

Summary of ESO RFP Draft Comments Received

Subject	External Comments/Questions	Proposed Response
Offer fee	Are there any fees associated with bidding this work with National Grid?	National Grid will not request bidders submit any fees in order to participate in any portion of the NY Energy Storage Order RFP.
Charging costs	Please provide further clarification on what charging costs the Owner will be responsible for. For example, on page 5 of their RFP, National Grid indicates that “The Bidders shall be responsible for all retail charging costs associated with operating the Project system for the duration of the Contract. Project charging costs should not be included in the bid price, as National Grid will calculate and incorporate into the total bid price for comparison.” It is not clear, however, the difference between “retail charging costs” and “project charging costs” and which costs need to be included in the bid price.	For the duration of the contract National Grid will receive all associated NYISO revenues net of the LBMP energy supply charging costs inclusive of losses*. In addition, National Grid will be responsible for any distribution delivery costs related to charging the storage. The Bidders shall be responsible for all energy and delivery costs for the storage ancillary load**. Project charging (supply and delivery for the charging up the Storage project) costs shall not be included in the contract bid price, as National Grid will calculate these costs and subtract them from the total bid ceiling. * Difference between the energy at the storage terminals from charge to discharge. Does not include station ancillary load. ** These load costs should be included the bidders contract price based on the storage ancillary load values, applicable tariffs and interconnection voltage level.
Interconnection Costs	Please provide clarity around what the interconnection cost represents and costs.	Bidders submitting Offers will be responsible for all activities and costs associated with interconnection, including interconnection study costs, distribution upgrades, network upgrades, and interconnection facilities as determined via the relevant interconnection process
Bids	Are bidders allowed to submit multiple offers for individual locations?	Bidder’s Offers are defined by Offer Location (i.e., 1 location = 1 Offer, 2 locations = 2 Offers, etc.). There is no restriction on the number of Offers Bidders may submit. A separate and complete submission is required for each Offer. Each Offer must be a complete standalone submission and not reference information contained in other Offers, however discounted pricing maybe offered for Bidders submitting multiple proposals

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Terms	Will the Seller have rights to draw on an LC or guarantee if the Company imposes significant unrecoverable losses to the Seller? Refer to page 9 of Page 9 – “The Company may withhold payment, in whole or in part, to the extent and for the time reasonably necessary, in the Company’s reasonable judgment and discretion, to protect the Company from loss for which an exclusive remedy is not specified and which is caused by any breach of the ESSA that is not timely cured in accordance with the ESSA.” o A set timeframe before a formal cure period kicks in should be considered in lieu of the unquantifiable judgement and sole discretion of one party.	No, the Seller will not have rights to draw on an LC or guarantee if the Company imposes significant recoverable losses to the Seller.
AHJ coordination	Will National Grid attend public hearings to voice support for a developer?	National Grid will attend all public hearings in support of developer, to the maximum extent practicable. If a National Grid representative cannot attend a public hearing, National Grid would be willing to provide developer a letter of support which developer can read into public hearing record.
Metering equipment	In the final RFP materials, will National Grid be detailing all specific communications specifications and what will be in Seller’s scope and National Grid’s scope both electrically and communications-wise?	Detailed communications requirements and definition of communications scope for the various parties is detailed in Appendix F – Power Marketer
Discharge throughput	Can National Grid provide a definition and example of “discharge throughput”?	Discharge throughput – the total electrical energy withdrawn (discharge) from the energy storage resource per year. Example: For locations where the energy storage asset participates in the NYISO frequency regulation market, the Discharge Throughput requirement is the aggregation of all the predicted shallow energy discharge cycles over one year.

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Roundtrip Efficiency	Please provide clarity around Roundtrip Efficiency (RTE).	The definition of RTE is provided in the Appendix D1 Conceptual Energy Storage Services Agreement and is also provided below: “Round Trip Efficiency” means the ratio of energy put in (in MWh) to energy retrieved from the Project (in MWh) and is inclusive of station ancillary loads i.e. Storage heating, cooling etc.
Quantitative factors	The performance of many storage technologies degrades with use. Specifically, lithium-ion battery performance begins to degrade after the first operational cycle. Should bidders incorporate each resource’s energy/capacity degradation into the quantitative evaluation criteria to ensure year-over-year value is accurately reflected?	Bidders are required to provide costs for “Capacity Maintenance Guarantee” in the Offer Form and as such, for technologies that require higher levels of augmentation these costs will be captured in this item and combined into the total costs for comparison against the bid ceiling.
Schedule	Please provide guidance around NYISO class and timing constraints.	National Grid specifically selected locations and use-cases that avoid NYISO class-year interconnection studies due to timeline concerns (i.e. no capacity markets and all projects are 20 MW or under).
Term of the agreement	Please provide clarity around the duration of the term of service.	National Grid expects the solution term of service to be up to 7 years. Bids submitted for less than 7 years will receive a lower score during the evaluation process.
Financial documents	With regard to requirement to submit three years of Audited Financial statement, can Niagara Mohawk clarify whether it will consider the Audited Financial Statements of a parent company of the Bidder to meet this prerequisite?	Yes, the audited financial statements of a parent company of the Bidder may be submitted with the available financial statements of the subsidiary Bidder.
Technical	Will remote access be permitted and if not, how should bidders propose system monitoring?	Yes, remote access will be required. Please refer to Appendix F for additional information.
Safety Standards	Will National Grid be providing a full list of safety standards upon RFP launch?	National Grid has supplied a copy of safety standards in the final RFP.
LLC/SPV	In the event of submitting a winning bid, may the winning bidder assign the project to a subsidiary, LLC, Special Purpose Vehicle, etc.?	National Grid may allow assignment to a subsidiary, LLC, Special Purpose Vehicle etc. upon its evaluation of the entity and prior written consent
Land	Does National Grid have land available for use on these installations?	National Grid states in the RFP that no National Grid land is available for the 3 local grid need identified, and bidders are responsible for acquiring land near the area of need. The final RFP provides one potential National

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		Grid land that might be available for lease within NYISO Zone F as described in Appendix E of the final RFP.