Introduction

These questions have been provided by existing and potential Term- or Auto-DLM Participants as part of Con Edison's November 15th stakeholders' session or by email. The questions are listed anonymously and answered publicly. All capitalized terms have been defined as part of the RFP or the Con Edison Electric Tariff, primarily in Rider AC.

Program

1. **Are call windows the same as CSRP? If not, during which hours can the call windows fall for each network?**

Term-DLM Customers are assigned to a four-hour Call Window based on their Network. Call Windows used in Term-DLM are the same as those for CSRP Customers and are found here. Auto-DLM Customers are also assigned Call Windows because they can be called as part of Term-DLM Events. These Call Windows are revised and posted each December and can change from year to year within the term of an Applicant's contract.

2. **The RFP mentions that for the Auto DLM program, events can be called in specific networks, feeders, or geographical areas. This activation condition is not specified in the Term-DLM description. Are these activation conditions not applicable to Term-DLM?**

Con Edison can choose to call Term-DLM resources when the Company's day-ahead peak electric load is expected to be at least 88 percent of the forecasted summer system peak and will always call when above 92 percent of the forecasted summer system peak. The Company will activate the Term-DLM program by providing a minimum 21 hours notice prior to the start of an Event.

3. **From a systems perspective is there anything Con Edison can do to get event performance calculated and released closer to the event dates?**

Auto- and Term-DLM performance and payments calculated once a year after the Capability Period and are communicated to Aggregators after that point.

4. **When will the 2021 DR annual report be released? Will any info about 2021 DLM load relief by network (bid in, contracted, actually provided) be provided?**

We release the annual report on November 15th every year. The 2021 report is listed here.

5. **How many customers and aggregators participated in 2021?**

37 customers enrolled in Term-DLM and 1 customer enrolled in Auto-DLM. 6 Aggregators had Accepted Contracts for Term-DLM and 2 Aggregators had Accepted Contracts for Auto-DLM.

6. **Will the Company be providing info on enrollment of Energy Storage Systems (ESS) in DLM program?**

No, we will not provide information on specific enrollment of Energy Storage Systems in the DLM program. All enrollment information is listed in the Annual Report. Participants do not provide the technology they will use in their RFP responses. As a result, the Company does not have this information prior to the enrollment

deadlines. As the program matures, the Company may have the ability to include this information at the end of the season in the Annual Report.

7. **Would Con Ed consider moving up the call window to <u>8 AM to midnight</u>? The <u>6 AM</u> window would restrict our charging window, which is limited by Con Edison in most cases to <u>start at midnight</u> and capped at 50% of our capacity. To reserve 4 hours of battery life for the call windows, we need to charge for 8 hours, i.e. <u>until 8 AM</u>**

The order establishing the Term- and Auto-DLM Programs specify the hours in which events will be called.

8. **Does Con Edison reserve the right under Term-DLM and Auto-DLM to call during hours that are outside the NYCA coincident peak?**

Con Edison can choose to call resources when the Company's day-ahead peak electric load is expected to be at least 88 percent of the forecasted summer system peak and will always call when above 92 percent of the forecasted summer system peak. The Company will activate the Term-DLM program by providing a minimum 21 hours notice prior to the start of an Event.

For Auto-DLM, the conditions for calling an event are described on page 26 of the [RFP](#): "A contingency may be designated under Auto-DLM in specific Networks, feeders, or geographical areas if the next contingency would result in a Condition Yellow (i.e., when the next contingency, excluding breaker failure, either will result in an outage to more than 15,000 Customers or will result in some equipment being loaded above emergency ratings) or if a voltage reduction of five percent or greater has been ordered"

Bidding

9. **Is there only one price-quantity per aggregation?**

Within each network, you can bid up to three sub-aggregations with their own price-quantity.

10. **Will the entire amount of each offer clear or not?**

Each sub-aggregation will be evaluated separately for clearing purposes and can clear separately.

11. **If I offer X MW in an aggregation at Y price, can Con Edison clear less than X at that price, or will the whole offer clear or none?**

1 or 2 of 3 sub-aggregations can clear while others would not clear. But no aggregation or sub-aggregation would clear partially.

12. **It is evaluated on a sub-aggregation basis?**

Yes, each bid is evaluated on a sub-aggregation basis.

13. **Just to clarify, are we not using the Oracle iSupplier Portal for the 2023 RFP?**

Correct, this year, bids will be submitted directly to demandresponse@coned.com.

14. **While questions/bids are submitted via email, if awarded for a VY 2023 contract, will registration in the Oracle platform required?**

No, you do not need to register in the Oracle platform to bid. To submit a bid, you can directly email demandresponse@coned.com. If awarded a contract, you will enroll accounts through the Con Edison Demand Response Portal.

15. **Please provide an example of differences between an aggregation and a sub-aggregation**

An Aggregation is a single customer or customers within a network grouped together. A sub-aggregation is a subset of an aggregation. Participants can provide up to 3 sub-aggregations within a network. For example: An Aggregator may have a single aggregation of 100 kW, forming sub-aggregation 1 =40 kW at $10/kW, sub-aggregation 2= 30 kW at $20/kW, and sub-aggregation 3=30 kW at $30/kW. Each sub-aggregation would evaluated.

16. **Can obligations won for a certain network be transferred over to a similar network? Some con ed networks are extremely small and hard to plan for in a 3-5 year forward process**

No, obligations won for a certain network cannot be transferred over to a different network.

17. **If I have an aggregation of 100 kW, forming sub-aggregation 1 =30 kW at $50/kW, sub-aggregation 2= 30 kW at $100/kW, and sub-aggregation 3=40 kW at $150/kW. Can the offer only clear for sub-aggregation 1 and 2, but not 3? (each sub-aggregation are cleared in full).**

Correct, each sub-aggregation is cleared in full.

18. **Will Con Edison release information about awards to allow for more coordination between participants for bilats?**

Any information about awards we provide will be listed in our Annual Report.

19. **Can a Direct Participant (a single large consumer) bid/enroll for a single large account (not as an Aggregator)?**

Yes, a Direct Participant can enroll as long as the account meets the 50 kW Load Relief threshold, and the account has a legacy interval meter or smart meter.

20. **For a Direct Participant (which controls Customer loads or dispatchable Distributed Energy Resources of greater than 50 kW in a single Network under one or multiple electric account numbers), can the Direct Participant provide a single kW bid in a single Network (i.e., not part of an Aggregation across multiple Networks)? Do each Direct Participant require a Demand Response (DR) Program Application, a DR Program New Aggregator Questionnaire, and a Data Security Agreement?**

Yes, a Direct Participant can provide a single kW bid in a single network as long as it meets the 50 kW threshold and those accounts have legacy interval meters or smart meters. The Direct Participant still must go through the application process to become an approved participant.

21. **Please describe how the incentive clearing price ratio of Term-DLM to 1.67x for Tier 1 Auto-DLM to 2.33x for Tier 2 Auto-DLM was determined by the Company. Is this the same for all Networks?**

The specifics of how clearing prices are being determined are deliberately not being released to encourage competition in the bidding process. As Auto-DLM provides the capabilities of Term-DLM plus the ability to manage contingencies fitting program dispatch criteria via availability on 10 minutes notice, the value attributed to Term-DLM Aggregations will be 60 percent of an equivalent Auto-DLM Tier 1 Aggregation when evaluating responses to the Procurement. Auto-DLM Aggregations in Tier 2 Networks and other priority Networks listed in this paragraph will be valued at 140 percent of an equivalent Auto-DLM Aggregation in Tier 1 Networks. Prioritization for Tier 2 Networks is based on the higher reliability risks these Networks face.

22. **When was the most recent Benefit-Cost Analysis (BCA) performed that used by the Company to determine the clearing $/kW price and kW need per Network? The most recent BCA Handbook is from July 31, 2018. Has the analysis been updated since 2018 to account for load growth in each Network Area? Has the Marginal Cost of Service (MCOS) study been updated since 2018?**

The Demand Response team will determine how the BCA Handbook principles will apply to evaluating each proposed Term- or Auto-DLM Aggregation. The version used will be the one updated as of July 31, 2020. The MCOS Study had not been updated.

23. **You added Ridgewood as a priority network, but it was already included as a Tier II networks for 2021. What is the difference?**

Tier II networks can change year to year. Regardless of which Tier Ridgewood is in, it is considered a priority network for evaluation purposes.

Payment

24. **When can we expect payment? What's the schedule?**

Payments will be issued once a year and will go out by the end of December.

25. **In the presentation it says that if the aggregation does not perform, it "can" be subject to penalties - does that mean that even if the adjusted PF is negative, it is up to Con Ed to realize the penalties?**

If an Aggregation achieves an Average Season Performance Factor of less than 0.00 for the Term-DLM Program or the Auto-DLM Program, the Company can at its own discretion cancel the Portfolio Quantity associated with that Aggregation and assess the associated Applicant the Early Exit Fee along with any penalties for poor performance accumulated to that point. This cancellation can be implemented during a Capability Period if no Customers are enrolled in a particular Aggregation.

26. **Given that Auto-DLM can call Events down to the feeder level, are there specific primary or secondary feeders within a Sub-Network Area that are given additional incentives for Load Relief?**

Incentives are calculated based on the Incentive Rate bid into the program. Once Aggregations are accepted or rejected, there is no further opportunity for Applicants or Con Edison to negotiate regarding Incentive Rates associated with their Aggregations.

Performance Factors

27. **Regarding Performance factors, are they range-bound? I'm thinking DLM can't go below -100%**

The Average Season Performance Factor is rounded to two decimal places and has an upper limit of 1.00 and a lower limit of -0.80 for Term-DLM and -0.90 for Auto-DLM.

28. **There is NO lower limit to Adj PF (if, for example, Load increased rather than decreased or stayed the same). Is that correct?**

The lower limit on the Term-DLM Adjusted Performance is -0.80 and for Auto-DLM -0.90.

29. **The RFP states: "The Average Season Performance Factor is rounded to two decimal places and has an upper limit of 1.00 and a lower limit of -0.80 for Term-DLM and -0.90 for AutoDLM." Note that if Load increased beyond the baseline during the DLM Events, the Adjusted Performance Factor calculation can go lower than -0.8 and -0.9 for Term-/Auto-DLM. Will the penalty be capped based on this lower limit?**

The Average Season Performance Factor is rounded to two decimal places and has an upper limit of 1.00 and a lower limit of -0.80 for Term-DLM and -0.90 for Auto-DLM. These performance factors will determine the final Reservation Payment value.

30. **How low can the Event performance factor go? It can only go as low as zero, correct? Then, from that zero event performance factor, the Adjustment Performance Factor is adjusted from there is floored at -0.80 for Term-DLM and -0.90 for Auto-DLM?**

The Event Factor is floored at 0. The Adjusted Performance Factor is then calculated and based off those calculations can reach -0.80 for Term-DLM or -0.90 for Auto-DLM.

Metering

31. **When you say all customers will have AMI meters by 2023 is there a size cutoff on that? Or, is it literally all customers?**

All customers are projected to have AMI meters by 2023.

32. **Does interval metering at no cost also include pulses?**

Pulses (shadow meters) are at a customer's own expense because they are not being used to calculate either customer bills or DR performance data.

Enrollment

33. **One of the previous slides said DLRP couldn't do Term-DLM. I though a customer could do Term-DLM and DLRP?**

Term-DLM customers can be enrolled in DLRP with the same aggregator starting with the 2023 Vintage Year.

34. **What happens if a customer is registered with two aggregators? Which (if either) gets them? What was the basis for the new exclusivity requirement for 2023? How will the Company decide which aggregator gets to claim the customer if there is a conflict?**

Customers should have agreements with Aggregators. We will conduct an administrative review and ask the Aggregators to produce contracts.

35. Do awarded sub-aggregations within the same network have to be enrolled distinctly and separately as awarded? Or are awarded sub-aggregations within a network blended together for enrollment purposes?

Sub-aggregations within a network must be enrolled distinctly and separately as awarded.

36. The RFP talks about a notification method for DLM dispatches as "machine-to-machine" in addition to email/text, is this referring to OADR?

We are working with our DRMS team to implement Open ADR.

37. If a resource creates its contracted load reductions by using a generator powered by diesel fuel but meets the 2.96 lb/MWh threshold, and has a certification for such an emissions rate as specified in the section entitled Additional Guidance Regarding Electric Generating Equipment, and has the required New York State DEC permits, would it be allowed to participate?

No, Customers using diesel generators as part of their Load Relief strategy may not participate in Term- or Auto-DLM regardless of what emissions control equipment is used.

38. If someone leaves an aggregator, can the aggregator replace them?

If a customer leaves in the middle of the season after the Enrollment Period, the Aggregator cannot replace them. Aggregators can enroll different customers at the beginning of each Capability Period during the Enrollment Period.

39. Current Aggregators should use the "Network Lookup" tool in the DR Portal. How do applicants that are not current aggregators gain access to the "Network Lookup" tool in the DR portal?

To access the Smart Usage Rewards (DR) portal, Aggregators need to go through the process to become an Approved Aggregator. Once approved, the Approved Aggregator will be given access to the Smart Usage Rewards (DR) Portal.

40. **How will an applicant know which customers are enrolled in CSRP, DLRP, Rider L, Non-wires solution contracts, or net metering?**

It's the responsibility of the aggregator to verify customer eligibility. However, Con Edison will verify customer eligibility at the time of enrollment.

41. If on-site generation is being used for Load Relief that is scheduled to achieve Permission to Operate (PTO) with a newly installed interval meter during the 2023 Capability Period but will not yet have PTO at the time of Enrollment (April 3, 2023), can the DER Case Number (MC#) be used in lieu of the Account Number at the time of Enrollment? Once PTO is achieved, the DER Case Number will be replaced with the new Account Number.

No, the Account Number must be given at the time of Enrollment.

42. **How can an applicant understand if there are limits and caps associated with generators not explicitly called out in the RFP?**

Applicants are responsible for ensuring that Customers that utilize Electric Generating Equipment that burns natural gas are in compliance with the listed restrictions on Term- and Auto-DLM participation contracts as well as any other applicable federal, state, and local regulations.

Baseline

43. **Will there be any modifications to the weather-adjustment rules based on the challenges Con Edison experienced with the calculations this past summer?**

We are not looking to make any modifications to the weather-adjustment rules at this time.

44. **Is there any thought given to eliminating or increasing the .2 factor for weather adjustment as a default? For HVAC loads, as are typical of most NYC buildings, the 1.2 factor is a major barrier to participation**

We are not looking to make any modifications to the weather-adjustment rules at this time.

45. **What CBL methodology is used for a facility with local generation that is not taking service under SC-11 tariff?**

Any non SC-11 customers have their choice between the weather adjusted and average day CBL. The CLB procedure can be accessed [here](#).

46. **In the BCA Handbook, baseload DERs (such as Customer Fuel Cells and CHP) are considered a form of Load Relief (see page 60), similar to dispatchable Energy Storage (Utility or Customer). However, the energy generation profile of baseload DERs is flat. What is the proper Customer Baseline Load (CBL) to measure the Load Relief for participating Customer Fuel Cells that are exempt from SC-11 Buy-Back Service?**

Any non SC-11 customers have their choice between the weather adjusted and average day CBL. The CLB procedure can be accessed [here](#).

Residential Solar and Storage

47. **Can you confirm that residential solar and storage customers would have to switch from Net Metering to VDER tariff and what are the restrictions for a customer doing this?**

Net Energy Metering customers may not enroll in either Term- or Auto-DLM. Customers participating in Term- or Auto-DLM and taking service under the Value Stack Tariff will be ineligible for the DRV and LSRV components of Rider R for the duration of the contract term applicable to the Aggregation. By accepting the award, Applicant will be acknowledging that the enrollment of Customers in Term- or Auto-DLM Programs that are also taking service under the Rider R - Value Stack Tariff will represents a decision on behalf of those Customers to forgo DRV or LSRV compensation for the length of the Applicant's contract under the Value Stack Tariff.

48. If the applicant submits a bid with residential solar and storage customers, and those customers cannot participate in net metering per the RFP rules, what tariff solutions are available for those customers?

The Value Stack Tariff is available to any customer with Solar and/or storage up to 5 MW. There's no other applicable DG tariff compensation without Rider R or T or SC 11.

49. Can any residential solar customer opt into the value of distributed energy resources (VDER) value stack tariff as opposed to net metering or is VDER only available for select residential solar customers? If VDER is only available for select residential solar customers, can you specify where we can find the eligibility criteria?

A residential customer with PV + ESS less than or equal to 25kW is eligible for Net Metering by default but can make a one-time irreversible opt-in to the Value Stack. A residential customer with PV + ESS greater than 25 kW and less than or equal to 5 MW is eligible for Value Stack only. For more information, please see our Tariff for eligibility under Rider R.

Other

50. The RFP states that "Applicants using energy storage technology cannot charge during the Call Window associated with their Network for the entirety of each Capability Period under contract." Under Rider R (VDER Value Stack), Vehicle to Grid (V2G) bidirectional electric vehicle (EV) charging systems are considered "Stand-alone Electric Energy Storage" (see Leaf: 246.1). Is this Rider R VDER definition also followed under the Rider AC DLM program? If so, are V2G systems disallowed from charging vehicles during all Term-DLM/CSRP Call Windows during the Capability Period? This does not seem to make sense, because during non-Events, chargers should be used normally, and, during Events, their usage will be curtailed and EVs used for additional grid Exports. Please confirm the Rider R V2G definition does not apply to Rider AC.

Vehicle to Grid systems are considered electric energy storage systems in this context for the DLM Program.

51. Would Con Edison consider our sharing of the Alt 3 Capacity with Con Edison? This is because we will have to "price in" the possibility that we would not capture any of the Alt 3 Capacity revenues under VDER during the term of the contract

No, please consider this when calculating your bids.