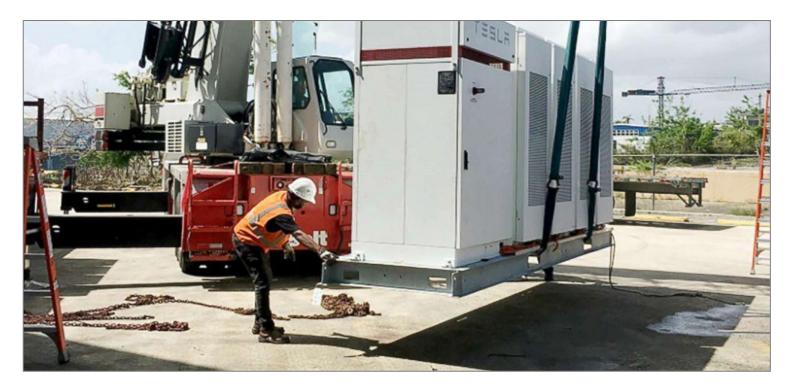
Opportunities: Electrification & Battery Storage



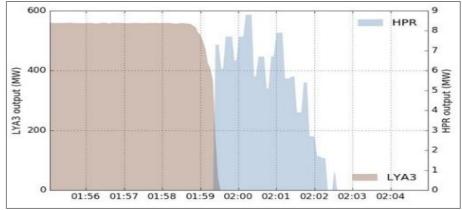
Kate Crosby, Energy Manager Acton-Boxborough Regional School District

December 21, 2017

Tesla big battery outsmarts lumbering coal units after Loy Yang trips

"Last Thursday, one of the biggest coal units in Australia, Loy Yang A 3, tripped without warning...with the sudden loss of 560MW and causing a <u>slump in</u> <u>frequency</u> on the network.

"What happened next has stunned electricity industry insiders....<u>Even</u> <u>before the Loy Yang A unit had</u> <u>finished tripping</u>, the [Tesla battery] had responded...



"Data...shows that the Tesla big battery responded <u>four seconds ahead of the</u> <u>generator contracted to provide FCAS</u> (frequency control and ancillary services)...pretty much instantaneous.

"Tesla weren't officially playing in that market, but just wanted to show what they could do. And they did."

https://reneweconomy.com.au/tesla-big-battery-outsmarts-lumbering-coal-units-after-loy-yang-trips-70003/

Florida utility to close natural gas plants, build massive solar-powered battery

"The plan calls for the construction of a **<u>409 MW/ 900 MWh</u>** battery installation...

"For context, the largest battery installation in the world was built by Tesla...in South Australia [with] a capacity and power rating of **100 MW / 129 MWh**."



https://arstechnica.com/information-technology/2019/03/florida-utility-to-close-natural-gas-plants-build-massive-solar-powered-battery/



New Solar + Battery Price Crushes Fossil Fuels, Buries Nuclear

"The Los Angeles Board of Water & Power Commissioners is expected to approve a 25-year contract that will serve 7 % of the city's electricity demand at **1.997¢/kwh** for solar energy and **1.3¢/kwh** for power from batteries.

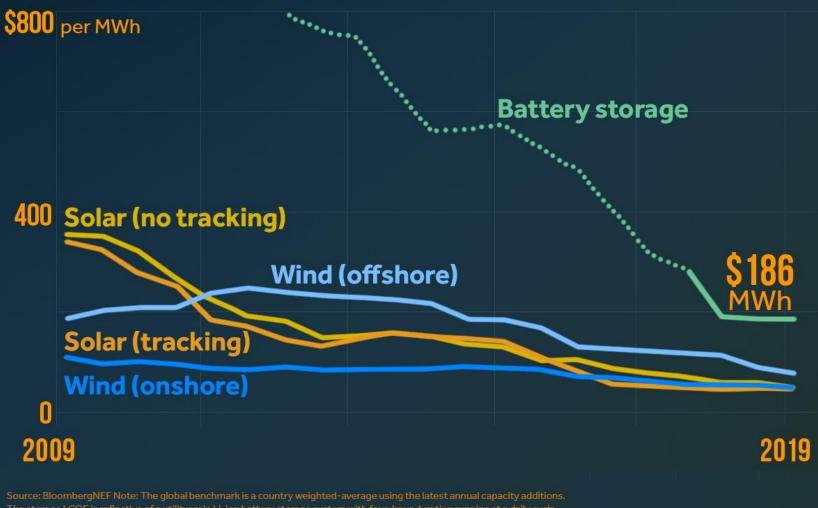
"...the lowest solar-photovoltaic price in the US...the largest and lowest-cost solar + storage project in the US and we believe in the world today,' said the agency's manager for strategic initiatives.



"...half the estimated cost of power from a new natural gas plant."

https://www.forbes.com/sites/jeffmcmahon/2019/07/01/new-solar--battery-price-crushes-fossil-fuelsburies-nuclear/#7c38b1985971

SOLAR, WIND AND BATTERY PRICES FALLING BloombergNEF Levelized Cost of Energy

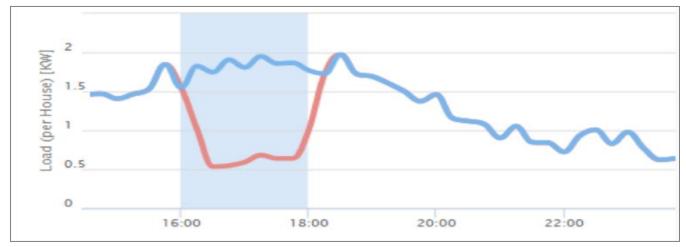


The storage LCOE is reflective of a utilityscale Li-ion battery storage system with four-hour duration running at a daily cycle and includes charging costs assumed to be 60% of wholesale average power price. Data as of October 22, 2019.

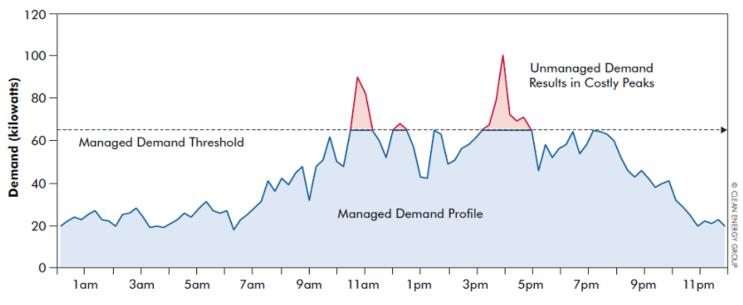
Source www.climatecentral.org/gallery/graphics/solar-wind-and-battery-prices-falling

High demand costs \rightarrow opportunities

• Participate in Demand Response programs to generate revenue

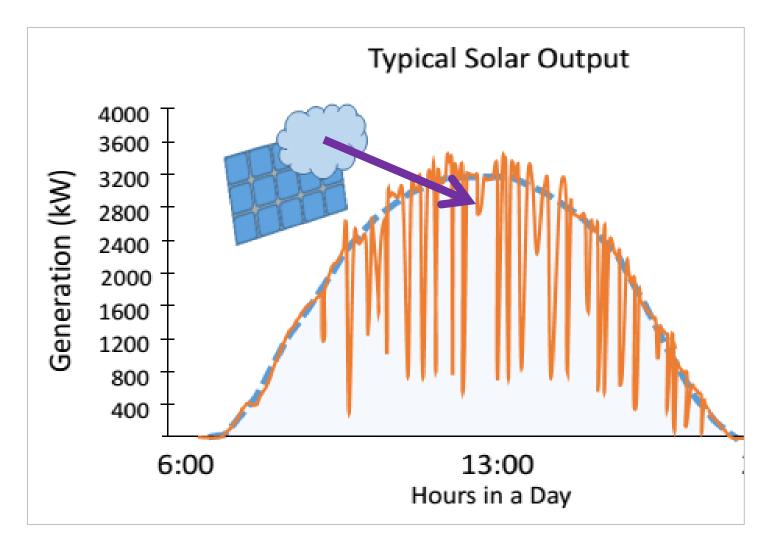


• Reduce demand charges by "snipping peaks" on your electricity account(s)



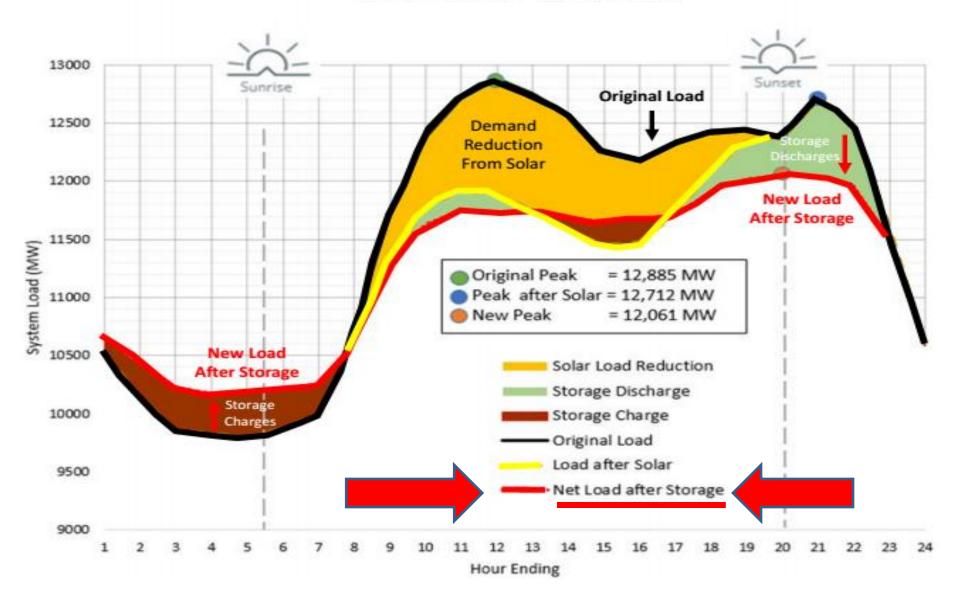
Source An Introduction to Demand Charges (Clean Energy Group/NREL)

Solar arrays do *not* provide steady protection from 15-minute demand charges because generation is variable.



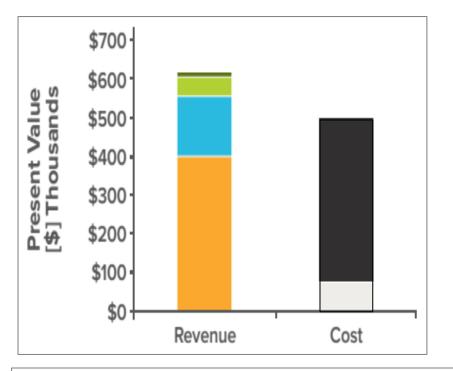
Source How to Estimate Demand Charge Savings from PV on Commercial Buildings (NREL) *Source* Massachusetts Energy Storage Initiative: State of Charge (MA DOER, MA CEC)

Solar + Storage: "Time Shift" of Renewables & Peak Load Reduction



Source Massachusetts Energy Storage Initiative: State of Charge (MA DOER, MA CEC)

"Value Stack" – Battery Economics



REVENUE:

- Demand Charge Reduction
- Resource Adequacy (Forward Reserve Market = reserve capacity)
- Frequency Regulation
- Load Following/Arbitrage

COSTS:

- Capital
- O&M & Charging



Source The Economics of Battery Energy Storage (Rocky Mountain Institute)

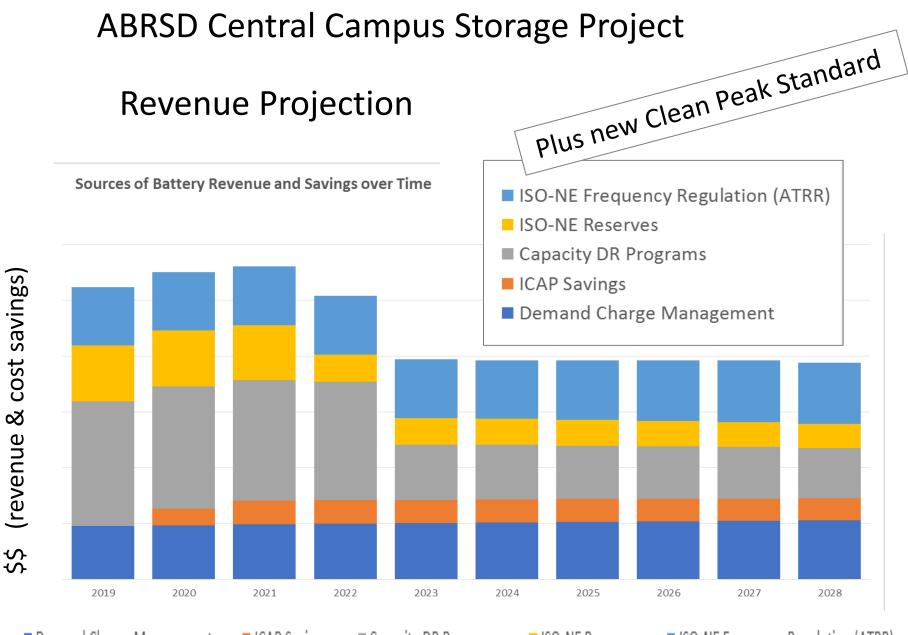




ACES (Advancing Commonwealth Energy Storage)

2MW/4MWh battery storage array (on central school campus) Dec. 2017 = grant award Dec. 2020 = commissioning



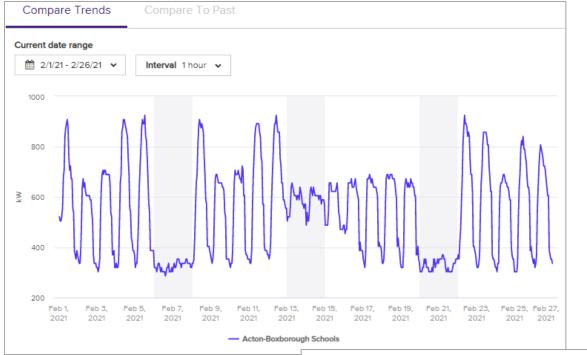


Demand Charge Management

ICAP Savings Capacity DR Programs

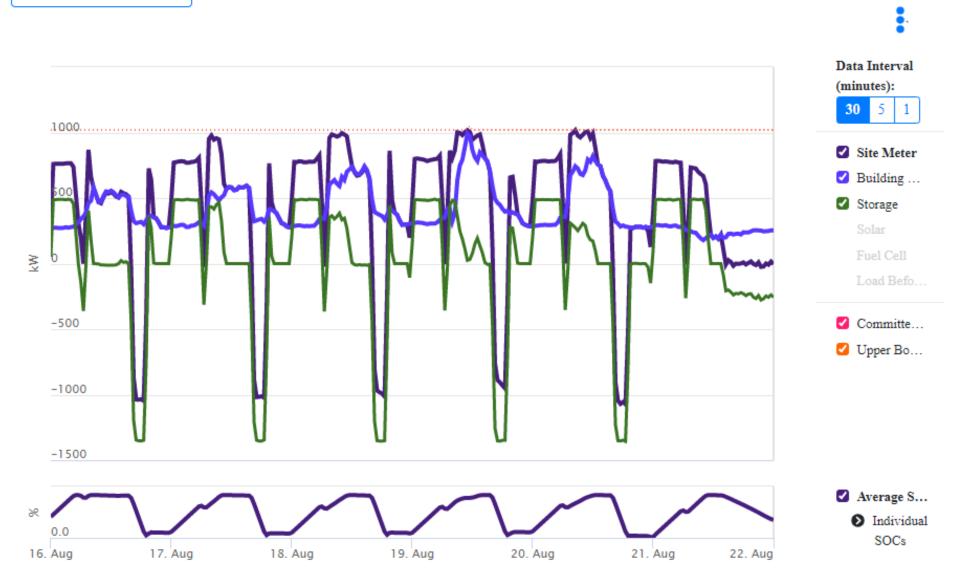
ISO-NE Reserves

■ ISO-NE Frequency Regulation (ATRR)









V

ABRSD Douglas & Gates School Building Project

Douglas & Gates Acton-Boxborough Regional School District **Elementary Schools**

Acton, Massachusetts





ARROWSTREET

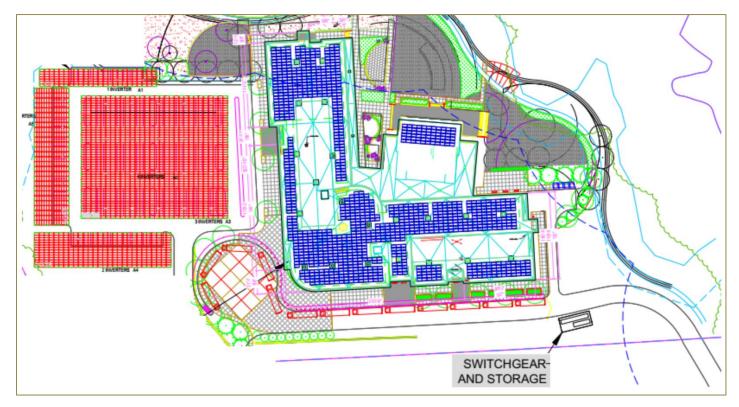
10 POST OFFICE SQUARE SUITE 700N BOSTON MA 02109 617.623.5555 www.arrowstreet.com

SKANSKA

101 SEAPORT BOULEVARD SUITE 200 BOSTON, MA 02210 617.574.1400 www.skanska.com

ABRSD Douglas & Gates School Building Project

- 177,000 s.f.
- EUI target 28 kBtu/sf currently modeling at 23.6 kBtu/sf
- Zero Net Energy
- Geothermal heating/cooling + backup electric boiler
- All-electric (diesel emergency backup generator)
- Solar+Storage (1MW/2MWh battery array)
- Rainwater collection to greywater system



STRATEGIC ELECTRIFICATION

- ✤ \$70,000 "Electrification Roadmap" grant (MA MVP)
 - 10 responses to RFP now underway
- ✤ \$15,000 Municipal Energy Technical Assistance grant (MA DOER)



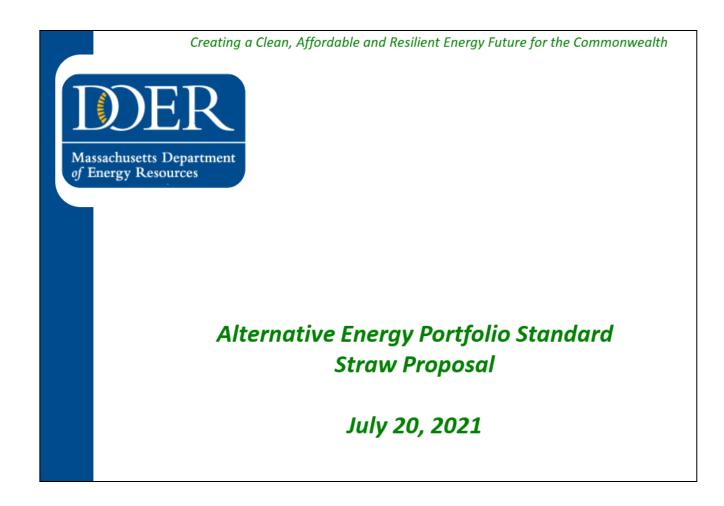




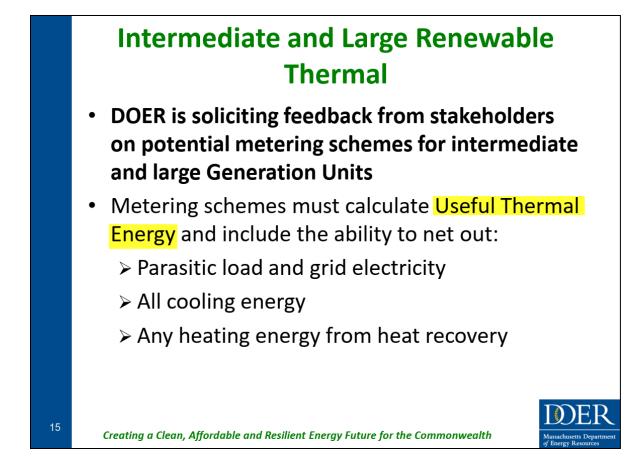
Massachusetts Department of Energy Resources



"Ithaca, New York votes to decarbonize every building in climate change fight"



APS = Alternative Energy Portfolio Standard (similar to RPS) AEC's = Alternative Energy Credit (similar mechanism to REC's)



Useful Thermal Energy

- 1. Meter the heat energy coming off the heat pumps. For geothermal: meter the inlet and outlet water temp and it shows as BTUs...temp differential tells you how much heat was created thru GSHP. Calculate as BTU, and then convert to kWh (MWh).
- 2. Then subtract the electricity input into the GSHP system (kWh) to run the pumps, etc.
- That calculation = net thermal energy from the system (in kWh) >>> you receive AECs.