

STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

At a session of the Public Service
Commission held in the City of
Albany on January 18, 2024

COMMISSIONERS PRESENT:

Rory M. Christian, Chair
Diane X. Burman
James S. Alesi
John B. Howard
David J. Valesky
John B. Maggiore

CASE 20-M-0082 - Proceeding on Motion of the Commission
Regarding Strategic Use of Energy Related Data.

ORDER APPROVING INTEGRATED ENERGY DATA RESOURCE
PHASE 2 BUDGETS

(Issued and Effective January 19, 2024)

BY THE COMMISSION:

INTRODUCTION

New York is currently undergoing a comprehensive overhaul of its electricity infrastructure, strategically focused on enhancing its environmental sustainability, resilience, and cost efficiency. Key in this transformation is the effective access to useful energy data by New York's energy stakeholders to attract investment, enable analytics, help identify operational efficiencies, promote innovation, and encourage new business models, which will, in turn, create value for customers and the State's energy system. The creation of an Integrated Energy Data Resource (IEDR) platform will serve to expedite effective and expanded access to useful energy data for all types of users, including Energy Service Entities, utilities, governmental agencies, and others.

Following work over the last two years to develop the first phase of the IEDR, on May 12, 2023, the New York State Energy Research and Development Authority (NYSERDA) filed a proposal for funding for Phase 2 of the IEDR (IEDR Phase 2 Proposal). On that same day, each of the Joint Utilities filed individual budget estimates to implement Phase 2 of the IEDR.¹ By this Order, the Public Service Commission (Commission) adopts budgets for Phase 2 implementation of the IEDR for both NYSERDA and each of the Joint Utilities, and addresses the associated cost recovery from ratepayers.

BACKGROUND

On May 29, 2020, Department of Public Service Staff (DPS Staff) filed the IEDR Whitepaper, which described the then-current state of access to energy-related data in New York State, and recommended an approach for the creation of an IEDR platform that would provide access to utility customer data, electric system data, and useful non-utility data.² On February 11, 2021, the Commission issued its IEDR Order, adopting the recommendations in the IEDR Whitepaper to establish a statewide IEDR to aid in the State's transition to a cleaner, more

¹ The Joint Utilities consist of Consolidated Edison Company of New York, Inc. (Con Edison), Orange and Rockland Utilities, Inc. (O&R), Central Hudson Gas & Electric Corporation (Central Hudson), Niagara Mohawk Power Corporation d/b/a National Grid (Niagara Mohawk), The Brooklyn Union Gas Company d/b/a National Grid NY (KEDNY), KeySpan Gas East Corporation d/b/a National Grid (KEDLI, and together with KEDNY and Niagara Mohawk, National Grid), New York State Electric & Gas Corporation (NYSEG), Rochester Gas & Electric Corporation (RG&E, and together with NYSEG, Avangrid), National Fuel Gas Corporation (NFG), and Liberty Utilities (St. Lawrence Gas) Corp. (Liberty Utilities).

² Case 20-M-0082, Integrated Energy Data Resource Whitepaper (filed May 29, 2020) (IEDR Whitepaper).

resilient, and more affordable electric system.³ Specifically, the Commission directed the development of an IEDR platform that securely collects, integrates, and provides useful access to a large and diverse set of energy-related information from all of the state's utilities, on one statewide data platform. The IEDR Order established a clear governance structure to aid in the platform's development, including but not limited to: (1) a Program Sponsor⁴ charged with, among other things, creating and monitoring adherence to an IEDR Program Charter,⁵ overseeing the expending of funds allocated to the IEDR program, and ensuring robust stakeholder engagement; (2) a Steering Committee, composed of DPS and NYSERDA Staff, charged with monitoring the program's implementation progress, offering guidance regarding the platform's development, managing potential implementation risks, and ensuring consistency with the program's original scope, schedule, budget; (3) an Advisory Group, formed by the Steering Committee and comprised of various stakeholder groups, responsible for providing informed commentary and guidance on aspects of the IEDR, such as use cases, implementation schedules, program development, and testing, and ensuring the IEDR provides useful access to useful data to all stakeholders; and (4) a Utility Coordination Group, made up of members from the Steering Committee, the Program Sponsor, a Program Manager procured by the Program Sponsor, and the lead representatives from each utility's IEDR implementation team, focused on

³ Case 20-M-0082, Order Implementing an Integrated Energy Data Resource (issued February 11, 2021) (IEDR Order).

⁴ In the IEDR Order, the Commission appointed NYSERDA in the role of Program Sponsor.

⁵ The IEDR Program Charter formally establishes the IEDR Program's scope, guiding principles, objectives, and participants roles and responsibilities.

ensuring the alignment of implementation schedules and policies between the IEDR and other data initiatives.

The Commission directed that the development of the IEDR be executed in two phases, Phase 1 and Phase 2, each based on use case priorities, and each with appropriate timelines and budgets. Phase 1 of the program focused on essential activities related to data collection, integration, and initial platform establishment to be overseen by the Program Sponsor as well as the state's major gas and electric utilities. To achieve these objectives, the Commission established funding by tailoring specific budget caps for both the Program Sponsor and the Joint Utilities, informed by the results of a solicitation for information and subsequent stakeholder comments. The Commission assigned to the Program Sponsor a budget cap of \$13.5 million for procured resources and administrative costs, and budget caps to each of the Joint Utilities for Phase 1 implementation as follows: \$12 million each for Con Edison, Central Hudson, and Niagara Mohawk; \$6 million each for O&R, NYSEG, and RG&E; and \$1 million each for NFG, Liberty Utilities, KEDNY, and KEDLI. Additionally, given the anticipated statewide benefits of the IEDR program, the Commission requested that the New York Power Authority (NYPA) and the Long Island Power Authority (LIPA) share in a portion of the Phase 1 development costs based on their respective portions of total electricity load for 2019. In order to simplify the method by which funds are obtained for use in Phase 1 objectives, the Commission directed costs to be collected from electric customers only. The Commission also directed each of the Joint Utilities to defer all applicable costs, up to their individual caps, for future recovery in its next rate case after Phase 1 was completed.

The IEDR Order established quarterly reporting requirements for NYSERDA and the Joint Utilities regarding their

Phase 1 IEDR expenditures. In its September 15, 2022 Order Denying Rehearing and Providing Clarification, the Commission further established annual reporting requirements for utilities operating under the same corporate umbrella. The most recent annual reports were filed on March 1, 2023, and the most recent quarterly reports were filed on October 31, 2023. Combined, these reports provide insight into the current IEDR Phase 1 expenditures of all actors to date. Specifically, Con Edison and O&R spent \$3,171,660 (17.6%) of their combined \$18,000,000 budget cap; NYSEG and RG&E spent \$4,900,000 (40.8%) of their combined \$12,000,000 budget cap; Niagara Mohawk, KEDNY, and KEDLI spent \$1,182,222 (8.4%) of their combined \$14,000,000 budget cap; Central Hudson spent \$472,526 (3.9%) of its \$12,000,000 budget cap; Liberty Utilities spent \$179,000 (17.9%) of its \$1,000,000 budget cap; and NFG has not reported any expenditures towards its \$1,000,000 budget cap as its Phase 1 efforts have utilized existing internal resources. Additionally, NYSERDA reported that \$12,905,545 (95.6%) of its \$13,500,000 budget has been spent or committed via contract or purchase order.

Following the issuance of the IEDR Order, an Initial Public Version of the IEDR platform was developed and made available to the public on March 31, 2023, as a part of the IEDR Phase 1 process. The Initial Public Version featured three use cases: installed Distributed Energy Resources (DERs), planned DERs, and consolidated hosting capacity maps. A Minimum Viable Product is expected to be completed in the first quarter of 2024, and will add five use cases related to DER siting, enhanced hosting capacity/DER maps, customer billing data, and rates and tariffs. In Phase 2 of the IEDR program, which is expected to last between 30 and 36 months, the IEDR's capabilities will be expanded with the addition of approximately

40 use cases, building on the successful implementation and operation of Phase 1. Emphasis will be placed on extracting comprehensive energy data from existing systems and ensuring their swift provision to the IEDR. Central to Phase 2 activities is the refinement of data collection methodologies in order to bolster the platform's capabilities for scalable operations and enhanced analytical insights.

In the IEDR Order, the Commission directed NYSERDA to file an IEDR Phase 2 Proposal that included any information necessary to support Phase 2 funding and authorization, for efforts of the Program Sponsor and the Joint Utilities. To support this effort, each utility's IEDR implementation team was directed to work with NYSERDA and provide specific details on the costs associated with implementing necessary information technology (IT) system upgrades capable of meeting Phase 2 objectives. NYSERDA filed its IEDR Phase 2 Proposal on May 12, 2023. On that same day, Central Hudson, NFG, Liberty Utilities, National Grid, Avangrid, and Con Edison/O&R filed their IEDR Phase 2 budget estimates.

SUMMARY OF FILINGS

IEDR Phase 2 Proposal

NYSERDA anticipates that its costs for Phase 2 will total \$36,386,193, with approximately \$24.5 million in total labor costs and approximately \$11.0 million in licensing, travel, and other direct costs. NYSERDA's proposed budget for Phase 2 program and core platform costs includes the costs associated with the Program Manager (currently Deloitte); the Development Team tasked with developing and operating the platform architecture (currently E Source); a Utility Data Advisor tasked with advising DPS Staff on matters related to the IEDR, including data quality, Data Access Framework (DAF)

development, and risks relating to IEDR integration (currently Pecan Street); and NYSERDA itself as the Program Sponsor.

The Program Manager's primary responsibilities include: overseeing the entire program and its related budget, plans, and timeline; directing all stakeholder engagements and strategic communications; acting as a strategic advisor to NYSERDA; and supporting the Development Team in developing the IEDR platform itself. NYSERDA estimates a budget of \$7,499,913 for the Program Manager, frontloaded in 2024 based on the expectation that the Program Manager will provide most of its support in the first half of Phase 2. The Development Team is responsible for designing, building, and operating the IEDR platform, as well as incorporating the planned additional use cases. NYSERDA estimates costs of \$25,124,137 for the Development Team, which represents the bulk of the total Phase 2 costs. The Utility Data Advisor will continue to advise DPS Staff on matters related to the IEDR, including data quality, DAF development, and risks relating to IEDR integration. NYSERDA estimates a budget of \$470,700 for the Utility Data Advisor, spread evenly over each year from 2024 through 2026.

NYSERDA, as Program Sponsor, will be responsible for managing IEDR-related spending, providing updates to the Commission and DPS Staff, ensuring robust stakeholder engagement, monitoring adherence to the IEDR Program Charter by all program participants, assisting the Program Manager in investigating and resolving issues, and coordinating with the Program Manager to develop statewide resources cost effectively and maximize the benefits derived from the platform. NYSERDA estimates a budget of \$3,291,442 for these administrative activities.

In the IEDR Phase 2 Proposal, NYSERDA further requests dedicated administrative funds reserved for contracting with or

reimbursing organizations that support Disadvantaged Communities and possess insights critical to advancing Disadvantaged Communities-related objectives. These funds would be used to test for user acceptability of the features of the IEDR intended to help Disadvantaged Communities, as well as paid participation in requirements gathering workshops to help elicit and understand a specific set of requirements for those features. This funding would serve to ensure that DAC use cases and functionality are prioritized, and that stakeholders and subject matter experts are compensated for their time.

Utility Budget Filings

Central Hudson estimates \$8,789,080 in total costs for Phase 2 IEDR investments and operations, with the primary objective of implementing an Enterprise Analytics Platform to pull data from existing systems and provide it to the IEDR. A majority of the expenditures would be frontloaded, with almost half of the projected three-year expenditures, or \$4,096,016, budgeted to the initial financial year. Central Hudson states that the primary reason for this frontloading is its need to modernize the existing legacy analytics platform through third-party supplier services. Central Hudson asserts that the processes it has been utilizing to satisfy the data feed needs of the IEDR Phase 1 Initial Public Version and Minimum Viable Product are temporary solutions, and Central Hudson requires additional full-time resources, as well as engagement from an external vendor, to implement the Enterprise Analytics Platform for Phase 2. According to Central Hudson, these external services costs constitute 13.6% of the overall budget and are allocated entirely to the first year. Another 16.3% of the estimated costs is budgeted to the acquisition of software and hardware to facilitate data analysis, storage, and transmission. These proposed costs would support a cloud-hosted program that

can provide the ability to easily scale up, as needed, without significant added infrastructure costs. Central Hudson further estimates the need for fifteen internal subject matter experts and six full-time internal team members, four of whom would be new recruits. Central Hudson further allocates a 4.3% allowance for funds used during construction, and a 22.1% contingency for expenses that have not yet been determined.

NFG proposes a budget of \$1,560,000 for Phase 2 implementation. NFG estimates that most, if not all, of the data for Phase 2 use cases will come from its current internal Enterprise Resource Planning data systems. While NFG anticipates that this would significantly reduce the capital required for Phase 2 implementation, NFG foresees a need for data to be provided from additional sources as use case details are developed, which would add complexity to the utility's data mapping design. As such, 80% of NFG's total budget would be allocated to external services to address the increased infrastructure and security needs of these additional data source connections. NFG anticipates these costs to primarily occur later in the program schedule, with 48% of the budget anticipated to be spent in 2026.

Liberty Utilities proposes a budget of \$1,926,000 for Phase 2 implementation, with \$1,200,000 allocated to the company's core project team consisting of eleven full-time employees, as well as external services to provide the required data necessary for legacy system upgrades. Liberty Utilities states its intention for these groups to leverage the company's existing Enterprise Service Bus and Secure File Transfer Protocol services, as well as additional hardware and software upgrades at an estimated cost of \$120,000, to meet Phase 2 data transfer requirements. Notably, Liberty Utilities' proposal does not include the utility's ability to gather demand data

from larger commercial customers, as Advanced Metering Infrastructure data collection would be overly complex and costly. That notwithstanding, the utility states that it is exploring routes outside of this proceeding to implement Automatic Meter Reading for this small group of customers, which could be used to supply necessary data to the IEDR in the future.

In its proposal, National Grid estimates that IEDR Phase 2 implementation will cost \$2,715,196. National Grid's estimate encompasses potential expenses to be borne collectively by Niagara Mohawk, KEDNY, and KEDLI. National Grid states that the companies have previously invested in and executed substantial information technology upgrades that demonstrate a consistent commitment to enhancing their technological infrastructure. Their proposed budget would be frontloaded in the first two years of the program, with 67.5% of the total budget allocated to external services which, according to National Grid, are needed to design, build, test, and deploy advanced infrastructure that would facilitate data transfers to the IEDR, beyond the capabilities of their current infrastructure. The estimated budgets for years one and two of Phase 2 are \$1,284,000 and \$1,208,000, respectively, while these amounts would decrease to \$223,000 in year three, when only licensing and support costs are anticipated. In addition, 7.8% of the total budget, or \$213,000, would be allocated to internal labor costs that cover a variety of data project activities such as cybersecurity, project management, and governance. National Grid includes a contingency of 24.6% for costs that have not yet been determined.

Avangrid estimates a total Phase 2 IEDR budget of \$15,248,514, distributed relatively evenly over the three-year period. The primary cost driver behind the proposed budget is

internal and external labor to establish a shared data lake for the two underlying utilities, NYSEG and RG&E. The internal labor budget, which constitutes over \$4,370,000 and 28.7% of the total budget, would serve to establish Avangrid's IEDR implementation team that would consist of a full-time Program Director, Data Scientist, and two Project Managers, as well as a part-time IT Project Manager and part-time Senior Data Engineer. In addition to the IEDR implementation team, Avangrid estimates needing to utilize close to 3,500 hours annually in assistance from different internal business subject matter experts for the specific data domains, and internal IT subject matter experts for extraction, transfer, and architecture efforts.

Avangrid's external services budget, which amounts to over \$6,620,233 and 43.4% of the total budget, would serve to fill gaps in NYSEG/RG&E's unique skill set and bandwidth requirements. The proposal identifies eight different external titles necessary to supplement the internal efforts, including: (1) a Lead Data Analyst responsible for participating in Data Discovery activities; (2) a Business Analyst to provide expert knowledge and identify the complexity of data sets; (3) a Scrum Master to help manage information exchange practices; (4) a Solution Architect/Manager that would work on the solution architecture strategy; (5) a Data Technical Project manager to support the internal Project IT manager; (6) an Azure Platform & Data Assessment Tool Administrator; (7) a Technical Lead, that would set priorities and tasks for Data Engineers; and (8) a group of Data Engineers who would be responsible for automating the extraction of data from source systems, loading of data into the data lake, and ultimately transferring data to the IEDR. These positions would work with the IEDR implementation team and other internal subject matter experts to implement transfers of data to and from a cloud-based data lake. Avangrid also

estimates approximately \$1,644,282 for software costs. Approximately 4.9% of the total budget is allocated for an allowance for funds used during construction, and an 11.8% contingency is set aside to cover unforeseen costs.

Con Edison and O&R estimate a Phase 2 budget of \$9,250,000, with the first-year accounting for \$3,434,000 and the subsequent two years budgeted at \$2,835,000 and \$2,981,000, respectively. Nearly half of Con Edison/O&R's budget, or \$4,488,000, would be allocated to six full-time positions, a part-time technical lead, and the occasional engagement of sixteen subject matter experts. To supplement these internal services, 13.8% of the budget, or \$1,280,000, would be allocated to external services that would assist in creating processes for new data elements, supporting data quality efforts, and continuing to build out infrastructure in support of data transfer. The two groups would work together to create a system of efficient data pipelines to deliver both Advanced Metering Infrastructure/interval data and non-interval data to the IEDR. Con Edison and O&R state that the proposed system would build upon ongoing IT projects, with the aim of implementing new mapping for customer care and billing systems, both of which are substantial sources of IEDR-related data. To accomplish this task, the budget allocates \$1,627,000, or 17.6%, to storage and database infrastructure, license costs for used technologies, development, testing, and production instance costs for environments in use, and additional licensing required for reporting and geospatial data requests. The budget also includes an allowance for funds used during construction costs of 19.4%, which would serve as the equivalent of the "contingency" line item used by other utilities. Other miscellaneous costs (e.g., travel and training expenses) make up less than 1% of the overall budget.

In addition to their individual proposals, the Joint Utilities also collectively detail a set of assumptions and constraints for the implementation of IEDR Phase 2 that serve as the basis for planning and budgeting. These assumptions include the use of data elements derived from Appendix B of the IEDR Whitepaper, which contained DPS Staff's recommended data items to be acquired, integrated, managed, analyzed, and made accessible by the proposed IEDR. The Joint Utilities also assume the resolution of legal agreements necessary for the handling of sensitive data, the exclusion of DAF costs from the IEDR Phase 2 budget estimates, and resolution of the customer consent process, which the utilities assume will be largely managed by the IEDR Development Team. Additionally, the Joint Utilities assume historical data will only date back one year, and that after an initial "bulk" data transfer from the utilities, datasets will follow a "delta" process where incremental time-series data and changes to previously-provided data elements will be included, but historic data that has not changed will be excluded.

NOTICE OF PROPOSED RULE MAKING

Pursuant to the State Administrative Procedure Act (SAPA) §202(1), a Notice of Proposed Rule Making (Notice) regarding the IEDR Phase 2 Proposal was published in the State Register on August 16, 2023 [SAPA No. 20-M-0082SP11]. The time for submission of comments pursuant to the Notice expired on October 16, 2023. Comments were received from Advanced Energy United jointly with the Alliance for Clean Energy New York, Inc. (together, the Commenters). The Commenters are generally supportive of the approach proposed by NYSERDA and the funding request to implement Phase 2 of the IEDR in an expeditious manner. The Commenters also support NYSERDA's efforts and

request for additional funds relating to contracting with Disadvantaged Communities and workshop participation.

DISCUSSION

NYSERDA's IEDR Phase 2 Proposal

The Commission finds NYSERDA's proposal for Phase 2 of the IEDR initiative, at a total cost of \$36,386,193 for core program expenses, to be reasonable, and approves the requested budget. This approval is based on the strategic delineation of responsibilities and objectives outlined by NYSERDA within the proposal for the functions of the Program Manager, Development Team, Utility Data Advisor, and Program Sponsor. The Program Manager's allocated budget of \$7,499,913 is pivotal in executing strategic facets such as strategic communication and program integration, stakeholder engagement and management, program schedule, budget, reporting, technical oversight, and Phase 2 use case support. That notwithstanding, the Commission anticipates that the role and responsibilities of the Program Manager will change over time as the IEDR program enters Phase 2. As such, it is reasonable and appropriate for NYSERDA, as Program Sponsor, to be granted flexibility to utilize the Program Manager budget cap in a manner that is most cost-effective and efficient to achieve the outcomes of the IEDR Phase 2. This flexibility shall be exercised in coordination with the IEDR Steering Committee.

The proposed budget of \$25,124,137 for the Development Team will support vital functions encompassing project management, Utility Coordination Group engagement, requirements development and documentation, integration testing, user acceptance testing, and system administration. The Utility Data Advisor's allocation of \$470,700 will support DPS Staff as part of IEDR development. Furthermore, the estimated budget of

\$3,291,442 for the Program Sponsor will facilitate labor management, in-person events and travel coordination, DAC stakeholder engagement, and additional support services. All of these budget estimates are appropriate in the context of the continued development of the IEDR in Phase 2, and are therefore adopted as individual budget caps for the Program Manager, Development Team, Utility Data Advisor and the Program Sponsor roles.

The costs incurred by NYSERDA for Phase 2 of the IEDR program shall be allocated as described below and collected from the jurisdictional electric utilities in the same manner as the currently-authorized costs, via the existing Bill-As-You-Go agreements that NYSERDA has with each utility. As with Phase 1, NYSERDA is directed to file with the Secretary to the Commission an updated Bill-As-You-Go Summary for Phase 2, within 60 days of the issuance of this Order, and to make any necessary changes to the Bill-As-You-Go funding agreements with the individual utilities.

Central Hudson

The Commission acknowledges the importance of the proposed initiatives that Central Hudson has included in its Phase 2 IEDR budget proposal. For useful energy data to be provided to the IEDR on a timeline that aligns with current program estimates, an Enterprise Analytics Platform that can coordinate with Central Hudson's existing systems must be implemented. The intentional allocation of resources, with nearly half of the project's expenditure totaling \$4,096,016, directed toward the initial financial year, demonstrates strategic frontloading. This allocation aligns with Central Hudson's imperative to modernize its legacy analytics platform through engaging third-party supplier services, addressing the temporary nature of prior data feed methods for the IEDR Phase 1

Initial Public Version and Minimum Viable Product. For those reasons, the Commission approves the proposed budget cap of \$8,789,080 for Central Hudson.

NFG

After review and consideration, the Commission finds NFG's proposed budget of \$1,560,000 for IEDR Phase 2 to be reasonable and aligned with the program's objectives. The distribution of funds across the project timeline, with a significant portion allocated to external services that supplement the company's internal Enterprise Resource Planning data systems, are suitable and justifiable for the successful execution of the initiative. NFG's proposed budget cap of \$1,560,000 for the Phase 2 implementation of the IEDR is therefore approved.

Liberty Utilities

The Commission finds Liberty Utilities' proposed budget of \$1,926,000 to implement Phase 2 of the IEDR initiative to be conducive to project objectives. The proposed budget will support the utilization of the existing Enterprise Service Bus and Secure File Transfer Protocol services to reduce new program costs. Accordingly, the proposed budget cap of \$1,926,000 is approved. With regard to the ability to gather demand data from larger customers, the Commission directs Liberty Utilities to continue exploring ways to advance its capabilities regarding the collection of demand data from larger commercial customers for future IEDR use, and report on such in Liberty Utilities' quarterly reports on IEDR planning and investment described below.

National Grid

The Commission acknowledges and commends National Grid for its ongoing commitment to enhancing its IT infrastructure, having previously already undertaken significant upgrades

through development of its cloud-based data platform and capture of metadata across a variety of the companies' business processes and use cases.⁶ The proposed budget of \$2,715,196 for National Grid's implementation of Phase 2 IEDR initiatives is reasonable and well-structured in light of those previously-completed IT upgrades. The front-loaded budget allocation for external services with a reduction in subsequent years after completion, as well as minimal internal labor expenses, align with strategic project planning and the program scope. The utilization of existing systems in facilitating data transfers as well as ongoing changes to various data management process will allow National Grid to maximize efficiencies and the effectiveness of additional funds.⁷ National Grid's proposed budget cap of \$2,715,196 is therefore approved.

NYSEG/RG&E

After reviewing the Avangrid budget proposal, the Commission finds that the estimated budget of \$15,248,514 for NYSEG and RG&E to be reasonable, strategically planned, and aligned with the IEDR program's objectives. The budget's emphasis on leveraging ongoing initiatives, coupled with the allocations for external services and contingency provisions, demonstrates a pragmatic approach to facilitate the successful execution of the program. The large allocation of funds to external services that will supplement internal labor reflects the difficulty involved with Avangrid's goal of creating a shared data lake that will ultimately feed data from both companies to the IEDR. Once the data lake is established, and the process for transferring data to the IEDR proven successful,

⁶ See Case 20-M-0082, National Grid IEDR Q3 2021 Utility Status Report (filed November 1, 2021).

⁷ See Case 20-M-0082, National Grid IEDR Q2 2023 Status Report (filed July 31, 2023).

the Commission does not anticipate any additional expenditures to arise outside of operational costs. For those reasons, the Commission approves the combined \$15,248,514 budget cap for NYSEG and RG&E to implement Phase 2 of the IEDR.

Con Edison and O&R

The Commission finds Con Edison and O&R's proposed budget of \$9,250,000 for Phase 2 IEDR efforts to be reasonable, comprehensive, and well-structured, and approves it as proposed. The strategic amalgamation of internal resources, engagement of external expertise, and provisions for software/hardware acquisitions adequately align with the project's objectives. The companies' proposal to rely on internal subject matter experts first before supplementing with external contractors demonstrates efficient use of existing resources and will allow for additional costs only as needed. Additionally, the Commission supports Con Edison and O&R's efforts to identify the potential for additional use cases that can support the State's goals and be leveraged by internal workstreams.

Utility Cost Recovery and Reporting Requirements

As previously noted, the Initial Public Version was created and made available to the public on March 31, 2023, as a part of the IEDR Phase 1 process and featured three use cases, including: 1) installed DER; 2) planned DER; and 3) consolidated hosting capacity maps. With an expected completion date in the first quarter of 2024, the Minimum Viable Product will add five use cases related to DER siting, enhanced hosting capacity/DER maps, customer billing data, and rates and tariffs. In addition to adding these new use cases, the completion and subsequent release of the Minimum Viable Product will also mark the end of IEDR Phase 1. When the Minimum Viable Product is released and Phase 1 of the IEDR program is complete, each utility is anticipated to have completed its efforts for Phase 1.

Accordingly, the Joint Utilities are each ordered to account for the final amounts of their Phase 1 budget caps utilized, and reflect such amounts in the utility's next quarterly report. Any unutilized amounts of each utility's individual Phase 1 budget cap, as outlined in the IEDR Order, remaining after accounting for Initial Public Version and Minimum Viable Product expenditures will no longer be available to the utility. Instead, each utility shall separately begin accounting for IEDR activities under the respective Phase 2 budget caps authorized in this Order.

Utility Phase 2 IEDR costs shall be deferred for future cost recovery in the same manner utilized for Phase 1 IEDR expenditures, up to the utilities' respective budget caps. Applicable costs shall encompass incremental operation and maintenance expenses, adjusted for associated savings, and carrying costs pertinent to capital expenditures, and shall include both the return on and return of investment (net of associated tax impacts), offset by corresponding incremental savings realized. The deferral balance for each utility shall accrue carrying costs at rates consistent with those stipulated within their respective existing rate plans. The deferred costs will be eligible for recovery in subsequent rate case filings, after Phase 2 of the IEDR is completed.

To monitor the various obligations of the Joint Utilities and progress made towards Phase 1 objectives, the Commission directed each utility to submit quarterly and annual reports on IEDR planning and investments. These reports have provided important updates on the status of IEDR enablement as the project has developed, and have also provided valuable insight into the reality of utility budget expenditures. In order to further monitor this progress, each utility shall continue filing quarterly reports at the ends of April, July,

October, and January for the remainder of Phase 1, as well as for the duration of Phase 2. These quarterly reports shall include, as currently required, any prospective economies of scope or scale identified for existing utility planning, operations, and Distributed Energy System Implementation Plan⁸ data responsibilities that can be achieved as a result of the IEDR implementation. Additionally, utilities operating as affiliates under the same corporate umbrella shall continue to file annual reports, within 60 days after the end of each calendar year, that detail costs for Phases 1 and 2 and how those costs were allocated between the affiliated utilities.

In addition to the utility quarterly reports, this Order requires the Program Sponsor to continue to submit quarterly reports, as well as an IEDR Phase 2 Status and Summary Report that will inform the Commission's future directives regarding the IEDR Program. NYSERDA shall file the IEDR Phase 2 Status and Summary Report, on or before April 1, 2026, which is approximately three months before the expected completion of Phase 2. This report shall include any information necessary to support funding and authorization for the continued future operation and maintenance of the IEDR initiative.

NYPA and LIPA

In the IEDR Whitepaper, DPS Staff anticipated participation and cooperation from NYPA and LIPA in the IEDR development and implementation process. This cooperation would create an opportunity for the various energy-related data activities under both groups' control to align with the statewide IEDR in order to maximize the data access benefits to New York State as a whole. Through the IEDR Order, the Commission recommended that NYPA and LIPA share a portion of the

⁸ See Case 16-M-0411, In the Matter of Distributed System Implementation Plans.

Phase 1 costs that NYSERDA incurred, proportionally to each of their respective electric loads for 2019, subject to approval by each entity's governing board.

The Commission continues to find that participation of NYPA and LIPA in the IEDR program will serve to maximize the benefits of the IEDR to New York State as a whole. Throughout the course of Phase 1, both entities have participated in Utility Coordination Group meetings and, given the statewide benefits of the IEDR, the Commission requests that LIPA continue to contribute and requires that NYPA customers contribute to the IEDR costs incurred by NYSERDA, based on their respective portions of total electric load for 2022, for Phase 2 of the IEDR program. To effectuate the cost recovery from NYPA customers, the electric utilities shall recover NYSERDA's IEDR Phase 2 costs from all customers, including NYPA customers that receive delivery service from the electric utility. The delivery surcharge to be used for each electric utility is shown in Appendix A and each has a distinct name, including the System Benefit Charge for NYSEG and RG&E; the Clean Energy Standard Delivery Charge for Con Edison, National Grid, and O&R; the Clean Energy Standard Surcharge for Central Hudson. The NYSERDA IEDR Phase 2 collections undertaken in accordance with this Order shall be allocated across the electric utilities and LIPA based on a Megawatt-hour load ratio share. The pro-rata share allocated to each electric utility and LIPA is shown in Appendix B.

Each electric utility shall file tariff amendments clarifying that any outstanding NYSERDA IEDR Phase 1 costs shall continue to be collected through each utility's existing Integrated Energy Data Resource collection mechanism, and that any future NYSERDA IEDR Phase 2 costs shall be collected as described above. These tariff amendments shall be filed on not

less than 30 days' notice, to become effective on a permanent basis on March 1, 2024. Since these tariff revisions are being required by the Commission per the directives in this Order, the requirements of PSL §66(12)(b) and 16 NYCRR §720-8.1 as to newspaper publication are waived.

CONCLUSION

The IEDR program exemplifies New York State's commitment to leveraging data access for driving climate initiatives. This digital platform will aggregate energy data and make it readily available to New York's stakeholders, providing critical insights for climate commitments and fostering innovation. With the launch of the Initial Public Version in March of 2023, and the imminent release of the Minimum Viable Product in the first quarter of 2024, Phase 1 has been successful in laying the groundwork for Phase 2. This next phase of the IEDR program is poised to amplify the initiative's impact by integrating significantly more use cases and incorporating additional invaluable energy data sources. By approving the above budget caps for future expenditures related to the IEDR, the Commission supports the continuation of the IEDR program and reiterates its continued commitment to realizing New York State's climate goals.

The Commission orders:

1. The Integrated Energy Data Resource (IEDR) Program Phase 2 Proposal filed on May 12, 2023, by the New York State Energy Research and Development Authority is approved, as discussed in the body of this Order.

2. The budget proposals filed on May 12, 2023, by Consolidated Edison Company of New York, Inc., Orange and Rockland Utilities, Inc., Central Hudson Gas & Electric

Corporation, Niagara Mohawk Power Corporation d/b/a National Grid jointly with The Brooklyn Union Gas Company d/b/a National Grid NY and KeySpan Gas East Corporation d/b/a National Grid, New York State Electric & Gas Corporation jointly with Rochester Gas & Electric Corporation, National Fuel Gas Corporation, and Liberty Utilities (St. Lawrence Gas) Corp. are approved, as discussed in the body of this Order.

3. Consolidated Edison Company of New York, Inc., Orange and Rockland Utilities, Inc., Central Hudson Gas & Electric Corporation, Niagara Mohawk Power Corporation d/b/a National Grid, The Brooklyn Union Gas Company d/b/a National Grid NY, KeySpan Gas East Corporation d/b/a National Grid, New York State Electric & Gas Corporation, Rochester Gas & Electric Corporation, National Fuel Gas Corporation, and Liberty Utilities (St. Lawrence Gas) Corp. are each directed to file quarterly reports and annual reports on Integrated Energy Data Resource enablement project planning, investments, and implementation as discussed in the body of this Order.

4. Central Hudson Gas & Electric Corporation, Consolidated Edison Company of New York, Inc., New York State Electric & Gas Corporation, Niagara Mohawk Power Corporation d/b/a National Grid, Orange and Rockland Utilities, Inc., and Rochester Gas & Electric Corporation shall file tariff amendments necessary to effectuate the recovery of costs associated with the Integrated Energy Data Resource Program, on not less than 30 days' notice, to become effective on a permanent basis on March 1, 2024, as discussed in the body of this Order.

5. The requirements of Public Service Law §66 (12) (b) and Title 16 of the New York Codes, Rules and Regulations §720-8.1 as to the newspaper publication of the proposed changes as directed in Ordering Clause No. 4 are waived.

6. Within 60 days of the date of issuance of this Order, the New York State Energy Research and Development Authority is directed to file an Updated Bill-As-You-Go Summary, as discussed in the body of this Order.

7. The New York State Energy Research and Development Authority shall file, as discussed in the body of this Order, an Integrated Energy Data Resource Program Phase 2 Status and Summary Report, on or before April 1, 2026.

8. The New York State Energy Research and Development Authority shall file Integrated Energy Data Resource quarterly reports, as discussed in the body of this Order.

9. 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.

10. This proceeding is continued.

By the Commission,

(SIGNED)

MICHELLE L. PHILLIPS
Secretary

NYSERDA IEDR Phase 2 Costs Recovery Mechanisms

Electric Utility	Surcharge Mechanism	Description
Central Hudson Gas & Electric Corporation	Clean Energy Standard Surcharge	To be determined at a minimum on an annual basis to be effective with the first billing batch in April. Includes a reconciliation of prior period surcharge recoveries (11 months actual, one month forecast) as applicable and an allowance for bad debts.
Consolidated Edison Company of New York, Inc.	Clean Energy Standard Delivery Surcharge	Recovery period is from 1-12 months depending on total size of the costs, and reconciliation performed to account for differences between actual costs and amounts recovered.
Niagara Mohawk Power Corporation d/b/a National Grid	Clean Energy Standard Delivery Surcharge	To be collected in either the next annual rate reconciliation or in an interim adjustment to the surcharge rate. Backstop Costs collected as part of an interim adjustment to the CESD rate may be collected over a period from one month to twelve months.
New York State Electric & Gas Corporation	System Benefit Charge	The rates can be reset for any backstop charges incurred during a recovery period.
Orange and Rockland Utilities, Inc.	Clean Energy Standard Delivery Surcharge	Recovery period is from 1-12 months depending on total size of the costs, and reconciliation performed to account for differences between actual costs and amounts recovered.
Rochester Gas and Electric Corporation	System Benefit Charge	The rates can be reset for any backstop charges incurred during a recovery period.

NYSERDA IEDR Phase 2 Cost Allocations

	2022 Annual Delivery Service Load (MWh)	MWh Load Ratio Share
Central Hudson	5,038,524	3.7%
Con Edison	53,290,877	38.6%
NYSEG	16,170,214	11.7%
National Grid	33,248,701	24.1%
O&R	4,211,186	3.1%
RG&E	7,271,949	5.3%
LIPA	18,743,000	13.6%
Total	137,974,451	100.0%