Community Energy Storage

how do folks pay for this?

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Financing Considerations

1. Where is Minnesota in the market?

2. How does energy storage differ from solar?

3. Utility acceptance: who owns it? Who controls it? Time is everything in the market

4. Early adopters: aspirational or business

5. Examples
Where is Minnesota in the market?

- Are we still in flyover country?
- Our market drivers are mostly aspirational
- Not a deregulated market here
- Align with GHG Reduction Goals
Energy storage is a different animal doesn’t generate more kilowatt-hours makes solar dispatchable capacity asset
Early-stage Market Realities

- Business case: Where is the pain?
  - Market pieces are not in place yet
  - Difficult to finance
  - Most vendors want volume
  - Timeline on MISO rulemaking?

- Aspirational: between R&D and commercialization
  - Early adopters
  - More grants available
  - Utility pilot projects
  - Crowdsourced debt
Red Lake Solar Project
Utilize more solar with flow batteries

Financing Parameters

- Pass tax benefits through to Red Lake
- Crowdfunding encourages local investment → better terms for all parties!
- Flips ownership to Red Lake after 6th year
- Must finance ‘energy storage’ also
Campus Daily Load vs High Solar

- Use immediately
- Send to Storage
- Use to Meet Peak Demand
Little Earth of United Tribes Housing Community
Resilience with Sonnen Virtual Power Plant

Financing Parameters

- Business case
- More pieces to cash flow
- Traditional capital
- Utility involvement