. When possible, M&V efforts leverage insights gained from previous studies performed in potential NWS areas or other comparable networks.

The Company provides M&V oversight for all CSS either via desk-review and/or onsite verification. Additionally, onsite ex-ante and ex-post in situ metering and analysis may be used. These efforts provide sufficient information to verify expected load relief for each hour within the forecasted peak demand period. The Company may develop project specific M&V plans for large commercial and industrial customers, as appropriate; for DERs and ESS specifically, trend data may be reviewed to quantify the reduction of grid-supplied power to the facility or the resource’s electricity export to the grid, as applicable. The trend data used for M&V includes real-time system performance data that can be accessed by third-party independent contractors and any additional metering data that comes from Company installed equipment. A combination of desk reviews, verifications, ex-ante and ex-post metering, billing analyses, and sampling may be used in projects.

The Company also engages with third-party contractors to perform evaluation, verification, and quality assurance/quality control (“QA/QC”) activities. These activities provide additional levels

of review and greater confidence in the load relief provided by the various solutions acquired under NWS efforts.

3.3 Budgeting Expenditures and Collections

The Company continues to provide the Commission with quarterly reports of NWS activities and expenditures. These reports include relevant details including project costs, project in-service dates, Monthly Adjustment Clause (“MAC”) recoveries, incremental costs incurred, operational savings, and other benefits. The Company filed a General Accounting Procedure (“GAP”) with appropriate accounting procedures for NWS implementation.¹³

3.4 Ongoing Evaluation

As an NWS project is implemented, the Company annually updates the system load relief need based on the most recent summer experience and revised load forecast that is finalized each Fall. If the need has changed in an area of an active NWS for the next upcoming summer (May – September), the Company will attempt to adapt the programmatic goals of the NWS portfolio so that adequate resources are in place to provide load relief for the upcoming peak load season consistent with the project’s intent.

For example, if the original NWS portfolio targeted 5 MW of additional reductions in place between the summers of 2024 and 2025, and the new forecast projects an overload of 8 MW, an additional 3 MW of load relief may be added to the NWS portfolio to be operational before June 2025. Potential load relief solutions to meet the increased system needs could include the

¹³ 2017 Rate Proceeding, General Accounting Procedure 952A – Non-Wire Alternative Projects (filed February 24, 2017).

implementation of additional EE Adder projects, acceleration of a DER project, or procurement of additional customer-sided resources. If it is not feasible for the NWS to meet the current projected needs through customer-sided solutions, the Company will implement back-stop traditional solutions, such as implementing load transfers, using temporary mobile generators on peak summer days, or constructing a traditional solution.

Conversely, if the system need identified through the Company's latest load forecast changes to require a lesser load reduction than previously forecasted, the Company will not seek to procure additional customer-sided resources beyond the initial need. If the forecast decreases over three consecutive years, and the amount of peak load relief required decreases more than 30% below the initial load relief expected at the beginning of the NWS (defined as a "material reduction"), the Company will notify and consult DPS Staff and, with DPS Staff's concurrence, reduce the need for customer-sided solutions to the new amount necessary to effectuate deferral or elimination of the traditional solution to the extent contractually feasible.¹⁴

The Company will file an updated Implementation Plan and associated BCA results in the event an increase or decrease in peak load relief is warranted or if the length of the deferral period for the traditional infrastructure related to each NWS project is modified.¹⁵

3.5 Program Closeout

When the Company has achieved or is expected to achieve the targeted deferral of the traditional solution, the Company will file a quarterly report indicating the expected closure of the NWS

¹⁴ REV Projects and Programs Petition, TDM Incentives Order, p. 8.

¹⁵ REV Projects and Programs Petition, TDM Incentives Order, p. 12.

program. If an increase or decrease in the peak load relief is warranted, the Company will file a revised Implementation Plan that includes a final Benefit Cost Analysis reflecting the actual costs to implement the program. Program closure will occur when the current load relief needed to achieve deferral or elimination has been met or the Company implements backstop traditional solutions resulting from an increased need determined to be infeasible to achieve through the NWS.

4. Project Specific Updates

The following appendices describe each NWS opportunity identified by the Company. Should any NWS require modification as the result of a change to the length of the proposed deferral period or a change in the MW need of the CSS portfolio, the Company will update this NWS Implementation Plan. Further information on program activities is available in the NWS¹⁶ and BQDM¹⁷ Quarterly Reports.

¹⁶ See, e.g., 2022 Rate Proceeding, NWS Quarterly Expenditures & Program Report – First Quarter 2025 (“NWS Q1 2025 Quarterly Report”) (filed May 30, 2025).

¹⁷ See, e.g., Case 14-E-0302, *Petition of Consolidated Edison Company of New York, Inc. for Approval of Brooklyn/Queens Demand Management Program*, BQDM Quarterly Expenditures & Program Report – First Quarter 2025 (filed May 30, 2025).

Appendix A: Jamaica Station

On March 16, 2023, the Company released an RFP seeking up to 16 MW of load relief by Summer 2027 for the Jamaica area substation.¹⁸ The NWS portfolio seeks to eliminate a traditional solution of upgrading limiting sections of 27kV bus and disconnect switches at the Jamaica area substation. The Company is currently contracting with selected vendors. When the Company has reasonable certainty as to the costs of the NWS portfolio, the Company will file a BCA in accordance with the 2023 Rate Case Order.¹⁹ The NWS portfolio will be developed with the goal of eliminating the identified traditional solution. In Summer 2028, the Idlewild Distribution Area Substation and the Eastern Queens Transmission Substation will be in service to transfer 170 MW out of the Jamaica network and instead supply a new Springfield network.²⁰

After consultation with DPS Staff, the Company launched EE Adder incentives in the Jamaica network in June 2023.²¹ These incentives seek to build upon the Adder program in other NWS territories and drive peak demand and energy savings in the network.

¹⁸ Case 14-M-0101, *Proceeding on Motion of the Commission in Regard to Reforming the Energy Vision*, Con Edison NWS Solutions RFP for Jamaica Substation (filed March 16, 2023).

¹⁹ 2022 Rate Proceeding, 2023 Rate Case Order, p. 24.

²⁰ 2022 Rate Proceeding, Order Addressing Cost Recovery of Idlewild Project (issued January 19, 2024), p. 5.

²¹ 2020 Rate Proceeding, NWS Project Consultation Letter (filed July 20, 2023).

Appendix B: Newtown Load Transfer Project

The Company released two RFPs to defer or eliminate a traditional solution identified for the Newtown area substation. The first RFP was released July 6, 2018, with an ESS-specific solicitation announced June 14, 2019. The traditional solution included a load transfer implemented by 2021 to relieve projected forecast constraints on the Newtown area substation and the sub-transmission feeders supplying the substation.

The Company filed the BCA summary results in June 2020.²² The Company began implementing Adders to its EE programs in late 2019 and continued those programs through 2023, in addition to working with developers to install contracted energy storage that reduced load ahead of Summer 2024. Following the Fall 2023 load forecast, the Company closed new sales for EE projects in the territory, as the load relief goal was expected to be achieved with the remaining pipeline of projects and contracted ESS. During Summer 2024, the Company successfully dispatched two customer-sided, grid-connected ESS, with the final system expected to dispatch in Summer 2025.

Prior to 2023, the Company recovered costs associated with this project through the MAC. Beginning in January 2023, the Company began recovering costs through base rates.²³

At this time, the Company is formally closing the Newtown NWS portfolio. The Newtown NWS Portfolio has successfully deferred the need for a traditional solution at the Newtown Substation through the deployment of approximately 21 MW of peak load relief. The portfolio successfully met its goals while providing an additional year of deferral to 2026.

²² 2020 Rate Proceeding, Newtown NWS BCA Summary (filed June 30, 2020).

²³ 2022 Rate Proceeding, 2023 Rate Case Order, Attachment A – Joint Proposal, p. 44.

Additional details on final savings by program are available in the Company’s NWS Quarterly Report for the first quarter of 2025.²⁴

In accordance with the provisions of the TDM Incentive Order,²⁵ and the Operating Procedure for Calculation of NWA Financial Incentives,²⁶ the Company has conducted a true-up of the performance incentive with actual portfolio costs, as summarized in Figure 1 below.²⁷ The Company consulted with DPS Staff in May 2025, and will begin collecting a performance incentive of \$7.28 million following this formal closure.

Figure 1. Final Newtown NWS Performance Incentive True-Up Calculation

Newtown NWS - True-Up Performance Incentive Calculation Details		
Initial Incentive Calculation	Initial Net Benefits (Newtown June 2020 filing)	\$ 95,559,464
	Initial Net Costs (Newtown June 2020 filing)	\$ 71,445,890
	Net Societal Benefits (Newtown June 2020 filing)	\$ 24,113,574
	Company % Share of Net Benefits	30%
	Initial Incentive	\$ 7,234,072
Difference in Utility Cost	Forecasted utility cost of non-traditional solution MWs	\$ 40,897,678
	Actual utility cost of non-traditional MWs implemented	\$ 40,796,490
	Difference Utility Costs	\$ 101,187
	Company Share (50%) of Difference Utility Costs	\$ 50,594
Final Performance Incentive Calculation	Initial Incentive	\$ 7,234,072
	+	
	Company Share (50%) of Difference Utility Costs	\$ 50,594
	Sum of Initial Incentive + Difference in Utility Costs	\$ 7,284,666
	Total	\$ 7,284,666

²⁴ 2022 Rate Proceeding, NWS Q1 2025 Quarterly Report.

²⁵ REV Projects and Programs Petition, TDM Incentives Order.

²⁶ 2017 Rate Proceeding, Operating Procedure for Calculation of NWA Financial Incentives (filed February 24, 2017), p. 3.

²⁷ As the Newtown NWS did not experience a material change in MW need to substantiate deferral beyond the initial targeted timeline, in accordance with the *Operating Procedure for Calculation of NWA Financial Incentives*, the final incentive true-up is based on the actual utility costs, and not the MWs procured.

Appendix C: Water Street and Plymouth Street Cooling Projects

On October 31, 2017, the Company released an RFP for an identified primary feeder relief need in the Water Street and Plymouth Street networks as part of an NWS project.²⁸ The Water Street Substation, located in Brooklyn, New York, supplies power to the Williamsburg and Prospect Park networks. The Plymouth Street Substation supplies power to the Borough Hall network in Brooklyn. Per the Company's 2017 analysis, the two substations were expected to need approximately 43 MW and 30 MW, respectively, of load relief starting in 2019 to defer projects beyond the year 2027. The near-term traditional load relief solution involved installing cooling systems on the transformers at both substations, their supply station, Farragut substation, as well as upgrades to the Plymouth Street substation's sub-transmission feeders to meet near term need.

Given the substations' common supply source, the Company combined the Water Street Cooling Project with the Plymouth Street Cooling Project into a single NWS portfolio. Upon review of market responses to the NWS RFP and evaluation of existing programs, the Company developed a portfolio of qualified DER and EE solutions that produced a BCA greater than one. The portfolio was designed to eliminate the traditional solutions through Summer 2021 to meet near term needs with the expectation that a longer-term solution would be available in Summer 2022, later identified more specifically as the Vinegar Hill Distribution Switching Station ("VHDSS").

The Company filed the BCA summary results in June 2019 when it had reasonable certainty as to the total implementation costs for this NWS project.²⁹ A corrected BCA to the June 2019 Water Street and Plymouth Street BCA results was filed in June 2020 reflecting an increase to

²⁸See, www.coned.com/nonwires

²⁹ 2017 Rate Proceeding, Water Plymouth NWS BCA Filing (filed June 13, 2019).

total expected net benefits from the NWS project, along with a revision to the Company incentive.³⁰ The Company recovers costs associated with this program base delivery rates.³¹

Since implementation of the NWS project began, the Company's 2019, 2020, and 2021 load forecasts and reliability assessments demonstrated a consecutive downward trend in MW load relief needs, the magnitude of which exceeded the material reduction threshold of 30 percent or more.³² The decrease in forecasted peak load relief was driven by the COVID-19 pandemic and the delay of new business construction in the area. After consultation with DPS Staff, the Company reduced the customer-sided solutions accordingly, to the extent contractually feasible.

The Water Street NWS Portfolio eliminated the planned cooling and sub-transmission feeder projects by meeting load relief needs for 2019, 2020 and 2021, generating overall net benefits of more than \$73 million. The Company completed installation of the new Vinegar Hill Distribution Switching Station ("VHDSS"), which was operational by summer 2022. This station provides additional capability to the relevant networks and eliminated the need for additional load relief in this area for the foreseeable future.³³

The Company formally closed the Water Street and Plymouth Street NWS portfolio and provided the final BCA results reflecting achieved benefits and costs for the NWS portfolio. In total, the portfolio delivered \$73.3 M in total net benefits, \$30.5 M more than anticipated in the

³⁰ 2020 Rate Proceeding, NWS Water St Plymouth St BCA Revision Filing ("BCA Revision Filing") (filed June 2, 2020).

³¹ 2022 Rate Proceeding, 2023 Rate Case Order, Attachment A – Joint Proposal, p. 44.

³² REV Projects and Programs Petition, TDM Incentives Order, p. 8.

³³ 2020 Rate Proceeding, New Business and System Expansion (filed June 14, 2019).

June 2020 BCA filing,³⁴ based on the methodology detailed in the Company's BCA Handbook.³⁵

The final MW reduction stands at 10 MW, a reduction of 22 MW from the original portfolio target in 2018. Additional details on final savings by program are available in the NWS Third Quarter 2023 Quarterly Report.³⁶

In accordance with the provisions of the TDM Incentive Order,³⁷ the Company completed collecting a shareholder incentive of \$4.3 million in July 2024.

³⁴ 2020 Rate Proceeding, NWS Water St Plymouth St BCA Revision Filing, p.3.

³⁵ Case 16-M-0412, *In the Matter of Benefit Cost Analysis Handbooks*, Con Edison Electric BCA Handbook v3.0 (filed July 31, 2020).

³⁶ 2020 Rate Proceeding, NWS Quarterly Expenditures & Program Report – Third Quarter 2023 (filed November 29, 2023).

³⁷ REV Projects and Programs Petition, TDM Incentives Order.

Appendix D: Columbus Circle Primary Feeder Relief

On April 24, 2017, the Company released an RFP for an identified primary feeder relief need in the Columbus Circle network as part of an NWS project.³⁸ The Columbus Circle network is supplied by Con Edison's West 42nd St. No. 2 Substation. During the time of the RFP release, the Company was in the process of determining the best way to communicate primary feeder needs to the market. As a result, this specific project was released initially as a network level need, with additional internal analysis planned to better evaluate the project. After detailed evaluation, the Company developed an optimized portfolio that would meet the need with a more targeted approach.

Based on a review of market responses to the Columbus Circle NWS RFP and evaluation of existing programs, the Company developed a portfolio of qualified DER and EE solutions that address the expected overload on the impacted primary feeder and result in a positive BCA. The Company engaged in contract negotiations with selected vendors and customers and entered into one contract for EE. During contract negotiations for other portions of this NWS project, the Company's updated load relief reliability assessment showed there was no longer a forecasted area need for this primary feeder. As a result, the Company determined the NWS was unnecessary and ceased moving forward with the NWS project. Because the contracted party had committed to the project, the Company honored the terms of the agreement. This contract was expected to provide load relief via EE upgrades in the area, however the party was unable to deliver the project on time and the project was cancelled.³⁹

³⁸See, www.coned.com/nonwires

³⁹ Given that the Columbus Circle NWS project has been cancelled, the Company did not seek a shareholder incentive for this project.

On June 13, 2019, the Company filed the BCA results for the Columbus Circle NWS project with the expectation to recover incurred costs under the existing contract through the Monthly Adjustment Clause (“MAC”).⁴⁰ Expenditures associated with the existing contract were included in the Company’s revenue requirement under the 2020 Rate Case Order and recovered as part of base delivery rates. No additional costs were incurred by the Company on the Columbus Circle NWS project.

⁴⁰ 2017 Rate Proceeding, Columbus Circle NWS BCA Filing (filed June 13, 2019).