

# **NYSERDA Residential & Retail Energy Storage Incentive Program Updates**

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# Agenda

- **6 GW Storage Order – Distributed Storage Programs - Key Directives**
- **Residential-Retail Implementation Plan**
  - **Residential Program**
  - **Retail Program**
- **Next Steps**

# 6 GW Storage Order – Distributed Storage: Key Directives for NYSERDA

- **To comply with PSC “6 GW Storage Order,” Residential-Retail Implementation Plan filed in August 2024; recently approved Feb 14**
- **Procure 1,500 MW (\$675 million) of Retail storage and 200 MW (\$100 million) of Residential storage via standard-offer, up-front, \$/kWh incentive programs (MWh Block)**
- **All projects 1 MW in size and above must pay Prevailing Wage**
- **Incorporate Fire Safety Working Group recommendations into program rules for non-NYC projects (Peer Review, Emergency Response Plan, First Responder Training)**
- **Disadvantaged Communities Directives: At least 35% of off-site Retail procurements must be sited downstate (NYISO Capacity Zones G,H,I,J,K)**
  - **Minimum 30% of total off-site must be in Zone J (NYC)**
  - **Minimum 35% of on-site (Residential, on-site Retail) procurements must be sited within DAC census tracts statewide**

# Residential-Retail Program Design

- **Continues previous “MWh Block” structure: Series of capacity-based funding “blocks”**
  - **Blocks specific to market segment and region (e.g. *NYC Retail*)**
  - **Incentive rate specified in \$/kWh of installed capacity for each block, paid out at project completion**
- **System can be standalone or paired with solar; in either case, must be grid-connected**
- **Only opening MWh Block sizes and rates are proposed in Implementation Plan**
  - **Landscape for permitting and battery pricing in flux**
  - **Subsequent blocks will be published on MWh Block dashboard and announced through NYSERDA Energy Storage mailing list, prior to full allocation of currently open block**
  - **Size/rate for subsequent mass market and DAC blocks determined based on uptake trends and prevailing project economics**

# Residential Program: MWh Block Design

- **Authorized to procure total of 200 MW statewide utilizing funding of \$100 million**
- **Rest of State (outside Con Edison and Long Island) Opening market-rate (non-DAC) block sizes and rates:**
  - **10 MW/25 MWh, \$200/kWh**
- **Full program geographical allocations TBD based on uptake and permitting developments**
- **PSC modification to IP: *Where available and practicable, system must enroll in utility Dynamic Load Management (DLM) program or other program, as described in the Program Manual.***

# Residential Program: DAC Program Proposed Design

- **Residential program will allocate 40% of total program capacity (80 MW) towards the Residential Inclusive Storage Incentive (ISI), available statewide outside LIPA presently**
- **Project must meet one of the following criteria to be eligible:**
  - **Located within a DAC census tract as identified by the Climate Justice Working Group;**
  - **Service the owner-occupied residence with household income less than 80% of the Area Median Income (AMI) or 80% of the State Median Income (SMI), whichever is higher;**
  - **Service a residential (1-4 unit) affordable housing property; or**
  - **Service a customer who has notified their utility of a serious illness or condition that could become life-threatening if electricity is disconnected.**
- **NYSERDA will allocate an initial capacity of 10 MW/25 MWh at an incentive rate of \$450/kWh to the first block of Residential ISI**

# Retail Program: MWh Block and DAC Program Proposed Design

- **Authorized to procure total of 1,500 MW statewide using funding of \$675 million**
  - **Available for on-site and off-site systems up to 5 MW-AC in size**
  - **PSC clarification to IP: *Projects can also pursue NYISO DER and Aggregation participation***
- **Opening market-rate (non-ISI) block sizes and rates:**
  - **Rest of State (outside Con Edison and Long Island): 150 MW/563 MWh, \$175/kWh**
- **Retail Inclusive Storage Incentive (Retail ISI) on-site storage projects sited at eligible critical facilities located in DAC census tracts**
  - **First block of 60 MW Retail ISI: 15 MW/45 MWh at an incentive rate of \$350/kWh**

# Summary of Rest of State Storage MWh Blocks

Program	Block	Opening Block Size	Incentive Rate	Funding
Residential	Rest of State (outside Con Edison and Long Island)	10 MW/25 MWh	\$200/kWh	\$5,000,000
	Residential ISI	10 MW/25 MWh	\$450/kWh	\$11,250,000
Retail	Rest of State	150 MW/563 MWh	\$175/kWh	\$98,437,500
	Retail ISI	15 MW/45 MWh	\$350/kWh	\$15,750,000



# Next Steps

- **Residential-Retail Implementation Plan approved on Feb 14**
- **Stakeholder Webinar on Mar 11**
- **Market Rate Programs (non-ISI) to be launched this Spring following program manual filing and participating contractor onboarding period**
- **Statewide Solar/Storage for All (S-SFA) program was approved by PSC in May 2024; utilities filed initial tariff statements, with credit distribution to customers beginning Dec 2025**
  - **S-SFA opt-in for in-development projects is now available!**
  - **Enrollment Process: Utility will provide projects the option to enroll in S-SFA at the time of 25% interconnection payment (or when IA is executed, if no IX payment is required)**
  - **Refer to tariffs for additional information**

# Q&A / Discussion

# Appendix

# Summary of Distributed Storage MWh Blocks

Program	Block	Opening Block Size	Incentive Rate
Residential (200 MW)	Con Edison (NYC + Westchester)	10 MW/25 MWh	\$250/kWh
	Rest of State (outside Con Edison and Long Island):	10 MW/25 MWh	\$200/kWh
	Residential ISI	10 MW/25 MWh	\$450/kWh
Retail (1500 MW)	New York City (750 MW min.)	300 MW/1,125 MWh	\$125/kWh
	Con Edison (150 MW min.) Westchester	100 MW/375 MWh	\$125/kWh
	Rest of State (outside Con Edison and Long Island)	150 MW/563 MWh	\$175/kWh
	Long Island	TBD	TBD
	Retail ISI	15 MW/45 MWh	\$350/kWh