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I. Introduction and Summary

The New York State Public Service Commission (“Commission”) issued an *Order Establishing Energy Storage Goal and Deployment Policy* (“Storage Order”)¹ on December 13, 2018. The Storage Order required Consolidated Edison Company of New York, Inc. (“Con Edison” or the “Company”) to procure at least 300 MW of scheduling rights from qualified energy storage systems (each, a “Contract”) through an initial RFP in 2019, and subsequent annual procurements as necessary. In response to developer feedback (and petitions filed by the Joint Utilities),² the Commission issued two orders modifying certain of the directives of the Storage Order,³ resulting, among other things, in the extension of the maximum Contract length to fifteen (15) years. On June 20, 2024, the Commission issued an *Order Establishing Updated Storage Goal and Deployment Policy* (the “Updated Storage Order”),⁴ which continues Utility Dispatch Rights (“UDR”) solicitations within the existing framework as initially approved in the Storage Order while extending the deadline by which subject energy storage systems must be operational to December 31, 2030. Over four solicitations, the Company has signed Contracts for 185 MW of Utility Dispatch Rights projects.

This revised implementation plan describes to the market how the Company will implement the directives of the Updated Storage Order as part of the Company’s fifth UDR

¹ Case 18-E-0130, *In the Matter of Energy Storage Deployment Program* (Energy Storage Proceeding), Order Establishing Energy Storage Goal and Deployment Policy (issued December 13, 2018) (Storage Order).

² Energy Storage Proceeding, Joint Utilities’ Petition to Modify the Energy Storage Order to Improve Procurement Results (October 30, 2020) and Petition to Modify the Energy Storage Order (November 30, 2022).

³ Energy Storage Proceeding, Order Directing Modifications to Energy Storage Solicitations (issued April 16, 2021), and Order Directing Further Modification to Energy Storage Solicitations (issued March 16, 2022) (together, the “Modification Orders”).

⁴ Energy Storage Proceeding, Order Establishing Updated Energy Storage Goal and Deployment Policy (issued June 20, 2024) (Updated Storage Order).

solicitation. It is structured into discrete sections including key changes from previous solicitations described below:

- Section II presents an overview of the solicitation and describes the steps and timeline for the 2026 storage procurement process;
- Section III addresses the eligibility requirements that will be evaluated to assess parties' ability to participate in the competitive procurement;
- Section IV describes bid requirements;
- Section V includes non-exhaustive lists of quantitative and qualitative bid evaluation criteria for assessing proposals;
- Section VI describes the responsibilities of successful bidders;
- Section VII describes the expected use and operations of the storage system during and after the Contract term;
- Section VIII presents key terms of the Contract between the Company and the winning bidder; and
- Section IX presents the accounting treatment for the transaction.

While this updated implementation plan provides some details regarding the procurement process, the Company will provide interested parties a greater level of detail in the Request for Proposal ("RFP").

Key changes from the 2024 procurement include:

- 1) This procurement will consist of a single solicitation rather than request proposal information in two phases as was done previously.

- 2) This procurement is for transmission connected projects only and seeks to align with the New York Independent System Operator, Inc (“NYISO”) Transition Cluster Study timing.
- 3) Transmission connected projects that are currently in Phase Two of the ongoing NYISO Transition Cluster Study or that have previously obtained active Capacity Resource Interconnection Service (CRIS) rights through a previous Class Year process are eligible to submit bids.

II. Overview, Steps, and Timeline of Solicitation

The Company will issue an RFP to competitively secure scheduling rights from qualifying transmission connected energy storage resources for a term of up to fifteen (15) years.

All proposed projects and required materials must be submitted in their entirety by the date and time specified in the RFP and are binding. The Company’s timeline seeks to better align the UDR procurement process with the ongoing NYISO Transition Cluster Study process.

Con Edison will accept bids for storage projects that are sized over 5 MW, electrically interconnected within its service territory to the transmission system and capable of directly participating in the NYISO wholesale markets. The current procurement adheres to the following steps and timeline:

No.	Action	Con Edison and O&R Dates
1	Issue RFP	May 22, 2026
2	CECONY hosted webinar	June 5, 2026
3	Bidders submit proposals	July 17, 2026
4	Bid review complete and bidders notified	August 17, 2026
5	Contracts executed	Q4 2026

The precise timeframe for concluding Contracts with the winning bidders and their subsequent installation of storage systems will depend on a variety of factors, including the ability of all parties to obtain senior management and, in some cases, Board of Directors' approval in a timely manner. The Company has leveraged, and will continue to leverage, the experience of previous UDR solicitations to implement a process that will enable the most efficient and timely path to Contract execution. The Company reserves the right to modify the dates of the procurement timeline as required with notification to all participants. The Company expects that Contracts will be executed in Q4 2026.

III. Bidder Eligibility Criteria

All bidders must demonstrate their participation eligibility in their proposal. Bidders will not be required to submit this information separately from their proposal but should be aware of these evaluation criteria. The intent of these criteria is to ensure only viable projects and well-developed proposals—that can meet the in-service deadline—are submitted. The eligibility section of the response will ask for information including:

1. Company and organizational information;
2. Credit information;
3. Three years of audited financial statements and year-to-date audited financial statements;
4. Demonstrated experience deploying the proposed commercialized storage technology at a scale with at least 2 MW in a single project and in an expeditious manner;
5. Experience operating and maintaining energy storage systems; and
6. Experience registering and operating assets in the NYISO.

IV. Bid Requirements

In addition to the information requested to assess the bidder's minimum eligibility, the following types of information will also be requested in the RFP:

- **Project information** – Information including location, interconnection point, high-level technical specification, and equipment selection.
- **Operating information** – Information including charge/discharge characteristics, round trip efficiency, dispatch time limitations, response rates, cycle limitations, and ancillary services rates.
- **Project costs and offer price** – The costs will include all costs to construct, interconnect, own, operate, and maintain the storage project including but not limited to capital expenditures, annual operations and maintenance costs, and electric distribution and electric supply charges for station use. The offer price will reflect the total price the bidder is willing to accept with a payment structure to be paid in two parts: an initial upfront payment amount selected by the bidder and annual equal payments thereafter. More detail will be provided in the Request for Proposal.
- **Site control** – Bidders will need to demonstrate site control, discuss the merits of the proposed site, provide a preliminary site layout accommodating local zoning rules and any encumbrances for the proposed project(s), specify the legal and property interest through which the bidder has control over the land, provide current title reports, and provide survey drawings completed for the proposed project.
- **Interconnection** – Information requested will include general information, expected commercial operation date (“COD”), location, application status, schedule of interconnection milestones, counterparty information, interconnection studies and

agreements, and costs. Projects are required to have active Capacity Resource Interconnection Service (CRIS) rights through participation in a previous class year process or currently be in Phase Two of the ongoing NYISO Transition Cluster Study.

- **Technical information** – Information requested will include system design, operational parameters, maintenance practices, safety plans and background, and warranty coverage.
- **Permitting and scheduling** – Information requested will include a comprehensive list of the permits required for the bidder’s project and the schedule for the project’s completion.
- **Financing and credit** – Information requested will give a complete picture of how the project will be financed (including information about the entity providing financial surety) should the bidder contract with the Company.

V. Bid Evaluation Criteria

The Company will assess each storage proposal based on both quantitative and qualitative factors. These factors will be similar to those used in previous bulk storage procurements to evaluate Bids as summarized below:

A. Quantitative Factors

Bidders should provide only their best offer price. Projects will be ranked based on their Quantitative Scores. The exact amount of energy storage capacity that will be selected for contracting will depend upon the competitiveness of the bids submitted and may exceed the 300 MW target initially set out in the Storage Order.

The Company will use the following formula based on its forecast of value, benefits, and pricing to evaluate Offers:

Quantitative Score =

Net Market Value + Environmental Benefit – Offer Price

Net Market Value =

(Energy Value + Ancillary Services Value + Capacity Value) – (Charging Cost + NYISO Fees)

Where:

- ***Energy Value*** is projected revenues from NYISO energy market sales over the asset's delivery term.
- ***Ancillary Services Value*** is projected revenues from participation in 10-minute and 30-minute operating reserves markets over the project's delivery term. Where applicable, participation in voltage support service under NYISO's Market Services Tariff (Rate Schedule 2) will be considered.
- ***Capacity Value*** is projected revenues from NYISO capacity markets over the project's delivery term.
- ***Charging Cost*** is expected costs of charging the project at projected LBMP prices.⁵
- ***NYISO Fees*** includes participation fees, and related charges made by the NYISO to the asset scheduler/bidder.

⁵ The Company accounts for the expenses of charging the project even if they are the Company's responsibility.

- **Environmental Benefit** is an environmental value that will be determined and assigned to each offer, where applicable. Bidders can also describe the qualitative aspects of the environmental benefits their projects provide.
- **Offer Price** is the price submitted by bidders.

B. Qualitative Factors

Con Edison will use the following qualitative criteria:

- **Project Viability** – This is an evaluation of the likelihood that the project can be successfully developed and meet use case requirements for the Contract term. Evaluation will consider the project’s viability, risks, and likelihood of meeting Commission requirements for operational projects by December 31, 2030.⁶
- **Location** – Con Edison will consider the project’s location in the evaluation of Offers.
- **Environmental Benefits** – Descriptions of the project’s contribution towards achieving State energy policy goals or improving local environmental conditions will be considered.
- **Developer Experience** – This considers the extent of the bidder’s storage and New York experience (*e.g.*, previous development or operating experience). Additional weight will be given to developer experience relative to others.
- **Safety** – Evaluates potential safety risks, and mitigation plans associated with the bidder implementation plans.

⁶ This date has been set by the New York State Public Service Commission.

- **Community Engagement** – Evaluates the demonstrated level of consideration for education and outreach activities to engender community support for the project.
- **System Design** – Evaluates system specifications, warranties, expected operational parameters and associated restrictions/limitations on use of the energy storage system. Preference will be given to proposed systems that demonstrate capabilities to meet Con Edison’s operational needs while minimizing restrictions on use of the system.
- **Credit Quality** – This is an evaluation of the bidder’s ability to perform all financial and financing obligations under the Contract.
- **Bidder Concentration** – Con Edison may consider the amount of MW per bidder to promote a diversity of projects.

VI. Winning Bidder Responsibilities

Winning bidders will be required to enter a Contract granting Con Edison scheduling rights for the entire output of the resource for the duration of the Contract. As such, the Company will serve as the asset’s energy manager for the purpose of scheduling and dispatching the asset for wholesale market participation. Winning bidders must register the storage asset with the NYISO and provide the necessary staffing, communications, metering, and telemetry required to participate in the NYISO markets for installed capacity, day-ahead and real time energy and operating reserves. Winning bidders will retain ownership of the storage asset and will be required to operate and maintain the system for the duration of the Contract in a manner that maintains the contracted minimum capacity (MW) rating and availability for the duration of the Contract term.

Each Con Edison Contract awardee must register the asset(s) with the NYISO and comply with all required NYISO and Federal Energy Regulatory Commission (“FERC”) rules such that they can designate the Company as energy manager to bid the storage systems in the NYISO wholesale markets for installed capacity, energy, and ancillary services, where applicable. The Company will have sole responsibility to bid the storage asset into the NYISO markets and will receive all NYISO revenues and pay any NYISO charges associated with operating the battery according to the designated schedule for the duration of the Contract. At the end of the Contract, the Company and developer will notify NYISO of the successor energy manager with sufficient lead time to effectuate any required changes.

Winning bidders must demonstrate that they have obtained all required site control, approvals, and authorizations to construct, interconnect, own and operate the storage resource, and sell scheduling rights to the Company for the term of the Contract.

VII. Storage Operations Expectations

Energy sales will support energy arbitrage, capacity, and ancillary services activity. The Company has the sole right to determine how to dispatch the energy storage system (*i.e.*, to receive NYISO revenues or to address system needs) during the Contract period.

At the end of the Contract term, all dispatch rights will revert to the asset owner, who will be responsible for meeting any/all NYISO requirements to continue participation in the wholesale markets, if desired.

VIII. Contract Terms

The Contract terms will be similar to the pro forma Contract presented in its 2024 bulk storage solicitation.⁷ The Company expects to release in the RFP the form Contract into which it will enter with winning bidders. The Company does not, at this time, anticipate entertaining any substantive changes to the form contract and will provide explicit guidance to bidders in this regard in the RFP.

IX. Ratemaking and Accounting Treatment

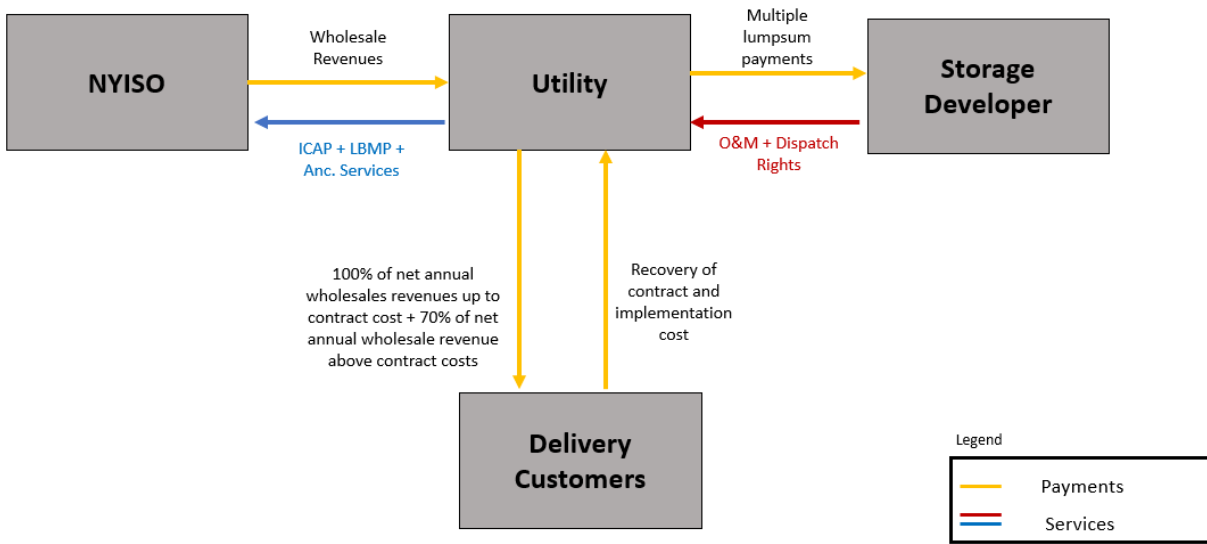
Consistent with the Storage Order, the Company will treat any upfront and annual lump sum Contract payments to energy storage developers as a regulatory asset to be amortized over Contract term with the Company's weighted average cost of capital applied to any unamortized balances. All costs associated with this program not directly associated with a Contract will be amortized over a 15-year period.

Cost recovery for Con Edison is addressed in the Monthly Adjustment Clause ("MAC")⁸ and Other Charges and Adjustments ("OTH")⁹.

⁷ The referenced pro forma Contract for Con Edison can be found at: <https://www.coned.com/en/business-partners/business-opportunities/bulk-energy-storage-request-for-proposals>.

⁸ The MAC is included in Con Edison's Schedule for Electricity Service, P.S.C. No. 10 – Electricity.

⁹ The OTH is included in Con Edison's Schedule for PASNY Delivery Service, P.S.C. No. 12 – Electricity.



X. Conclusion

Con Edison looks forward to executing its revised implementation plan as described herein for competitive direct procurements to secure scheduling and dispatch rights from new qualified energy storage systems in support of and in compliance with the Commission’s Storage Orders, and any applicable future orders.

Dated: May 18, 2026
New York, New York

Respectfully submitted,

CONSOLIDATED EDISON COMPANY
OF NEW YORK, INC.

By: Its Attorney

/s/ Christian Malanga