Energy Storage

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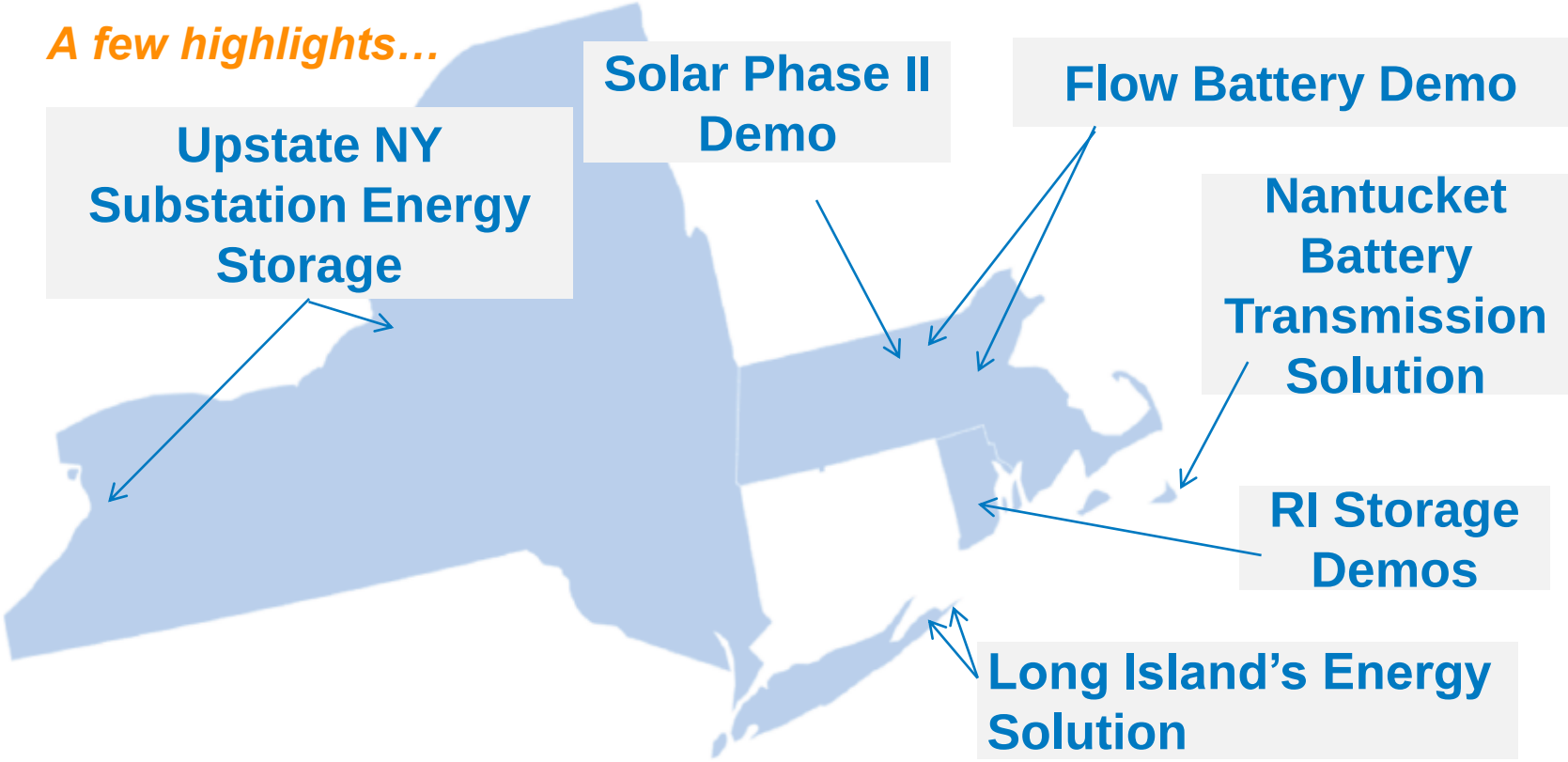
nationalgrid

National Grid is an industry leader on energy storage

By the end of 2019, we will own and operate 25 MW / 146 MWh of energy storage.

A few highlights…



We are also interconnecting non-utility storage, with 17 MW of storage paired with solar (and 1 GW in the queue).

Potential Benefits of Energy Storage

Energy storage can help us achieve a more efficient and decarbonized electricity system, via:

- **Avoided generation capacity (peak shaving)**
- **Lower electricity supply costs (energy arbitrage)**
- **More efficient ancillary services (fast response)**
- **Avoided/deferred traditional "wires" investments**
- **Firming variable renewables**
- **Enhanced reliability**

Energy Storage Policies

Any **energy storage targets** should be scaled to support policy goals and valued outcomes.

‘Value stacking’ between network and wholesale market use cases supports more storage and increased societal value.

Aligning incentives for energy storage with value creation maximizes the benefits from energy storage.

Retail **rate design** should create opportunity for private customer savings for reducing total electricity system costs.

Utility Role in Energy Storage

Utility ownership and integration of energy storage as a grid asset

Incentives to promote desired decarbonization and electricity system efficiency

- Non-wires alternatives shared savings
- Performance incentive mechanisms (PIMs) – e.g., peak demand reduction
- TOTEX-style cost efficiency incentives

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