

New York Energy Storage Roadmap 2.0: NYSERDA Stakeholder Survey

Responses due Tuesday, May 17, 2022

Background

In January 2022, Governor Kathy Hochul announced New York State's new goal of 6,000 MW of Energy Storage deployments by 2030. This new goal doubles the previous Energy Storage Roadmap and CLCPA deployment target of 3,000 MW and initiates a new round of planning and program development. The original Energy Storage Deployment Programs at NYSERDA followed the release of the original Roadmap and the Public Service Commission's Energy Storage Order. Since 2019, over \$300 million has been deployed to support more than 1,200 MW of storage projects across the state at all levels of the electricity grid. The initial program funding is now exhausted.

This Survey

The purpose of this survey is to solicit feedback from stakeholders on potential program and contracting options in an upcoming phase of Energy Storage Deployment Programs in New York State. NYSERDA has worked closely with stakeholders throughout the development and implementation of our past storage programs and value this coordination as a key driver of past and future program success. The following questions are designed to gather information on best, or most preferred, options for new program types and contracting options that will enable the deployment of 6 GW of storage by 2030. The questions are broken down by project size, consistent with previous definitions of Bulk (over 5 MW), Retail (5 MW and less), and Residential. Our hope is that this feedback will ensure efficient and cost-effective program implementation. Survey responses will be aggregated and summarized along with NYSERDA's interpretation of the feedback, as part of our ongoing stakeholder process. Please respond at your earliest convenience and no later than **Tuesday, May 17, 2022**.

Please note that responses will be subject to Freedom of Information Law (FOIL) disclosure, and that therefore, responses should not include confidential information.

Instructions

This survey is divided into three main sections/pages. Begin the survey by answering the questions below, then click "Next." The following page contains **Bulk Storage** questions followed by **Retail Storage** questions on page 2, and **Residential Storage** questions on page 3. Please fill out each section that is relevant to you (most respondents may find only one section applicable to them).

Contact Information

1. Full Name:
2. Email Address:
3. Company Name:
4. Indicate which region(s) you will be most active in between now and 2030. Please select all that apply.
 - Upstate (including Westchester)
 - New York City
 - Long Island
5. Indicate which market segment(s) you will be most active in between now and 2030. Please select all that apply.
 - Bulk Storage (over 5 MW)
 - Retail Storage (5 MW and less)
 - Residential Storage

Bulk Storage Questions

Please answer the following questions if you are active in the Bulk Storage market.

6. What changes to the NYISO or utility interconnections processes and procedures will be necessary to support the deployment of 6 GW of storage by 2030?
7. Are current market constructs at the NYISO (capacity, energy, ancillary services) sufficient to drive storage deployment? What changes should be made to existing products to better reflect the value and capabilities of storage? What new products may be necessary in the future?
8. What policies, regulations, procurements, tariffs, or practices in other regions have been beneficial for storage deployments? How could these be translated to a NY context?
9. What program options would you suggest that enable a range of project sizes, locations, and particularly durations to be evaluated and supported?
10. What contract term length would enable the most cost-effective deployment of large-scale projects?
11. Under a long-term contract arrangement (20 years for example), what contracting mechanisms would provide efficient and cost-effective deployment of bulk projects? Options include upfront incentive contracts, contracts-for-difference, dispatch rights contracts, or cap-and-floor contracts that set a guaranteed revenue floor and revenue ceiling above which revenues

are shared with ratepayers. Please be as specific as possible on preferred approaches, benefits, downsides, and implementation considerations such as requirements that should be set on developers before, during, and after commissioning of a project.

12. Under an RFP structure, how often should RFPs be released to balance the need to provide continuous incentive to develop mature projects in NY with the desire not to overwhelm the industry with submission deadlines? For example, should there be annual RFPs to procure storage across the entire State footprint (with regional considerations baked in), or quarterly RFPs, where each successive RFP solicits projects in a different NYISO capacity zone (i.e. Q1 Zone K, Q2 Zone J, Q3 Zone G-J, Q4 ROS/NYCA)? Please include consideration of development timelines and interconnection processes (such as Class Year timing) in your response.

13. Should NYSERDA's programs be explicit about locations (such as NYISO zones) that are preferred/required, or should programs be open more broadly, with site preference included in other ways, such as one part of the scoring criteria in an RFP process?

14. What are the most cost-effective options for deploying long-duration storage by 2030, including contracting, ownership, operation, and revenue considerations?

15. What is the best pathway to enabling storage to provide transmission services and why? Options could include expanded NWAs, new planning paradigms at the utilities, and NYISO market models for storage as transmission.

16. What are the most important considerations that must be addressed in the process toward achieving 6 GW of storage deployment by 2030?

17. Please add any additional detail that you believe is important for the State to consider in the Roadmap, including recommendations that would ensure your organization maximizes its contribution to storage deployment in NY.

Retail Storage Questions

18. Previous instances of Retail funding were provided through a series of regionally specific declining blocks. What changes would you like to see in this structure if it were to be considered as a model for future programs?

19. Should NYSERDA continue to take a region-specific approach, or are there other ways to incorporate locational differences in Retail programs?

20. What types of RFP structures should be considered as options to fund retail projects, and what type of contracts would be preferred? Please include feedback on contract type, length, requirements on developers before, during, and after commissioning of a project, and benefits and tradeoffs of options.

21. Should programs focus on pairing energy storage with solar projects, treat these projects separately from standalone projects, or decline to differentiate these types of projects?

22. Are there updates to the Value of DER tariffs, NYISO DER model, interconnection procedures or other market products or processes that will be required to deploy significant new quantities of distribution-sited Retail storage projects through 2030? Please be as specific as possible on issues and potential solutions.

23. What are the most important considerations that must be addressed in the process toward achieving 6 GW of storage deployment by 2030?

Residential Storage Questions

24. What tariffs or contract options would you prefer that enable residential storage deployment while providing broader electric system benefits?

25. What procurement or incentive mechanisms enable efficient sales and installation of significant quantities of residential energy storage? For example, are incentive blocks that are open to all projects on a first-come first-served basis preferred, or are other approaches such as solicitations to aggregators for total installed quantities that must be operational at some future date more cost-effective?

26. What are the barriers to broad residential energy storage adoption?

27. What are the barriers to aggregation and operation of residential energy storage?

28. What are the most important considerations that must be addressed in the process toward achieving 6 GW of storage deployment by 2030?

Additional Feedback

29. Do you have any other feedback or suggestions that you would like to provide?