STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held in the City of Albany on August 13, 2026

COMMISSIONERS PRESENT:

Rory M. Christian, Chair
James S. Alesi
David J. Valesky
John B. Maggiore
Uchenna S. Bright
Denise M. Sheehan
Radina R. Valova

CASE 26-M-0525 - Proceeding on Motion of the Commission to Initiate the Excelsior Power Program.

ORDER INITIATING PROCEEDING, DIRECTING PROPOSAL, AND SOLICITING COMMENTS

(Issued and Effective August 13, 2026)

BY THE COMMISSION:

INTRODUCTION

By this Order, the Public Service Commission (Commission) initiates this proceeding to implement the Excelsior Power Program, which we envision as a centralized statewide platform for enrolling all applicable devices within residential Direct Load Control (DLC) programs for both electric and gas systems, including both summer and winter load relief programs. The major gas and electric utilities (herein referred to as the Utilities or Local Distribution Companies (LDCs)) are directed to jointly develop and file a proposed Implementation Plan for the Excelsior Power Program, subject to public review and comment, followed by the Commission's consideration.[1] The Commission also directs the Utilities to collaborate with the Long Island Power Authority (LIPA) and its present system operator, Public Service Enterprise Group Incorporated – Long Island (PSEG-LI) in developing the proposed Implementation Plan. Consistent with the provisions included in the 2026-27 Enacted Budget, LIPA should be included as part of the Utilities' proposal to the maximum extent feasible, to ensure a truly statewide platform.

BACKGROUND

Peak electricity and gas usage is typically limited to just a few hours in a day and generally only for a few days each year. Demand Response (DR) programs provide a means for electric and gas distribution utilities to reduce these peaks and thereby scale down or eliminate the need for major infrastructure investments that would otherwise be required to serve customers. Accordingly, DR programs are a cost-effective way to manage the need for such major infrastructure investments and undertaking significant capital expenditures on the energy system.

DR programs allow utilities to call upon participating customers who volunteer to decrease their energy and demand

[1] The Utilities/LDCs include: Central Hudson Gas & Electric Corporation (Central Hudson); Consolidated Edison Company of New York, Inc. (Con Edison); New York State Electric & Gas Corporation (NYSEG); Niagara Mohawk Power Corporation d/b/a National Grid (National Grid); Orange and Rockland Utilities, Inc. (O&R); Rochester Gas and Electric Corporation (RG&E); The Brooklyn Union Gas Company d/b/a National Grid NY (KEDNY) and Keyspan Energy East Corporation d/b/a National Grid (KEDLI); National Fuel Gas Distribution Corporation (NFG); Corning Natural Gas Corporation (Corning); and Liberty Utilities (St. Lawrence Gas) Corp. (Liberty).

usage during a small number of peak hour events throughout the year, typically during the summer cooling season for the electric system and during the winter heating season for the gas system. Customers that respond to these DR events are provided with incentive payments based on their performance.

Residential customers typically participate in DR programs through a Wi-Fi-enabled communicating Smart Thermostat, which can be signaled to set higher (during the summer) or lower (during the winter) temperature setpoints during DR events. Smart Thermostats use a variety of strategies to perform during events, generally with the goal of maximizing demand savings without impacting participant comfort. New York has successfully enrolled approximately 120,000 residential customers in these voluntary DR programs to date.[2]

Residential Demand Response Programs

Residential Demand Response Programs in New York State are generally separated by commodity, electric and gas, and are operated by each relevant LDC.[3] For the electric commodity,

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[2] The number of customers enrolled is estimated based on the number of thermostats the Utilities report being enrolled in their BYOT programs. While the Utilities are not presently required to report the number of customers enrolled, Con Edison and O&R provide both the number of thermostats and customers enrolled in their electric BYOT programs, indicating that customers often enroll more than one thermostat and that on average approximately 1.5 thermostats are enrolled per customer for Con Edison and 1.4 thermostats are enrolled per customer for O&R. Applying these ratios to the other electric utilities' reported thermostat enrollments provides a range in customer enrollments of between approximately 116,000 and 126,000. An estimate of 120,000 customers is just below the middle of the estimated range and may be conservative since it does not include any of the customers that may only be enrolled in one of the existing gas utility BYOT programs.

[3] Some utilities operate fewer programs than others, with some of the programs described hereafter not available in all utility service territories.

residential DR programs fall under the DLC Program, which itself is made up of two technology-specific components: a Bring Your Own Thermostat (BYOT) program, and a Bring Your Own Battery (BYOB) program.[4] As of this year, Con Edison, National Grid, NYSEG, O&R, and RG&E each operate both a service territory-wide BYOT program and a BYOB program, however, Central Hudson does not.[5] Although not subject to the Commission's jurisdiction, PSEG-LI also operates BYOT and BYOB components within its DR Program portfolio.[6]

Customers in Central Hudson's service territory that are within its Targeted Demand Management Program – its active Non-Wire Alternative project – can participate in a program equivalent to the BYOT program.[7] Separately, Central Hudson requested authorization to pause implementation of its BYOB Program until the value of avoidable costs become more

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[4] Because Con Edison and O&R's service territories already have Advanced Metering Infrastructure (AMI) meters available, which can register and communicate interval demand data, residential customers served by those utilities are alternately able to participate in the Commercial System Relief Program (CSRP) and Distribution Load Relief Program (DLRP) through an aggregator. A customer cannot simultaneously participate in both the CSRP/DLRP and DLC Program.

[5] Case 14-E-0423, Electric Demand Response Programs, Order Directing Dynamic Load Program Changes and Making Other Findings (issued April 16, 2026) (2026 Demand Response Order).

[6] Case 14-E-0423, supra, 2025 Dynamic Load Management Report (filed November 14, 2025) (PSEG-LI 2025 DR Report). PSEG-LI refers to its BYOT program as the "Smart Savers Program", and the BYOB Program is presently operated by PSEG-LI as a sub-component of the CSRP and DLRP.

[7] Case 14-E-0318, Central Hudson – Rates, 2025 TDM Annual Report (filed December 1, 2025) (2025 TDM Program Report), p. 4.

optimistic for operating such program cost-effectively.[8] The 2026 Demand Response Order neither specifically adopted Central Hudson's proposal to delay implementation of the BYOB Program nor denied it, thus Central Hudson does not presently have an active BYOB Program.[9]

As for the gas commodity, only National Grid, KEDNY, and KEDLI currently operate service territory-wide BYOT programs.[10] Pursuant to the Commission's directives in the respective Long-Term Gas System Planning Proceedings, Central Hudson, Con Edison, NFG, NYSEG, O&R, and RG&E all recently proposed implementing BYOT pilot programs for achieving gas peak-day savings.[11]

The utilities routinely use implementation contractors and platform providers to help them actually operate the BYOT and BOYB Programs. According to their respective 2025 Annual DR Program Reports, Con Edison, National Grid, NYSEG/RG&E, O&R,

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[8] Case 14-E-0423, supra, Central Hudson 2025 DLM Annual Report (filed November 14, 2025), p. 14 (Central Hudson 2025 DR Report).

[9] Central Hudson notes that it is considering establishing an option for residential-scale energy storage systems to participate in a BYOB-like program within its TDM Program. See: 2025 TDM Program Report, p. 7.

[10] Case 20-G-0086 et al., KEDNY/KEDLI Gas DR Programs, National Grid Gas DR Annual Report 2025-2026 (filed June 15, 2026).

[11] Case 23-G-0676, Long-Term Gas System Plan, Central Hudson Gas Demand Response Pilot Program Proposal (filed December 15, 2025); Case 23-G-0147, Long-Term Gas System Plan, Con Edison Gas Demand Response Pilot Program Proposal (filed January 21, 2025); Case 23-G-0610, Long-Term Gas System Plan, National Fuel Gas Distribution Corporation Gas Demand Response Pilot Program Proposal (filed May 31, 2024); Case 23-G-0437 Long-Term Gas System Plan, NYSEG and RG&E Gas Demand Response Pilot Program Proposal (filed (filed July 14, 2025; revised September 30, 2025); and Case 23-G-0114, Long-Term Gas System Plan, Orange and Rockland Gas Demand Response Pilot Program Proposal (filed January 21, 2025).

and PSEG-LI each contract with Energy Hub to implement their respective BYOT Programs.[12] Central Hudson, on the other hand, contracts with Itron for its BYOT-like program within its TDM Program.[13] For the BYOB Program, both National Grid and PSEG-LI note that they contract with EnergyHub, while NYSEG and RG&E state that they contract directly with both energy storage manufacturers and also with the Uplight Flex Platform.[14]

2026 State of the State and Fiscal Year 2027 Budget

In the 2026 State of the State address, Governor Kathy Hochul highlighted the need for New York's electric grid to become more flexible as energy demand grows, simultaneously ensuring that reliability is maintained, customers' energy needs are met utilizing existing infrastructure to the greatest extent possible, and offsetting the need to build new generation, transmission, and distribution infrastructure to serve peak

[12] Case 14-E-0423, supra, Con Edison 2025 Demand Response Annual Report (filed November 17, 2025) (Con Edison 2025 DR Report), p. 27; Case 14-E-0423, supra, National Grid DLM Annual Report for 2025 Capability Period – Redacted (filed November 17, 2025) (National Grid 2025 DR Report), p. 25; Case 14-E-0423, supra, 2025-11-12 NYSEG-RGE Annual Demand Response Report REDACTED (14-E-0423 15-E-0188 15-E-0190) (filed November 12, 2025) (NYSEG/RG&E 2025 DR Report), p. 21; Case 14-E-0423, supra, OR 2025 DLM Annual Report (filed November 17, 2025) (O&R 2025 DR Report), p. 14; PSEG-LI 2025 DR Report, p. 5. Con Edison's 2025 DR Report notes that it contracts with Resideo, however, Resideo's Grid Services division that operated its demand response platform has recently been purchased by EnergyHub. See: https://investor.resideo.com/news/news-details/2025/Resideo-Announces-Sale-of-Grid-Services-Demand-Response-Business-to-EnergyHub/default.aspx.

[13] 2025 TDM Program Report, p. 4.

[14] National Grid 2025 DR Report, p. 29; PSEG-LI 2025 DR Report, p. 18; NYSEG/RG&E 2025 DR Report, p. 29. Con Edison and O&R's 2025 DR Reports note that, at the time, they were in the process of selecting a vendor.

demands.[15] Governor Hochul noted the role that Smart Thermostats can play in managing demand while maintaining customer comfort, ensuring grid reliability, and simultaneously reducing consumers' energy bills. To achieve these results, an Excelsior Power Program was proposed that would provide customers with a participating Smart Thermostat with a $25 per month bill credit against their utility bills for the first year of participation.[16] Governor Hochul further directed that the Department of Public Service launch a statewide platform to aggregate grid flexibility technologies, ensuring that customers can easily enroll in available program options and improving customer uptake and participation in such programs.[17]

Thereafter, the New York State Legislature included State Budget funding and specific requirements for development of the Excelsior Power program and platform.[18] The 2026-2027 Enacted Budget provides $33 million for "services and expenses of the Excelsior Power Program, including but not limited to providing eligible and participating utility customers utility bill credits," which "may be disbursed to utilities, including the Long Island Power Authority."[19] The budget allocation also allows for a portion of the appropriation to "support the

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[15] Governor Kathy Hochul, State of the State 2026, available at: https://www.governor.ny.gov/programs/2026-state-state, p. 37.

[16] State of the State 2026, pp. 37-38.

[17] State of the State 2026, p. 38.

[18] New York State Assembly, 2026-2027 Enacted Budget, available at: https://assembly.state.ny.us/2026budget/?sec=enacted (2026-2027 Enacted Budget)

[19] Appropriation Bill - Aid to Localities 2026-27, available at: https://assembly.state.ny.us/2026budget/2026_bills/enacted/A10003d.pdf?v=1779877177, pp. 1367-1368.

administration, implementation, and evaluation of the Excelsior Power Program."[20]

Regarding requirements for the Excelsior Power Program, the 2026-2027 Enacted Budget includes modifications to the Public Service Law (PSL) (governing the Commission) and the Public Authorities Law (governing LIPA), which require the Commission and LIPA to establish the Excelsior Power Program as a voluntary, opt-in, program to reduce peak energy demand through the remote operation of voluntarily customer enrolled smart thermostats.[21] The addition of PSL §67-b requires, among other things, that: customers be allowed to override utility-control of the smart thermostat during demand response events; customers not be penalized for overriding such control, except for discounting or derating a customer's bill credits from participation in the Excelsior Power program; customers be allowed to de-enroll from the program without penalty, except that potential future bill credits which have not already been earned shall cease; customer de-enrollment from the program be no less convenient than the method of enrollment; and the Commission's implementation of the program include minimum customer education and outreach efforts.[22] Similarly, the 2026-2027 Enacted Budget amends the Public Authority Law by adding §1020-nn, which requires LIPA to establish an Excelsior Power program consistent with PSL §67-b.[23]

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[20] Id.

[21] Chapter 58 of the Laws of 2026, Part III (codified, in part, in PSL §67-b); Article VII Bill – Transportation, Economic Development and Environmental Conservation, available at: https://assembly.state.ny.us/2026budget/2026_bills/enacted/A10008c.pdf?v=1779794433, pp. 187-189.

[22] Id.

[23] Id.

DISCUSSION

Implementing a single statewide platform to operate the residential-focused DLC Programs, at scale, may have several advantages compared to how the DLC Programs are implemented currently, on a utility-by-utility and commodity-by-commodity basis. This initiative aligns with Governor Hochul's 2026 State of the State address, which identified a need to "launch a statewide platform to aggregate [flexible demand] technology, ensuring customers can easily enroll and increasing uptake."[24] With the passage of the 2026-27 Enacted Budget, New York State authorized the use of $33 million to support the start-up of the Excelsior Power Program.[25]

While the Governor's comments center on the use of smart thermostats for electric system flexibility, we see no reason to limit the use of the Excelsior Power Program for only smart thermostats and electric system flexibility. This platform should instead be a one-stop shop for enrolling all applicable devices within residential DLC Programs for both electric and gas systems. Although the Commission has limited oversight regarding LIPA and its present system operator, PSEG-LI, the Utilities are directed to engage LIPA and PSEG-LI in this process to ensure LIPA customers may also participate in the Excelsior Power Program to the maximum extent feasible.

The first and primary potential advantage of a statewide residential DR platform is an improved customer experience. Consider, for example, a situation where a customer receives electric service from one utility and gas service from another (e.g., a customer in Brooklyn whose electricity is

[24] State of the State 2026, p. 37.

[25] Chapter 58 of the Laws of 2026, Part III (codified, in part, in PSL §67-b).

served by Con Edison and whose natural gas is served by the Brooklyn Union Gas Company d/b/a National Grid NY, or KEDNY). Presently, to participate in both summer cooling season and winter heating season demand response programs, the customer must separately enroll in Con Edison's electric BYOT program and KEDNY's gas BYOT program. The Commission also notes that there have been issues with enrolling the same smart thermostat in multiple utilities' DR programs in the past. Having a single statewide platform – the Excelsior Power Platform - for implementing these programs should ameliorate these inefficiencies and barriers to participation.[26]

Additionally, the customer experience on the Excelsior Power Platform should be streamlined to ease enrollment and boost participation. Instead of the customer having to determine which utility program to enroll in and complete multiple application and enrollment processes, the customer should only have to submit a single application, with attribution to the correct utility service territory determined using the customer's address, and relevant participation rules and payment rates for the applicable utility service territories presented to the customer automatically. Accordingly, by

[26] In its Firm Gas Demand Response 2022-23 Annual Report, National Grid reported that at least one thermostat manufacturer would not allow multiple programs to control a single device, resulting in customers only being able to be enrolled in the KEDNY or Keyspan Energy East Corporation d/b/a National Grid (KEDLI) BYOT program if they were not already enrolled in any other demand response program. This was problematic since BYOT programs in the Con Edison and LIPA service territories preceded those at National Grid but was later resolved by National Grid in September 2024. Case 20-G-0068 et al., National Grid Downstate Firm Gas DR Programs, DNY GDR Annual Report 2022-23 (filed June 15, 2023), p. 16. Case 20-G-0068 et al., supra, Gas DR Annual Report 2024-25 (filed June 16, 2025), p. 34.

reducing enrollment barriers and simplifying participation, the Excelsior Power Platform should be well positioned to improve customers' access to the benefits of DR, including bill savings and incentive payments.

Another potential advantage of running a single statewide platform, instead of multiple individual utility operations, is anticipated to be cost savings for implementation. Through a collective procurement process, the Utilities should be able to solicit and negotiate a better, more competitive collective price for platform services than they would be likely to achieve if bargaining individually. This collective procurement and bargaining approach may help reduce implementation and ongoing costs of running these programs – potentially allowing for higher participation incentives while maintaining the same level of cost-effectiveness. This may, in turn, quicken the pace of achieving cost-effective scale for new program components. This likely benefit is highlighted by Central Hudson's request to further delay implementation of its BYOB program due to cost-effectiveness concerns at low participation levels. The Excelsior Power Platform would potentially allow new DLC Program components to become cost-effective at lower per-utility participation levels.

A third benefit a statewide platform may produce is an improvement in the ease of onboarding additional original equipment manufacturers (OEMs) into existing program components. For example, this would allow for new thermostat or energy storage manufacturers to enroll their products into the BYOT and BYOB programs, or for adding new DLC Program components for different types of flexible and controllable devices, such as smart water heaters or window air conditioners. Implementing these programs on the Excelsior Power Platform would likely also result in a better customer and contractor experience as there would be more consistency and clarity as to what equipment can participate in the available programs within each utility service territory.

We can draw on experience in the early phases of the BYOT program where different utilities had similar issues onboarding the same set of thermostat manufacturers at different times.[27] While these OEM onboarding issues have mostly been resolved, it illustrates the point that OEMs may be more willing to work with a single platform provider to develop control functionalities and communications protocols to enable control of their devices at scale instead of having to do the same work multiple times to interface with individual utilities. Similarly, starting a new program component or changing functionality would also require interfacing with OEMs, which would be more efficient and effective using the Excelsior Power Platform than on a utility-by-utility basis.

At a minimum, the Excelsior Power Platform should aggregate and implement the existing electric DLC program components – BYOT and BYOB – and must also be ready to incorporate and implement gas demand response programs making use of the same equipment. In particular, this includes the gas BYOT programs which are in place already at KEDNY, KEDLI, and portions of the National Grid gas service territories, and those

[27] For example, National Grid's DLC Program launched during 2016 with Honeywell and EcoBee as the only smart thermostat OEMs available to participate in the BYOT Program. Nest, the most popular brand of smart thermostat at the time, was not added to the program until August 2017, and accounted for nearly two-thirds of the thermostats enrolled in that program by year-end. Case 15-E-0189, National Grid Demand Response Programs, Cases 14-E-0423 and 15-E-0189 – NMPC DLM 2016 Annual Report (filed December 1, 2016); Case 15-E-0189, NG Dynamic Load Management Programs Annual Report for 2017 Capability Period (filed December 1, 2017).

proposed by NFG,[28] NYSEG, RG&E,[29] Con Edison, O&R,[30] and Central Hudson.[31] Additionally, the Excelsior Power Platform should offer a streamlined enrollment process that can provide interested applicants with the available programs and incentive levels at the utilities relevant to each customer visiting the platform website. Finally, the Excelsior Power Platform must provide at least the same level of event scheduling and flexibility as is presently available through utility-specific BYOT programs, allowing each utility to call their own events to meet local peak shaving and reliability needs, consistent with the provisions of PSL §67-b.

Eligibility for Enhanced Incentives

The 2026 State of the State calls for enhanced incentives for customers with Smart Thermostats – that is those new customers that will participate in the BYOT Program – of $25 per month *in the first year of their participation*. The 2026-2027 Enacted Budget provides for $33 million of funding, which includes $3 million to be used for administration, implementation, marketing and outreach, and evaluation of the Excelsior Power Program. The Commission anticipates that enhanced incentives provided through the Excelsior Power Program will be provided when State Budget funding, or other external

[28] Case 22-G-0610, Long-Term Gas System Plan - National Fuel Gas, Gas Demand Response Pilot Program Proposal (filed May 31, 2024).

[29] Case 23-G-0437, Long-Term Gas System Plan – NYSEG and RG&E, Gas Demand Response Pilot Program Proposal (filed July 14, 2025; revised September 30, 2025).

[30] Case 23-G-0147, Long-Term Gas System Plan - Con Edison and O&R, Gas Demand Response Pilot Program Proposal (filed January 21, 2025).

[31] Case 23-G-0676, Long-Term Gas System Plan, Central Hudson Gas Demand Response Pilot Program Proposal (filed December 15, 2025).

funding that is not from ratepayers, is made available. During years where no incremental State Budget or other external funding is provided for enhanced incentives, and for customers that are not eligible for such enhanced incentives, the Excelsior Power Program should base their program incentive payment levels on avoided costs, guided by Benefit Cost Analyses, following the traditional cost-saving principles central to the role of the Commission.

The Commission will require that $30 million of the appropriated budget be used to fund the enhanced incentives, with the remaining $3 million - approximately ten percent – set aside for customer marketing, education, and outreach of the Excelsior Power Program. A ten percent portion is selected as a reasonable balance to dedicate to this effort, such that a significant majority of the budget appropriated to the program will be used to fund enhanced customer incentives.

The Commission will follow the Governor's recommendation to initially set the enhanced incentive at the $25 per month level and to limit eligibility for this enhanced incentive to new participating customers only.[32] Customers already participating in the utility BYOT programs prior to passage of the 2026-2027 Enacted Budget will be ineligible for the enhanced incentive level. The $25 per month enhanced incentive is intended to raise awareness of the program and boost enrollment of those customers that have not yet taken advantage of existing incentives. After one year, a customer will no longer be eligible to receive any more enhanced

[32] Customers eligible for the enhanced incentive level will only receive the enhanced incentive. They will not also receive the "value based" incentive level available to other program participants. Customers that are ineligible for the enhanced incentive will only receive the "value-based" incentive level.

incentives. That customer will, however, be eligible to continue participating in the BYOT Program through Excelsior Power at the typical incentive payment rates, or may migrate to another of the myriad demand response programs available to such customer.[33] The combination of the $30 million budget appropriation and these eligibility requirements should fund enough enhanced incentives to roughly double present BYOT Program enrollment levels.

Implementation Plan

While the Commission has a vision for a desired operational state for this statewide residential DR Platform, there are numerous details which must be developed, both as a way to transition existing individual utility DLC Program components and customers onto such platform, but also whether changes should be made to those DLC Programs and associated BYOT and BYOB components in the future to better harmonize aspects of those programs across New York. Other details to consider would address the ability to add additional components in the future. Accordingly, the Commission is initiating this proceeding to address these details as part of implementing a statewide Excelsior Power Program and directs the Utilities to collectively file, after consultation with LIPA, a phased Implementation Plan for the Excelsior Power Platform, with initial components due within 30 days of this Order and additional components due 90 days thereafter. The Commission encourages LIPA and PSEG-LI to collaborate with the Utilities in

[33] In a scenario where a customer is electric only or heats their home with propane, fuel oil, or other delivered fuels outside of the Commission’s authority, and assuming that the amount of demand response provided by a Smart Thermostat is approximately one kilowatt during the summer cooling season, the enhanced incentive corresponds to an incentive payment of approximately $300 per kW-year.

developing the Implementation Plan to establish an Excelsior Power Platform that is truly statewide.

The first phase of the proposed Excelsior Power Program Implementation Plan shall be due within 30 days of the issuance of this Order and applies to only those utilities with existing BYOT programs (i.e., Con Edison, KEDNY, KEDLI, LIPA/PSEG-LI, National Grid, NYSEG, O&R, and RG&E). The first phase of the Implementation Plan shall include, at a minimum: (1) an immediate plan to rebrand each individually run utility BYOT program to the Excelsior Power Program; (2) eligibility criteria that would identify the rules under which new participants would be eligible for the enhanced incentive level, as authorized by the 2026 State Budget, and a timeline to implement said plan once approved by the Commission; and (3) a plan to ensure that customers eligible for the enhanced incentive level only receive one such incentive in the event that a customer is located in an area where multiple utilities operate BYOT programs.[34] The purpose of this first phase is to immediately begin use of the Excelsior Power Program brand for the existing BYOT programs, and allow the enhanced incentives authorized by the State Budget to begin flowing to eligible customers, while giving a reasonable amount of time to develop the more transformative changes as to how the programs are operated as a Statewide platform.

The second phase of the proposed Excelsior Power Program Implementation Plan shall be due within 120 days from the issuance of this Order and applies to all of the Utilities. The second phase of the Implementation Plan shall include, at a minimum: (1) a process and timeline for soliciting and selecting

[34] For example, in parts of New York City and Long Island an electric BYOT program is operated by Con Edison or PSEG-LI, while a gas BYOT program is operated by KEDNY or KEDLI.

a Statewide Excelsior Power Platform provider; (2) a plan to provide statewide outreach and education, which shall include a proposed use of $3 million in funding from the 2026-27 enacted State Budget;[35] (3) a methodology for establishing per-commodity, per-utility, cost responsibility, including offsets and adjustments to prioritize use of funding allocated in the State Budget or other external sources of funding, when available; (4) a cost allocation and cost recovery mechanism among service classes for the per-utility share of platform costs; (5) a process for implementing program changes on the Excelsior Power Platform in the future, once implemented; (6) a process to administer and operate events, including how the Utilities will determine and convey the criteria to be used, such as weather and temperature; (7) plans to incorporate the BYOB program with a separate value-based incentive in each electric utility service territory; (8) identification of any other program changes or additional actions that may be necessary to comport with the requirements of PSL §67-b; and (9) any and all other components deemed critical for operations of this Statewide program by the Utilities.

In addition to the minimum requirements listed above, the proposed second phase Implementation Plan should include other utility-specific considerations, such as the presence of existing contracts for DLC program implementation which would need to either be allowed to run their course or result in incremental costs. Both phases of the proposed Implementation Plans will be noticed for public comment prior to being considered by the Commission. The timing of the Utilities' proposed Implementation Plans is intended to allow for the

[35] This component may include onboarding a contractor to support these efforts, but should focus on direct customer outreach and education materials and related costs.

potential establishment and operation of the Excelsior Power Platform in time for the summer electric DR program capability period in 2027.

Stakeholder Input

Simultaneously with our consideration of the necessary implementation components for the Excelsior Power Platform, the Commission seeks stakeholder input, within 120 days, regarding the level of harmonization of the underlying DLC programs which will be operated on the platform. Specifically, the Commission seeks stakeholder input regarding the extent to which DLC program rules, requirements, performance levels, and incentive payment levels should be allowed to be different on a utility-by-utility basis, or whether such features should be identical throughout New York State.

CONCLUSION

The Commission initiates this proceeding to develop the Excelsior Power Program and a centralized Statewide platform for residential customers to enroll in applicable electric and gas utility demand response programs. The Excelsior Power Program has the potential to provide customers with various benefits and assist them in managing their utility bills at a time when affordability is at the forefront of our concerns. We look forward to addressing the Utilities' Implementation Plan filings and stakeholder input in the near future.

The Commission orders:

1. A proceeding is instituted in Case 26-M-0525 to implement the Excelsior Power Program, as discussed in the body of this Order.

2. Central Hudson Gas & Electric Corporation, Consolidated Edison Company of New York, Inc., Niagara Mohawk

Power Corporation d/b/a National Grid, New York State Electric & Gas Corporation, Rochester Gas and Electric Corporation, Orange and Rockland Utilities, Inc., The Brooklyn Union Gas Company d/b/a National Grid NY, and Keyspan Gas East Corporation d/b/a National Grid shall collaborate with the Long Island Power Authority and Public Service Enterprise Group Incorporated and file a joint proposal for the first phase of the Implementation Plan for the Excelsior Power Platform within 30 days of the issuance of this Order, as discussed in the body of this Order.

3. Central Hudson Gas & Electric Corporation, Consolidated Edison Company of New York, Inc., Niagara Mohawk Power Corporation d/b/a National Grid, New York State Electric & Gas Corporation, Rochester Gas and Electric Corporation, Orange and Rockland Utilities, Inc., National Fuel Gas Distribution Company, The Brooklyn Union Gas Company d/b/a National Grid NY, and Keyspan Gas East Corporation d/b/a National Grid, Corning Natural Gas Corporation; and Liberty Utilities (St. Lawrence Gas) Corp. shall collaborate with the Long Island Power Authority and Public Service Enterprise Group Incorporated and file a joint proposal for the second phase of the Implementation Plan for the Excelsior Power Platform within 120 days of the issuance of this Order, as discussed in the body of this Order.

4. Interested stakeholders shall file, within 120 days of the issuance of this Order, any comments on the level of harmonization of the underlying Dynamic Load Control programs which will be operated on the Excelsior Power Platform, as discussed in the body of this Order.

5. In the Secretary’s sole discretion, the deadlines set forth in this Order may be extended. Any request for an extension must be in writing, must include a justification for the extension, and must be filed at least three days prior to the affected deadline.

6. This proceeding is continued.

By the Commission,

(SIGNED) MICHELLE L. PHILLIPS
Secretary