

**New York Battery and Energy Storage Technology Consortium**

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March 13, 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

CC: Peak Solutions Team  
Consolidated Edison Company of New York, Inc.  
PeakSolutions@coned.com

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

*Submission in response to Con Edison's Request for Information (RFI): Clean & Non-Emitting Reliability Solutions to Manage Zone J Reliability Needs*

Dear Secretary Phillips and the Con Edison Peak Solutions Team,

The New York Battery and Energy Storage Technology Consortium (NY-BEST) is pleased to submit the following comments in response to Con Edison's Request for Information (RFI): *Clean & Non-Emitting Reliability Solutions to Manage Zone J Reliability Needs*, issued January 20, 2026. These comments are submitted simultaneously to the Commission in Case 25-E-0764 and directly to Con Edison in response to the RFI.

As an industry trade association, NY-BEST is submitting a non-traditional response to the RFI; rather than proposing a specific project, we offer analysis and policy recommendations intended to inform both the RFI evaluation and the development of the June 2026 Reliability Contingency Plan. NY-BEST also submits that the existing pipeline of storage resources in Zone J is sufficient to address the identified need, provided that planning frameworks and market rules are updated to recognize their full contribution.

We greatly appreciate the consideration of our comments by both Con Edison and the Commission. If you have any questions about these comments or need additional information, please contact us at 518-694-8474 or by email at [info@ny-best.org](mailto:info@ny-best.org). Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "William Acker".

Dr. William Acker  
Executive Director

A handwritten signature in black ink, appearing to read "Claudia Villar-Leeman".

Claudia Villar-Leeman  
Sr. Director, Policy and Regulatory Affairs

## ABOUT NY-BEST

NY-BEST is a not-for-profit industry trade association with a mission to grow the energy storage industry in New York. We act as a voice of the energy storage industry for more than 180 member organizations on matters related to advanced batteries and energy storage technologies. Our membership includes global corporations, start-ups, project developers, leading research institutions and universities, and numerous companies involved in the electricity and transportation sectors.<sup>1</sup>

NY-BEST and our members have been actively engaged in the implementation of the State's 6 GW by 2030 Energy Storage Roadmap. NY-BEST is committed to helping meet New York State's need for a reliable, affordable, and modernized electricity grid, while achieving 100% clean electricity by 2040.

## BACKGROUND

In response to reliability needs identified in the [NYISO Q3 2025 Short-Term Assessment of Reliability \(STAR\) Report](#) and [Con Edison's December Local Transmission Plan \(LTP\)](#), the Public Service Commission [directed](#) Con Edison in December 2025 to develop a Reliability Contingency Plan for New York City. Con Edison was directed to file a report identifying the specific size and timing of reliability needs arising in its service territory, to specify the "key assumptions and methodologies used to determine the likely timing of those needs," and to issue a Request for Information (RFI) on solutions to address those needs.<sup>2</sup> Con Edison subsequently filed a [January 2026 Reliability Needs Report](#) (Reliability Report) identifying an updated need of 200 MWh in 2032 growing to 3,775 MWh by 2036, and an [RFI: Clean & Non-Emitting Reliability Solutions to Manage Zone J Reliability Needs](#) (RFI) "to solicit a wide range of proposals to manage peak demand on the Company's local transmission system infrastructure and address transmission security deficiencies in the NYC Region (NYISO Zone J)." Con Edison indicates it will use these proposals to inform its initial NYC Reliability Contingency Plan that will be filed in June 2026, which may propose one or more Requests for Proposals (RFPs) to implement solutions. The deadline to respond to the RFI was extended to March 15, 2026.

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<sup>1</sup> NY-BEST comments represent the interests of the organization as a whole and not the views of any single member. Our members have diverse interests and the organization's views are intended to be reflective of the energy storage industry collectively.

<sup>2</sup> [Case 25-E-0764](#), Proceeding on Motion of the Commission to Address New York City Reliability Needs. *Order Initiating Proceeding and Directing Reliability Contingency Plan*, December 18, 2025, p3.

## COMMENTS

NY-BEST provides the following comments for both the Commission's and Con Edison's consideration, further discussed below:

- I. The RFI process has critical gaps
- II. Battery storage can meet the need
- III. Interconnection and market reform is a least-cost path to bolster reliability
- IV. Recommendations for the June Reliability Contingency Plan

### **I. The RFI Process Has Critical Gaps**

*The reliability need is highly sensitive to storage modeling assumptions.*

Con Edison's own modeling demonstrates how sensitive the identified need is to storage assumptions. The January 2026 Reliability Report identified a meaningfully smaller and later need than the December 2025 Local Transmission Plan, a reduction Con Edison attributed in significant part to incorporating distributed Battery Energy Storage Systems (BESS) and adopting a 24-hour load modeling methodology. As NY-BEST asserted in its March 6 comments on the Reliability Report, Con Edison's BESS modeling assumptions remain opaque; it is likely that improved assumptions regarding scale of energy storage deployment and associated charging and discharging behavior could reduce the identified need further still. Soliciting new project proposals through the RFI and/or a future RFP before these questions are resolved risks procuring solutions to a problem that may already be addressed by the existing pipeline of energy storage projects in late-stage development, particularly if pursued in parallel with market and interconnection reform.

*Lack of modeling transparency limits the industry's ability to respond effectively.*

Because Con Edison has not disclosed how existing and anticipated BESS deployment was modeled in its Reliability Report, including the charging and discharging assumptions applied to different resource classes, developers of operational and queued projects have no way to assess whether their resources are already reflected in Con Edison's baseline assumptions, or what operational changes would be needed for their projects to contribute to meeting the need. This transparency is also essential for identifying the specific interconnection and market rule changes that would enable storage to fully meet the need, as discussed in Section 3. Without it, developers may reasonably choose not to respond to the RFI, potentially causing an underrepresentation of BESS solutions in the RFI and an incomplete foundation for the June Plan.

*The RFI alone is insufficient to capture the full solution to the reliability need.*

By structuring the solicitation around new project proposals, with detailed project characteristic questions, financial templates, and development timelines, the RFI appears to be primarily designed to identify opportunities for specific new resource development, rather than to evaluate the policy and regulatory changes that could unlock the reliability value of resources already in the pipeline. While the utility has acknowledged that it will consider "changes or exemptions to current rules and

regulations”<sup>3</sup> that may be needed to enable a proposal’s success, advancing these policy changes requires a dedicated regulatory process, not a utility-led project solicitation.

NY-BEST urges the Commission to immediately initiate a stakeholder process that brings together industry, consumer protection groups, advocates, and utilities to evaluate policy and tariff reforms as a primary pathway to meeting the reliability need. Such a process would ensure that the June Reliability Contingency Plan reflects the full range of available solutions, including interconnection and market reform, not just those that fit the structure of a project solicitation. NY-BEST offers the analysis in the sections below as an initial contribution to that effort.

## II. Battery storage can meet the need

*The technology is proven and already performing in New York City.*

The energy storage industry has demonstrated that battery storage is a reliable, dispatchable resource in Zone J today, with 85 MW already deployed.<sup>4</sup> According to a NY-BEST survey of member companies operating a combined 40 MW of grid-connected storage assets in New York City, more than 95% of that capacity was successfully discharged during the Summer 2025 ICAP Market Peak.<sup>5</sup> Further, 19 MW were enrolled in Con Edison’s Auto-DLM program, with an average 97% response rate to utility dispatch calls. These achievements illustrate the high reliability of these resources when properly signaled and compensated.

*The distributed storage pipeline alone exceeds the identified need.*

Beyond what is already operational, 995 MW of distributed four-hour battery storage is currently in late-stage development in New York City, having paid 100% of utility interconnection costs and contracted with NYSERDA for retail storage incentives.<sup>6</sup> Assuming 30% project attrition, New York City can reasonably expect at least 697 MW of distributed storage to be deployed by 2029, well ahead of the first deficiency year in 2032. Combined with the 85 MW already deployed, the current distributed pipeline represents 3,069 MWh, which far exceeds Con Edison’s identified need through 2035 of 2,600 MWh.<sup>7</sup> Further, as NY-BEST has previously noted, four-hour systems need not all discharge simultaneously; a cascading or partial-output dispatch approach across a four-hour fleet

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<sup>3</sup> Con Edison Company of New York, Inc., *Request for Information: Clean & Non-Emitting Reliability Solutions to Manage Zone J Reliability Needs*, issued January 20, 2026, Section 3.2, p. 6, available [here](#).

<sup>4</sup> Con Edison Company of New York, Inc., *Standardized Interconnection Requirements (SIR)*, Completed Projects, January 2026, available [here](#).

<sup>5</sup> The Installed Capacity Alternative 3 (“ICAP Alt 3”) for VDER is defined as the peak hour of electricity demand during non-holiday weekdays in July and August.

<sup>6</sup> Based on data from New York State Energy Research and Development Authority (NYSERDA) Retail Incentive Dashboard. Accessed [here](#), March 2026. This includes 165 MW awarded but not yet complete in NYC Blocks 1-5 under the 3 GW Roadmap, and 830 MW awarded but not yet complete in NYC Blocks 6-9 under the 6 GW Roadmap. This was calculated assuming an average system duration of 3.925 hours.

<sup>7</sup> Con Edison Company of New York, Inc., *Request for Information: Clean & Non-Emitting Reliability Solutions to Manage Zone J Reliability Needs*, issued January 20, 2026, Section 2: Load Relief Needed, Table 1, available [here](#).

could address multi-hour need windows without always requiring longer-duration systems (though longer-duration systems can further improve economics for broader peak times).

*The bulk storage pipeline could substantially address the need.*

At the transmission level, five Zone J projects are currently in Step Two of NYSERDA's ongoing bulk storage procurement, representing a combined 759 MW. Awards are expected this spring, with projects contracted to be in service by 2030. If even a portion of these projects are awarded and delivered on schedule, they could substantially reduce or eliminate the need Con Edison has identified for 2032 through 2036. The June Reliability Contingency Plan should account for these anticipated awards before sizing any new solicitation. Procuring duplicative solutions while ratepayer-funded procurement is already underway would represent an unnecessary cost burden and would undermine the State's broader investment in storage as a critical grid resource.

*Independent engineering analysis confirms storage can resolve the transmission violations.*

NY-BEST engaged PowerGEM, an independent power systems consultancy whose tools are used by both the NYISO and Con Edison, to evaluate whether battery storage sited at strategic locations within Zone J could resolve the specific transmission violations identified in Con Edison's Reliability Report. Using the same power flow and production cost modeling methodology as Con Edison, PowerGEM confirmed the identified reliability need, based on anticipated generator retirements (e.g. the Gowanus and Narrows peaker plants) and the simultaneous loss of Ravenswood Unit 3 and the Champlain Hudson Power Express (CHPE). PowerGEM further determined that strategically sited BESS can successfully charge and discharge to fully resolve the overloads driving that need, while simultaneously reducing Zone J load payments, lowering system-wide production costs, and reducing NO<sub>x</sub> and CO<sub>2</sub> emissions from displaced fossil peaker plants. NY-BEST will file PowerGEM's full analysis as a supplement to these comments in the coming weeks.

### **III. Interconnection and market reform is a least-cost path to bolster reliability**

*Current rules systematically undervalue storage as a reliability resource.*

Despite the performance data and scale of near-term deployment described above, current interconnection and market rules prevent distributed battery storage from being recognized and compensated as the flexible, controllable reliability resource it demonstrably is. Under existing rules, Con Edison must assume that all distributed BESS will charge and discharge simultaneously during static, predetermined time windows, regardless of actual grid conditions. Interconnection studies treat storage as an uncontrollable worst-case actor, hardening the grid against its most detrimental possible behavior rather than optimizing for its most beneficial operation. As a result, reliability planning currently fails to capture storage's full contribution, leading to an inflated identified need and potentially triggering unnecessary infrastructure investment; in doing so, it inadvertently prevents hundreds of megawatts of already-built and queued projects from effectively contributing to reliability planning.

*Policy reform costs ratepayers less than new wired solutions.*

A change to the interconnection and tariff rules governing distributed storage in New York City would unlock significant reliability value from storage assets that are already built, already in the queue, or already under contract, without requiring any new procurement. Con Edison should analyze how the identified reliability need would change if existing and queued distributed BESS were dispatched to maximize their reliability contribution, and identify the specific tariff and interconnection changes required to achieve this, before committing to new wired solutions or sizing a new RFP. As NY-BEST argued in its March 6 PSC comments, ratepayers should not be asked to fund expensive new solutions if a change to how storage is contracted and dispatched would achieve the same result without building anything incremental.

*A holistic reform process should begin immediately.*

NY-BEST urges the Commission to initiate a 6 month stakeholder process to reform Con Edison's interconnection and market rules in line with the following core principles, initially presented in NY-BEST's January 2026 whitepaper, *Unlocking Distributed Energy Storage to Address Reliability Needs in New York City*:<sup>8</sup>

1. Holistic approach. Interconnection agreements and tariff structures must be designed together, since both drive storage operation and must work in concert to ensure BESS behavior maximizes value to the grid while maintaining investment viability.
2. Flexible interconnection studies and agreements. Interconnection studies and agreements should treat storage as a flexible, controllable asset rather than assuming worst-case behavior, allowing charging and discharging schedules to more accurately reflect grid conditions, such as through quasi-dynamic control approaches like those used in existing DLM programs, rather than static time windows.<sup>9</sup>
3. Fair market structures that drive controlled, flexible operation. Tariff structures should enable utilities to provide curtailment and dispatch signals on a more granular basis, with compensation that reflects the enhanced reliability value of flexible storage response and provides sufficient revenue certainty for developers.
4. Performance requirements to ensure reliability. Clear performance criteria and penalties should be established so utilities can count on storage resources with confidence, reducing the utility's incentive to default toward infrastructure upgrades.
5. Appropriate utility incentives. Utility incentive structures should be reformed to reward Con Edison for enabling cost-effective third-party storage solutions rather than defaulting to capital expenditures that earn guaranteed returns.

This stakeholder process should be conducted in close coordination with the ongoing proceeding to reform the Demand Reduction Value and Locational System Relief Value components of the VDER value stack, which is a primary mechanism through which storage is optimized, signaled, and compensated.

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<sup>8</sup> New York Battery and Energy Storage Technology Consortium (NY-BEST), *Unlocking Distributed Energy Storage to Address Reliability Needs in New York City*, January 2026, available [here](#).

<sup>9</sup> Note: While full real-time dispatch through a Distributed Energy Resource Management System (DERMS) remains a longer-term goal, interim reforms can unlock significant reliability value in the near term.

#### **IV. Recommendations for the June Reliability Contingency Plan**

Based on our comments above, NY-BEST offers the following specific recommendations to Con Edison and the Commission:

1. *Con Edison should immediately publish transparent distributed BESS modeling assumptions used in the Reliability Report* (including total MW assumed interconnected across resource classes, charging and discharging assumptions applied to each, and modeled load relief by hour and year), consistent with NY-BEST's March 6 comments on the Reliability Report. This information will allow developers to understand the extent to which their projects would be modelled as contributing to the solution and would allow Con Edison to get better information from developers on the potential for those projects to have their operation modified to address the need.
2. *Before sizing any new solicitation, Con Edison should update its Reliability Report by including sensitivities that account for:*
  - a. The complete distributed BESS queue with optimized charging and discharging assumptions;
  - b. The bulk storage five projects in the final stages of the NYSERDA procurement process, with optimized charging and discharging assumptions;
  - c. Policy reform, showing how the identified need changes under updated interconnection and tariff rules.
3. *The Commission should immediately initiate a 6 month stakeholder process to reform Con Edison's market and interconnection rules, in parallel with the development of the June 2026 Reliability Contingency Plan, so that reform options can inform the Plan's assumptions and design from the outset. This process should include development of a participation pathway for existing operational assets to support the identified reliability need, addressing how charging and discharging behavior would change under reformed rules, how existing dispatch commitments would be reconciled with new reliability obligations, and what policy changes are necessary to enable this.*

#### **CONCLUSION**

Battery energy storage is a proven, scalable, and cost-effective solution to the reliability needs identified in Con Edison's January 2026 Reliability Report. As described in our comments above and the forthcoming PowerGEM study, the existing and pipeline storage resources in Zone J are sufficient to significantly mitigate the identified need, provided that planning frameworks and market rules are updated to recognize their full contribution. NY-BEST stands ready to work collaboratively with Con Edison, the Commission, and all stakeholders to ensure that the June 2026 Reliability Contingency Plan reflects the full potential of battery storage to meet New York City's reliability needs cost-effectively, in alignment with the State's clean energy goals and the imperative

to minimize costs to ratepayers. We appreciate the opportunity to submit these comments and welcome further engagement on any of the issues raised above.