



May 4, 2026

Submitted Electronically

TO: Hon. Michelle L. Phillips, Secretary
New York State Public Service Commission
Empire State Plaza, Agency Building 3
Albany, New York 12223-1350

RE: Case 25-E-0764: Proceeding on Motion of the Commission to Address New York City Reliability Needs

Case 24-E-0621: In the Matter of Modifications to the New York State Standardized Interconnection Requirements and Application Process for New Distributed Generators and/or Energy Storage Systems 5 MW or Less Connected in Parallel with Utility Distribution Systems

Case 18-E-0130: In the Matter of Energy Storage Deployment Program

Dear Secretary Phillips,

Solar Energy Industries Association (SEIA) and the Coalition for Community Solar Access (CCSA), (collectively referred to as “we”), submit these comments in support of the New York Battery and Energy Storage Technology Consortium (NY-BEST) January 13, 2026 petition calling for immediate relief and interconnection reform in Con Edison’s service territory. We urge the Commission to act expeditiously to reverse Con Edison’s unilateral changes to the energy storage interconnection process, which are causing serious and ongoing harm to New York City’s clean energy future.

About Commenting Parties

SEIA is the national trade association for the solar and storage industry, leading the transformation to a clean energy economy. SEIA works with its 1,200+ member companies and other strategic partners to fight for policies that create jobs in every community and shape fair market rules that promote competition and the growth of flexible, reliable, low-cost solar power and storage. CCSA is a national coalition of businesses and non-profits working to expand customer choice and access to solar to all American households and businesses through distributed energy resources. Together, we are building the electric grid of the future where every customer has the freedom to support the generation of clean, local energy to power their lives.



Both of our organizations include member companies who develop, own and/or operate energy storage in Con Edison's service territory.

Background

Starting in August 2025, Con Edison revised its methodology for evaluating battery energy storage system (BESS) interconnection applications without obtaining Commission approval or seeking stakeholder input. The revised approach, known as the "Two-Part Test," introduces a 70% substation capacity threshold that makes most new storage projects economically infeasible across much of New York City.

New York City Needs BESS for Affordability and Reliability

New York City is at a pivotal moment in shaping its energy future. The electric grid is confronting increasing reliability challenges, rising costs for consumers, and an urgent need to phase out fossil fuel peaker plants that disproportionately burden low-income communities. BESS is a key solution needed to address these issues: it strengthens grid reliability, reduces costs for ratepayers, and replaces polluting generation.

NYSERDA's 2024 Energy Storage Roadmap identified a need for at least 2,000 MW of storage in New York City's Zone J by 2030, increasing to 4,600 MW by 2035¹. Hundreds of megawatts of that storage are already in development. However, Con Edison's unilateral move to restrict storage interconnection directly threatens to derail that progress when New York City can least afford it. Already, hundreds of megawatts of otherwise viable projects have been cancelled or are at risk of being cancelled due to Con Edison's revised study methodology.²

The urgency of this buildout cannot be overstated; energy storage supports affordability in several key ways. Con Edison recently identified the reliability needs for New York City, and a study done by PowerGEM in March 2026 found that energy storage can meet these needs while saving ratepayers money and reducing emissions at the same time.³ Notably, the costs of new gas turbines have risen dramatically, with a recent analysis by Wood Mackenzie estimating costs at \$600/kW.⁴ Combined with the skyrocketing and unpredictable prices of natural gas and oil, repowered fossil fuel plants are not a viable, affordable reliability solution.

¹ Case 18-E-0130. New York State Department of Public Service and the New York Energy Research and Development Authority, *New York's 6 GW Energy Storage Roadmap: Policy Options for Continued Growth in Energy Storage*, filed March 15, 2024, "Figure 22. Storage Build by Location," p. 74.

² New York Battery and Energy Storage Technology Consortium (NY-BEST), *Survey of Seven Active Clean Energy Developers in New York City*, February 20, 2026.

³ PowerGEM. Ability of Energy Storage to Address Transmission Reliability Needs in New York City. Filed in Case 25-E-0764, March 26, 2026.

⁴ Wood Mackenzie. April 1, 2026. Gas turbine prices soar 195% as market faces supply-demand crisis. Available <https://www.woodmac.com/press-releases/gas-turbine-prices-soar-195-as-market-faces-supply-demand-crisis/>

Moreover, energy storage can defer or eliminate the need for costly distribution infrastructure upgrades. For instance, in its 2025 rate case, Con Edison sought approval for 3 GW of new substation capacity to meet projected load growth of just 590 MW through 2034, more than five times the expected demand increase, at an annual cost to ratepayers exceeding \$1 billion once completed. By contrast, BESS can be deployed more quickly, scaled precisely to need, and delivered at significantly lower cost. Analysis of the Corona No. 1 substation upgrade alone found that a storage-based alternative could save ratepayers roughly \$1.95 billion over ten years.⁵

Energy storage is also a critical part of New York’s clean energy equity framework. In DPS Staff’s Proposal on a Statewide Solar for All (SSFA) program, DPS Staff recognized that solar development is constrained in the urban Con Edison territory due to the lack of large enough sites.⁶ Energy storage, however, is more suitable for development in the area, and therefore, the Commission recognized this rationale in allowing distributed energy storage to participate in SSFA in its January 2022 Order Approving Statewide Solar for All Program with Modifications.⁷ Thus, storage development in Con Edison is a key method to produce bill credits accruing to low-income customers participating in energy assistance programs, and without BESS, a large population of customers struggling with rising energy costs will be left underserved through that program.

Con Edison has not Sufficiently Demonstrated the Need for or the Appropriateness of its Revised Study Methodologies

Nine months ago, Con Edison abruptly and unilaterally changed its approach to studying impacts of interconnecting BESS, citing a rapid growth of energy storage in the interconnection queue. However, the “Two Part Test” it adopted is not a solution for how to safely and reliably connect the growing amount of storage in the queue, but rather applies such stringent criteria as to render most BESS applications unviable.

The Two Part Test applies different standards to BESS than other types of load, including the 70% substation capacity limit that is now applied to energy storage, but has not been updated from Con Edison’s standard 85% limit for other load applications. Con Edison has failed to explain why this differential treatment is appropriate.

⁵ Case 15-E-0751 and Case 19-E-028. NineDot Energy, *Reply Comments on DPS Staff Proposal on Updating DRV and LSRV for VDER Compensation*, filed April 6, 2026, p. 15.

⁶ Case 19-E-0735. *Petition of New York State Energy Research and Development Authority Requesting Additional NY-Sun Program Funding and Extension of Program Through 2025*. DPS Staff Proposal on a Statewide Solar for All Program. May 19, 2023.

⁷ Case 19-E-0735. *Petition of New York State Energy Research and Development Authority Requesting Additional NY-Sun Program Funding and Extension of Program Through 2025*. Order Approving Statewide Solar for All Program with Modifications. May 16, 2024.



Con Edison also assumes illogical and unnecessary charging patterns for BESS – that all resources will charge simultaneously in the same overnight charging windows. Not only would such a pattern be inconsistent with economic signals and typical storage operations, it is easily managed through the setting of asset-specific charging windows that can be determined by the utility. This charging assumption is evidence of the lack of collaboration from Con Edison with the industry, who remains willing and able to work through alternative solutions.

Con Edison has also not sufficiently explained how upgrades identified through the Two Part Test are driven by interconnecting BESS, while it has requested approval for other similar substation expansions to accommodate load growth through its rate case. We urge the Commission to require Con Edison to fully explain why energy storage is not a viable solution instead of any of the utility requested upgrades, and what would be necessary to utilize private assets to defer any of the ratepayer funded investment.

Finally, SEIA and CCSA take strong offense to Con Edison's accusation that storage developers aim to place unnecessary costs on the backs of ratepayers. Clean energy developers have long accepted the responsibility to pay the costs that are necessary to safely connect their projects to the grid, and in turn, simply ask that those costs be fair, documented, and necessary. Our members objection to Con Edison's new study methodology and filings in this case is driven by the lack of such fairness and evidence of necessity. We do not expect the Commission would allow such unjustified and potentially imprudent costs to be recovered by ratepayers; and we ask for the same level of scrutiny when such costs are borne by private capital.

The Commission Should Move Expediently to Allow Storage to Move Forward

SEIA and CCSA are strongly aligned with NY-BEST, and echo the recommendations put forward in their January 13, 2026 filing and May 4, 2026 comments:

1. The Commission should immediately direct Con Edison to revert to its pre-August 2025 CESIR interconnection methodology, eliminating the arbitrary 70% substation capacity threshold and restoring the prior approach for all pending and affected interconnection applications.
2. The Commission should direct Con Edison to allow curved charging profiles and wider charging windows as interim measures, and to work collaboratively with storage developers to evaluate alternatives to the Two-Part Test that reflect realistic operating assumptions.
3. The Commission should initiate a 6 to 12 month stakeholder reform process through the Interconnection Technical Working Group to update interconnection and market rules so that energy storage is treated as the flexible, controllable, and dispatchable reliability resource it is.



4. The Commission should reform utility incentive structures to align Con Edison's financial interests with cost-effective outcomes for ratepayers, consistent with the Brattle Group's March 2026 recommendations.

Energy storage is essential to New York's clean energy future – across the state and especially in the downstate region. Our ability to deploy solar energy efficiently and cost-effectively relies in large part on our ability to also deploy assets to store that energy and optimize its value by making it available in the most needed times and locations. The New York City area in Con Edison's service territory is a prime example of how storage is a beautiful complement to renewable generation, deploying carbon free energy when and where solar or wind cannot. We strongly urge the Commission to implement our recommendations to enable energy storage to reduce costs and improve electric service to all Con Edison customers.

Respectfully submitted,

/s/Ruthie DeWit

Director, State Affairs, Northeast Region
Solar Energy Industries Association

/s/Kate Daniel

Northeast Regional Director
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