

Arizona Electric Co-Op Unveils Solar-Plus-Storage Project Powered by AI

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Stem (NYSE: STEM), a leading global provider of AI-driven clean energy solutions, has partnered with Arizona Electric Power Cooperative (AEPCO) to deploy a groundbreaking solar-plus-storage project for a member cooperative.

This project, located at Sulphur Springs Valley Electric Co-op (SSVEC), is the first of three similar deployments planned for AEPCO's member cooperatives. It combines a 40-megawatt hour (MWh) energy storage system with an existing 20-megawatt (MW) photovoltaic (solar) system.

Stem's award-winning AI software, Athena®, will be integrated to optimise performance and manage the entire system on a single platform. All three projects are expected to be operational by the end of 2024.

"More than 900 electric co-ops across 48 states make up the largest electric utility network in the U.S. The segment is forecasted to be one of the fastest growing segments of the front-of-the-meter (FTM) market through the end of this decade and is projected to represent over 20% of all future storage deployments," said John Carrington, Chief Executive Officer of Stem. "Stem's unique combination of AI-driven software, hardware, and services is enabling enhanced value and project returns at scale for co-ops and their members. We are excited to bring our proven capabilities and market experience to AEPCO and their members."

Benefits for AEPCO and its Members:

- **Enhanced Reliability and Cleaner Energy:** The project supports AEPCO's plan to diversify its energy portfolio and strengthen grid reliability with clean energy resources.
- **Economies of Scale:** Collaboration allows for larger projects, reducing costs and delivering greater benefits to member cooperatives.
- **Reduced Reliance on Fossil Fuels:** SSVEC has significantly reduced its dependence on coal-fired power, demonstrating a commitment to a cleaner future.

As part of our Reliable Energy Plan, AEPCO is focused on strategic investments in renewable energy assets and battery energy storage systems (BESS) to help fundamentally improve, diversify, and strengthen the AEPCO portfolio," said Patrick Ledger, AEPCO executive vice president and CEO. "With Stem's proven solar and storage solutions and expertise, we can ensure economies of scale on larger projects so our member co-ops can benefit from the flexibility and reliability of new clean energy resources that will substantially reduce costs and provide more reliable clean energy for the communities we serve."

"As the largest co-op in Arizona, SSVEC has worked diligently to diversify our energy portfolio from having over 80% coal-generated energy in 2016 to just 25% in 2023 with an estimated 18% generated from renewable sources. These efforts help ensure greater energy independence, reliability, and price stability for SSVEC members, with an overriding benefit of a cleaner environment," said Jason Bowling, Chief Executive Officer of SSVEC. "Working with AEPCO and Stem to ensure the successful deployment and optimization of our renewable energy assets will help SSVEC continue to honor our commitments of delivering affordable, reliable energy to our 53,000 members."

"We are honored to have played a pivotal role in the construction of this monumental facility for SSVEC," said Rohit Garg, Prometheus Manager. "With our developer expertise, we are confident that this project will set a new standard for co-ops implementing utility-scale renewable energy assets, driving forward the adoption of sustainable practices in the energy sector. We are looking forward to working with Stem on deploying future projects for AEPCO."

This project follows Stem's recent successes in the co-op market, including a solar-plus-storage project for Mohave Electric Cooperative and a standalone energy storage project with Ameresco. Stem has secured over \$1 billion in contracts within the growing municipal and co-op utility sector.

A ribbon-cutting ceremony for the project will be held in Sahuarita, Arizona on June 13, 2024.