

Custom Power Solar

Solar plus Storage Focus on Storage Benefits by Tom Rust trust@custompowersolar.com

Overview storage products Lead-acid Lithium ion Nickel Cobalt Manganese (NCM) Nickel Cobalt Aluminum (NCA) • Titanate (LTO) Lithium Iron Phosphate (LiFePo) Flow Batteries



Lead Acid Batteries

- 80-85% efficiency¹
- 1000-1500 cycle life at best
- Limited Depth of Discharge (DOD) for best lifetime
- Typical DOD only 50%
- May require maintenance
- Lifetime is typically 6-7 years
- Heavy
- Lead is a toxin

¹ One way efficiency



Lithium Ion Batteries

- Nickel Cobalt Manganese (NCM)
- Nickel Cobalt Aluminum (NCA)
- 96-98% efficiency
- 3000-5000 cycle life
- High DOD (80%+)
- 3.6-4.2V/cell
- 0-45C operating temperature
- Much lighter weight than lead-acid
- Typically can last 10+ years



Lithium Ion Batteries

- Titanate (LTO)
- 96-98% efficiency
- 3000-30,000 cycle life
- High DOD (80%+)
- 2-2.6V/cell
- -30C to 45C operating temperature
- Lower energy density than other lithium
- Generally very high charge/discharge rate
- Higher cost
- Typically can last up to 10+ years



Lithium Iron Phosphate Batteries

- Lithium Iron Phosphate (LiFePo)
- 96-98% efficiency
- 3000-5000 cycle life
- High DOD (80%+)
- 3.2-3.6V/cell
- -20 to 60C operating temperature
- Much lighter weight than lead-acid
- Typically can last up to 10 years



Flow Batteries

80-85% efficiency 30,000+ cycle life • Higher Capex Heavy Long cycles are typical



Storage system components

- Batteries
 - Cells in parallel
 - Cell groups in series
- Battery Management System (BMS)
 - Required for lithium batteries
 - Maintains cells within 0.02V of each other
- Inverter
 - Moves energy to/from battery
- Automatic Transfer Switch (option)
 - Disconnects solar+storage system from grid
 - Allows on grid or off-grid operation



Storage system components, cont'd Monitoring system - all system functions Voltages Temperatures Current flows Typically data stored in cloud and locally Control – Network interfaced system operations NGOM – Separate Metering for monitoring solar vs battery Not needed in residential systems Custom Power Solar 9

Value of Storage Batteries

- To evaluate batteries, calculate the actual lifetime dollars per kWh (\$/kwh)
 - Typical lead-acid \$350/kwh / (1500 cycles * 50% DOD * 70% RTE¹) = \$0.67/kwh

Lithium - \$500/kwh / (5000 cycles * 80% DOD * 85% RTE¹) = \$0.15/kwh
Lithium is 4X+ the value of lead-acid

¹RTE – Round Trip Efficiency = one way efficiency squared



SGIP approved battery systems

- Energport
- LG
- SimpliPhi
- Tesla

 Contact your SGIP Program Administrator for specifics – no current online list



Energport

Features:

- <u>Saves electricity cost</u> by reducing demand charges and shifting load to off-peak period
- System payback in less than 4 years
- Simple modular design, scalable for any size and use
- LFP Safest Lithium ion battery on the market
- Cloud-based optimization and reporting
- Small footprint
- Connects to existing circuits
- <u>Emergency backup</u> as bonus function
- \$0 down lease available
- Low APR financing available
- <u>California SGIP rebate</u> available
- 30% federal tax credit with Solar PV
- 15-year design life; 10-year warranty
- Fully installed for less than \$0.40/Wh
- CE, UL compliance



Energ

Energport

Specifications by Model	L3060	L6060	L3020	L30120	
Nominal Voltage (V) 3 Phase	480V/60Hz	480V/60Hz	480V/60Hz	480V/60Hz	
Power Rated (kW AC)	29	60	29	29	
Battery Capacity (kWh DC)	64.5	64.5	22.1	129.0	
Duration of Discharge (Hours)	2.2	1.1	0.67	4.6	
Nominal Voltage	358.4	358.4	204.8	716.8	
DC Amp-Hours	180	180	108	180	
Inverter CEC-AC Efficiency	97%	97%	97%	97%	
Dimension (DxWxH) 42U Rack	800 mm x 600 mm x 2000 mm (32" x 24" x 80") 32" x 48" x 80				
Weight	660kg (1500lbs)	700kg (1550lbs)	220kg (485lbs)	1360kg (3020lbs)	
Real Time Power Monitor	Yes	Yes	Yes	Yes	
Web / Smartphone App	Yes	Yes	Yes	Yes	
Compliance	CE, UL	CE, UL	CE, UL	CE, UL	
Warranty Length	10 years	10 years	10 years	10 years	
California SGIP Eligibility (60% cost)	Yes	Yes	Yes	Yes	
Financing Options	Lease, Finance, Buy				



Storage Markets

 Residential – generally under 10kw Small commercial <30kw Commercial/Industrial >30kw Equity – Disadvantaged Communities Residential Non-residential



Some Residential Storage Systems

- Custom Power Solar
- LG Chem
- SimpliPhi
- Sonnen
- Sunrun
 - Tesla Powerwall



Residential Storage Systems Cont'd

 Custom Power Solar, Inc. Outback Radian inverter Energport LiFePo batteries \bullet 4kw/10kwh • 8kw/20kwh \$478/kwh after rebates and Federal Incentive Tax Credit of 30% ITC applies only if installed with solar



Residential Storage Systems Cont'd

- Tesla Powerwall
- 5kw/14kwh
- -20 to 60C operating temperature
- \$5900 not including install costs + install hardware



Residential Storage Systems Cont'd

LG Chem • 9.8kwh •\$6150 Solaredge inverter • 7.6kw •\$4000 Over \$10,000 not including install costs + install hardware



Residential Storage Systems cont'd

- SimpliPhi (LiFePo)
- 10.2kwh with 6.8kw Schneider inverter
- After SGIP rebate and ITC
- \$500-\$1000/kwh



Commercial Storage Systems

- Usually in USA 480V 3 phase:
- Energport \$500/kwh
- Tesla Powerpack \$500/kwh
- LG Chem
- Sonnen

Avalon (Flow batteries)
Range of costs: \$500-\$1000/kwh
After SGIP rebate and ITC - \$250-\$500/kwh



Some Storage Systems Solutions Providers

- Advanced Microgrid Solutions
- Custom Power Solar with Energyort
- LG Chem
- Sonnen
- STEM
- Tesla Powerpack
- Avalon (Flow batteries)
- Range of costs: \$500-\$1000/kwh
- After SGIP rebate and ITC costs: \$250-\$500/kwh



Cost Modeling Tools

- Why do cost modeling?
- Determine cost savings using customer load profile and projected solar size
- Compare rates
 - Energy Toolbase
 - Geli
- Developer runs analysis for you
 Custom Power Solar
 Public model
 Enernoc



Cost Modeling Tools and Financial Modeling

 Model financial returns over time Property Assessed Clean Energy HERO Ygrene Renew Financial PACE funding — CleanFund For Non-Profits – Collective Sun



Cost Modeling Tool Tips Get the load profile UtilityAPI – helps with format you need • PG&E Green Button Calculate solar size Best size - at least 100% of the annual load of customer Note SGIP guidelines Make sure size fits available space • roof • ground carport



Cost Modeling Tool Tips

- Storage size best SGIP rebate value
- = 2X the solar size
- Example:
 - 5kw solar needed,
 - 5*2=10kwh battery best value
- Best customer long term value
 - >2X, 4X the solar size

 4X – rebate is not as large proportionally, but cost savings double that of 2X battery size(4X savings)



Battery Size vs Savings Solar+Storage

120.00% 100.00% 80.00% Cost Savings -e19r new 60.00% e19r current dr only —e19r current dr + arb 1pm+ 40.00% e19r current dr + arb 5pm+ 20.00% 0.00% 0 1000 2000 3000 5000 7000 4000 6000 Battery Size kwh

Savings vs Battery Size

New rates – value increases even with 4X batteries Current rates – value same 2x-4X size Plan for the future – go 4X Note – 100% solar

Financing

Cumulative Income by Year



	Solar+store X2	Solar+store X4		Solar+store X2	Solar+store X4
Total Cost	\$3,404,000	\$4,884,000	Payments 1st yr	(\$322,520)	(\$462,746)
Energy Annual Income 1st year	\$397,128	\$493,772	Income 1st yr	\$397,128	\$493,772
			Payments 25 yr	\$0	\$0
			Income 25 yr	\$501 <i>,</i> 856	\$623,987
Battery rebate	\$815 <i>,</i> 480	\$1,223,220			
Tax credits	\$1,081,451	\$1,551,647	Term	20	20 years
Depreciation credits	\$757,016	\$1,086,153	Rate	6.50%	6.50%
Interest	\$2,938,402	\$4,215,969	Bank fees	5.90%	5.90%

1480kw solar, X2 & X4 battery size \$1.30/watt solar, \$500/kwh storage, 50% replacement battery cost year 12



Residential Solar+Storage+EV

Custom Power Solar Models by: Solar Data OAKLAND METROPOLITAN ARPT, CA 2017 Load year Costs Annual **sEVA** EVA \$3.000.00 \$2,358.15 \$2,189.39 Cost Cost Est. with Solar -\$331.85 -\$1,460.64 Cost Est. with Solar+Storage -\$1,382.31 -\$2,658.84 \$2,000.00 44.55% 54.73% Improvement over solar only \$1,050.46 \$1,198.21 Cost Advantage batteries 54.13% Difference vs optimized rate \$1.000.00 Total Value Solar+Storage \$3,740.45 \$4,848.23 **Optimized Rate** \$0.00 **Total usage** 10.657 kwh 5.00 kw Battery **Total solar** 13.850 kwh 8.00 kw AC Solar Surplus 3.193 kwh 20.00 kwh Battery -\$1,000.00 Percent solar vs usage 130.0% 84.9% RTE **GHG** savings 4,265 kgs/CO2 np15 **GHG** Data GHG savings battery alone 490 kgs/CO2 6,418 kwh Battery use -\$2.000.00 Annual percent dispatchable 46.3% 8.79% % of Life used **Annual Demand Charges** Max Demand sEVA EVA -\$3.000.00 Cost \$0.00 \$0.00 8.08 \$0.00 Cost Est. with Solar \$0.00 8.08 ■ Cost with Solar only ■ Cost with Solar+Storage Cost \$0.00 8.02 Cost Est. with Solar+Storage \$0.00 **GHG Value Adder Annual Energy Charges** EV Use 35.0 mi/day \$65 \$/mT 3190.6 kwh **EV Charge** \$31.82 GHG Savings Battery alone **sEVA** EVA Cost \$2.358.15 \$2.189.39 **EV Gas Savings** \$1.701.64 \$2.189.39 Baseline rate cost Cost Est. with Solar -\$331.85 -\$1,460.64 **EV GHG savings** 3786.1 kg (\$2,658.84) Optimized rate final cost Cost Est. with Solar+Storage -\$1,382.31 -\$2,658.84 \$4,880.05 Total Savings **Total GHG Savings** 8,051 kg Grid Charge 0 kwh Net GHG savings 4,564 kg Grid Charge 0 days GHG Load Only -3,487 kg



Residential Solar+Storage+EV – Daily Cycle



6/21 – cost savings through arbitrage – store solar power in am, discharge during peak

S Custom Power Solar

Residential Solar+Storage+EV – Annual Cycle



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Residential Solar+Storage (sEV-A) New Storage Rate in PGE Territory



New rate available to all solar+storage customers in PG&E territory* Limited to 30,000 customers at present



Resi Solar+Storage+EV – Self Supply

Models by:	Custom Power	Solar					Solar Data	OAKLAND METROPOLITAN ARPT, CA
		Load year	2017					
	A	nnual					Costs	5
	SEVA	EVA			\$3,000.00			
Cost	\$2,358.15	\$2,189.39						
Cost Est. with Solar	-\$331.85	-\$1,460.64			\$2,500.00			
Cost Est. with Solar+Storage	-\$678.68	-\$1,858.84			\$2,000,00			
Improvement over solar only	14.71%	18.19%			\$2,000.00			
Cost Advantage batteries	\$346.82	\$398.20			\$1,500.00			
Difference vs optimized rate		50.05%						
Total Value Solar+Storage	\$3,036.82	<mark>\$4,048.23</mark>			\$1,000.00			
Optimized Rate					\$500.00			
					\$500.00			
Total usage	10,657 kv	wh	5.00 kw Battery		\$0.00			
Total solar	13,850 kv	wh	8.00 kw AC Solar			sEVA	EVA	
Surplus	3,193 kv	wh	20.00 kwh Battery		-\$500.00			
Percent solar vs usage	130.0%		84.9% RTE		¢1.000.00			
GHG savings	4,077 kg	gs/CO2 np15	GHG Data		-\$1,000.00			
GHG savings battery alone	302 kg	gs/CO2	2,875 kwh Battery use	9	-\$1,500.00			
Annual percent dispatchable	20.8%		3.94% % of Life used		+ - ,			
	A	nnual Demand Charges		Max Demand	-\$2,000.00			
	SEVA	EVA			40 500 00			
Cost	\$0.00	\$0.00		8.08	-\$2,500.00			
Cost Est. with Solar	\$0.00	\$0.00		8.08		Cost	Cost with Solar only	Cost with Solar+Storage
Cost Est. with Solar+Storage	\$0.00	\$0.00		8.02				
							GHG Value Adde	
	A	nnual Energy Charges		6	EV Use	35.0 mi/day	\$65	\$/mT
	sEVA	EVA		6	EV Charge	3190.6 kwh	\$19.65	GHG Savings Battery alone
Cost	\$2,358.15	\$2,189.39		I	V Gas Savings	\$1,701.64	\$2,189.39	Baseline rate cost
Cost Est. with Solar	-\$331.85	-\$1,460.64		I	V GHG savings	3786.1 kg	(\$678.68)	Optimized rate final cost
Cost Est. with Solar+Storage	-\$678.68	-\$1,858.84		٦	Total GHG Savings	7,863 kg	\$2,887.71	Total Savings
Grid Charge	0 kv	wh		r i	Net GHG savings	4,377 kg		
Grid Charge	0 da	ays		(GHG Load Only	-3,487 kg		

Cost savings – 18% vs 54% - \$800 less



Resi Solar+Storage+EV Self Supply– Daily Cycle



2/4 – cost savings through self supply – store solar power in am, discharge during peak but only power loads



Commercial Rate Assessment

Models by:	Custom Power Solar		C3_e19rnew_v63_5_10_18.xlsx		
			Load year	2017	
		Annual			
	E-19SRnew	E-19R	A-6	A-10	EBCE FIT
Cost	\$452,206.60	\$460,742.60	\$638,292.64	\$465,773.36	
Cost Est. with Solar	\$177,053.44	\$8,864.19	-\$156,145.93	\$52,844.30	\$277,6
Cost Est. with Solar+Storage	\$55,078.88	\$473.43	-\$154,274.78	\$45,892.74	\$453,2
Improvement over solar only	26.97%	1.82%	-0.29%	1.49%	
Cost Advantage batteries	\$121,974.57	\$8,390.76	-\$1,871.15	\$6,951.56	
Difference vs optimized rate		12.08%	46.30%	2.03%	
Total Value Solar+Storage	\$397,127.73	\$460,269.16	\$792,567.42	\$419,880.62	
Optimized Rate					
Total usage	2,570,605	kwh	750.00	kw Battery	
Total solar	2,570,605	kwh	1,484.80	kw AC Solar	
Surplus	0	kwh	3,000.00	kwh Battery	
Percent solar vs usage	100.0%		84.9%	RTE	
GHG savings	834,945	kgs/CO2	np15	GHG Data	
GHG savings battery alone	134,292	kgs/CO2	975,565	kwh Battery use	
Annual percent dispatchable	38.0%		8.91%	% of Life used	
		Annual Demand	Charges		Max Dema
	E-19SRnew	E-19R	A-6	A-10	
Cost	\$136,554.92	\$126,492.96	\$0.00	\$98,934.20	e
Cost Est. with Solar	\$132,227.50	\$118,934.62	\$0.00	\$95,268.96	6
Cost Est. with Solar+Storage	\$123,175.88	\$111,354.08	\$0.00	\$87,255.69	6
	Annual Energy Charges				
	E-19SRnew	E-19R	A-6	A-10	
Cost	\$315,651.68	\$334,249.64	\$638,292.64	\$366,839.16	
Cost Est. with Solar	\$44,825.95	-\$110,070.43	-\$156,145.93	-\$42,424.65	
Cost Est. with Solar+Storage	-\$68,097.00	-\$110,880.65	-\$154,274.78	-\$41,362.95	
Grid Charge	0	kwh			
Grid Charge	0	days			



\$414,392.68 Total Savings

834,945 kg

18,980 kg

Total GHG Savings

Net GHG savings

Commercial Solar+Storage – Daily Cycle



6/21 – cost savings through demand response – peak shaving (red line) and arbitrage – store solar power in am, discharge during peak



Commercial Solar+Storage – Annual Cycle





Best rates for solar+storage Residential

PG&E EVA – EV customers only sEVA – coming in early 2019



Rates with Highest Demand Charges

Utility	Rate	Applicable kW Range	Demand Charges
	TOU-GS-2-B	20 – 200 kW	Demand Charge: \$15.89 Summer OP: \$19.89 Summer MP: \$3.88
SOUTHERN CALIFORNIA EDISON	TOU-GS-3-B	201 – 500 kW	Demand Charge: \$18.29 Summer OP: \$20.01 Summer MP: \$3.94
	TOU-8-B	>500 kW	Demand Charge: \$19.02 Summer OP: \$21.73 Summer MP: \$4.17
SDGE	AL-TOU	>=20 kW	Demand Charge: \$22.55 Summer OP: \$9.36 Summer MP: \$6.86
	A-10 Secondary Voltage	200 – 499 kW	Summer: \$19.52 Winter: \$11.76
	E-19 Secondary Voltage	500 – 999 kW	Demand Summer: \$17.74 Peak Demand Summer: \$19.65 Part-Peak Demand Summer: \$5.40 Demand Winter: \$17.74
	E-20 Secondary Voltage	>=1000 kW	Demand Summer: \$17.87 Peak Demand Summer: \$19.02 Part-Peak Demand Summer: \$5.23 Demand Winter: \$17.87



Courtesy Energport

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Best rates for solar+storage Commercial

• PG&E

 A-6 for arbitrage, but value going away over next few years •A1STORE – Nov 2019 •E-19R E-20R – very large systems over 1MW demand New TOU rates by Nov 2019



Best rates for solar+storage Commercial

SCETOU8BR



Best rates for solar+storage Commercial

SDG&E
 DG-R
 New – DR-SES



Finance Options

- Cash is king for contractors
- Home owner
- Equity Line Of Credit (HELOC)– 3 5% typical rate
- PACE funding payments go on property taxes, 0% down, terms up to 25 years



Finance Example: Residential



	8kw solar only 8l	kw/20kwh		8kw solar only 8k	w/20kwh
Total Cost	\$32,000	\$42,000	Payments 1st yr	(\$3,032)	(\$3,979)
Energy Annual Income 1st year	\$5 <i>,</i> 350	\$6,549	Income 1st yr	\$5,350	\$6,549
			Payments 25 yr	\$0	\$0
			Income 25 yr	\$6,761	\$8,276
Battery rebate	\$0	\$2,755			
Tax credits	\$10,166	\$13,343	Term	20	20 years
Depreciation credits	\$7,116	\$9,340	Rate	6.50%	6.50%
Interest	\$27,623	\$36,255	Bank fees	5.90%	5.90%

Notes: \$4/watt solar cost, \$500/kwh storage cost, includes \$1701/year value in gas savings with EV (35 miles per day average)



Various projects sorted by value: \$/kwh

		value/kwh
Profile & battery scaler	battery size kwh	battery alone
C6_X0.5	244.3197405	\$165.14
C6_0P_90KW_180WH_DGR_opt	180.00	\$126.34
C6_80P_90KW_180KWH_GDR	180.00	\$101.89
C6_X1	488.639481	\$96.54
C6_40P_90KW_180KWH_DGR	180.00	\$95.72
C16_X0.5	8100	\$87.8
C16_X0.5	8100	\$87.8
C16_X0.5	8100	\$87.8
C1_0P_90KW_180KWH	180.00	\$85.84
C1_0P_90KW_180KWH_E19Snew	180.00	\$83.3
C1_80P_90kw_180KWH	180.00	\$74.90
C16_X0.5_good	8,748.12	\$64.10
R8_EV_X1	6.16	\$62.84
C16X_0P_30KW_60KWH	60.00	\$62.84
C16_X1	16200	\$62.79
C16_X1	16200	\$62.60
C16X_0P_30KW_60KWH_noc	60.00	\$62.53
R3_X1	2.71	\$62.4
R7_EV_X1	5.12	\$62.34
C1_40P_90KW_180KWH	180.00	\$62.33
R2_X1_PGE	1.20	\$61.60
R10_CARE_CV_X1	9.15	\$61.5
C16_X0.5_flow	8,748.12	\$61.10
R9_nonCARE_CV_X1	12.20	\$61.0

How Realistic is Perfect Foresight in Real world Storage Operations?

 Many tools (Energy Toolbase, Geli) use a Perfect Foresight model to analyze load profiles+solar with given rate and determine "best case" cost savings –

Not realistic in real life use
 More realistic – Forecasting



Forecasting Sensitivity Analysis – Cost Savings



Conditions – C9 load (500kw demand peak), storage only 370kw,870kwh



Conclusions

- <u>Perfect Foresight</u> is extremely sensitive to real life load conditions – if load exceeds baseline – even slightly, savings are lost
 - 1% over load conditions eliminate all savings from Perfect Foresight vs Forecasting with no buffer
 - 1% over condition virtually certain in real life conditions

 <u>Forecasting</u> method likely produces more consistent, reliable cost savings than perfect foresight



Thank You!

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