

# Demand Management Program

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# Overview

- 125 MW carve-out for demand reductions
  - 100 MW DSM
  - 25 MW CHP
- Con Edison/NYSERDA \$285 million program
  - \$219 million DSM
  - \$66 million CHP

# Program Features

- Builds on existing programs, expertise, infrastructure
- Aligns incentives and process across Con Edison and NYSERDA programs for C&I existing facilities
- Target customers:
  - C&I customers with high on-peak demand and developers of large-scale projects
  - Willing to expand scope and depth of solutions
  - Able to switch to non-electric cooling

# Project Eligibility

- **No equipment is removed/disconnected or installed** until after a technical review and pre-installation inspection have been completed.
- The Con Edison customer of record pays into the Monthly Adjustment Clause (MAC).
- Pure NYPA customers not eligible
- Project or portfolios must have a combined peak demand reduction of **50kW or greater**
- The Project must be installed and operational by **June 1, 2016**
- Incentives capped at **50% of the project costs** (plus additional bonus, if eligible)

# Definitions

- On-Peak Hours – 2pm - 6pm, Monday - Friday, June 1 through September 30
- Peak Demand Reduction (kW) – The projected system-coincident peak demand reduction that occurs during On-Peak Hours.

# Key Projects & Incentives

Project	Previous C&I Incentive/kW	New DMP Incentive/kW	Total Customer Benefit/kW
Thermal Storage	\$600	\$2,000	<b>\$2,600</b>
Battery Storage	\$600	\$1,500	<b>\$2,100</b>
Chiller/HVAC/BMS/Controls	\$0.16/kWh	\$1,250	<b>\$0.16/kWh + \$1,250/kW</b>
Lighting/LED	\$0.16/kWh	\$800	<b>\$0.16/kWh + \$800/kW</b>
DR Enablement	\$200	\$600	<b>\$800</b>
Fuel Switching	Steam AC Program		<b>\$500-\$1,000</b>
CHP	Incentives have not changed from original program. See: PON2701 or PON 2568		

Load Reduction	Additional Bonus
Projects over 500kW	Additional 10% of base incentive
Projects over 1MW	Additional 15% of base incentive

**Bonus first installed, first paid**

# Who can Apply?

- Customer with Con Edison account
  - Must reduce 50kW of demand to qualify
  - Retail chains can be aggregated by a customer. For example, bank branches or fast food chains.
- Third party applicant with a customer signed release
  - Each building within the portfolio must reduce a minimum of 10kW of demand and the portfolio must reduce a minimum of 50kW

# General Guidance

- There will be no minimum payback requirement i.e., less than 1 year and no TRC test required for these projects.
- Super efficient chiller bonus will be applied to eligible electric chiller projects in addition to the demand management incentives and the existing programs kWh incentives.

# Eligible Projects - Aggregation

- Re: 10KW threshold for individual buildings that are being “bundled” to meet the 50KW reduction:
  - The 10KW threshold per building applies only to aggregators who are bundling buildings with different owners together to reach the 50KW minimum.
  - If a single building owner wishes to bundle his own properties in order to meet the 50KW threshold, the 10KW minimum per building does not apply

# Measurement & Verification

- Measurement and Verification (M&V) will be considered for every project.
- Lighting projects will require a minimum of two weeks measurement, pre/post installation
- All other projects will require a minimum of four weeks equipment measurement, pre/post installation

# The Process

1. Applicant submits **Application** and relevant documentation
2. **Initial Technical Review** conducted by program team
3. **Incentive Offer Letter**
4. **Pre-Inspection** and Pre-M&V
5. Applicant **Commences** Project
6. Applicant submits **Completion Certificate** with documentation
7. **Post-Inspection** and Post-M&V
8. Incentive **Payment** sent to Applicant (60/40 split)

# Contact Information

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