

Elk Neck Battery Storage Pilot Program



An Exelon Company

FAQ

Q: What is Delmarva Power's Elk Neck Battery Storage Pilot program?

A: We are working with Sunverge Energy, who will install a network of 110 small, residential battery storage systems at homes in the Elk Neck, Md. area at no cost to the customer. The battery storage systems provide backup power for participating customers in case of a power outage and support the local energy grid during peak demand. The pilot program will last for 10 years.

Q: Why is Delmarva Power launching the Elk Neck Pilot program?

A: The pilot program is a part of our ongoing effort to evaluate new technologies and services that will meet our customers' evolving energy needs. We are undertaking this program to improve resiliency for participating customers during power outages and provide our local distribution grid with support when demand for energy is highest. Based on the configuration of the local energy grid and the unique geography of the area, Elk Neck customers are more vulnerable to power outages, making this an ideal location to demonstrate how this innovative solution and cost-effective technology can be used to benefit our customers and enhance reliability across our service area. The Maryland Public Service Commission approved this program in November 2020 as part of the Maryland Energy Storage Pilot Program.

Q: How does the battery storage system and Elk Neck Pilot program work?

A: The battery storage systems will collect and store energy from the local grid during times of low or regular demand. When needed during periods of high demand, generally during cold winter days or hot summer days, the batteries at customers' homes will supply stored energy back onto the local energy grid, where it will be delivered to other local homes or businesses or used to support the overall reliability of the local grid. During a power outage, the batteries will provide participating customers with an automatic backup energy source for their home.

Q: How does the battery export energy back to the grid?

A: The batteries will be integrated into the local energy grid through a software program managed by Sunverge. This allows the residential batteries to support the local

energy grid when needed. Delmarva Power will work with Sunverge and use Sunverge's software program to call on the battery storage systems to discharge energy when demand is high. The software program also provides customers the ability to monitor the status of their battery 24/7 and be alerted when Delmarva Power plans to use it.

Q: How will Delmarva Power ensure enough energy is left in the battery so customers can use it for backup power in the event of a storm?

A: The software program constantly monitors the residential battery storage systems, which will allow us to effectively plan to meet peak demand without impacting our customers. We also pay close attention to the weather and if we see storms coming, we can plan to use alternative sources of supply to ensure customers can take advantage of the backup power provided by their batteries.

Q: How long does battery storage provide backup power during an outage?

A: Just like a generator, the batteries will be capable of supporting critical equipment, such as cooking appliances, Wi-Fi, refrigeration and lighting, for several hours, depending on the energy needs of the home. Each residential home will get two batteries that together will be capable of providing energy to a home for more than 3 hours, depending on the appliances and other end uses being powered.

Q: How will customers be selected to participate?

A: The program can accommodate a maximum of 110 customers. Batteries will be provided for eligible customers on a first-come-first-served basis. There are very few requirements to participate.

- The program is open to all Delmarva Power residential customers located in Elk Neck, Md.
- You must have a compatible electric panel and a suitable location outside your home to install the system.

To maximize the benefits of the battery storage system, we encourage participation from customers who have a residential solar system, charge an electric vehicle at their home, or participate in any energy efficiency programs, like our Energy Wise Rewards Program.

Q: How can interested Delmarva Power customers participate in the program?

A: Interested customers can visit us online at delmarva.com/EnergyStorage. At the website, customers will complete a brief survey and arrange for a Delmarva Power-qualified battery installation partner to visit the customer's home at the customer's convenience. During the home visit, Delmarva Power's qualified installation partner will make sure that the home is well-suited for the installation and operation of the battery system.

Q: What will participating customers be responsible for during the program?

A: The battery will function automatically without assistance from the customer. In partnership with Delmarva Power, Sunverge will own, operate and manage the battery system. Sunverge will be responsible for battery system maintenance during the program period.

Q: How much does the program cost? Are there any additional fees for participating customers?

A: The project costs approximately \$4 million and that cost is spread across all Delmarva Power Maryland customers, similar to how we pay for other reliability enhancement projects in our service area. There are no additional fees for participating customers; however, customers may incur certain other costs as part of the program, such as a slight change in their electric bill or the cost of updating their electrical panel, if required.

Q: Will the energy storage system increase my energy usage or affect my monthly energy bill?

A: Customers who choose to participate in the program will be responsible for the energy costs of charging the battery system and may see a slight increase in their energy usage. Depending on several factors, this could increase a customer's monthly bill by less than \$2, on average, per month. Customers will benefit from having an onsite back-up power system at no cost and will have the opportunity to earn bill credits on Peak Savings Days using their battery storage system to reduce their grid supplied energy.

Q: How can I save money through the program?

A: Customers can take advantage of their battery storage system to save money by using energy from the battery to reduce electricity consumption from the grid on Peak Savings Days, earning credits through Delmarva Power's Peak Energy Savings Credit Program – no enrollment is needed. When increased demand for electricity throughout the mid-Atlantic region is anticipated, Delmarva Power customers can earn bill credits of \$1.25 for every kilowatt hour (kWh) of reduced energy use below the customer's average energy use from the local energy grid. Opportunities to save further may become available in the future if new programs or special rates are developed.

Q: Where will the battery storage systems be installed at participating customers' homes?

A: These batteries will be small, residential units mounted either in the garage, carport, or other appropriate location on the exterior of the participating customer's home.

Q: Are the batteries safe?

A: The safety of Delmarva Power's customers is the company's top priority. Delmarva Power is working with independent, third-party fire safety experts for the technical specifications of the battery. The battery energy storage systems that will be used for the program are manufactured and supported by LG Chem, one of the industry-leading residential battery energy storage system companies in the U.S. The LG chem lithium modules have been rigorously tested and meet national and international safety standards.

Q: What if I want to opt out of the program or sell my home?

A: During the program period, participating customers have the option to opt out of the program, in which case Sunverge will arrange for the safe removal and disposal of the battery storage system at no cost to the participating customer. If the participating customer's home is sold during the program, the battery storage system is likely to transfer to the new homeowner; otherwise, the battery system will be safely removed and properly disposed of at no cost to the participating customer.

Q: If I participate, how will Delmarva Power ensure my privacy?

A: The personal privacy of our customers is of the utmost importance to us. The software platform will only monitor information from a customer's battery storage system and will not be connected to any other devices or information in a customer's home. Only Delmarva Power and our authorized partner, Sunverge, will be able to access the data, which will be transmitted through a secure communications network and will not be shared with any other entities.

Q: What happens to the battery storage system at the end of the program?

A: At the end of the program period, participating customers will have the option of owning the battery systems. If the customer elects not to own the system at the end of the program period, Sunverge will arrange for the safe removal of the battery system at no cost to the participating customer. If the participating customer elects to keep the battery system, Sunverge will assist the customer at the end of the battery system's useful life to identify a service provider to safely remove and properly dispose of the system at the cost of the participating customer. The batteries are expected to have a minimum life of approximately 15 years.