STATE OF STORAGE IN NEW YORK

ANNUAL ENERGY STORAGE DEPLOYMENT REPORT
PURSUANT TO PUBLIC SERVICE LAW §74

April 15, 2025

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EXECUTIVE SUMMARY

Enacted in 2018, Public Service Law (PSL) §74 directed the Public Service Commission (Commission) to establish a statewide energy storage goal and programs that will enable the State to meet such target by 2030. As part of the 2018 Energy Storage Order, the Commission established a statewide energy storage goal of 3,000 megawatts (MW) of qualified energy storage systems by 2030, with an interim objective of deploying 1,500 MW of energy storage by 2025.[1] The Commission also adopted a suite of energy storage deployment policies and initiatives to achieve these goals including the Market Acceleration Bridge Incentive (Bridge Incentive) program administered by the New York State Energy Research and Development Authority (NYSERDA).

In addition to the requirement to establish an energy storage goal and policies, PSL §74(4) requires annual reports on the achievements and effectiveness of the Commission's energy storage deployment policy be submitted to the Governor, the Temporary President of the Senate, and the Speaker of the Assembly. In the 2018 Energy Storage Order, the Commission directed the Department of Public Service Staff (DPS Staff) to file the first "State of Storage" annual report by April 1, 2020, for calendar year 2019, and by April 1 of each year thereafter.

In line with Governor Hochul's announcement in the 2022 State of the State address, DPS Staff and NYSERDA proposed to adopt a 6 GW energy storage deployment goal by 2030 in the Roadmap.[2] The Roadmap proposed an expanded target of 6 gigawatts (GW) of energy storage by 2030. The energy storage programs proposed in the Roadmap built upon the programs approved by the Commission in the 2018 Energy Storage Order. On June 20, 2024 the Commission approved the Roadmap and adopted a deployment target of 6 GW of energy storage statewide by 2030. Subsequently, the Commission approved NYSERDA's Retail and Residential Storage Implementation Plan and its Bulk Storage Implementation Plan on February 14, 2025 and March 20, 2025, respectively. The Commission's energy storage deployment policy has effectively strengthened the market for developing and installing qualified energy storage systems in the State

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

2 Case 18-E-0130, New York's 6 GW Energy Storage Roadmap: Policy Options for Continued Growth in Energy Storage (filed December 28, 2022) (Roadmap).

of New York. The total amount of energy storage projects in New York State at the end of March 2025 equaled 1,403.2 MW in capacity, consisting of 509.2 MW of deployed and 893.3 MW awarded/contracted projects. This represents approximately 93.5 percent of the 2025 target of 1,500 MW and 23.2 percent of the 2030 target of 6,000 MW. As of December 2024, the average total installed costs for front-of-the-meter retail standalone energy storage projects, receiving NYSERDA incentives through money allocated in the 2018 Energy Storage Order and Clean Energy Fund, averaged $645 per kWh. For bulk energy storage projects (i.e., those greater than 5 MW in size) that received an incentive and will provide wholesale market services, the total average installed costs was $524 per kWh. The total average installed costs for standalone storage customer-sited projects configured behind the customer's utility meter and used for peak load reduction was $1,198 per kWh. Cost increases were driven by supply chain issues, along with material price increases and increased competition for battery cells across the economy; cost issues have continued to be a barrier to the expeditious build out of energy storage in New York State.

DPS Staff submits this 2025 State of Storage report in compliance with PSL §74 and the directives of the Commission. At this time, DPS Staff recommends no additional corrective actions to the Commission's energy storage deployment policy.

INTRODUCTION

In response to the enactment of PSL §74, which directs the Commission to establish a statewide energy storage target for 2030 and programs to support that goal, the Commission issued the 2018 Energy Storage Order, which established a statewide energy storage goal of installing up to 3,000 MW of qualified energy storage systems by 2030, with an interim objective of deploying 1,500 MW by 2025.[3] Through the 2018 Energy Storage Order, the Commission also adopted a suite of energy storage deployment policies and actions intended to achieve both the interim and ultimate goals.

The Climate Leadership and Community Protection Act (CLCPA) requires, among other things, that at least 70 percent of New York's electricity come from renewable energy sources by 2030 and 100 percent zero emissions by 2040; the CLCPA further requires an economy-wide GHG emissions reduction target of 85 percent by 2050 compared to 1990 levels.[4] The CLCPA codified the Commission's goal, established in the 2018 Energy Storage Order, of deploying 3,000 MW of energy storage by 2030.[5] Energy storage is a critical component in enabling renewable energy to be deployed in sufficient quantities to satisfy these targets and may contribute to avoiding or deferring costs associated with electric transmission, distribution, or generation needs.

In line with Governor Hochul's announcement in the 2022 State of the State address, DPS Staff and NYSERDA proposed to adopt a 6 GW energy storage deployment goal by 2030 in the Roadmap. The Roadmap, including the new procurement mechanisms, market reforms, and development opportunities described therein, was adopted by the Commission on June 20, 2024. Subsequently, the Commission has issued Orders approving NYSERDA's implementation plans for both the retail and residential, and bulk energy storage programs.[6]

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[3] The energy storage targets are in addition to 1,400 MW of traditional pumped hydroelectric storage that are already deployed.

[4] See, Chapter 106 of the Laws of 2019. The text of the CLCPA is available at: https://legislation.nysenate.gov/pdf/bills/2019/S6599.

[5] The CLCPA also requires a minimum percentage of storage projects be deployed: (1) in disadvantaged communities; and (2) to reduce the usage of combustion-powered peaking facilities in those communities.

[6] Case 18-E-0130, Order Approving Implementation Plan with Modifications (issued February 14, 2025); Order Approving Bul Implementation Plan with Modifications (issued March 21, 2025).

As part of the 2018 Energy Storage Order, and in compliance with PSL §74, the Commission directed Department of Public Service Staff to file an annual State of Storage report to include: (1) progress towards achieving the energy storage targets, total MW deployed, locations of installations, projects in the queue, solutions deployed and the range of common use cases; (2) impediments and proposed solutions to these impediments that may slow deployment, including corrective paths for reallocating bridge incentive funds, and other measures as needed; (3) the status of and recommended adjustments to the utility procurement process, wholesale market design changes, utility rate design actions, data platform development, retail and wholesale market coordination, and any other relevant issues; and (4) average total installed cost of energy storage systems and major progress during the year in reducing soft costs.[7] Beginning in 2020, Staff has conducted an annual and triennial review of the progress towards achieving the energy storage deployment goals and the effectiveness of the deployment policies and actions in meeting those goals.

ENERGY STORAGE DEPLOYMENT PROGRESS

The portfolio of programs and actions approved by the Commission in the 2018 Energy Storage Order have effectively nurtured and expanded New York's energy storage market since its issuance. Total deployed and awarded/contracted systems as of March 31, 2025, represent approximately 93.5 percent of the 2025 target of 1,500 MW. The breakdown of these figures is described in Table 1, below.

[7] 2018 Energy Storage Order, p. 107.

Table 1: Total Energy Storage Deployed, Contracted, and Awarded in New York (MW)

Market Segment	**MW Installed**	**MW Contracted/Awarded**
Bulk	80.0	326.5
Retail	297.4	271.9
Residential	51.9	0.9
Utility Bulk Energy Storage Dispatch Rights	0.0	165
LIPA Bulk Energy Storage RFP	0.0	129
Utility Demonstration and NWA Projects	50.4	30.2
Total Awarded, Contracted, and Installed	**1,403.2**	
% of 2025 Target	**93.5%**	
% of 2030 Target	**23.3%**	

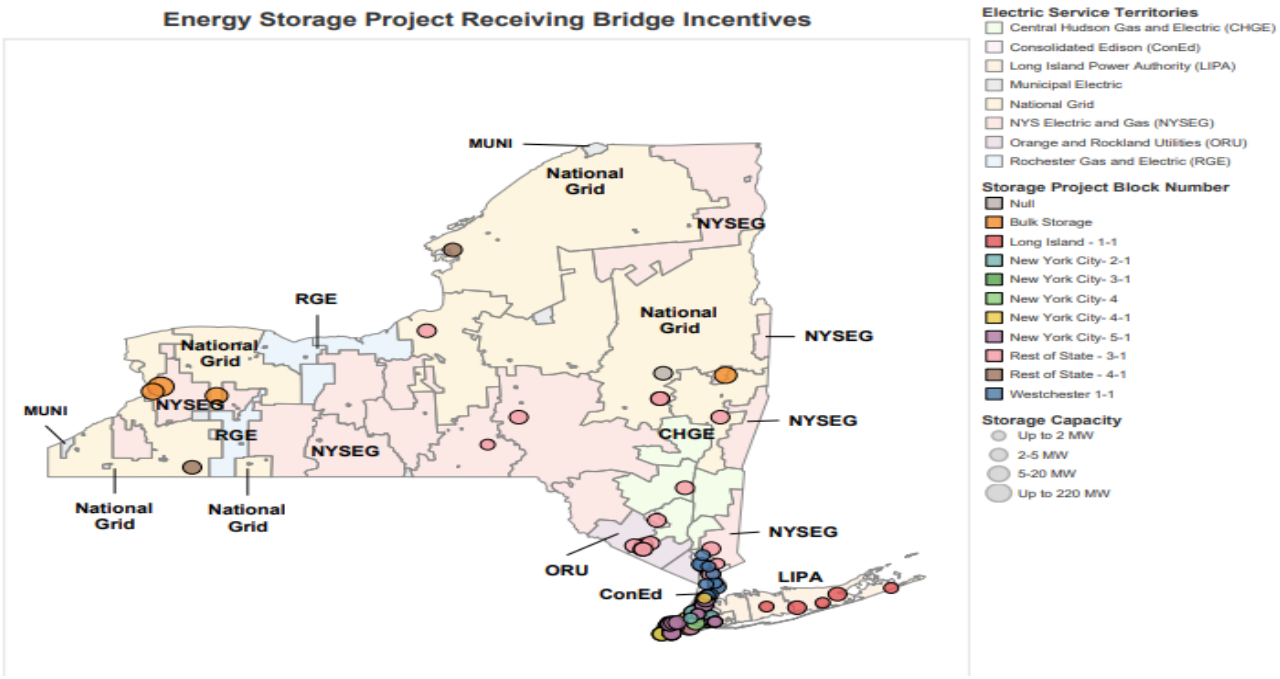
The Bridge Incentive, developed by NYSERDA as directed in the 2018 Energy Storage Order,[8] offers financial incentives that cover a portion of the cost to install energy storage systems for three categories of projects: (1) bulk energy storage projects larger than 5 MW providing wholesale services, listed as "Bulk" in Table 1;[9] (2) commercial retail energy storage systems up to 5 MW, listed as " Retail" in Table 1;[10] and (3) single-family residential energy storage systems installed with solar PV. The locations of both Bulk and Commercial Retail projects awarded as part of NYSERDA'S Bridge Incentive program are illustrated in Figure 1 below.

[8] 2018 Energy Storage Order, p. 62.

[9] Bulk projects are those interconnected with the transmission system through the NYISO Open Access Transmission Tariff.

[10] Retail projects are those interconnected with the distribution system through the New York State Standardized Interconnection Process.

Figure 1: Energy Storage Projects receiving Bridge Incentives



Source: NYSERDA

Progress in Reducing Installed Costs, including Soft Costs

The Commission recognized cost challenges in the 2018 Energy Storage Order and approved initiatives to address cost issues, including utility procurements and upfront incentives that can help achieve economies of scale and long-term revenue certainty, and efforts to reduce soft costs and other non-hardware costs that can hamper deployment by reducing the attractiveness of the investment's business case.

The average total installed costs for Commercial Retail and Bulk projects that were awarded Bridge Incentives, mainly energy storage paired with a Community Distributed Generation-eligible solar PV system, are detailed in Table 2, below.[11]

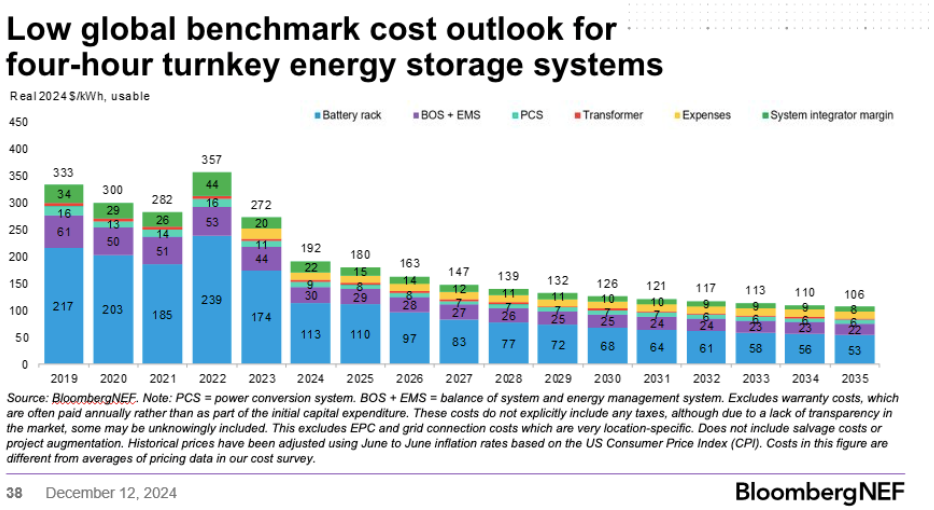
[11] Cost data provided by NYSERDA.

Table 2: Average Cost Per kWh of Projects with Bridge Incentive

	Number of Projects	Total Cost	Total kWh	Average Cost per kWh
Retail Storage Projects Paired with Solar (Behind-the-meter)	5	$3,613,502	4,317	$837
Retail Storage Projects Paired with Solar (Front-of-the-meter)	60	$251,112,771	542,123	$463
Retail Standalone Storage Projects (Behind-the-meter)	1	$2,995,881	2,500	$1,198
Retail Standalone Storage Projects (Front-of-the-meter)	53	$504,176,919	781,071	$645
Bulk Storage Projects	7	$410,510,000	783,400	$524

The installed costs for these types of projects are expected to decrease to $126 per-kWh by 2030, according to BloombergNEF, as shown in Figure 2, below.

Figure 2: Installed Cost for a Four-Hour AC Energy Storage System.[12]



[12] The costs are for an existing site and do not include land costs or interconnection costs.

Soft costs associated with engineering and construction, customer acquisition, siting and permitting, interconnection, and the higher cost of capital due to uncertain revenue streams are largely driven by factors that can be directly impacted by State efforts.

SPECIFIC ENERGY STORAGE POLICIES

In the 2018 Energy Storage Order, the Commission directed the annual State of Storage report to include the status of and recommended adjustments to: (1) the utility procurement process; (2) wholesale market design changes; (3) utility rate design actions; (4) data platform development; (5) retail and wholesale market coordination; and (6) other relevant issues. The Commission also directed DPS Staff to evaluate impediments and proposed solutions that may affect deployment of energy storage in the state, and any needed adjustments to the Bridge Incentive.[13]

Utility Procurement Process

The Joint Utilities have been, and continue to be, an integral part of the progress towards achieving the energy storage goals.[14] The 2024 Energy Storage Order continued the directive, originally established in the 2018 Energy Storage Order, for the Joint Utilities to hold competitive procurements for energy storage dispatch rights in order to provide utility grid operators and system planners real-world experience using qualified energy storage systems to meet system needs.[15] The Commission directed each utility to procure a minimum amount of storage to be operational by December 31, 2022, with Con Edison required to procure at least 300 MW and each of the other members of the Joint Utilities are required to procure at least 10 MW each, provided that bids do not exceed a utility-specific defined ceiling.[16] NYSERDA's Bridge Incentive provides partial funding for these projects, if necessary, at or below the current rate of NYSERDA's incentives for bulk projects. As of the date of this report, Con Edison has

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[13] 2018 Energy Storage Order, p. 107.

[14] The New York State investor-owned utilities consist of: Central Hudson Gas & Electric Corporation (Central Hudson), Consolidated Edison Company of New York, Inc. (Con Edison), Niagara Mohawk Power corporation d/b/a National Grid; New York State Electric & Gas Corporation (NYSEG), Orange and Rockland Utilities, Inc., (O&R), and Rochester Gas and Electric Corporation (RG&E) (collectively, the Joint Utilities).

[15] 2024 Energy Storage Order, p. 38.

[16] 2018 Energy Storage Order, pp. 113-114.

contracted 165 MWs through the utility procurement process while the other members of the Joint Utilities have yet to enter into contracts for utility dispatch rights. L IPA intends to meet its share of the State's energy storage deployment goals through a combination of existing energy storage contracts, a bulk energy storage solicitation for at least 175 MW that was issued in 2021, and distribution-level storage projects proposed in LIPA's Utility 2.0 Long Range Plan. At this time, LIPA has contracted for 129 MWs of bulk energy storage resources.

Wholesale Market Design Changes

It continues to be true that the wholesale markets have come a long way in developing rules and participation models that enable the use of bulk energy storage systems. For example, barriers like buyer-side mitigation and limited participation models have been removed. However, as New York progresses toward its goal of developing 6 GW of energy storage by 2030, the wholesale markets will continue to play an important role in enabling the development of energy storage. It is vital that the markets make use of the capabilities of energy storage while also accurately compensating these units for the energy and services they provide to the grid.

Opportunities still exist to expand and refine participation models for energy storage. The most significant market change has been the development, approval, and implementation of the new capacity accreditation model.[17] Under this model, resources are placed into Capacity Accreditation Resource Classes (CARCs) that group similar resources based on their capabilities. Energy storage resources, for example, will be placed in a CARC based on their duration limitation (e.g., 2-, 4-, 6-, or 8-hours). Each CARC will then receive a Capacity Accreditation Factor (CAF) for each capacity zone based on the marginal value of a new resource being added from that class. This new accreditation model became effective starting at the beginning of the summer capability period on May 1, 2024. The NYISO has published the final accreditation values applicable to these resources.[18] This model will more accurately reflect the value that energy storage provides to resource adequacy. As penetration levels shift, so too will the accreditation values for each duration limitation.

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[17] Docket No. ER22-722-001, *New York Independent System Operator, Inc.*, 179 FERC ¶ 61, 102 (2022).

[18] New York Independent System Operator, Final Capacity Accreditation Factors for the 2024/2025 Capability Year, available at: https://www.nyiso.com/documents/20142/41593818/Final-CAFs-for-the-2024-2025-capability-year.pdf/3efc1e06-c1b0-72d6-f736-22721709c157.

The NYISO has also made significant progress toward implementation of its Distributed Energy Resource (DER) Aggregation Model. In September 2020, FERC issued Order 2222 which requires Independent System Operators (ISO) to expand eligibility and improve participation rules for DER.[19] The NYISO officially launched its DER Aggregation Model in April 2024, allowing for DER resources over 10 kW to provide energy, capacity, and ancillary services in the wholesale markets.

There still exist further opportunities for the wholesale markets to better accommodate and make use of energy storage resources. One method for wholesale market participation of energy storage is to implement a participation model for storage to act as a transmission asset. According to the Roadmap, storage integrated with the transmission system can help increase energy transmission, inject, or absorb power to increase line efficiency, and also stabilize power flows, reducing the costs and burden of system operator actions. These use cases also have the potential to decrease costs by replacing or deferring the need for transmission upgrades. The NYISO put forth its Market Design Concept Proposal for storage as transmission in 2024. The proposal would allow for the NYISO to utilize energy storage resources exclusively as a regulated transmission asset. Further details are yet to be worked out, with tariff development forthcoming.

The NYISO implemented a Cluster Study process in August 2024 to help expedite the interconnection of new resources, including energy storage, consistent with FERC Order 2023.[20] This two-phase cluster process allows for the study of large groups of projects concurrently rather than study them individually. An optional pre-application process allows developers to engage with the NYISO and connecting transmission owner before formally entering the queue. A feasibility screen indicates early on whether there are issues that would prevent a project from interconnecting at the proposed location. There are several decision periods in the Cluster Study where projects must elect to make commercial readiness deposits and are subject to withdrawal penalties to help incent mature projects to stay in the study and uncertain projects to drop out.

Retail and Wholesale Market Coordination

On April 18, 2024, the Commission instituted its Grid of the Future proceeding to establish a comprehensive strategy for developing and implementing a more reliable, affordable,

[19] Docket No. RM18-9-000, Order No. 2222, 172 FERC ¶ 61,247 (2020).

[20] Docket No. RM22-14-000, Order No. 2023, 184 FERC ¶ 61,054 (2023).

and decarbonized grid in New York State.[21] The objective of the Grid of the Future proceeding is to unlock innovation and investments that will enable flexible grid resources – such as stationary batteries and EVs - to serve as effective means for achieving the State's clean energy goals at a manageable cost and at the highest levels of reliability.

The work supporting the Grid of the Future proceeding is organized into four phases which all account for the various ways that energy storage can be used for achieving the flexibility needed at all grid levels:

Phase One produced the NYS Grid Flexibility Potential Study which applied advanced modelling techniques and expert analyses to 1) develop supportable assumptions regarding the growth and evolution of potential sources of grid flexibility services; 2) identify barriers to grid flexibility; 3) develop preliminary options for addressing the barriers identified; and 4) estimate the amount of flexibility that could be achieved cost-effectively in 2030 and 2040.[22]

Phase Two produced the first iteration of the Grid of the Future Plan that 1) assesses in-depth the Joint Utilities' 2023 Distributed System Implementation Plan (DSIP) updates in the context of Staff's 2023 DSIP guidance; 2) identifies and prioritizes key elements that should be included in future DSIP updates; 3) assesses in-depth the utilities' 2023 DSIP updates in the context of the key elements identified for future DSIP updates; and 4) recommends additions and changes to the guidance issued for future DSIP updates.[23]

Phase Three of the work supporting the Grid of the Future proceeding is currently underway. The goal of Phase Three is to develop a comprehensive NYS Grid of the Future plan that provides a detailed roadmap for timely supporting the State's evolving grid needs by concurrently evolving and integrating the grid's physical, digital, and commercial components. In addition, Phase Three will establish a sustainable framework for timely reviewing and updating the plan as grid needs and the grid evolve.

Phase Four is focused on identifying, comprehensively demonstrating, and evaluating two or three possible grid architectures that could cost-effectively serve the State's evolving grid needs. The scale and complexity of the demonstrations will be great enough to produce

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[21] Case 24-E-0165, Proceeding on Motion of the Commission Regarding the Grid of the Future, Order Instituting Proceeding, (issued April 18, 2024).

[22] Case 24-E-0364, Grid Flexibility Potential Study Volumes I and II (filed January 31, 2025); Grid Flexibility Potential Study Volume III (filed March 31, 2025).

[23] Case 24-E-0364, Grid of the Future Plan – First Iteration (filed March 31, 2025).

meaningful results that can materially inform important design and investment decisions related to the grid's physical, digital, and commercial components. Phase Four is expected to occur over a period of four years.

Utility Rate Design Actions

Incentivizing energy storage deployment at the distribution level is highly contingent on the level of compensation and grid charges that a project would be subject to under existing utility tariffs. Larger projects can either be compensated through utility rates that are linked to avoided wholesale costs or sell directly into the NYISO markets. Due to various exemptions that have been applied over the years, most renewable energy applications like solar PV with co-located energy storage have generally not been required to pay certain charges designed to compensate the utility for grid availability, known as Standby Rates, although stand-alone energy storage systems do not qualify for these exemptions.

During 2024, Central Hudson filed proposed Wholesale Distribution Service (WDS) rates with FERC to establish a rate schedule applicable to customers that sell directly into the NYISO markets but are electrically connected to Central Hudson's Transmission and Distribution grid.[24] Although Central Hudson's WDS rate filing is still under consideration at FERC, similar filings by other New York distribution utilities are anticipated in the near future to establish WDS service in their respective service territories.

In the 2018 Energy Storage Order, the Commission directed the Joint Utilities to hold competitive procurements for dynamic load management (DLM) resources for a minimum three-year term for the 2020 Summer capability period and thereafter, referred to as the "Term-DLM" program. Within this procurement, the Commission also directed the Joint Utilities to establish a premium "Auto-DLM" resource category that requires higher performance factors than is currently required. Term- and Auto-DLM resources, including energy storage, can provide grid relief services to utilities in these programs, avoiding the need to deploy more equipment to serve peak loads. The Term-DLM and Auto-DLM programs have provided more revenue certainty for energy storage and other resources that participate and provide the utilities with greater confidence that these contracted load relief solutions will be available when needed.

In 2024, 118.0 MW of load relief was enrolled in the Term-DLM Program and 11.5 MW of load relief was enrolled in the Auto-DLM Program, both representing modest increases in

[24] Docket No. ER24-1434, *Central Hudson Gas & Electric*, Tariff Filing (March 8, 2024).

enrollment from the prior year.[25] While the amount of load relief enrolled in the Term- and Auto-DLM Programs are not insignificant, all Auto-DLM Program resources are located in the Con Edison service territory, and a significant majority of the Term-DLM Program resources are located in the Con Edison service territory, with the remainder located in the National Grid service territory. Although Central Hudson, NYSEG, O&R, and RG&E have not been able to procure any Term- or Auto-DLM resources in their respective service territories to date, the Commission recently allowed those utilities to implement an updated procurement methodology, which is expected to result in greater program participation through current and future procurements.[26] These alternate procurement methodologies now available within the Central Hudson, National Grid, NYSEG, O&R, and RG&E are anticipated to improve the procurement processes at those utilities, while continuing to build on successful procurements at Con Edison.

Regarding other compensation strategies, as part of the ongoing effort in the previously referenced Grid of the Future Proceeding, DPS staff will file a proposal including, among other things: clear resource deployment goals; and consideration of whether to modify existing compensation structures, or implement new compensation structures to encourage best use of flexible resources by customers.

Data Platform Development

On May 29, 2020, DPS Staff filed the IEDR Whitepaper, which described the current state of access to energy-related data for New York State and recommended an approach for the creation of an IEDR that would provide a platform for access to customer and system data.[27] The IEDR Whitepaper also included an analysis of energy data initiatives in other jurisdictions and specific recommendations for stakeholder engagement, data resource design, data resource use cases, implementation, and operation. In February 2021, the Commission issued an Order requiring the implementation of an IEDR, which is intended to provide New York's energy stakeholders with a platform that enables effective access and use of integrated energy customer

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[25] Annual Demand Response Reports for each of the Joint Utilities are available in Docket 18-E-0130.

[26] Case 18-E-0130, Order Approving Modifications to Dynamic Load Management Program Procurements (issued November 19, 2024).

[27] Case 20-M-0082, Proceeding on Motion of the Commission Regarding Strategic Use of Energy Related Data, Department of Public Service Staff Whitepaper Recommendation to Implement an Integrated Energy Data Resource (IEDR) (filed May 29, 2020) (IEDR Whitepaper).

and system data.[28] This resource will help attract investment, enable energy analytics, help identify operational efficiencies, promote innovation, encourage new business models, and create value for customers and the state's energy system. In addition, the inclusion of analytic tools that would enable DER providers, utilities, government agencies, and others to develop valuable technical and business insights more readily will, in turn, lead to faster and better policy, investment, and operational decisions that will accelerate realization of New York State's clean energy goals.

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. 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 and featured three use cases: installed DERs, planned DERs, and consolidated hosting capacity maps.

On January 19, 2024, the Commission issued an Order Approving IEDR Phase 2 Budgets, which adopted budget estimates by the Joint Utilities and NYSERDA in Phase 2 and addressed the associated recovery from ratepayers.[29] A Minimum Viable Product was completed in the first quarter of 2024 (marking the end of IEDR Phase 1) comprising use cases related to DER siting, enhanced hosting capacity/DER maps, customer billing data, and rates and tariffs. This initiative should further advance the deployment of energy storage in New York by providing developers with valuable technical and business insights to enable faster and better investment decisions.

Other Relevant Issues

DPS Staff and NYSERDA continually monitor market developments and deployment progress to ensure that the Bridge Incentive and other policies are fulfilling their purpose and will report findings and any recommendations in future annual and triennial reports.

A series of fires at three different lithium-ion energy storage facilities in Jefferson, Orange, and Suffolk counties in May and June 2023 prompted Governor Hochul to convene the Inter-Agency Fire Safety Working Group in July 2023.[30] This working group is tasked with

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

[29] Case 20-M-0082, Order Approving Integrated Energy Data Resource Phase 2 Budgets (issued January 19, 2024).

[30] NYSERDA, New York's Inter-Agency Fire Safety Working Group,

conducting a full review of New York's codes, standards, and regulations that pertain to energy storage, conducting field assessments of in-service commercial energy storage projects and revising NYSERDA's inspection checklist with lessons learned, and creating a final report that summarizes all the findings and recommendations of the Working Group. The working group submitted draft code language in July 2024 to the New York Fire Code with recommendations to improve fire safety measures related to battery energy storage systems. As of the date of this report, the draft recommendations are open for public comment and subsequent consideration by the Code Council.

By the 2018 Energy Storage Order, the Commission required NYSERDA to "facilitate an industry partnership to develop an inventory of workforce development needs and a blueprint for addressing potential skilled talent shortages."[31] NYSERDA will continue to engage with stakeholders to access skills gaps and training needs over time; facilitate partnerships between training providers and businesses throughout the supply chain, including manufacturers; continue to promote relevant funding opportunities; and assess gaps that may require new funding opportunities.

The 2024 Energy Storage Order also directed the Joint Utilities to submit a study of the non-market transmission and distribution services that utility-owned energy storage projects can provide. The study examined how the utilities' system planning and operating procedures could be modified to include energy storage as a tool for use on the Joint Utilities' distribution systems. The Joint Utilities submitted the study on October 29, 2024 and comments were received on February 24, 2025; Staff anticipates future Commission action.

CONCLUSION

The portfolio of programs and actions approved by the Commission in both the 2018 and 2024 Energy Storage Orders, pursuant to PSL §74, have been effective in building the foundations of a competitive market for qualified energy storage systems in New York. Total deployed and awarded/contracted projects at the end of December 2024 total 1,403.2 MW in capacity, or about 93.5 percent of the 2025 target of 1,500 MW and 23.2 percent of the 2030 target of 6,000 MW. The next review of the energy storage program is scheduled to occur in

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https://www.nyserda.ny.gov/All-Programs/Energy-Storage-Program/New-York-Inter-Agency-Fire-Safety-Working-Group.

[31] 2018 Energy Storage Order, p. 80.

2026 and will present an opportunity to revisit policy issues and assess progress towards the goals of PSL §74.