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CPUC APPROVES ENERGY STORAGE CONTRACTS FOR SCE

SAN FRANCISCO, May 19, 2022 - The California Public Utilities Commission (CPUC), in ongoing efforts to ensure energy reliability for Californians, today approved energy storage contracts for Southern California Edison (SCE) to come online from August 2023 through June 2024.

The CPUC approved five energy storage contracts for a total of 497 megawatts (MW) of capacity, which are expected to provide 462 MW of capacity towards SCE's portion of the 11,500 MW of clean energy capacity ordered by the CPUC in June 2021 in the integrated resource planning (IRP) proceeding. CPUC President Alice Reynolds noted, "These energy storage contracts get us closer to ensuring that we can meet the State's 2023 summer demand as well as 2023 and 2024 mid-term reliability needs."

The contracts are for development of new or expansion of existing stand-alone lithium-ion battery projects, which were selected as a result of SCE's competitive procurement process. The contracts are with AES (Alamitos BESS II) for 82 MW; Calpine (Santa Ana III) for 40 MW; LS Power (Gateway) for 75 MW; Tenaska/Falcon Energy (Condor) for 200 MW; and Tenaska/Falcon Energy (Peregrine) for 100 MW.

Prior CPUC Decisions increased overall demand- and supply-side procurement requirements for utilities to serve peak and net peak demand in 2022 through 2024, and directed all load serving entities to procure 11,500 MW of new capacity under the CPUC's integrated resource planning process over four years. The peak represents the time at which electricity demand is at its highest level, occurring in the middle of the day, whereas the net peak represents the time of highest demand that must be covered with

resources other than wind and solar, occurring later in the afternoon or early evening as the sun sets and wind typically decreases.

"These five storage projects show important, continued progress in our transition to clean energy, adding to the unprecedented amount of storage we've deployed over the past 2 years, and further enhancing system reliability," said Commissioner Clifford Rechtschaffen.

"The 500 MW of storage we approved today, fast tracked by SCE, will significantly enhance our ability to manage reliability at net peak," said Commissioner Genevieve Shiroma. "These five energy storage projects are essential for our path to being less reliant on fossil fuels."

The proposal voted on is available at https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M477/K514/477514526.PDF.

The CPUC regulates services and utilities, protects consumers, safeguards the environment, and assures Californians' access to safe and reliable utility infrastructure and services. For more information on the CPUC, please visit <u>www.cpuc.ca.gov</u>.

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