

Power Operations Inc.

NECPUC Storage Panel

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Pomona Energy Storage Facility



12,240 Li-ion Batteries1020 Battery Racks10 Inverters



Pomona Energy Storage Project Overview

- Size: 20 MW / 80 MWh Li-ion system
- 10 year RA based PPA with Southern California Edison
- 4 month construction cycle with 12/31/2016 COD
- Market Participation
 - Energy Day Ahead, 15-minute, Real Time
 - Ancillary Services Reg-Up, Reg-Down, Spin
 - REM
- Daily operation proven to be dynamic and unexpected

Market Challenges

- New technology, one of first large scale storage assets in CA
- Initial participation in A/S market delayed
- CAISO RTD not designed for energy storage resources
- REM preferred market for storage, market redesign required for optimal system management
- Difficult to maintain State of Charge (SOC) in energy market
- Settlement Issues
- Market design must recognize and reward total flexibility / value

Flexibility Leads to Success

- Storage assets proving to be key resource
 - High utilization = ratepayers seeing quick return
 - "Instant" reliability
 - "Infinite" peak utilization
 - Enhances value of renewable and distributed resources
- Near term equality with peakers
 - Capital investment compatibility
 - Lower ongoing OPEX
 - Greater flexibility
- Storage is a total value play
 - Rapidly declining prices
 - Markets realizing more advantages that planned (scale will only improve results)
 - Remove market barriers to allow for full benefit realization.