

“6 GW” Residential and Retail Energy Storage Programs Overview

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NYSERDA

Agenda

- “6 GW” Storage Programs: Background and Overview
- Residential Storage Program Design
- Retail Storage Program Design
- Next Steps and Timeline
- Q&A

Background

- **2018:** 3 GW x 2030 energy storage target adopted; PSC approves first Storage Roadmap, authorizes first NYSERDA incentive programs for Retail and Bulk projects
- **2019:** 3 GW x 2030 target codified as Climate Law mandate
- **2019-2021:** New Retail and Bulk programs launched and allocated; RGGI-funded residential storage incentive program launched for Long Island
- **2022:** Gov Hochul expands 2030 target to 6 GW, 6 GW Storage Roadmap/Roadmap 2.0 filed, proposing new programs to procure additional 4.7 GW of storage capacity
- **June 2024:** 6 GW Roadmap approved by PSC; NYSERDA directed to file Implementation Plans for Residential-Retail and Bulk programs outlining program design and rules
- **August 2024:** NYSERDA files Residential-Retail Storage Implementation Plan
- **February 2025:** PSC approves Residential-Retail Implementation Plan with modifications
- **March 11, 2025:** NYSERDA files updated Residential-Retail Implementation Plan

MWh Block Program Structure

- Both Residential and Retail storage incentive programs are based on the **MWh Block** structure, which closely follows the MW Block program structure for NY-Sun
- Consists of a series of capacity-based funding “blocks”; each is associated with a specific market segment, geography, incentive rate (in \$/kWh) funding amount, and allocable capacity (in MWh)
- Incentive applications will be submitted through NYSERDA application portal; allocated and available capacity will be monitored in real-time through [online MWh dashboards](#) on NYSERDA’s website
- Per the 2024 Storage Order, NYSERDA may exercise flexibility to adjust segment/geographic allocations and incentive rates based on prevailing market conditions, in consultation with DPS

“6 GW” Residential-Retail Storage Programs Overview

New Residential and Retail Programs Authorized by June 2024 Storage Order

- 1,500 MW of new Retail storage (\$675.0 million)
- 200 MW of new Residential storage (\$100.0 million)
- At least 35% of **on-site** (Residential and on-site Retail) projects must be sited in disadvantaged community census tracts
- At least 35% of **off-site** Retail projects must be sited in NYISO’s G-K Capacity Zones, with at least 30% of total procurements in Zone J (NYC)

Eligible Technologies (Residential and Retail)

- All systems must be **grid-tied**, and may be paired with solar PV
- Systems must be **new** (cannot already be placed in service at time of application), **permanent**, and **stationary** (can be moved on temporary basis for needed maintenance and related issues)
- May be electric grid-connected chemical, thermal, or mechanical technologies
- Equipment must be **commercially available** with a minimum 10-year warranty and UL listing
- Lithium-ion systems must have a **round-trip efficiency** (RTE) of at least 70% during the project life; non-Li Ion projects that apply for the program will be assessed on a technology-specific basis to determine the minimum required RTE
- Projects must be **placed in service by December 31, 2030**. Extensions beyond this date may be granted for projects that have experienced in-service delays due to conditions beyond the control of the Participating Contractor, and upon receiving verification that project construction has commenced on or before December 31, 2030

Participating Contractors

- For both the Residential and Retail Storage programs, projects will be incentivized for customers through a network of Participating Contractors who will contract directly with the customer and NYSERDA.
- Participating Contractors will be held responsible for meeting all program requirements as listed in the version of the Program Manual in effect at the date of application. Regardless of any subcontracting arrangement, the Participating Contractor will remain responsible for all aspects of the project.
- A contracting firm can apply to become a Participating Contractor by completing an online Contractor Application Form located at the NYSERDA Energy Storage website.
- Already-approved Retail storage contractors do not need to reapply
- NY-Sun contractors will need to apply for Energy Storage programs

Residential: MWh Block Design (Market-Rate)

- Three regional blocks:
 - Long Island (currently available for storage paired with solar PV, will continue to be administered through NY-Sun portal)
 - Con Edison (new – NYC + Westchester)
 - Rest of State (all other utility territories - new)
- Initial Block Sizes and Rates:
 - Con Edison – \$6.25 million, 25 MWh/10 MW, at \$250/kWh
- Subsequent block sizes and incentive levels will be published on the MWh Block dashboard and announced through NYSERDA's Energy Storage mailing list
- Maximum award per project is capped at **25 kWh** of project capacity; larger projects will have their incentive capped at 25 kWh
- Systems must enroll in a utility Dynamic Load Management (DLM) program or aggregation program as available, practicable, & approved by NYSERDA (e.g. Con Edison Commercial System Relief Program (CSR), Virtual Power Plant programs, etc.)

Residential: MWh Block Design for Disadvantaged Communities – Inclusive Storage Incentive

- The Residential program will allocate 40% of total program capacity (80 MW), towards the Residential **Inclusive Storage Incentive** (Residential ISI) for eligible residential projects
- Projects must meet one of the following criteria:
 - Be **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
- NYSERDA will initially allocate \$11.25 million in funding for first statewide block (except Long Island) of 10 MW/25 MWh at an incentive rate of \$450/kWh to the first block of Residential ISI and monitor prevailing market conditions, uptake trends, and stakeholder feedback.
- NYSERDA will release a Request for Information (RFI) in March to obtain additional stakeholder input towards finalizing the Residential ISI design, with incentive launch planned for Q2 2025.

Retail: MWh Block Design (Market-Rate)

- The Retail program will launch with three regional MWh blocks:
 - Con Edison NYC – minimum total allocation of 750 MW
 - Con Edison Westchester – minimum total allocation of 150 MW
 - Rest of State (all other utility territories other than Con Edison and LIPA)
- Incentives are capped at project capacity of **20 MWh**.
- Incentive rates listed will be provided at the dollar value listed for each of the first **four hours** of a system's duration and decline to 25% of this dollar value for hours five and six of duration with no incentive for any duration beyond six hours.
- Incentive is paid out in full following completion of all milestone deliverables
- Projects with installed capacity of 1 MW-AC or greater that are awarded Retail storage incentive funding must pay Prevailing Wage or enter into a project labor agreement (PLA) for construction activities associated with project development and installation.

Retail: New York City Block Design

Block #	MW	MWh	Incentive	Block Budget
6	300	1,170	\$125/kWh	\$146.3M
7	200	780	\$100/kWh	\$78.0M
8+	TBD	TBD	TBD	TBD

- A minimum of 750 MW (50% of Retail program capacity) will be allocated to the New York City region, to enable peaker displacements in NYISO Zone J.
- If the volume of valid applications submitted during the first three weeks of the program exceeds Block 6 capacity, projects will be ordered by date of 100% utility interconnection upgrade payment, with the oldest projects filling Block 6, and any newer projects allocated funds from Block 7.

Retail: Inclusive Storage Incentive

- The 2024 Storage Order directs that a minimum of 35% of on-site storage procurements be located within disadvantaged community (DAC) census tracts
- In keeping with this directive, the Retail program will allocate 60 MW (40% of expected on-site Retail procurements) towards the **Retail Inclusive Storage Incentive** (Retail ISI), available statewide for eligible storage projects sited at eligible critical facilities located in DAC census tracts
- NYSERDA will allocate \$15.75 million in funding for an initial statewide block (except Long Island) of 15 MW/45 MWh at an incentive rate of \$350/kWh to the first block of Retail ISI
- NYSERDA will release a Request for Information (RFI) in March to obtain additional stakeholder input towards finalizing the Retail ISI design, with incentive launch planned for Q2 2025.

Program Launch – Next Steps and Timeline

- **March 11** – Updated Implementation Plan filed
- **March** – Filing of updated Program Manual and other contractor guidance documents
- **April** – Email notification to mailing list subscribers announcing:
 - Program launch dates;
 - Posting of Program Manual and contractor/application guides;
 - Opening Participating Contractor/Builder applications for the new programs
- **April - May** – Program launch for market-rate incentives
- **March - April** – Inclusive Storage Incentive RFI and feedback window
- **May - June** – Inclusive Storage Incentives launch

Next Steps for Contractors

- **Sign up** to NYSERDA Energy Storage mailing list for future updates
- **Register** as a DER provider with Department of Public Service
- **Apply** to become a Participating Contractor and/or Builder when enrollment opens (notification via mailing list)
- **Comprehensively review** Program Manual when updated
- **Review** contractor resources for guidance on application, Peer Review, and post-award milestone deliverables, when posted
- **Contact** NYSERDA's energy storage inbox for any questions (energystorage@nyserda.ny.gov)