



Energy StorageShares

Our award-winning Energy StorageShares program is a first-of-its-kind partnership that maximizes customer benefit from their investment in energy storage while minimizing the cost for SMUD to upgrade or build new infrastructure for the grid. We want to support customer-owned storage while also providing options so businesses can choose the best solution for their needs.

Businesses that are considering installing batteries at their site (but don't have a back-up power need) can choose to make an up-front investment in shared battery energy storage, in exchange for a monthly on-bill credit for 10 years. SMUD combines the investments with its own capital to install the battery in a prime location that provides significant benefits to the grid.

The bill credit reflects the savings the customer would have gained from an onsite battery that would reduce demand charges. Demand charges are imposed to

recover the fixed cost of capacity-related facilities.

Commercial customers' demand charges vary based on their maximum demand, but the charges can be reduced if the customer chooses to use an onsite battery. With StorageShares, we give them a bill credit that represents the savings they would have had if they had installed a battery—without having to install and maintain a battery onsite. How convenient is that?

The program provides guaranteed savings to the customer without impacting their business operations, creating maintenance obligations, or requiring physical space at their business for a battery system. It drastically lowers the cost of battery energy storage, as it is much less expensive to install a few large battery systems than it is to install multiple smaller batteries. The program benefits all SMUD customers by reducing demand on the grid, and by deferring infrastructure upgrades so that we don't need to install or upgrade a substation.

