

# Utility-Scale Battery Energy Storage Solutions for ERCOT

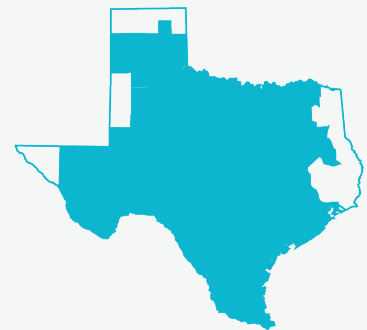
stem

ERCOT has the second largest installed battery capacity nationwide at over 4.5G W / 7.2 GWh and another 15 GW / 31 GWh forecasted to come online in the next 5 years.<sup>1</sup> We expect the projected battery revenues to be between \$165 - \$400/kW per year over the next 20 years.<sup>2</sup>

## ERCOT Market Outlook for Energy Storage

- Significant annual load growth from increased industrial / computing (i.e. bitcoin mining, data centers) activity, population, and the economy
- New all-time peak demand records placing strain on grid leads to energy and reserves price spikes – great for the economic viability of energy storage
- Solar is growing faster than wind, bringing the duck curve to ERCOT which supports continued value in energy arbitrage for batteries
- Energy-only market utilizes “scarcity” pricing in the real time market to reflect availability of reserves (or lack thereof)
- Tight transmission across West Texas with congestion pockets across large cities causing batteries on the right nodes to be key

### Location



## Why Partner with Stem?

### Digital Platform

Stem’s scalable digital platform provides customers with flexible and transparent asset performance management and asset value maximization.

### Energy Services

Our energy experts aid with early stage project evaluation, construction-stage deployment, and operations-stage O&M and managed revenue services.

### Energy Technology

Stem’s modular energy storage technology uses bankable OEMs and out energy management system for solar and storage portfolios.

### Development Capital

Our equity financing supports early-stage development activities when there is the highest risk for the future of your projects.

<sup>1</sup>As of March 2024, according to WoodMac.

<sup>2</sup>Revenue streams include day-ahead, real-time energy, regulation, spinning reserves, and resource adequacy (capacity); kW is the rated power capacity of the battery; Stem does not forecast the market prices and uses E3’s core forecast in its revenue simulations that were based on a 9.99 MW /19.98 MWh battery in the Houston zone.

## Project Highlights



### Regis Energy Partners

**Use Cases:** Standalone battery hardware procurement, wholesale energy market, manage & operate portfolio

**Storage Portfolio Size:** 200MWh



### Mercuria Energy Trading

**Use Cases:** Scalable price forecasting and bid optimization to manage trading strategies for a growing portfolio of utility-scale renewable energy assets in ERCOT

**Software Solution:** PowerBidder™ Pro



### SB Energy

**Use Cases:** Leveraging Stem's energy management system to deploy energy storage pipeline across North America, including ERCOT, over the next five years

**Storage Portfolio Size:** 10GWh

## About Stem, Inc.

As a global leader in AI-driven clean energy solutions and services, we are dedicated to accelerating the energy transition and transforming the grid. We offer flexible, integrated solutions to improve returns and maximize the economic, environmental, and resiliency value across energy assets. Our trusted energy optimization platform empowers our partners & customers to deploy and unlock the full potential of clean energy assets at scale.

**For more information, visit [stem.com](https://stem.com) or contact [sales@stem.com](mailto:sales@stem.com).**

