Docket No. QO22080540

NEW JERSEY ENERGY STORAGE INCENTIVE PROGRAM (NJ SIP) STRAW PROPOSAL (STRAW) REQUEST FOR INFORMATION (RFI)	**§ § §**	**New Jersey Board of Public Utilities (BPU) or (Board)**

STEM, INC.'s RESPONSE TO NJ SIP STRAW RFI

Stem, Inc. (Stem)[1] hereby submits this response to Board Staff's Storage Incentive Program (SIP) Straw Proposal (Straw) Request for Information (RFI) filed on August 8, 2023. Stem is a leading provider of artificial intelligence (AI)-powered software that optimizes energy storage, solar and EV fleet charging assets. Our Athena® software platform controls large batteries and solar and EV fleet charging assets so that they provide the most value to their commercial owner, the electricity grid, and oftentimes both.

Stem is unique in that we build and then manage clean energy systems across a single software network. Stem has approximately 3.8 gigawatt-hours (GWh) of energy storage assets contracted or operating in more than 75 jurisdictions. As a result, our continuously learning software has a base of approximately 1+ billion runtime hours.

Company Background:

Founded in 2009, Stem is headquartered in San Francisco, California. We are listed on the New York Stock Exchange and have approximately 600 employees.

[1] www.stem.com

Stem's behind-the-meter (BTM) commercial and industrial customers include more than 30 Fortune 500 companies such as Amazon, UPS, Meta, and Owens Corning.
For both front-of-the-meter (FTM) and BTM markets, our customers and partners include Engineering, Procurement, and Construction companies (EPCs); energy project developers; Independent Power Producers (IPPs); and investor-owned, cooperative, and public power utilities.

Our customers have a mix of BTM and FTM sites that Stem manages. Some customers have individual sites, while others maintain a large portfolio which we centrally operate from our software platform. We also partner with solar providers who add energy storage to standalone, community or commercial solar projects.

Recognized both as a pioneer and a current leader in the energy storage market, Stem was the first to deliver commercial and industrial storage to Fortune 500 companies, operates the largest storage virtual power plant (VPP) at 420 megawatt-hours (MWh) for Southern California Edison, and has the largest fleet of operating Continuous Storage Facilities (CSF) in the ISO-New England (ISO-NE) wholesale market.

Stem's broad and deep operating experience informs our response to the RFI issued by NJ BPU on the NJ SIP Straw Plan.

1.0 Utility Ownership/Dispatch Control

The Straw "does not propose to allow for utility ownership or operation of devices," but notes that "Electric Distribution Companies (EDCs) will play a key role in building the grid infrastructure necessary to enable the effective dispatch of energy storage devices." This proposal was intended to encourage private ownership and operation of

energy storage devices and the development of a robust energy storage sector in New Jersey's restructured competitive market.

1.1: What are the advantages and disadvantages of utility control versus non-utility control of energy storage systems?

Stem agrees with the Straw's position that "does not propose to allow for utility ownership or operation of devices." We also agree that "EDCs will play a key role in building the grid infrastructure necessary to enable the effective dispatch of energy storage devices."

The question of advantages and disadvantages of ownership models should be considered within the context of New Jersey's energy policy and regulatory environment. Therefore, we encourage the NJ BPU to align its decision on utility ownership of energy storage with New Jersey's well-established competitive electricity markets following the 1999 passage of the *Electric Discount and Energy Competition Act*. New Jersey is seeking to build and deploy new energy storage systems statewide at scale to meet its goal of 2,000 MW by 2030. As the Straw notes: "Energy storage resources are critical to increasing the resilience of New Jersey's electric grid, reducing carbon emissions, and enabling New Jersey's transition to 100% clean energy."

Given this backdrop, and a relatively short 7-year timeframe remaining, we believe that private investment and ownership of energy storage assets, operating in a competitive market, is more likely to drive the necessary deployment, innovation and growth to meet statewide policy and deployment goals.

1.2: For Distributed Resource Performance-based Incentives, should responding to a utility signal be compulsory or voluntary?

For commercial and industrial energy storage asset owners in general, the question of when and whether to dispatch power is governed by performance-based incentives (PBIs). These PBIs are designed to incentivize asset owners to perform specific functions at certain times to receive performance payments. The calculation of that incentive is one of the key elements that developers and asset owners consider when deciding whether to invest in energy storage assets and ongoing asset optimization. In most cases, there is both a “carrot” and a “stick” element to incentive programs, such that owners will receive incentives for performing and penalties in the form of non-payment for not performing.

For distributed storage resources, payment should be based on the successful dispatch of storage power into the distribution system when called upon by the EDC as part of their program, during certain performance hours, as established by each EDC. One key premise of a PBI is that the owner has the right to determine whether to respond to a specific event. If they do not respond to the event, they do not get paid for the variable incentive. The overall incentive is based on the amount of energy that the resource owner has delivered during the EDC event. If the storage owner prefers not to respond to the event, they would be eligible only for the fixed portion of the incentive.

For these reasons, participation should not be compulsory.

1.3: For Grid Supply Resource Performance-based incentives, should responding to a utility signal be compulsory or voluntary?

For the reasons stated in section 1.2, Grid Supply energy storage resources, responding to market signals, should be voluntary.

In the Straw proposal, incentive payment is based on the amount of carbon emissions abated through operation of the energy storage device, determined by measuring the marginal carbon intensity of the wholesale electric grid, specifically the Marginal Emissions Rate (MER) set by PJM Interconnection, LLC (PJM) at the time the energy is discharged, minus the carbon intensity of the energy drawn during the charging interval for the resource.

We believe this complicated model is insufficiently developed and introduces unnecessary measurement complexity. Rather, we recommend that incentive payments be based on locational marginal pricing (LMP)-priced dispatch to help reduce system peaks while simultaneously generally supporting GHG emissions reduction (i.e., energy storage resources tend to charge at the lowest priced hours when the marginal emissions rate tends to be lower and discharge at the highest priced hours when the marginal emissions rate tends to be higher). Note that any potential GHG reduction impact would need to be investigated further within the context of the overall NJ SIP and the operation of the state's power grid.

2.0: Installed Storage Targets, Deployment Timelines and Capacity Blocks

The Straw set annual installed energy storage targets that increase over time (see section V.D. of the NJ SIP Straw Proposal for details.)

2.1: How should capacity blocks be structured and proportioned, both within each component of the NJ SIP (Grid Supply and Distributed) and relative to each other?

Stem is a member of both the Solar Energy Industries Association (SEIA) and Advanced Energy United (United). SEIA and United joined with the New Jersey Solar Energy Coalition (NJSEC) and Vote Solar to file RFI responses in this proceeding. Stem concurs with their joint response that proposes a capacity block structure and proportion as represented in the following table:

Block	Transmission FTM (MW)	Distribution-Connected FTM (MW)	BTM-Non-Residential (MW)	BTM-Residential (MW)
1	100	70	50	30
2	100	70	50	30
3	100	70	50	30
4	100	70	50	30
TOTAL	1000 MW			

Stem supports the BPU's regulatory approach to create a smart incentive structure that builds statewide value across the electric system. We encourage the Board's continued consideration of the three grid domains for energy storage interconnection: transmission, distribution, and customer. The Board's holistic viewpoint will help to maximize energy storage benefits across New Jersey's customers and grid. Also, Stem supports the BPU's focus on distributed storage programs for both residential and commercial markets. We recommend setting specific targets and milestones for each customer segment, rather than combined goals, due to the significant differences in the complexities, project timelines, and adoption criteria for commercial vs. residential energy storage adoption.

We recommend that the Board establish capacity blocks proportioned by front-of-the-meter (FTM) transmission, distribution connected FTM, behind-the-meter (BTM) non-residential, and BTM residential energy storage systems. We further recommend that the capacity blocks not be strictly tied to energy years to lessen administrative delays, allow greater flexibility, and allow for the more rapid deployment of energy storage assets. And, we recommend that the NJ BPU start with larger capacity blocks for all segments.

2.2: Should the proposed first-come, first-served application process be changed to a "First-Ready, First-Served" process?

To answer fully, we would need an explanation of how "First-Ready, First-Served" is defined in this proceeding. Lacking that definition, Stem can offer that we believe the interconnection process is likely to be the gating factor for many commercial and industrial energy storage deployments. See section 2.3 for recommendations to address that issue.

2.3: How should the program be designed to avoid or minimize interconnection delays? Should the interconnection process be modified for accommodating energy storage and if so, how?

We recommend that the BPU consider the incentive reservation process that California's Self-Generation Incentive Program (SGIP) uses for distributed energy storage projects, which requires a staged approach to incentive reservation. The BPU's Straw proposes that Distributed projects must have interconnection approval to reserve incentives. However, incentive certainty is needed much earlier than interconnection approval, as project developers often incur development costs, contract with off takers, and secure project financing prior to interconnection approval. Therefore, we suggest an approach where developers can conditionally reserve incentives by submitting an

incentive application with a customer signature. The incentive should be reserved for a set time during which the developer must meet project development milestones to maintain the incentive reservation. SGIP requires an application fee of 5% of the total incentive amount to ensure applications are for serious projects only and are reserved for six months. The fee is refunded if the project completes the application process.

With respect to PJM, the Straw notes that PJM queue reform is underway, and Stem notes that in February of 2022, when PJM proposed a 2-year pause on reviewing new interconnection applications as part of its process reform, it cited a backlog of 1,200 energy projects awaiting interconnection.

In addition, on July 28, 2023, the Federal Energy Regulatory Commission (FERC) issued Order No. 2023: “Improvements to Generator Interconnection Procedures and Agreements.” This Final Rule reforms FERC’s interconnection procedures and agreements for large and small energy generation assets. There are three primary areas of FERC reform that may be of interest to the NJ BPU regarding grid interconnection issues overall: (1) Implement a first-ready, first-served cluster study process; (2) Increase the speed of interconnection queue processing; and (3) Incorporate technological advancements into the interconnection process.

Two elements of the Final Rule are particularly important regarding energy storage assets: (1) Require transmission operators to use the customer’s proposed energy storage operating parameters in interconnection studies. This requirement prevents transmission operators from using assumptions that energy storage assets will always charge during peak demand, which is not how these systems charge in real-world operating conditions and (2) Allow shared interconnection requests for co-located

facilities like solar and storage and allow an existing generator to add a new resource behind a metered connection point, as long as total dispatch doesn't exceed the site's maximum interconnection capacity.

3.0: Incentive Structure

The NJ SIP incentives are proposed to be comprised of two incentive payments, a Fixed Incentive and a Performance-based Incentive (see section V.E. of the NJ SIP Straw Proposal for details.)

3.1: Incentives are meant to cover a portion of the fully installed cost of an energy storage system. What is the fully installed unit cost (in $/kWh) for energy storage systems at present, and estimated to be each year through 2030? How do New Jersey-specific costs vary from these estimates? Please provide links to your references.

For the commercial and industrial energy storage market, fully installed unit costs vary based on multiple factors ranging from the cost of local labor to available federal, state and local incentives. Also, energy storage developers and operators generally keep cost profiles confidential for competitive reasons. Stem is not currently operating energy storage systems in New Jersey and we do not have New Jersey-specific cost estimates. For these reasons, we recommend using public data sets for energy storage costs.

3.2: What are the best public data sets for energy storage costs?

For public data sets on commercial energy storage costs, Stem recommends the National Renewable Energy Laboratory (NREL) website. NREL is a national laboratory of the U.S. Department of Energy. Its mission is to advance the science and engineering of energy efficiency, sustainable transportation, and renewable power

technologies and provide the knowledge to integrate and optimize energy systems. The following link is for the section of the NREL website that includes costs for commercial and industrial and utility-scale energy storage:

https://atb.nrel.gov/electricity/2023/commercial_battery_storage

3.3: Should Fixed Incentives be assignable to an aggregator? Why or Why Not?

No. Fixed incentives are generally designed to support the up-front financing and building of energy storage assets and projects by developers, independent power producers (IPPs) and other asset owners.

3.4: Should a Distributed energy storage resource that can provide grid services have the ability to opt in to either the Grid Supply or the Distributed storage program, for both the Fixed and Performance-based incentives?

Yes. Energy storage is a versatile asset that can be optimized to support customers and the grid in a variety of use cases ranging from demand response to wholesale market participation and transmission congestion relief. Providing flexibility for asset owners to opt in to either the Grid Supply or Distributed storage program, for both the Fixed and Performance-based incentives, will likely create more pathways for increased market investment and participation.

3.5: The Straw proposes the use of the PJM Marginal Emission Rate ("MER") signal as a basis for Performance-based Incentives for Grid Supply energy storage systems. Is or will the PJM MER be sufficiently developed to use to calculate NJ SIP Performance-based Incentives?

We believe that PJM MER is not sufficiently developed and that the NJ SIP program should be implemented using more-established LMP metrics.

3.6: Is there a different methodology that can be used to determine Performance-based Incentives, such as Peak Demand Reduction Program?

Yes, one methodology is a Peak Demand Reduction Program that uses LMP signals and/or systemwide peak loading hours to determine the triggering of grid incentives. In addition, New York's Value of Distributed Energy Resources (VDER) program compensates standalone resources for both energy/LMP arbitrage and capacity benefits during the single system peak hour.

3.7: If a Peak Demand Reduction Program were to be developed, how should it be structured? What other states have similar programs that New Jersey should use as a benchmark?

When evaluating energy storage incentive programs, they are not necessarily "apples-to-apples" comparisons, given the unique characteristics of each state's electric grid, market construct, resource mix, utility structures and policy goals. Still, we believe the following examples are worthy of examination by the NJ BPU:

In Massachusetts, the storage-specific ConnectedSolutions[2] program provides commercial customers with an incentive value of $200/kW-yr for three-hour dispatch.

In Connecticut, the storage-specific Energy Storage Solutions[3] program has a $200/kW-year incentive payment for summer capacity.

[2] https://www.masssave.com/en/business/programs-and-services/demand-response-and-storage

[3] https://energystoragect.com/energy-storage-solutions-for-buildings-communities/

New York takes a slightly different approach, via the Value of Distributed Energy Resources (VDER)[4] program, also known as the Value Stack, that compensates distributed resources including energy storage (and solar) on a varying hourly basis for the specific benefits they provide to the grid. While VDER applies to both FTM and BTM projects, in our experience, project economics generally favor FTM installations.

3.8: What degree/percentage of Peak Demand should be targeted for reduction? What effect would such a program have on GHG emissions?

Stem supports a 20% target of statewide peak demand by 2030 which also aligns with the goals in New York, Connecticut and Maine. In general, we believe this could support GHG emissions reductions because peaker plants in New Jersey, which are used at times of highest demand, generally use fossil fuels for electric generation. However, this potential GHG reduction impact would need to be investigated further within the context of the overall NJ SIP and the operation of the state's power grid.

3.9: The Straw proposed that each EDC establish its own level of Performance-based Incentives. Should EDCs establish EDC-specific performance incentives, or should the incentive be standardized and common to all EDCs?

A standardized and consistent performance incentive across EDCs would lessen the administrative burden, but the ratepayer benefits of the program would be maximized through the development of specific EDC-based incentive formulation. The methodology for creating the EDC-specific performance incentives should be consistent

[4] https://www.nyserda.ny.gov/All-Programs/NY-Sun/Contractors/Value-of-Distributed-Energy-Resources

and set by the BPU to provide the needed market certainty to encourage private development. Also, we recommend that the NJ BPU evaluate performance-based incentives for EDCs within the context of existing wholesale power market rules and retail rate design. BTM energy storage can already provide value to the grid via PJM Capacity, Energy, and Ancillary Services markets, and via coincident peak reduction for the local transmission zone. Any program established by EDCs should complement these existing value streams and not conflict or compete with them.

3.10: Should energy storage owners be permitted to opt in, or be subject to utility control, in order to be eligible for Distributed performance incentives?

Energy storage on the distribution system should be eligible for performance incentives without requiring them to be subject to utility control.

3.11: How should incentives be structured for thermal storage systems?

Stem does not currently have thermal storage systems customers and does not have a viewpoint on this question.

3.12: Under what circumstances, if any, should Distributed resources be able to opt in to Grid Supply Performance-based Incentives?

The NJ BPU has not yet distinguished between distribution-connected FTM and BTM distributed resources. In the absence of that information, we cannot provide a meaningful response to this question.

3.13: Large projects and long duration projects have the potential to qualify for significant incentives. Should incentive caps be applied in this program? If so, how (for example, by customer, project, developer, duration or meter), or other method?

For the Distributed or BTM market, Stem has the following recommendations on caps: (1) Set a developer cap to promote incentive distribution among many Distributed customers. The unintended consequence of not setting a cap on how much energy storage a developer can build could result in a handful of large developers building most of the planned capacity, thereby limiting the far-reaching economic development potential intended by the BPU and (2) Set a per-project incentive cap to help ensure the benefits of the program are distributed widely among end use customers in the state. Stem recommends limiting incentive eligibility for energy storage system capacity that is up to the customer's peak demand and up to a 4-hour duration. For example, a customer with a 1 MW peak demand would be eligible for incentives up to a 1MW/4MWh energy storage system.

3:14: Should a cap be set such that the sum of federal and state incentives does not exceed a certain amount? If so, please provide details.

In general, no. It's rare for a commercial and industrial energy storage project to receive all available federal and state incentives. Each energy storage project varies based on multiple factors including but not limited to physical location, local permitting and zoning rules, position and interconnection on the grid, value streams available and economics for that customer and the local labor pool. Due to these variables, each project will be eligible, or not eligible, for certain federal and state incentives and not others. Federal Inflation Reduction Act (IRA) incentives, for example, are still being codified via Treasury Department guidance. Some provisions, such as Domestic Content incentives, will take longer to be practicable because a U.S.-based domestic

manufacturing base for energy storage (batteries) is in the early stages of development. For these reasons, placing caps prematurely is likely to stifle development.

To mitigate the concern that any one project could exceed a certain threshold on incentives, NJ BPU could consider a simple provision modeled after California's Self Generation Incentive Program (SGIP), which precludes projects from receiving incentives that exceed 100 percent of the overall project cost.

3:15: What provisions should be included in the program for monitoring, reporting and evaluation in order for deployed projects to maintain eligibility for incentives that are paid over time?

For energy storage systems participating in a PBI program, the reporting required for that program is generally sufficient for monitoring, reporting and evaluation to maintain eligibility.

For energy storage systems not participating in the PBI, we recommend a simple annual report, with minimal administrative burden, to maintain eligibility for the Fixed Incentive. A simple and transparent metric such as total annual throughput or availability would be appropriate. The purpose of this metric would be to demonstrate that the energy storage system is operational and therefore eligible to receive the Fixed Incentive. This recommendation assumes that the Fixed Incentive is paid out over time as proposed in the NJ BPU Straw.

3:16: How can the NJ BPU structure NJ SIP Performance-based Incentives to both promote value stacking and prevent double compensation?

We recommend that the BPU integrate energy storage into the Board's existing processes for energy planning and procurement to help ensure that energy storage can fully participate in markets and maximize its flexible and broad capabilities. We also

recommend that the BPU consider wholesale market drivers including PJM rules and FERC Order 2222 implementation, as well as rate design in the form of dynamic pricing and time-of-use programs.

Also, we believe that customer-sited energy storage can add significantly more value than a traditional power plant by virtue of providing services to all segments of the grid, enabling storage to participate in multiple markets simultaneously and improving systemwide economics and net benefits. By value and net benefits, we mean benefits to New Jersey consumers and/or the grid in the state, not incentives or compensation mechanisms. For this reason, Stem supports BPU's focus on value stacking to maximize benefits both for the broader electric grid and for customers who choose to invest in energy storage system development.

A by-product of the diverse use cases that energy storage can provide for the grid is a wide range of revenue opportunities available to energy storage asset owners. As a result, Stem recommends that as the BPU evaluates performance-based incentives, it considers how wholesale power market rules and retail rate design can be leveraged to align energy storage operational decisions with grid benefits and revenue recognition.

In the same vein, Stem suggests that the BPU evaluate energy storage in a broad manner beyond the lens of traditional demand response (DR), or load shedding via manual curtailment. While DR is a valuable and important way to extract grid services from demand-side assets, energy storage can also serve as a generation resource that exports and injects power onto the grid.

Energy storage can effectively play both roles, but traditionally, some regulatory

constructs tend to categorize BTM storage as “demand” and FTM storage as “generation”. As a result, there can be a lack of alignment with energy resource needs, which results in underused and/or undervalued BTM capacity. A related issue is that Investor-Owned Utility (IOU) tariffs are sometimes in conflict with other market signals. For example, due to dual participation rules, customers may be ineligible to participate in “just in time” rate programs because they are enrolled in DR programs. While the intent behind dual participation rules — to prevent double compensation to energy providers — is sound, we believe that a more modern regulatory approach would build in risk management and take advantage of the flexibility of energy storage to provide grid services when and where they are most needed and to compensate these resources commensurate with the value they provide.

4.0: Overburdened Community Incentives

The Straw proposed three methods to support OBCs with energy storage incentives:

-An incentive adder in kWh

-A separate incentive block

-An additional up-front incentive

4.1: Staff is considering establishing both an adder and a capacity block for Overburdened Communities (OBCs). What size should the capacity blocks be over time as a percentage of the overall Distributed segment? How much should the adder be in 1) $/kWh or 2) as a percentage of the base incentive?

Stem does not directly serve residential customers and recommends that the NJ BPU seek input from members of these communities and stakeholder organizations for their feedback and insights.

4.2: How can BPU assure that the incentive structure chosen will in fact provide benefits to OBCs?

Given that New Jersey's Department of Environmental Protection publishes maps identifying OBCs, the NJ BPU could consider adding an extra up-front incentive "adder" for projects that are sited within these boundaries to further stimulate building and operating assets in those communities.

5.0: Other Questions

5.1: What actions, if any, should NJ BPU take to improve access to the energy storage value stack as part of implementing the NJ SIP?

The BPU could advocate at PJM and federal levels for appropriate compensation of the full value stack that demand response, energy storage, and other forms of distributed energy resources (DER) contribute to the grid. Such tools are a necessary part of the energy efficiency landscape, and the state could encourage utilities, third-party providers, and customers to engage in pilot programs that incorporate demand response and other load shifting and load reduction programs.

Also, the NJ BPU could develop programs for EV charging to be deployed in conjunction with energy storage or other DER to reduce impact on peak demand. Commercial and industrial customers with solar facilities can reduce their load and energy bill while also providing flexibility to the system by absorbing excess solar output during the day and shifting EV charging away from peak periods.

5.2: How will Federal Energy Regulatory Commission ("FERC") Order 2222 affect New Jersey's energy storage market? What changes should the Board make to the NJ SIP to take advantage of PJM's pending implementation of FERC 2222?

FERC Order 2222 is designed to ensure distributed and BTM projects can participate in PJM markets. However, the NJ BPU would need to ensure utility rules enable this participation by not prohibiting market participation explicitly or implicitly via burdensome interconnection restrictions or operational constraints.

5.3: Are modifications to the NJ SIP needed to maximize the ability of energy storage developers to access federal investment tax credits or other federal incentives?

No.

5.4: What provisions, if any, should be established for interconnection of zero-export energy storage facilities (that is, energy storage facilities that do not inject power back into the grid and only supply power to on-site load?)

Stem suggests an expedited "fast track" interconnection process for zero-export energy storage facilities. This approval process should not include interconnection upgrade costs generally associated with energy export.

5.5: What specific best practices regarding rates and tariffs from other states should be incorporated?

We recommend the NJ BPU develop a plan for a regulatory proceeding focused on storage-specific tariff development. The development of a tariff should include energy storage rates for BTM and FTM energy storage. We also encourage the NJ BPU to review relevant energy storage proceedings and studies underway in other states, particularly in Massachusetts and Connecticut, who are developing new Wholesale Distribution Tariffs (WDTs) to be applied to FTM distribution-connected energy storage systems.

5.6: Should energy storage be utilized and compensated in the Triennium 2 Energy Efficiency/Demand Response proceeding as an allowable Demand Response resource? If so, what changes, if any, should be made to the NJ SIP design to avoid potentially providing double compensation for the same service?

Yes. Energy storage is a demonstrated, proven demand response asset. However, NJ BPU should keep the NJ SIP proceeding moving forward separately so that it is not further delayed. NJ BPU could avoid the potential for double compensation by requiring EDCs, in their specific program designs, to consider this issue in the context of other existing programs and tariffs.

5.7: How should energy storage systems be metered and measured? Can an inverter serve this function? What role should advanced metering infrastructure ("AMI") play in the NJ SIP?

Advanced inverters have the capability of metering and measuring storage system charging and dispatch. However, AMI data should not play a significant role. AMI cannot disaggregate whether the exported electricity is from solar or storage assets, nor can it tell when the battery is exporting and serving some of the on-site load. In other programs where energy storage performance is measured at the revenue meter (namely Public

Service Enterprise Group-Long Island or PSEG-LI) it requires a complex baselining methodology that likely undervalues the storage performance.

5.8 Please provide any other comments on the NJ SIP.

Stem appreciates the NJ BPU's consideration of these RFI responses. Energy storage implementation is critical to realizing New Jersey's decarbonization goals while supporting customer needs and grid resiliency. Stem stands ready to work with the Board and stakeholders to support the Storage Incentive Program.

Respectfully submitted,

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