

Largest Utility Energy Storage Purchase in History Announced in California

Southern California Edison Names Suppliers for 261 MW of Energy Storage Projects Comprising Multiple Applications, Technologies and Services

November 5, 2014 – Southern California Edison (SCE) today announced the selected suppliers and projects for the largest grid-connected energy storage purchase in U.S. history – more than five times greater than the utility’s minimum energy storage procurement authorization of 50 MW, per California Public Utilities Commission (CPUC) ruling. Pending approval of the projects by the CPUC, SCE will purchase 261 MW of energy storage resources.

The California Energy Storage Alliance (CESA), a membership-based advocacy group committed to advancing the role of energy storage in the electric power sector, hailed the decision as another significant step in the commercialization of storage on the power grid – and California’s leading role in that power market transition.

“This is a monumental decision – arrived at after a team of SCE experts studied more than 1,800 offers for various storage solutions, as well as other preferred resources and traditional generation,” said Janice Lin, Executive Director of CESA. “The fact that SCE far exceeded the minimum amount of energy storage they were ordered to purchase after comparing multiple solutions head to head, demonstrates that energy storage can be competitive with other preferred resources on both performance and value, and that it’s now an integral part of the utility planning tool kit in California.”

This procurement effort also marks the first time SCE has contracted with energy storage projects through a competitive solicitation. Once deployed, the systems will provide a number of services to SCE’s power grid, including ensuring adequate available electrical capacity to meet peak demand.

The companies [named](#) to provide storage systems and the amounts are:

- NRG Energy 0.5 MW
- Ice Energy Holdings, Inc. 25.6 MW
- Advanced Microgrid Solutions 50.0 MW
- Stem 85.0 MW
- AES Energy Storage 100.0 MW

“This solicitation is the first time that such a wide range of new diverse resources were directly competing in the purchasing process,” said Colin Cushnie, SCE vice president, Energy Procurement & Management. “No single energy source can give us everything we need all of the time, particularly with our emphasis to use environmentally clean resources. To provide for flexibility, we need to accommodate a mix of energy resources.”

California utilities leading the way

With clear leadership and momentum, California utilities are proving the value of energy storage in various applications from transmission-connected to customer-sited systems. There are currently 112 operational energy storage projects in California, according to the U.S. Department of Energy's Global Energy Storage Database (www.energystorageexchange.org).

The progressive clean energy policies of the California Public Utilities Commission (CPUC) have helped make the state a global leader in energy storage, with substantial progress achieved since its 2013 decision ordering SCE's storage procurement. The state is currently focused on implementing AB 2514, which requires investor-owned utilities to procure 1.325 GW of energy storage by 2020. AB 2514 also required California's Publicly Owned Utilities to evaluate procurement targets for energy storage. In October, the Los Angeles Department of Water and Power (LADWP) released a plan to procure 178 MW of energy storage capacity by 2021.

The California Energy Storage Alliance (CESA) has been an active stakeholder in the legislative, rulemaking, and implementation process in the state. CESA represents more than 85 organizations dedicated to making energy storage a mainstream resource that will enable a cleaner, more efficient and reliable electric power system. All five of the SCE storage project winners are CESA members.

About the California Energy Storage Alliance

CESA is a membership-based advocacy group committed to advancing the role of energy storage in the electric power sector through policy, education, outreach, and research. It was founded in 2009 by Janice Lin, Managing Partner of Strategen Consulting, and Don Liddell, Principal of Douglass & Liddell. (www.storagealliance.org)

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