



Susan Vercheak*
Assistant General Counsel

May 2, 2016

Honorable Kathleen H. Burgess
Secretary
New York State
Public Service Commission
Three Empire State Plaza
Albany, NY 12223-1350

Re: 14-M-0101 - Proceeding on Motion of the Commission in Regard to
Reforming the Energy Vision, Distributed System Implementation Plan -
Stakeholder Engagement Plan

Dear Secretary Burgess:

Attached for filing is the Response of Central Hudson Gas & Electric Corporation, Consolidated Edison Company of New York, Inc., New York State Electric & Gas Corporation, Niagara Mohawk Power Corporation d/b/a National Grid, Orange and Rockland Utilities, Inc., and Rochester Gas and Electric Corporation, together the Joint Utilities, to the New York Public Service Commission's *Order Adopting Distributed System Implementation Plan* in the above matter.

If you have any questions, please contact me. Thank you.

Very truly yours,

Susan Vercheak

Enclosure

*Admitted only in New Jersey

**BEFORE THE NEW YORK STATE
PUBLIC SERVICE COMMISSION**

Proceeding on Motion of the Commission in)

Regard to Reforming the Energy Vision)

Case 14-M-0101

**RESPONSE BY THE JOINT UTILITIES TO THE ORDER ADOPTING
DISTRIBUTED SYSTEM IMPLEMENTATION PLAN GUIDANCE**

I. INTRODUCTION

In response to the *Order Adopting Distributed System Implementation Plan Guidance* (“Final DSIP Guidance”)¹ issued by the New York Public Service Commission (the “Commission”) on April 20, 2016 in the Reforming the Energy Vision (“REV”) Proceeding, Central Hudson Gas & Electric Corporation (“Central Hudson”), Consolidated Edison Company of New York, Inc. (“Con Edison”), New York State Electric & Gas Corporation (“NYSEG”), Niagara Mohawk Power Corporation d/b/a National Grid (“National Grid”), Orange and Rockland Utilities, Inc. (“O&R”), and Rochester Gas and Electric Corporation (“RG&E”) (collectively, the “Joint Utilities”) hereby file their plan and associated timeline for a stakeholder engagement process during DSIP development (“Stakeholder Engagement Plan”).

The Final DSIP Guidance requires utilities to “file a plan and associated timeline for a stakeholder engagement process during DSIP development.”² The filing must also include plans for future stakeholder engagement.³ Additionally, the Final DSIP Guidance directs the utilities to “include a description of plans to coordinate and engage with stakeholders including the

¹ Case 14-M-0101 - *Proceeding on Motion of the Commission in Regard to Reforming the Energy Vision*, (“REV Proceeding”), Order Adopting Distributed System Implementation Plan Guidance (issued April 20, 2016) (“Final DSIP Guidance”).

² REV Proceeding, Final DSIP Guidance, p. 63.

³ *Id.*, p. 21.

industry and municipalities in investigating and developing their [Electric Vehicle Supply Equipment] EVSE deployment approaches or proposals.”⁴ The Joint Utilities herein address each of these requirements, as well as provide an overview of stakeholder engagement to date.

The DSIP stakeholder engagement process complements the stakeholder collaboration taking place throughout the various REV-related proceedings, including technical conferences and technical working groups. The Joint Utilities welcome the opportunity to engage stakeholders on the development of the DSIP filings and are committed to working with stakeholders to achieve REV goals both leading up to and following the 2016 DSIP filings. This engagement began upon the filing with the Commission by the Department of Public Service Staff (“Staff”) of the *Staff Proposal: Distributed System Implementation Plan Guidance* (“Proposed DSIP Guidance”)⁵ and is expected to continue in support of future DSIP filings.

II. STAKEHOLDER ENGAGEMENT PLAN

A. Overview

The Joint Utilities support stakeholder engagement as a critical aspect of the REV Proceeding in general and the development of the DSIP filings specifically. The DSIP filings will launch a deliberate, staged implementation of REV that will benefit customers over the long term and provide the information necessary to understand both the current state of New York’s utilities’ planning and operations and the pathway to actualizing the REV goals of more efficient energy use, deeper penetration of distributed energy resources (“DER”), establishing vibrant markets to transact electric grid services, and adopting innovative and sustainable energy technologies.⁶ The Final DSIP Guidance affirms the two-phase approach that Staff originally

⁴ *Id.*, p. 26.

⁵ REV Proceeding, Staff Proposal: Distributed System Implementation Plan Guidance (filed October 15, 2015) (“Proposed DSIP Guidance”).

⁶ REV Proceeding, Final DSIP Guidance, p. 14.

proposed, with the Initial DSIP to be filed individually by the utilities on June 30, 2016 and the Supplemental DSIP filed jointly by the utilities on November 1, 2016.⁷ Stakeholder engagement will be an important element of both filings. The Joint Utilities expect the stakeholder input received to date and in the forthcoming planned discussions to be valuable in the development of both filings.

B. Stakeholder Engagement Framework

The Final DSIP Guidance envisions the Initial DSIPs and Supplemental DSIP as coordinated vehicles by which “improved future planning and operations will be defined and implemented.”⁸ Therefore, the Joint Utilities’ plan for stakeholder engagement progresses on a coordinated pathway that addresses both the Initial DSIP and Supplemental DSIP, and continues after the Initial and Supplemental DSIPs have been filed. On February 29, 2016, the Joint Utilities held a day-long informational forum on electric system planning, which was attended by more than 100 stakeholders⁹ representing a broad array of organizations and interests. Representatives from each of the Joint Utilities provided presentations and took questions on transmission planning, underground and overhead distribution systems, forecasting, and capital investment planning. Through demonstrations of current utility system infrastructure, stakeholders had the opportunity to build a shared understanding of current system capabilities and planning parameters. The presentations from this forum are available on the website established by the Joint Utilities to allow interested parties to receive updates on the process and view presentations and other materials appropriate for public release.¹⁰

⁷ *Id.*, p. 3.

⁸ *Id.*, p. 2.

⁹ Invitations for this forum were sent to the members of the REV Proceeding party list as of February 9, 2016.

¹⁰ <http://jointutilitiesofny.org/>

In addition to the above informational forum, each utility is convening at least one workshop prior to the June 30, 2016 Initial DSIP filing date to engage stakeholders, including Staff, on the contents of its specific filing and other topics for the Initial DSIP. These workshops will include an overview of each utility's planned filing and will provide a forum for discussion of specific topics such as system data. The discussion of the latter topic will be aimed at soliciting stakeholder views on the information that they find most useful and the preferred modes of providing it.

As proposed in their comments to the Proposed DSIP Guidance, the Joint Utilities retained a consultant to lead stakeholder engagement efforts on their behalf.¹¹ The consultant, ICF International ("ICF"), brings significant technical expertise in the topics covered by the DSIP filings, as well as experience facilitating the More Than Smart multi-stakeholder discussions underway in California.¹² ICF also brings relevant experience from other states, including Hawaii, Arizona and Minnesota. This experience should serve the Commission's direction to coordinate "efforts with utilities in other jurisdictions, such as California, to better provide for a national perspective in the Supplemental DSIP filing."¹³ The Joint Utilities aim to leverage this experience to elicit stakeholder input and feedback, potentially reach common ground on aspects of the various topics, and provide educational reference background for stakeholders on technical matters, as may be useful.

To help guide their stakeholder engagement process, the Joint Utilities have convened an Advisory Group comprised of approximately twenty organizations representative of the breadth of stakeholders that are parties to the REV Proceeding. In addition to the Joint Utilities, the

¹¹ REV Proceeding, Initial Comments of the Joint Utilities on the October 15, 2015 Staff Proposal: Distributed System Implementation Plan Guidance (filed December 7, 2015), pp. 19-20.

¹² <http://morethansmart.org/>

¹³ REV Proceeding, Final DSIP Guidance, p. 19.

Advisory Group includes representation from Staff, DER providers, the New York Power Authority (“NYPA”), the wholesale market and retailers, environmental advocates, and organizations representing large and small commercial, and residential customers. The participating organizations are identified in Appendix A attached hereto.

The Advisory Group’s purpose is to advise the Joint Utilities on the priorities and sequence of topics for more detailed technical discussions by stakeholders and the Joint Utilities, as well as provide overall feedback to the Joint Utilities on topics relevant to DSIP development. These technical discussions will be facilitated through Engagement Groups formed for each topic identified by the Advisory Group for discussion. The selection of topics recommended by the Advisory Group will reflect the priorities of the Final DSIP Guidance¹⁴ and input received through the stakeholder survey conducted as part of the February 29, 2016 informational forum. The Advisory Group will also provide input on Engagement Group membership, discussion scope, and any output documents that would advance greater shared understanding. For example, the Joint Utilities expect to ask the Advisory Group to discuss the requirement included in the Final DSIP Guidance to engage stakeholders on deployment approaches or proposals for electric vehicle supply equipment (“EVSE”) and will develop a plan with input through the Advisory Group, potentially using the Technical Conference format described later.

The Engagement Groups are intended to foster shared understanding of the technical details and strive toward common ground through iterative discussion and feedback. Similar to the Advisory Group, the Engagement Groups’ membership will be comprised of approximately twenty organizations each, representing the diverse interests of the parties to the REV Proceeding. The size and diversity of the group is intended to facilitate constructive and in-depth

¹⁴ *Id.*, p. 21.

dialogue and meaningful engagement, while maintaining a manageable group size that affords opportunity for each stakeholder to participate.

The Advisory Group and the Engagement Groups are organized around the overarching topic categories included in the Proposed DSIP Guidance and *the Report of the Market Design and Platform Technology*.¹⁵ Those topics are (1) Distribution System Planning, (2) Grid Operations, and (3) Market Operations. Within those topics are a number of sub-topics that are identified in the Final DSIP Guidance.¹⁶ The input of stakeholders in the Engagement Groups will be documented to inform the work of the Joint Utilities in preparing the Supplemental DSIP filing.

Both the Advisory Group and Engagement Groups will operate under ground rules based on the Chatham House Rule¹⁷ and commercial confidentiality. For example, in order to foster open dialogue, comments made at the meetings will not to be attributed to any individual. Similarly, no participant will disclose proprietary information during any stakeholder engagement meeting. Additionally, for strict compliance with applicable antitrust and competitive marketplace rules, participating stakeholders must agree not to use the group or its meetings as a means for competing companies to reach any understanding, expressed or implied, which tends to restrict competition, or in any way to impair the ability of participating members to exercise independent business judgment regarding matters affecting competition or regulatory positions.

C. Timeline

In support of the Commission's goal for a transparent and open DSIP process, the Joint Utilities have already initiated stakeholder engagement, as discussed above. Appendix B

¹⁵ REV Proceeding, Market Design and Platform Technology Working Group (issued August 17, 2015).

¹⁶ REV Proceeding, Final DSIP Guidance, Attachment 1, pp. 5-21.

¹⁷ The Chatham House Rule is a widely recognized system for organizing debates and discussion panels.

presents a high-level view of the draft timeline for Advisory Group and Engagement Group meetings and, as appropriate, Technical Conferences.

1. Advisory Group

The Advisory Group first met on April 5, 2016 and will meet periodically throughout the development of the Supplemental DSIP filing. It is anticipated that the Advisory Group will continue to meet on an ongoing basis in support of future DSIP filings. It is also envisioned that the Advisory Group membership will be reviewed on an annual basis and potentially rotated to ensure representation across the breadth of stakeholders.

2. Engagement Groups

It is expected that the Engagement Groups will meet on a regular schedule that considers the time and resource constraints of participating stakeholders and allows for consideration of prior meeting material and preparation for subsequent meetings. The meetings are planned to be convened over a period of twelve weeks, beginning in mid-May and concluding in early August and will be a combination of in-person meetings and webcast conference calls. The schedule will be planned to allow for a concentrated period of discussion and stakeholder input, with a reduced meeting cadence in the period immediately preceding the Supplemental DSIP filing to allow the Joint Utilities to appropriately incorporate stakeholder input and finalize their filing. Appendix B hereto presents a high-level view of the timeline for Advisory Group and Engagement Group meetings.

While the primary purpose of the Engagement Groups is to provide input to the Supplemental DSIP, following the Supplemental DSIP filing, the Joint Utilities also plan to discuss the lessons learned in the course of convening the technically-focused Engagement Groups with the Advisory Group and the possible role of these subject matter expert groups for future stakeholder engagement in the preparation of subsequent DSIPs.

3. Technical Conferences

Since the Commission initiated the REV Proceeding in April 2014, the Joint Utilities have also been actively participating in the many technical conferences hosted by the Commission and have been engaged in an exchange of views with stakeholders as part of those forums. These conferences provide the opportunity for even broader participation on specific technical topics. In addition to the other types of engagement discussed herein, the Joint Utilities will schedule and conduct technical conferences to address topics reflective of consultation with Staff and the Advisory Group.

IV. Conclusion

As described herein, the Joint Utilities welcome the opportunity to involve stakeholders in the development of their Initial DSIPs and the joint Supplemental DSIP. The Joint Utilities expect that the Stakeholder Engagement Plan will evolve as needs emerge and priorities shift.

Dated: May 5, 2016

Respectfully submitted,

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OF NEW YORK, INC. and ORANGE
AND ROCKLAND UTILITIES, INC.**

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APPENDIX A

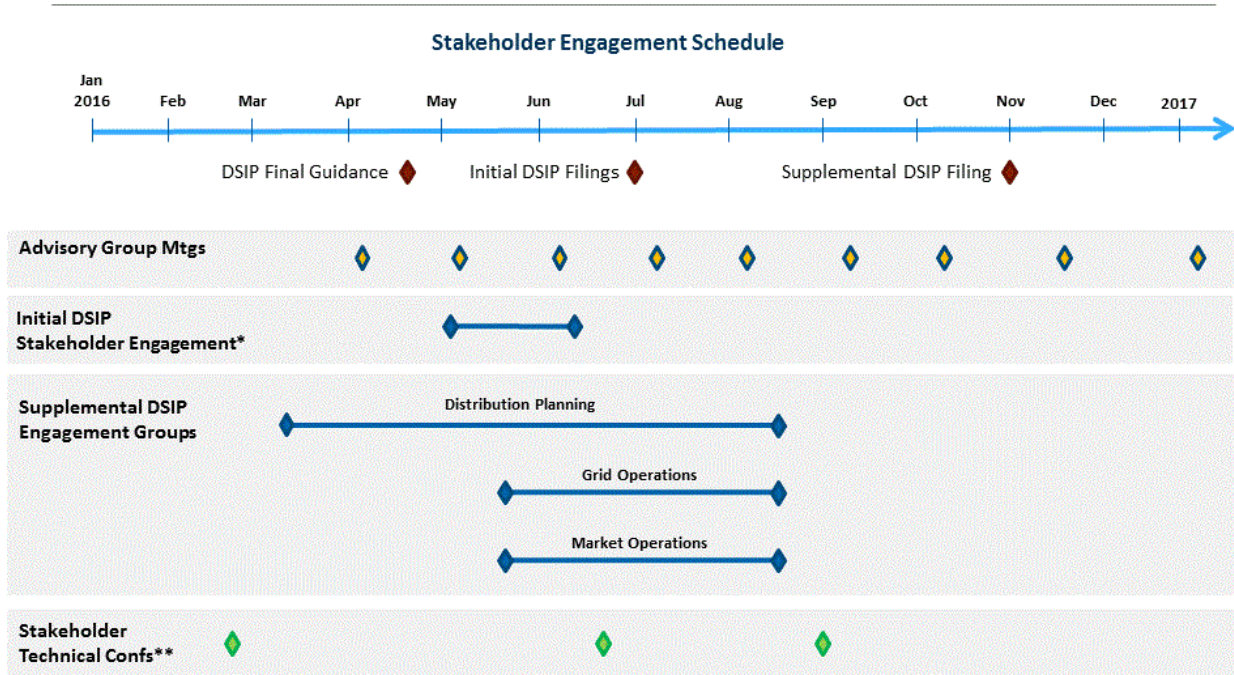
APPENDIX A:**ADVISORY GROUP PARTICIPATING ORGANIZATIONS**

Public Service Commission (PSC)	DPS Staff
Distributed Energy Resources (“DER”) Providers	SolarCity NRG NY-BEST EnerNoc
Large Customers	Multiple Intervenors City of New York
Small Customers and Consumer Groups	Department of State Utility Intervention Unit
State/Public Power	New York Power Authority
Environmental Groups	Environmental Defense Fund National Resources Defense Council
Marketers	Direct Energy
Wholesale Market	New York Independent System Operator
Joint Utilities	Con Edison/O & R National Grid Central Hudson NYSEG/RG&E
Advisory Group Facilitator	ICF

APPENDIX B

APPENDIX B:

DRAFT STAKEHOLDER MEETING SCHEDULE



* Initial DSIP engagements dates based on individual JU workshop schedule during this period

** Stakeholder technical conferences to engage a wider set of participants to inform technical discussions and share Engagement Group results, as needed and in consultation with the Advisory Group