Consolidated Edison Company of New York, Inc.

Request for Proposals

Non-Wires Solutions to Provide Electric Peak-Period Load Relief

Avenue A Area Substation Project

ISSUED: JULY 31, 2025
SUBMISSION DEADLINE: OCTOBER 24, 2025

Executive Summary

Consolidated Edison Company of New York, Inc. (the Company, Con Edison, or CECONY) is extending this Request for Proposals (RFP) to solicit Proposals from qualified and experienced vendors (Respondents) with the capability to deliver innovative customer-sided Distributed Energy Resources (DER) and/or Energy Efficiency (EE) solutions that provide **network electric peak-period load relief in the summer months** through the Non-Wires Solutions Program (NWS). Solutions selected through this RFP will defer the need for traditional infrastructure to increase capability at the **Avenue A Area Substation** in Manhattan, New York. Load relief acquisitioned from this RFP will be required through summer 2033 at minimum. The eligible territory is pictured in **Figure 1.**

Figure 1: Territory Map: Manhattan, New York

This RFP is technology agnostic and is open to summer coincident peak electric demand reduction (i.e., provides load relief when summer network load is expected to be highest)**, or peak load shifting technologies. Technologies that demonstrate ancillary benefits for distribution and/or sub-transmission systems are also eligible to apply**. Gas, steam, or fuel switching savings without electric savings are not eligible. Some EE measures already incentivized through the Company's current energy efficiency and demand response programs may be exempt from eligibility, further outlined in *3.2 Technology Eligibility & Specifications*.

This RFP is open to **solutions that provide a minimum aggregate of 50 kW of network peak hour load reduction and a maximum of 5 MW aggregate of network peak-hour load reduction. Table 1** outlines the network load reductions needed year over year, the identified network peak hour, and the projected deficiency period hours.

Con Edison is seeking to procure a portfolio of projects from multiple Respondents that can provide peak load relief prior to the summers (i.e., May 1) listed in **Table 1** below, with preference given to projects that can deliver in earlier years, (i.e., prior to summer 2030). Proposals are required to identify the anticipated delivery date(s) for proposed projects.

Table 1: Need Year and Portfolio Network Peak Load Relief Needed

CECONY Area Substation	Need Year	Projected Deficiency Period (Hour Ending)	Network Peak Hour (Hour Ending)	Portfolio Network Peak Load Relief (MW)
Avenue A	2030	17 – 18 (2 hours)	17	1
	2031	16 – 19 (4 hours)		4
	2032	14 – 20 (7 hours)		7
	2033	13 – 20 (8 hours)		10

Respondents of interest include, but are not limited to:

- Qualified installers with proposals for one or more standalone projects or groups of projects that meet the minimum aggregate kW, with a customer acquisition plan or demonstrated customer acquisition or site control
- Turnkey program administrators with a proposal to manage a program for certain customer segments
- Energy storage developers and contractors
- Distributed energy resources (DER) developers
- Government/public sector customers or agencies with local facilities (e.g., New York Power Authority, New York City Housing Authority, Department of Citywide Administrative Services), including residential/multifamily common area and in-unit upgrades
- Large commercial and industrial customers
- Large residential building owners and managers

Technologies of interest for all customer segments (see below) include but are not limited to:

- Lighting upgrades
- Heating, Ventilation and Air Conditioning (HVAC) upgrades (including controls)
- Building envelope upgrades
- Dispatchable energy storage systems, chemistry agnostic (e.g., Lithium Ion, Thermal, Flow, etc.), including longer-duration energy storage systems

Proposals may target one or more customer segments; customer segments of interest but are not limited to:

- Small business (<100 kW average peak demand) and medium businesses (>100 kW and <300 kW average peak demand)
- Small multifamily (5 - 10 units) and large multifamily (>10 units)
- Large commercial & industrial locations (>300kW average peak demand)
- Government/public sector customers or agencies with local facilities (e.g., NYPA, NYCHA, DCAS)

- Residential (consists of buildings with 4 or fewer dwelling unit)

See *Appendix A* for an overview of the network's customer demographics. The estimated size of the opportunity is approximately 67,000 geographically eligible customers, with a total of the high billed demand around 242 MW.

Note: If selected, the Respondent will be required to Participate in a Con Edison determined specific Measurement and Verification (M&V) and Quality Assurance/Quality Control (QAQC) plan for the proposed solution. More details are outlined in 5.4 Quality Assurance/Quality Control (QAQC) and Measurement and Verification (M&V).

Please email nwsproposals@coned.com with questions regarding eligibility.

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1. Introduction

1.1. RFP Purpose

Con Edison is extending this RFP to solicit Proposals from Respondents capable of delivering innovative DER and EE solutions that provide **network electric peak-period load relief in the summer months** through the NWS Program to the **Cooper Square Network**, served by the **Avenue A Area Substation** in Manhattan, New York. The project opportunity addressed in this RFP involves deferring the need for traditional infrastructure for the Avenue A Substation until after the summer of 2033. The NWS resulting from this RFP anticipates a multi-year need, providing load relief prior to May 1, 2033 in the eligible geographic territory depicted in Figure 1.

Figure 1: Territory Map Manhattan, New York

1.2. Company Background

Consolidated Edison, Inc. is one of the nation's largest investor-owned energy companies, providing safe and reliable energy for over 10 million people. Consolidated Edison, Inc. provides a wide range of energy-related products and services to its customers through its two regulated subsidiaries: Con Edison, which provides electric, gas, and steam services to New York City and Westchester County, and Orange & Rockland Utilities, Inc., which provides electric and gas services in Rockland County and Orange County in New York State and northern New Jersey. Con Edison is soliciting this RFP for load relief in its service territory.

2. Load Relief Needed

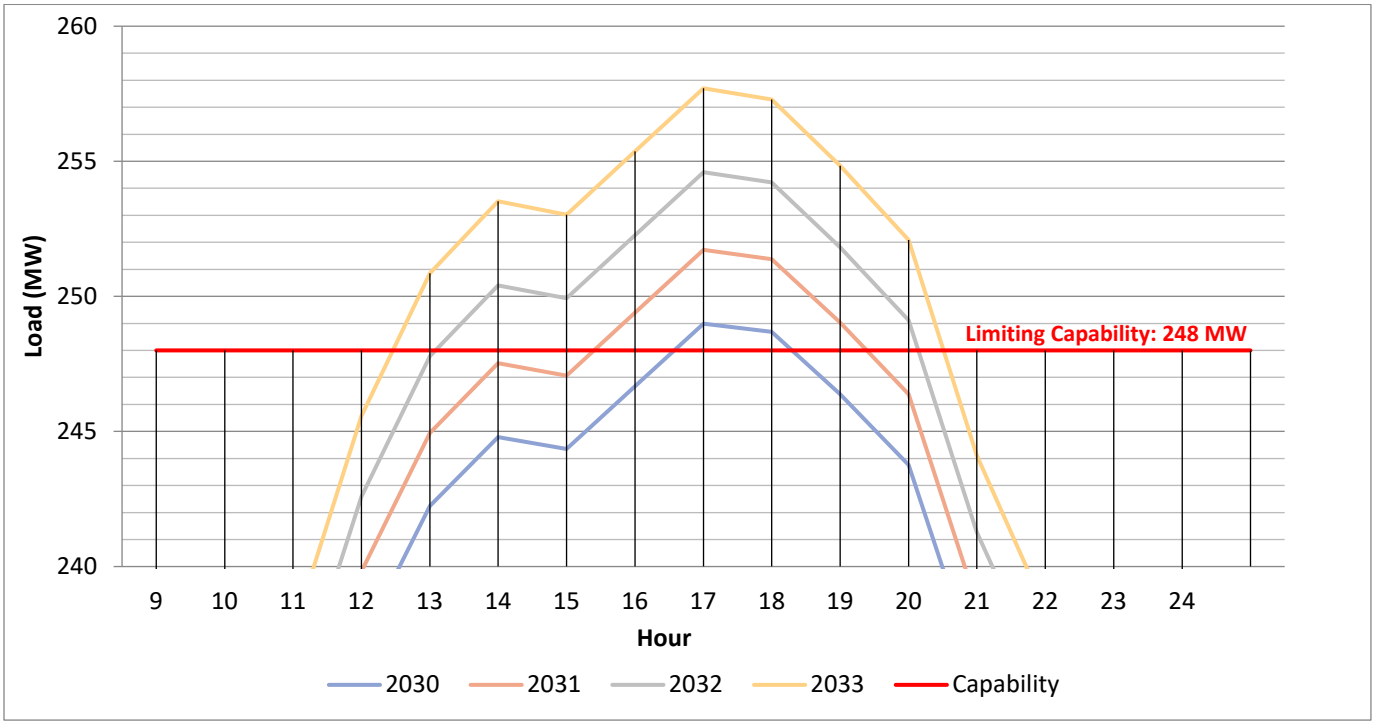
Table 1 below summarizes the anticipated need years, overload period, and load relief needed for the **Cooper Square Network**, served by the **Avenue A Area Substation** in Manhattan, New York. Proposals must specify the anticipated delivery dates for the proposed load relief projects, with a preference for earlier delivery (i.e., before summer 2030). The network peak hour for Cooper Square is Hour Ending 17 (**4pm – 5pm)**, with projected deficiency periods identified in **Table 1** below. Solutions must coincide with the network's peak hour, with additional consideration given to solutions that address the projected deficiency period.

Table 1: Need Years and Load Relief Needed

CECONY Area Station	Need Year	Projected Deficiency Period (Hour Ending)	Network Peak Hour (Hour Ending)	Network Peak Load Relief (MW)
Avenue A	2030	17 – 18 (2 hours)	17	1
	2031	16 – 19 (4 hours)		4
	2032	14 – 20 (7 hours)		7
	2033	13 – 20 (8 hours)		10

Figure 2 shows the load curve, which indicates the forecasted loading for the **Avenue A Area Substation**, related to the station's capability. Each year forecasts a different deficiency period, as shown in **Table 1**. The NWS portfolio is seeking solutions that provide load relief during both the network's peak hour of 4-5 PM and the projected deficiency periods (i.e., where loading exceeds capability).

Figure 2: Avenue A Area Substation Hourly Summer Load Profile



3. Technology Eligibility and Specifications

3.1. Load Reduction Requirements

This RFP is targeted at DER and EE solutions that provide summer coincident peak load relief, overload period load relief, and/or any additional benefits for distribution and sub-transmission systems. Con Edison will select a diverse portfolio of solutions from multiple Respondents and will prioritize solutions that provide the following benefits in the following order:

1. Network Peak Hour Load Reduction (Hour Ending 17; 4-5 PM)
2. Deficiency Period Load Reduction
   - Hour Ending 17 – 18 (2 hours) by 2030
   - Hour Ending 16 – 23 (4 hours) by 2031
   - Hour Ending 14 – 20 (7 hours) by 2032
   - Hour Ending 13 – 20 (8 hours) by 2033
3. Distribution and Sub-Transmission System Benefits (e.g., kWh savings, kVAR reduction, volt/var optimization, etc.)

This RFP is open to any solution that provides a peak load reduction of 50 kW to 5 MW in aggregate per proposal during the network peak. This RFP is only open to summer electric demand reduction or load shifting technologies; savings from gas, steam, or fuel switching without electric savings are not eligible.

Respondents should tailor proposed solutions to maximize load reduction during the Avenue A network peak hour (4-5 PM). Consider local geography, building attributes, and customer demographics to understand the solution's equipment needs and inform implementation and marketing strategies. Assess the baseline energy usage and potential adoption rates of energy-efficient solutions, considering that some customers may already be using them.

3.2. Technology Eligibility & Specifications

This RFP is open to any DER and EE solutions that provide customer-sited electric peak demand reduction or peak load shifting.

Respondents of interest include, but are not limited to:

- Qualified installers with proposals for one or more standalone projects or groups of projects that meet the minimum aggregate kW, with a customer acquisition plan or demonstrated customer acquisition or site control
- Turnkey program administrators with proposals to manage a program for certain customer segments and or technologies
- Energy storage developers and contractors
- Distributed energy resources (DER) developers
- Government/public sector customers or agencies with local facilities (e.g., New York Power Authority, New York City Housing Authority, Department of Citywide Administrative Services), including common area and in-unit upgrades
- Large commercial and industrial customers
- Large residential building owners and managers

Technologies of interest include but are not limited to:

- Lighting upgrades for all customer segments
- Heating, Ventilation and Air Conditioning (HVAC) upgrades (including controls)
- Building envelope upgrades
- Dispatchable energy storage systems, chemistry agnostic (e.g., Lithium Ion, Thermal, Flow, etc.), including longer duration energy storage systems

Proposals may target one or more customer segments; customer segments of interest but are not limited to:

- Small business (<100 kW average peak demand) and medium businesses (>100 kW and <300 kW average peak demand)
- Small multifamily (5 - 10 units) and large multifamily (>10 units)
- Large commercial & industrial locations (>300kW average peak demand)
- Government/public sector customers or agencies with local facilities (e.g., NYPA, NYCHA, DCAS)
- Residential (consists of buildings with 4 or fewer dwelling units)

See *Appendix A* for an overview of the network's customer demographics. The network comprises approximately 67,000 geographically eligible customers, with a total of the high billed demand around 242 MW.

The following EE technologies are excluded from consideration through this RFP to avoid duplication of other Con Edison program and offers already available to these customer segments:

- New installations without upgrades or replacements are not eligible; only upgraded & replaced technologies are eligible for demand reduction savings.
- Customer Kits (e.g., packages including solutions that are delivered for customer self-installation)
- Wi-fi thermostats

- Measures eligible for incentives to the specified customer segments in 2026 through the following Con Edison programs:
    - Multifamily Energy Efficiency Program: Market-Rate Multifamily Building Savings | Con Edison,
    - Affordable Multifamily Energy Efficiency Program: NY Affordable Multifamily Energy Efficiency Program | Con Edison,
    - Commercial & Industrial Program: Savings for Commercial and Industrial Customers | Con Edison,
    - Small Business & Non-Profit Program: Savings for Small Businesses & Nonprofits | Con Edison
    - New York State Clean Heat Program: NYS Clean Heat
- Measures eligible for incentives are subject to change year to year due to regulatory and company policy changes.

For eligible technologies, respondents are expected to understand and use the latest New York State Technical Resource Manual (TRM) version 13 for energy savings calculations, which will be in effect as of January 1, 2026. The TRM includes calculations for EE measures that consider watt reduction, Coincidence Factor, HVAC effects, and other factors to assess both annual energy and summer coincident peak demand savings. Con Edison will verify all final installations and peak kW reductions. After the RFP is completed and the contract is awarded, Con Edison will provide 24-hour load shape data for all customer segments, as needed.

4. Solution Proposal Requirements

This section outlines the requirements for proposed solutions to be included in the Respondent's submission. ***7. RFP Response Content and Format*** **outlines additional guidelines for the proposal body and attachments.** Selected Respondents may need to provide financial assurances to meet installation or operational deadlines. Missing operational deadlines (i.e., May 1 of the load relief year, as contractually agreed upon) may result in liquidated damages or reduced incentives. All submitted responses will be treated as Sealed Bids.

4.1. Proposed Solution Description and Plan

Respondents are expected to provide at a minimum the following information in the content of their proposal. See *7. RFP Response Content and Format* for additional Proposal Format requirements. This section is organized by specific requirements by solution type, please ensure your response encompasses all related information relative to the proposed solution.

4.1.1. All respondents

1. Proposed solution and scope of work
    a. Solution type(s), including description of technology, demand reduction or load shifting functionality, and customer segment served.
    b. Manufacturer and technical specifications as available.
2. Targeted number of eligible customers
    a. Number of installations targeted for the solution, and anticipated installation rates over the deployment period (including seasonal variations).
    b. Estimated energy savings & demand reduction per customer or installation (see below for additional savings detail).
    c. Estimated 24-hour energy usage impacts per customer for load shifting technologies.
3. Estimated energy savings & demand reduction - Respondents should provide their best estimate and any supporting methodology behind their calculations.
    a. Demand reduction (kW) at network peak (Hour Ending 17).
    b. Demand reduction (kW) at the identified deficiency period hours (See Table 1).
    c. Annual energy savings (kWh).
    d. Effective useful life (EUL) of solution.
    e. Energy usage impacts over 24-hours for load shifting technologies.
4. Customer acquisition plan or project site identification
    a. Detailed customer acquisition strategy, including community engagement plan, clearly indicating how the implementation plan and marketing strategies will support achieving customer acquisition and savings goals.
    b. Demonstrate interest, partnership, or ownership of proposed project sites.
    c. Demonstrate understanding of target customer segment, and risks associated with customer acquisition for proposed solution.
5. Project schedule & timeline
    a. Include a detailed schedule and timeline, including key project milestones
    b. Respondents with a program proposal, should also include milestones and timelines to prepare to launch the program if awarded the contract.

   c. Demonstrate understanding of schedule & timeline risks and propose mitigation strategies for schedule slippage.
6. Quality assurance and measurement & verification plan
   a. Include how sales, installations, completions, and savings achievements will be tracked and managed.
   b. Proposal of the measurement and verification approach for the solution, including what data will be readily available for Con Eidson and/or their hired third party.
   c. Respondents should refer to *5.4 Quality Assurance/Quality Control (QAQC) and Measurement and Verification (M&V)* for additional information
7. Risks, Challenges, and Community Impacts
   a. Identify and describe mitigation strategies for risks, barriers, and challenges related to implementing the solution (e.g., customer/site acquisition, community engagement strategies, permitting, construction, procurement, operation & maintenance, contingency plan for inability to achieve peak load reduction proposed).
   b. Describe non-energy benefits associated with the proposed solution and quantify where possible.
   c. Identify and describe planned controls for environmental and community impacts (positive and negative), as applicable (e.g., customer experience, GHG emissions, waste streams and management, job creation potential, visual or noise impacts).

Note: If selected, the Respondent will be required to Participate in a Con Edison determined specific Measurement and Verification (M&V) and Quality Assurance/Quality Control (QAQC) plan for the proposed solution. More details are outlined in 5.4 Quality Assurance/Quality Control (QAQC) and Measurement and Verification (M&V).

4.1.2.Energy Efficiency Program Administrators

Respondents proposing an EE Program are expected to handle all portions of the customer journey. If a network of contractors is leveraged to do the work, relevant Respondents are also expected to manage the participating contractors and monitor the quality of their work. Expected components of the customer journey include customer intake, verifying baseline conditions on-site, making information available for QAQC processes, and managing payments. In addition to the requirements outlined in 4.1.1, relevant Respondent proposals must identify:

1. Program schedule & timeline
   a. Implementation schedule detailing daily, weekly, monthly, and annual activities to achieve the proposed energy savings goals.
   b. Preparation plan and deliverables list, including schedule and timeline for launching the program or projects, if awarded.
2. Assumptions made, including but not limited to
   a. Technology saturation point per customer segment and/or technology, including number of “already efficient” customers
   b. Anticipated penetration/adoption rate(s)
   c. Number of solution type(s) replaced per account/home
   d. Expected reduction (kW) per customer and solution
3. Customer service & engagement plan
   a. Approaches and strategies for customer engagement and communication, including how the Respondent will handle customer questions, concerns, requests, and needs in various situations.

   b. Describe customer permissions, agreements, or other important considerations, generally, that may be necessary to enroll customers or perform work at customer locations. Important considerations may include community engagement, customer consent, agreements, sharing of energy usage data, site safety, etc.
4. IT capabilities for data management including savings tracking, customer eligibility verification, and payment.
   a. Routine tracking and reporting are required with Salesforce or an equivalent software.
   b. Must be able to integrate with other software for performance tracking and payment processing.
   c. Critically, customer eligibility verification will be the responsibility of the Respondent. Con Edison will provide required information.

4.1.3. Dispatchable Energy Storage

Respondents proposing solutions that provide flexible or dispatchable load relief including front-of-the-meter (FTM) and behind-the-meter (BTM) technologies, may include such technologies regardless of chemistry or manufacturer. Individual projects **must not exceed a nameplate rating of 5 MW**, in compliance with the NYS Standardized Interconnection Requirements (SIR). **This RFP is eligible for multiple submissions under one proposal if total aggregate proposed load relief ≤ 5 MW.**

In addition to the requirements outlined in 4.1.1, flexible and dispatchable energy load relief proposals must identify:

1. Technical & Project Specifications
   a. Proposed load reduction (kW) for a minimum dispatch time of 4 hours at end of life (EOL), per system proposed. Respondents may also propose longer dispatch times (e.g., 5-8 hours).
   b. Total nameplate rating (kW), energy capacity (kWh) per system proposed, and anticipated degradation rates (power and capacity) over technology life.
2. Development, Permitting, and Site Considerations
   a. Interconnection timeline associated with the project(s) including touch points with Con Edison.
   b. Permitting timeline and process for the project(s), including a description of all Authorities Having Jurisdiction (AHJ's) permitting requirements as it relates to the project.
   c. Respondents with standalone Energy Storage Solutions should also provide a detailed site description or detailed suitability criteria for site selection
   d. Identify potential site-specific project risks or community impacts including with respect to neighboring uses. Respondent should describe plans or contingencies to mitigate these risks and impacts, including but not limited to local government outreach and community outreach.
   e. Respondents should discuss any relevant experience with past projects, including relevant experience and capabilities pertaining to interconnection, permitting, and local government and community outreach.
3. Incentive Milestones
   a. Review the default Incentive Milestone Schedule in *Appendix C*, all requested incentives must function within the default incentive milestone schedule described in Appendix C.
   b. Respondents may also propose additional incentive milestones for Company consideration, review *Appendix C* for additional information.

Respondents that submit dispatchable Energy-Storage Systems (ESS) must also meet the dispatch expectations below, and include these assumptions in their proposals:

1. Availability & Dispatch
    a. The Company reserves first rights of dispatch and expects full availability May 1 – Sept 30 for peak load reduction, with 21-hour notice.
    b. Dispatch may occur anytime within a 10-hour window (HE 12–21) at varying power levels and durations, request not to exceed the total energy capacity (kWh) proposed for the systems.
2. Performance Requirements:
    a. Must deliver contracted load reduction for at least 4 consecutive hours during NWS Events.
    b. Projects exceeding 4-hour dispatch must specify load reduction level and duration in proposals.
    c. Underperformance may lead to reduced payments and liquidated damages.
3. Charging & Program Exclusivity:
    a. Charging may be restricted during a 12-hour window (typically noon–midnight, subject to change), and is subject to each individual projects interconnection requirements as stated in the Coordinated Electric System Interconnect Review (CESIR).
    b. Participation in other Con Edison incentive or Demand Response programs is not allowed; NWS operations take priority.
    c. Participation in Con Edison's Value of Distributed Energy Resources, as well as the New York Independent System Operator (NYISO) Wholesale electricity market, is allowed so long as there is no conflict with NWS first rights of dispatch during the Summer Capability period.

4.2. Pricing and Cost Information

Respondents will need to submit all pricing and cost information **as a separate NWS Financial Sheet (Attachment A or B)** in your proposal. **Respondents must not include pricing and cost information in the body of the proposal.** ***7. RFP Response Content and Format*** **outlines additional guidelines for the proposal body and attachments.** Failure to submit a complete Financial Sheet is cause for disqualification.

NWS DER Financial Sheet (Attachment A) must be submitted for all proposed non-Dispatchable Energy storage solutions, including energy efficiency projects and projects that shift electric peak load.

NWS ESS Financial Sheet (Attachment B) must be submitted for all Dispatchable Energy Storage solutions.

Required elements for the NWS Financial Sheets (both **Attachment A** and **Attachment B**) include:

1. Capital Expenditures / Installation Labor and Material Costs
    a. May include, but are not limited to, Engineering & Procurement, Permitting & Siting, Installation Labor & Material Costs, Taxes, and other expenditures.
    b. For ESS specifically, include estimated interconnection or service upgrade costs associated with interconnecting the asset at the local reliability standard.
    c. For EE or other DER solutions behind the customer meter that include service upgrade costs, please provide best estimate.
2. Ongoing Expenses / O&M

   a. May include, but are not limited to, technology operations and maintenance costs, lease payments, taxes, and other expenditures associated with maintaining load reduction over the technology's lifetime.
   b. For ESS specifically, please include electric distribution and supply charges, electric distribution charging energy costs, and other expenses.
3. Revenue Streams
   a. Include details on all expected revenue from technology installation and/or operation.
   b. Respondents are expected to optimize and account for eligible revenue streams, tax credits, financial incentives, and other funding sources (City, State, Federal) to mitigate costs for Con Edison customers.
4. Con Edison Incentive Requested
   a. Include the incentive that the Respondent requests from Con Edison for delivering the load relief proposed.
   b. Respondents should provide clarity on what portion of this requested incentive will be direct passthrough to the customer.
   c. For dispatchable capacity projects, the requested incentive must function within the default incentive milestone schedule described in *Appendix C*.
5. Cost Estimates and Assumptions
   a. Detail all assumptions made as relates to cost categories.
   b. Ensure most costs are aimed at achieving electric demand savings.
   c. Avoid inflating low-cost measures beyond established goals.
   d. Ensure all fields in the Financial Sheet are completed for a thorough review. Incomplete sheets may lead to disqualification.
6. For ESS proposals, each ESS project included as part of a proposal should have its own completed "Cash Flow Template" tab.

5. Project Implementation Requirements

The following project implementation items will only be required of selected Respondents. All Respondents must be aware that these items may be required of them in the future, should they be selected.

5.1. Third-Party Risk Management

Once selected, Respondents must comply with Con Edison's Third-Party Risk Management (TPRM) program requirements before they are awarded an NWS–Program Agreement. The Company intends to conduct NWS Program Agreement contractual discussions in concurrence with the Third-Party Risk Assessment (TPRA).

The TPRA mitigates the potential risks that arise from outsourcing business activities to third parties, including suppliers of materials or equipment, service providers, and other similar relationships. To implement TPRA and quantify risks, business-specific risk assessment questionnaires are developed for third parties to follow, and these are supplemented by quantitative data insights to enhance quality. TPRM provides Con Edison with valuable insights into an organization's supply chain, which can help prevent significant disruptions and mitigate operational, environmental, legal, compliance, financial, and reputational risks to Con Edison.

Con Edison TPRM program requirements vary depending on the risk profile associated with a supplier or the product/service provided. Depending on the nature of the relationship, Con Edison may seek additional information in some of the following areas:

- Information & Cyber Security controls, practices, and posture
- Financial performance and viability
- Environmental performance and impacts
- Audited Financial Statements from Last 3 Years
- Accountant Certification
- Legal Disclosures and Proof of Insurance
- Information & Cyber Security Practices and Posture
- Safety Performance and Procedures
- Business, Ethics & Compliance Policies
- Human Rights & Uyghur Forced Labor Prevention Act Policies
- Financial Crime and Compliance Controls and Assessments
- Policy/Procedure Demonstrating OFAC Sanctions Compliance
- Physical Security Policies/Procedures/Standards
- Employee Background Check Policy/Procedure
- Business Continuity/Disaster Recovery Policies and Plans
- Supplier Risk Management Policy/Framework
- Licensure or Certification for Relevant Scope of Work
- Environmental, Social, and Governance (ESG) and/or Sustainability Policy and Certifications

5.2. Program Agreements

Given selected Respondents have passed the TPRA, they are expected to execute an NWS Program Agreement proposed by Con Edison. Sample Agreements can be found on ConEd.com/NonWires under "Related

Information". Respondents are encouraged to review the corresponding Agreement in its entirety before submitting a proposal to understand all terms and conditions. Sample NWS Program Agreements do not necessarily reflect terms and conditions that will be included in Respondents' Agreements for selected projects under this RFP. Respondents should state any exceptions to the standard program agreement in their proposal. Con Edison will include an Addendum 2 for each Program Agreement, which will contain any modifications and exceptions to the agreement terms that are made during contract negotiation, as the agreements are finalized.

Depending on the nature of the selected proposal, additional items, such as program-specific Environmental Health and Safety Plans and data security requirements, may be included.

5.3. Contract Term Length

The term length of an NWS Program Agreement is expected to run at minimum through May 1, 2033, which is the operational deadline for load relief for the Avenue A Substation Project.

For Battery Energy Storage projects, the contract term is expected to last ten (10) years, starting in the contracted operational year.

Additional time may be provided to close out administrative activities.

5.4. Quality Assurance/Quality Control (QAQC) and Measurement and Verification (M&V)

It is critical for Con Edison to ensure that the peak load reduction is installed and operating correctly through QAQC and M&V. If selected, the Respondent will be required to participate in a Con Edison-determined specific M&V plan and QAQC plan for the proposed solution. A Con Edison or a hired third party will conduct M&V on all projects. The Respondent may need to provide the necessary data for Con Edison's measurement, pre-installation verification, post-installation verification, reporting, and payment processes. They must also supply existing condition information and qualifying documents for desk reviews and incorporate recommendations from M&V throughout the term of the agreement. Any work having occurred before the NWS award and/or pre-installation inspection(s) will not count towards energy savings under this award. Potential M&V approaches may include, engineering desk reviews, QAQC plans, pre- and post-installation site or virtual inspections, as well as pre- and post-installation metering or data collection.

5.5. Installation and Operational Status

Con Edison will hold periodic Project status calls with Respondents to determine whether the Project is on schedule and to assess any aspects that require assistance from Con Edison.

If there is a change in the Scope of Work, Con Edison must be notified, and all work must stop until Con Edison gives approval to proceed. If the change in the Scope of Work results in a lower peak load reduction, Con Edison may adjust the total incentive awarded based on the new peak load reduction at the awarded incentive rate ($/kW).

5.6. Incentive Payments

Incentive payments for the NWS opportunity are evaluated and delivered based on the verified peak load reduction and benefits supplied to the distribution system. Con Edison may adjust the total incentive awarded

based on the measured peak load reduction at the awarded incentive rate (e.g., $/kW). All selected Respondents' incentives will be based on the determination of measured and verified peak load relief/distribution system benefits through the post-installation M&V process and administered in accordance with the negotiated NWS Program Agreement.

Reference the Non-Wires Sample Program Agreement located on the Con Edison NWS website. Refer to Appendix C for further information on the incentive milestone schedule for dispatchable resources.

5.7. Underperformance

Respondents should note that failure to deliver demand reduction committed to as part of any solution may result in liquidated damages to Con Edison as provided for by the contract between Respondent and Con Edison.

5.8. Security

Respondents are put on notice that if a Respondent's solution is selected, then Respondent will be required to furnish security to Con Edison that demonstrates, among other things, financial capability to pay liquidated damages in the event that the Respondent fails to satisfy its peak demand reduction commitments during the period required. Reference the Non-Wires Sample Program Agreement located on the Con Edison NWS website.

5.9. Subcontracting and Assignment

No portion of the work associated with any solution resulting from a successful response to this RFP by a Respondent may be delegated, subcontracted, assigned, or otherwise transferred without the prior written approval of the Company in each case. Reference the Non-Wires Sample Program Agreement located on the Con Edison NWS website.

5.10. Government & Community Engagement Plan

Selected respondents with proposals to develop dispatchable energy storage systems will be required to prepare and submit a government and community engagement plan and will be subject to Con Edison's agreement. Other solutions may also be required to prepare a plan, if applicable.

6. RFP Submission and Timing

Respondents must read this NWS RFP document before submitting a proposal. Respondents will be able to submit questions and clarify information to nwsproposals@coned.com. The Con Edison NWS Team will also host webinars and be available to answer questions live. Submission of a proposal in response to the RFP implies the Respondent fully understands the RFP process and requirements proposed by Con Edison.

Once a Respondent submits their proposal, they will wait for Con Edison to notify them.

Once a Respondent has been selected, the Respondent will be subject to additional verification milestones before being awarded the contract, as outlined in *5.1 Third-Party Risk Management*. Con Edison reserves the right to terminate the award if the Respondent fails to meet the verification milestones. RFP awardees are expected to execute an NWS Program Agreements as outlined in *5.2 Program Agreements*. Samples of NWS Program Agreements can be located on the Con Edison NWS website.

Below is the expected schedule to be followed for this solicitation:

Table 2: Avenue A RFP Schedule

RFP Solicitation Milestones	Completion Date*
RFP issued	July 31, 2025
RFP Webinar: Overview	August 8, 2025
RFP Webinar: General Q&A	September 12, 2025
RFP Webinar: General Q&A	October 15, 2025
Proposals due	**October 24, 2025 @ 5:00 PM**

The Company expects to provide a status update to RFP respondents by December 2025*.

***Con Edison reserves the right to change any of the above dates.**

6.1. Clarification Questions

All Respondents should direct questions during the clarification question timeframe via email to nwsproposals@coned.com. All questions and answers deemed essential for the viable submission of a bid response will be publicly posted at ConEd.com/NonWires. Respondent names will be kept confidential. Respondents must not reach out to other Con Edison personnel regarding this RFP.

The Company is not obligated to evaluate late submissions or be responsible for any consequences associated with them.

6.2. Submittal Instructions

All proposals must be submitted via email to nwsproposals@coned.com on or prior to the due date and time. Respondents are encouraged to submit responses well in advance of the closing time to avoid any potential issues that may occur.

Proposal content must be submitted as either a Word or PDF document. Respondents shall submit the response in the following separate documents:

1. Proposal with format and content as described below (Titled: *"ProjectName_VendorName_Proposal"* e.g. "Avenue A _Con Edison_Proposal"*)*
2. Proposal attachments (Titled: *"ProjectName_VendorName_Attachments*")
3. NWS Financial Sheet (Attachment A or B) (Titled: *"ProjectName_VendorName_Financials")*

7. RFP Response Package Format

This section outlines the requirements for responses to the RFP, including the package requirements and format. There are more detailed requirements for *Solution Description* of Table 3 below outlined in *4. Solution Proposal Requirements.*

7.1. Proposal Format

Respondents are encouraged to submit their proposal in accordance with the summary instructions outlined in this section. Any limitation regarding a Respondent's ability to supply the information requested in this RFP (or to support or perform a particular function or service) should be explicitly stated in the proposal response. Any Respondent partnering with other solution providers to perform a particular function or service must be explicitly stated.

Proposals should adhere to the following guidelines:

- Proposals (excluding appendices and attachments) should be no longer than 15 pages.
- Project financials should **only** be included in the attachments and not the body of the proposal.
- The proposal's solution must meet the eligibility requirements laid out in *3. Technology Eligibility and Specifications*.
- The proposal content must be submitted as a Word or PDF document.

The proposal package must be organized as follows:

Table 3: Avenue A RFP Proposal Package Format and Contents

Item	Item Description
Respondent Checklist	Respondent should provide the properly completed Appendix B: Respondent Checklist as part of the proposal.
Cover Letter	The Cover Letter shall include Respondent's legal name and address; the name, title and telephone number of the individual authorized to negotiate and execute the Agreement; the signature of a person authorized to bind Respondent's organization contractually; a statement that the Respondent has read, understands, and agrees to all provisions of the RFP, or, alternately, that indicates exceptions will be taken to the RFP.
Proposal Body – 15 Page Limit	
Table of Contents	Include a clear identification of the proposal by section and by page number as identified above.

Executive Summary	Respondent should provide an executive overview and summary of the key features of Respondent's solution.
Solution Description	The solution description should include requirements listed out in *4.1 Proposed Solution Description*. The solution description should also include additional information regarding the company and experience installing, operating, tracking, and administering load reduction with the identified solution. *4.2 Pricing and Cost Information* should **not** be included in the proposal body.
Assumptions and Exceptions	Respondents should provide a list of assumptions made in developing the response to this RFP that should be considered when evaluating the response. Respondents should provide a stand-alone section listing any exceptions to the RFP.
Glossary of Terms	Respondent should provide a glossary of terms specific to the Respondent's solution.
Supporting Information – Not included in the 15 Page Limit above	
Appendices / Attachments	Appendices and Attachments should include items listed in *7.2 Professional Background and Experience* and any other relevant information supporting the proposed solution. Additionally, Respondents should provide: • Project organizational chart and project team resumes • Customer letter(s) of interest, if applicable • Financial statements for the past three years, if applicable • Any other relevant information deemed appropriate and noteworthy supporting and validating the proposed solution. Any additional information that Respondents would like to provide about the proposed solution can be attached to the RFP response. *4.2 Pricing and Cost Information* should **not** be included in the appendix and should be a separate attachment.
NWS Financial Sheet	**As a separate attachment**, Respondents should provide a completed **NWS Financial Sheet (Attachment A or B)** with detailed costs associated with proposed solution. Refer to *4.2 Pricing and Cost Information* for additional information.

7.2. Professional Background and Experience

All respondents are expected to provide the following information about the solution team in addition to the proposed solution.

1. Core business and organizational structure.
    a. Company age
    b. Company revenue
    c. Number of employees
2. Solution team & resource management
    a. Organizational chart

   b. Resumes of team members, including certifications and level of expertise
   c. Number of staff and titles
   d. Indicate if the team consists of existing staff, new hires, or a combination
   e. Equipment required and vehicle count
   f. Indicate whether solution team includes an in-house government and community affairs team or partner
3. Certifications relevant to the proposed solutions
4. Examples of prior work
   a. Relevant industry experience
   b. References with necessary authorizations for verification
   c. Any other relevant information supporting the proposed solution
5. Audited financial statements for the past three years

7.3. Respondents with Active NWS Programs

Respondents are eligible to propose an expansion of their current program or solution operating within any active NWS territory, with the exclusion of ongoing operation of installed and operational battery energy storage systems. Respondents with active NWS programs or solutions may reference any past material submitted from a previous proposal that was awarded and is active. Respondents should indicate what materials are being referenced and include the referenced material.

Should Respondents choose to propose an expansion of their current active programs, the proposal must include details as pertains to the area referenced in this RFP, including (see sections 4.1.1 and 4.1.2):

   a. New NWS Financial Sheet (Attachment A or B as applicable)
   b. Permitting and site plans for each proposed solution
   c. Targeted number of eligible customers
   d. Estimated energy savings & demand reduction - Respondents should provide their best estimate and any supporting methodology behind their calculations.
   e. Customer acquisition plan or project site identification
   f. Program schedule & timeline
   g. Technology saturation point per customer segment and/or technology, including number of "already efficient" customers
   h. Anticipated penetration/adoption rate(s)
   i. Number of solution type(s) replaced per account/home
   j. Expected reduction (kW) per customer and solution
   k. Customer service & engagement plan

Please email nwsproposals@coned.com for additional questions on submitting proposals with referenced material.

8. RFP Response Evaluation

Each Respondent must ensure all required information is included in their submission. Projects missing key details in the NWS Financial Sheet (Attachment A or B) or RFP Response will be disqualified. Con Edison reserves the right to determine if a submission is incomplete or non-responsive.

Con Edison will review all proposed solutions in detail using the evaluation framework outlined below. Solutions will be evaluated **as part of a diverse portfolio of solutions** designed to address the needs of the network. The review aims to achieve the most outstanding value for Con Edison customers while maintaining system reliability for the customers. Meeting submission criteria does not guarantee selection.

Proposals will be evaluated and scored based on the following criteria, which are not necessarily listed in order of significance:

Table 4: RFP Response Evaluation Criteria

Review Category	Objective
Proposal Content and Presentation	Information requested has been provided and is comprehensive to allow for evaluation. Professionalism and organization of proposal responses will also be considered during the review process.
Project Costs	The total cost of the project, the incentive requested, and the $/MW at peak required from Con Ed for the proposed solution are listed below. Please note that all cost and pricing information associated with an RFP response must be included as a separate attachment, **not** in the body of the proposal.
Benefit-Cost Analysis	The Company must utilize a BCA as outlined in the Handbook, which is filed with the New York State Public Service Commission. A BCA will be applied to the portfolio of solutions as part of the **Society-Cost Test** to inform the selection of projects that bring the most net benefits to customers.
Execution Risk	The expected risk associated with project implementation within the timeframe required for the NWS (e.g., permitting, construction, operation and maintenance, site-specific risks).
Procurement Risk (ESS only)	The expected risks are associated with achieving targeted material delivery dates and demonstrating consideration for supply chain risks associated with the proposed solution.
Procurement Risk (non-ESS)	The volume of procurement risks noted with the proposed solution, relative to the volume of procurement risks expected for the proposed technology.
Qualifications	The relevant experience and past success of Respondents, including their partners, in providing proposed solutions to other locations, as indicated by reference checks and documented results. Qualifications for Respondents include relevant experience with the targeted customer segment and relevant experience with and awareness of local rules and regulations.

	For BESS solutions, preference may be given to Respondents with demonstrated experience delivering BESS projects in New York City.
Customer Acquisition	The extent to which the Respondent's proposed solution would fit into the needs of the customer segmentation of the targeted network(s) and the extent to which the customer acquisition strategy fits the needs of the proposed solution(s) and the targeted customer segment. Preference will be given to proposals that include commitments from eligible customers to install the project(s).
Timeliness	The ability to meet Con Edison's schedule, including customer acquisition and interconnection requirements for the NWS opportunity. The extent to which the project schedule reflects realistic and sufficient detail from contract execution, project implementation, including key project milestones, and completion.
Project Schedule	The level of detail provided in the project plan and schedule.
Coincidence with Peak and Deficiency Period	The extent to which the proposed solution can provide functional load reduction (permanent or temporary) during the peak time and Deficiency Period in the area of need. Technologies that are not coincident with the network peak hour or the deficiency period identified in this RFP will not be considered.
Additional Energy Benefits	The proposed solutions ability to provide additional distribution or sub-transmission system benefits.
Availability and Reliability	The proposed solution's ability to provide permanent or temporary load relief, dependability, and benefits to the grid will be considered.
Technology Viability	The extent to which the proposed solution is a proven technology through industry studies or provides a reasonable pathway to be measured for load reduction capability.
Community Impact and Engagement	The long-term positive or negative impact that the proposed solution may have on the community in the identified area including, but not limited to, customer experience, environmental impacts and emissions, and enhancements or disruptions to the community, including site-specific community risks and mitigation strategies (see *4.1.3 Dispatchable Energy Storage*). The proposed approach to engage the community including experience with past projects, mitigation plans, and contingency plans. Preference may be given to proposals that serve customers that qualify as disadvantaged communities as identified by the NYSERDA Disadvantaged Communities Criteria.
Innovative Solution	Innovative solution that targets customers and uses technologies that are currently not part of Con Edison's existing programs, targets generally underserved customer segments and disadvantaged communities, and/or is based on the use of advanced technology that helps foster new DER markets.

9. RFP Terms and Conditions

Respondents should state clearly all assumptions made. In the absence of an explicit statement to the contrary, each Respondent shall be deemed to have agreed with and understood the requirements of this RFP. While Con Edison has endeavored to provide accurate information, Con Edison makes no warranty or representation of accuracy.

Any exceptions to the terms, conditions, provisions, and requirements herein must be specifically noted and explained by Respondent in Respondent's response to this RFP. Con Edison will assume that any response to this RFP expressly accepts all the RFP terms, conditions, provisions, and requirements, except as expressly and specifically stated by a Respondent in its response to this RFP.

Respondents agree to keep confidential all information provided by Con Edison in connection with this RFP.

9.1. Qualifications of Respondents

The Company may conduct such an investigation as it deems necessary to determine the qualifications of Respondents and proposed subcontractors to perform the work. Respondents should promptly furnish any information and data as may be requested by the Company as part of any such investigation. The failure of a Respondent to produce timely information and data requested by the Company may provide a basis for rejecting the proposal.

9.2. Proprietary Information

If a proposal includes any proprietary data or information that a Respondent does not want disclosed to the public, it must be specifically designated on each page on which it is found. Con Edison shall be held harmless from any claim arising from the release of proprietary information not clearly identified as such by a Respondent. Because of the need for public accountability, the following information regarding the proposal shall not be considered proprietary, even if such information is designated as such: pricing terms and non-financial information concerning compliance with RFP specifications.

9.3. Cost of Proposal Preparation

The cost of preparing a proposal in response to this RFP, including, but not limited to, the cost associated with site visits and preliminary engineering analysis, will not be reimbursed by Con Edison. Please note that all cost and pricing information associated with an RFP response must only be included as a separate attachment and **not** in the body of the proposal.

9.4. Right to Reject

This RFP shall not be construed to create an obligation on the part of Con Edison to enter into any contract or to serve as a basis for any claim whatsoever for reimbursement of costs for efforts expended by Respondent. Con Edison shall not be obligated by any statements or representations, whether oral or written, that may be made by the Company, its employees, principals, or agents.

Con Edison reserves the right to accept any responsive proposal, reject any and all proposals, and waive irregularities or formalities if deemed to be in the Company's best interests. Any such waiver shall not modify any remaining RFP requirements nor excuse any Respondent from full compliance with all other RFP specifications

and contract requirements if the Respondent is awarded the contract. Con Edison shall reject the proposal of any Respondent that is determined not to be a responsible bidder, or whose proposal is determined by the Company to be non-responsive. Receipt by the Company of a response to this RFP confers no rights upon a Respondent, nor any obligations upon the Company.

9.5. Revision to the RFP

Con Edison reserves the right to withdraw this RFP at any time and for any reason, to issue clarifications, modifications, addenda, and/or amendments at any time as it may deem appropriate, and to distribute additional clarifying or supporting information.

Con Edison may ask any or all Respondents to elaborate or clarify specific points or portions of their submission. Clarification may be written responses to questions, phone calls, or in-person meetings to discuss the RFP, the responses thereto, or both.

If it becomes necessary to clarify or revise this RFP, such clarification or addendum shall be issued by the Company by letter, email, or written addendum to the RFP. Any RFP addendum shall be delivered by hand, certified mail, facsimile, email, or delivery by courier service which certifies delivery. Only those respondents who have already received the proposal documentation directly from the Company will be provided the clarification. Any addendum to, and/or clarification or revision of this RFP, shall become part of this RFP and, if appropriate, part of the Agreement that derives from the RFP.

9.6. Basis of Proposal Award

The proposal shall be awarded to the most responsive and responsible respondent who meets the specifications, price considerations, and other factors considered, as determined by the Company in its sole discretion. The proposal evaluation criteria are set forth within this RFP.

9.7. Collusion and Other Prohibited Activities

Collusion with other Respondents before, during, or after the RFP is strictly prohibited. Collusion and other prohibited activities include but are not limited to: discussing Bid strategies with other program participants, engaging in any activity with the intent to influence the outcome of the RFP in a manner inconsistent with competitive behavior, or taking any action to undermine the competitive nature of the RFP and otherwise benefit from Company compensation with no intent or expectation of providing the amount of peak load reduction or annual electric savings or reactive power reduction submitted in the Respondent's Bid. The Company shall have the discretion to determine when collusion or other prohibited activities have occurred and to take any appropriate action, including barring participation in future RFPs or programs and reporting the activity to the New York State Department of Public Service (the "NYDPS"), the Commission and any other appropriate state or federal agencies.

9.8. Duration of the Contract

The duration of the Agreement will be for the term specified above. In the event that the Company determines not to proceed with the solution, the successful Respondent will be paid in accordance with the amounts as agreed by the Respondent and the Company. Con Edison reserves the right and may choose to offer the option for extension at the end of the contract term, in which the same rates and terms and conditions would apply.

Definitions

Bid: The Con Edison Incentive Requested ($) by the Respondent to provide network peak load reduction. The Bid will be evaluated as an incentive rate (i.e., price per kW of peak load reduction). Bids will be received up to a specified deadline/date and will be kept confidential between the Company and the Respondent throughout the evaluation and selection process.

Consolidated Edison Company of New York, Inc. (Company, Con Edison, or CECONY): The company soliciting proposals through this RFP.

Commercial & Industrial Segment (C&I): Consists of customers with 300kW or more average peak demand.

Customer: An individual/discrete Con Edison electricity and/or gas account.

Energy Efficiency (EE): Energy efficiency is the practice of using less energy to provide the same level of service or output. This can be achieved through various means, such as using advanced technologies, improving system designs, or optimizing processes.

Large Multifamily Segment: Consists of buildings with more than 10 dwelling units.

Load Reduction: Estimated load reduction, measured in kilowatts (kW), realized a specified hour.

Network: Electrical area energized through high voltage feeders supplied by the same substation.

Network Peak Hour: Hour when the NWS network load is expected to most exceed its capability during the Summer Capability Period (between May 1 and September 30).

Non-Wires Solution (NWS): A solution proposed in an identified area as an alternative to a traditional infrastructure solution for a distribution or transmission constraint.

Medium Business Segment: Consists of customers with more than 100 kW and less than 300 kW average peak demand.

Portfolio: Collection of Projects submitted for Bid.

Project: Installation, implementation, and operation of any DER or combination of DERs to provide peak load reduction for the identified area of need.

Request for Proposals (RFP): A formal document issued to solicit bids from potential vendors or contractors for a specific project. It outlines the project's requirements, goals, and scope, and invites qualified parties to submit proposals detailing how they would complete the project.

Respondent: A person and/or entity, or a representative thereof, replying to this RFP. It may be a customer, aggregator, or other third party acting on the customer's behalf.

Residential Segment: Consists of buildings with 4 or fewer dwelling units.

Small Business Segment: Consists of customers with 100 kW and less average peak demand.

Small Multifamily Segment: Consists of buildings with 5 to 10 dwelling units.

Solution or Project: The approach being proposed in the RFP.

Summer Capability Period: Five-month period established from May 1 through September 30 of each year.

Technical Resource Manual (TRM): a comprehensive document that provides standardized methods for estimating energy savings from energy efficiency programs across New York State

Third-Party Risk Management (TPRM): TPRM provides Con Edison valuable insights into an organization's supply chain which can help prevent significant disruptions and mitigate operational, environmental, legal, compliance, financial, and reputational risks to Con Edison.

Third-Party Risk Assessment (TPRA): A part of the TPRM, The TPRA mitigates the potential risk that arises from outsourcing business activities with third parties, including suppliers of material or equipment, service providers, and other similar relationships. To implement TPRA and quantify risks, business-specific risk assessment questionnaires are developed for third parties to follow and are supplemented by quantitative data insights to improve quality.

Appendix A: Customer Demographic Profile

A summary of customer demographics for the Avenue A network is shown in the table below.

Customer Segmentation	Number of Customers in Segment	Annualized Consumption (kWh)	Total of Customer Hi Demand 1 Yr (kW)	Total of Customer Average Billed Demand (kW)
Small-Medium Businesses	**5,400**	**285,000,000**	**94,400**	**69,900**
Multifamily	**59,500**	**390,000,000**	**92,300**	**62,500**
Small Multi-Family - Common Area	400	5,000,000	2,300	1,500
Small Multi-Family - Res	2,400	16,000,000	3,300	2,300
Large Multi-Family - Common Area	2,900	82,000,000	25,500	18,400
Large Multi-Family - Res	53,300	235,000,000	47,000	29,900
Other - Common Area	400	51,000,000	14,200	10,500
Commercial & Industrial	**600**	**84,000,000**	**25,700**	**19,000**
NYPA - Com	100	25,000,000	8,600	6,200
Other	500	60,000,000	17,000	12,800
Residential	**900**	**78,000,000**	**19,100**	**20,500**
NYPA - Res	100	47,000,000	16,800	12,700
Single Family - Res	700	6,000,000	2,300	1,500
Grand Total	**66,900**	**853,000,000**	**242,400**	**172,200**

Appendix B: Respondent Checklist

The Respondent must submit the following completed checklist with each proposal.

Checklist Item	Initial
RFP RESPONSE SPECIFIED FOR APPLICABLE PROJECT (Please list below all that apply and initial): ☐ Please specify project(s) name: _____	
REVIEWED ALL RFP DOCUMENTS AND LAWS AND REGULATIONS THAT IN ANY MANNER MAY AFFECT COST, PROGRESS, OR PERFORMANCE	
FULLY COMPLETED PROPOSAL ADHERING TO THE FORMAT PROVIDED WITHIN THIS RFP	
FULLY COMPLETED **NON-WIRES SOLUTION FINANCIAL SHEET (ATTACHMENT A OR B)**	

NOTE: FAILURE TO COMPLY WITH RFP PROCESS, COMPLETE AND SUBMIT OF ALL THE ABOVE DOCUMENTS ON THE FORMS PROVIDED HEREIN, WILL RESULT IN A REJECTION OF YOUR BID.

By placing my initials in the boxes provided above, I acknowledge having read and that I understand fully all requirements, including with regard to each of the documents referenced herein.

RESPONDENT (PRINT NAME): _____

RESPONDENT (SIGNATURE): _____

DATE: _____

Appendix C: Incentive Milestone Schedule for Dispatchable Resources

The default incentive milestone schedule for an NWS Program Agreement uses the following breakdown.

Operational Incentive: 50% of the total contract incentive is paid when the system becomes Operational on or before its deadline. A system is accepted as Operational when it has both completed all utility interconnection requirements and received all applicable permits and authorizations from the AHJs to be allowed to operate.

Note: Failure to meet the contracted operational date may result in reduced incentives or liquidated damages, as will be outlined in the NWS Program Agreement.

Performance Incentive: 50% of the total contract incentive is paid out over the 10-year contract term according to verified summer performance. Each year a maximum of 5% of the total contract incentive is paid depending on performance.

Note: Failure to perform in accordance with the agreed upon Performance Verification Plan may result in reduced incentives or liquidated damages, as will be outlined in the NWS Program Agreement.

Table 5: NWS Program Agreement Default Incentive Schedule

Milestone	Year									
	1	2	3	4	5	6	7	8	9	10
Operational	50%									
Performance	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%

Respondents are required to supply their proposed incentive aligned with this schedule.

Optional Submittal: Respondent may describe additional project milestone(s) in the development process ahead of the Operational deadline for the Company's consideration. This would include additional key milestones tied to a portion of the Operational Incentive based on achievement of the key development milestone. Provide justification for why a key milestone payment would be appropriate and how it would support your plan to ensure the project is operational prior to the Operational deadline.

Please note, all submittals must be valid under the default incentive schedule referenced above. Proposed additional milestones will be taken under consideration but are not guaranteed to be included in the final NWS Program Agreement for selected Respondents.