

### TSP Project Objective

- Test battery storage as a system reliability and/or market driven device
  - Demonstrate the performance of a lithium-ion Battery Energy Storage System (BESS) for 13 specific operational uses, both individually and bundled
  - Share data and results with CAISO, CEC, CPUC, DOE, and other interested parties
  - Potentially resolve key issues with wind-integration and/or remote generating sources, e.g. variability, transmission availability, congestion and curtailment
- Reliably integrate battery technology into SCE's grid
  - Test and demonstrate smart inverter technology
  - Assess performance and life cycle of large grid-connected lithium-ion BESS
  - Expand expertise in energy storage technologies and operations

Operational Use		Test								BESS Mode
		1	2	3	4	5	6	7	8	
1	Voltage support	X	X							VS
2	Decreased losses			X						DISP
3	Diminished congestion			X						DISP
4	Increased system reliability			X						DISP
5	Deferred transmission investment			X		X				DISP
6	Optimized renewable-related transmission			X		X				DISP
7	System capacity/resource adequacy				X	X				DISP
8	Renewable integration (firming & shaping)				X	X				DISP
9	Output shifting			X						DISP
10	Frequency regulation						X			FS
11	Spin/non-spin reserves						X	X		DISP
12	Deliver ramp rate						X	X		FS/DISP
13	Energy price arbitrage							X		DISP



### Progress To Date

- Facility construction expected to complete in September 2012
- First Power Conversion System installed September 13, 2012
- A123 to ship initial battery equipment for delivery week of September 24, 2012

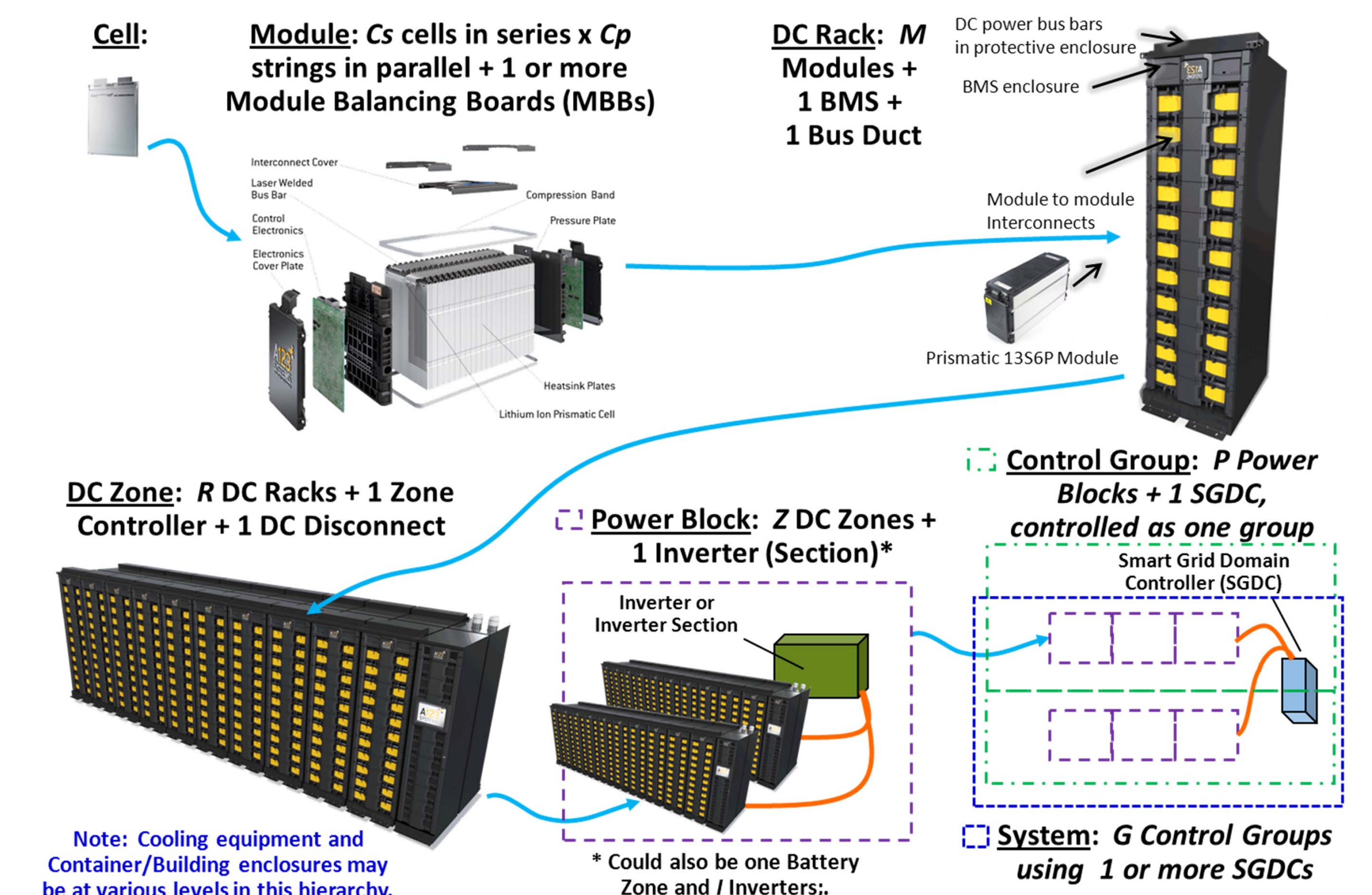
### Future Major Milestones

- September 2012 - Completion of BESS facility
- October 2012 - Initial installation
- November 2012 - Installation of second Power Conversion Subsystem
- Q1 2013 - Install balance of equipment and commissioning
- Q2 2013 - Start of 2 year M&V testing and reporting
- Q3 2015 - Final report due to DOE



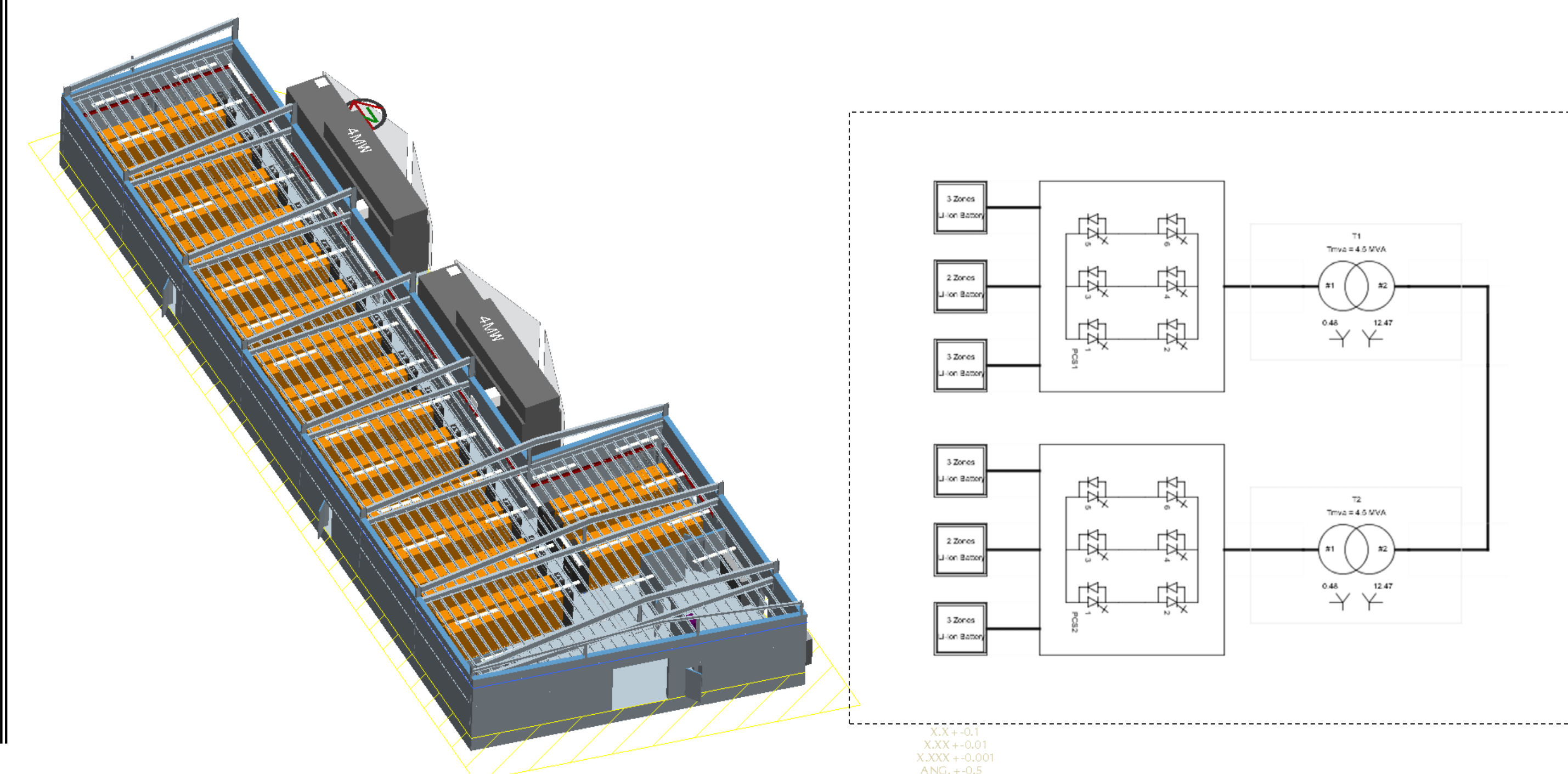
### Lithium Ion Battery Cell and Module

- Manufactured by A123 Systems
- Nanophosphate 19.5 Ahr battery cell
- 78 cells per module for 62.4 Wh per module
- These modules provide the building blocks for the TSP



### BESS Technical Details

- 9 MVA converter system capacity with 2 second 100% overload capability
- 8 MW and 32MWh total storage capacity
  - 2 power conversion systems (PCS)
  - 6 converter modules (3 per PCS)
  - 16 battery zones
  - 20 prismatic battery racks in each zone



### Examples of Wind Generation in the Tehachapi Wind Resource Area

