



FORTRESS
POWER

Smart Energy Storage

Puerto Rico Energy Week

Panel "Solution Providers"

11- 12 PM, February 21, 2023

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Puerto Rico's electric system needs...

1. Resiliency

- Ensure end customers have power to during/ after a hazard
- Critical loads (e.g., hospitals, emergency response, groceries) have power

2. Reduce Puerto Rican Energy Costs

- Residential electricity rates are 44% higher than U.S. average
- Commercial electricity rates are 90% higher than the U.S. average

3. Renewable energy

- Mandated convert to 100% renewable energy by 2050
- Reduce reliance on oil and gas imports



Expansion of solar & storage DERs and use as grid assets will support PR's three goals.

Proposed Solution

- Expand scale of BTM, grid-tied solar and storage
 - Use federal grants, incentives, and private capital to expand market
 - Use existing/grow local service providers
- Obtain rights/ability to control storage systems
- Optimize use of solar and stored energy to reduce PR's energy costs

Fortress Power Role

- Build on ## unit scale & add remote connectivity
- Continue supporting local installers through local office staffs
- Support PREPA/ Luma incentive development
- Provide access to Fortress BESS
- Provide DER Aggregation Platform or support 3rd Party Selection
- Share best practices from U.S. and international utilities with Luma and PREPA
- Work with private capital to provide competitive financing solutions



The proposed solution is the lowest-cost, fast, most robust way to achieve the goals.

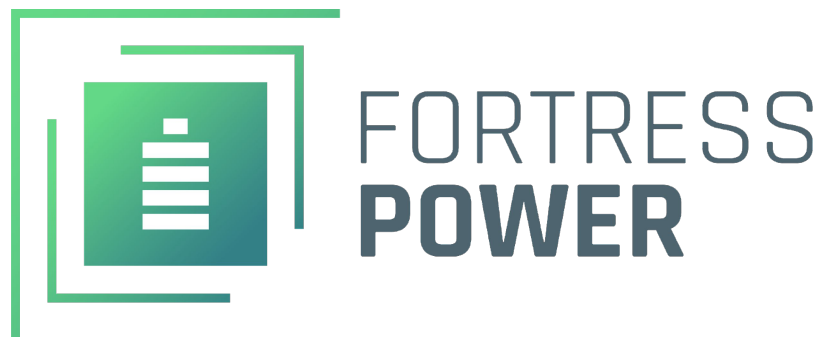
- Solar alone only causes problems (e.g., California's Duck Curve") and renewable generation is not always available
- DERs will provide value to all stakeholders daily
- Funding mix reduces short-term and long-term PR resident/ ratepayer costs
- DERs create a fault-tolerant grid architecture, the only cost-effective solution for truly robust grid
- Optimize use of solar and stored energy to reduce PR's energy costs



"To achieve Puerto Rico's desired future, a key issue to address in 12 months is...

... for Luma to pilot the use of aggregated DERs to provide:

1. Capacity - DR to mitigate annual peak loads
 2. Operating Reserves - Dispatch instead of peak generators
 3. Frequency & voltage support - Provides most value to grid
- BTM solar and storage systems are being installed - capacity for pilot exists
 - Aggregate battery systems and dispatch
 - Leverage partner experience to accelerate PR experience development
 - Identify required infrastructure (e.g., AMI) and processes (M&V)
 - Demonstrate the value provided by BTM DERs - use to create incentives



Fortress Power

Your home is your castle.
Protect your home against power outages and
rising energy costs.