

Problem

Capture maximum value from **Solar & Batteries** in a **Load Displacement** scenario.

Solution





Balance Curtailment Reduction and Rate Arbitrage



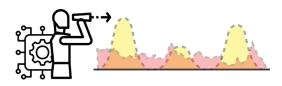
with Outage Protection



to reduce grid expenditure by up to 40% and safeguard your energy

How it Works:

Forecast



Sponge EMC generates production & usage forecasts and monitors energy rates...

Control

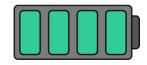


to charge/discharge batteries & shift loads when it is most cost effective.

Protect



If Sponge detects at Outage Risk...



it makes sure your battery is fully charged...



so your business is protected.

On this page we are going to prove that Your Hybrid PV System is Inefficient.

Once we identify inefficiencies, we can optimize against them

Inefficiency #1

Batteries have 2 use cases that are not complimentary.



Use #1: Power Outage Protection

To provide outage protection, **a battery should be** <u>near full charge</u>.



Use #2: Harness Cheap Energy

To harness cheap energy, a battery should periodically be near empty.

Inefficiency #2

The cost of battery power depends on how it was charged:



Solar Charging = Free (but <u>not always available</u>)



Grid Charging = Expensive (<u>Day = More Expensive</u>, <u>Night = Less Expensive</u>)

To save money, a battery should discharge when energy is most expensive. A battery is only **efficient** if it harnesses the cheapest energy <u>available</u> in the time period before each discharge.





Optimization Challenge

Ensure batteries are charged before a power outage.

Utilize batteries (and shiftable loads) to ensure that system is always harnessing the cheapest energy available in a given time period.

Understand Sponge Optimizations

=If [

Forecast = Cloudy, Battery Charges on low-cost overnight rate,

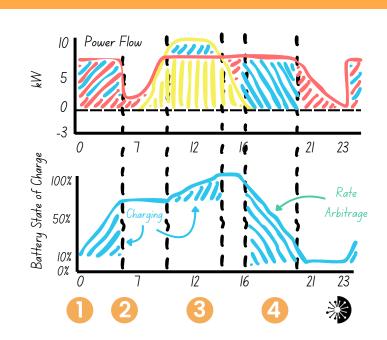
Forecast = Sunny, Battery kept low to capture tomorrow's solar,

Forecast = Outage Risk Detected, Battery Charges to 100%]



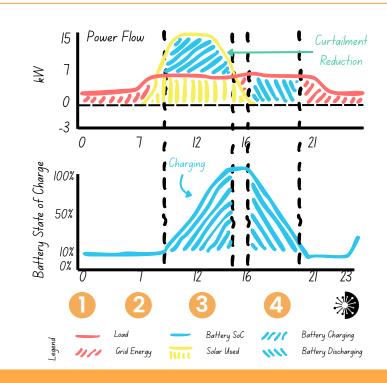
Cloudy Forecast

- 1 Sponge forecasts a cloudy day
- Battery is partially charged on lowcost nighttime energy
- Room is left to capture small amount of excess solar
- Low-cost grid energy and solar stored in battery used for rate arbitrage



Sunny Forecast

- Sponge forecasts a sunny day
- Battery is kept at a minimum state of charge overnight
- More excess solar is captured and stored reducing curtailment
- Low-cost, solar-charged battery energy is used for rate arbitrage



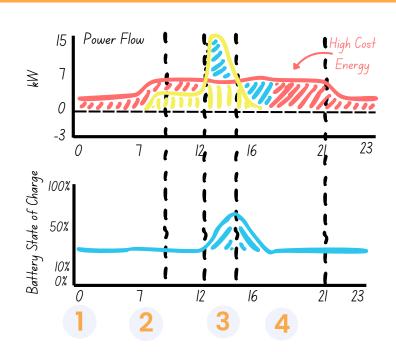


Sponge leverages usage and production forecasts to ensure that your system is always using the lowest cost form of energy. We regularly reduce energy bills by an additional 40%

Observe how Sponge optimizes a partially-sunny day compared to a regular battery

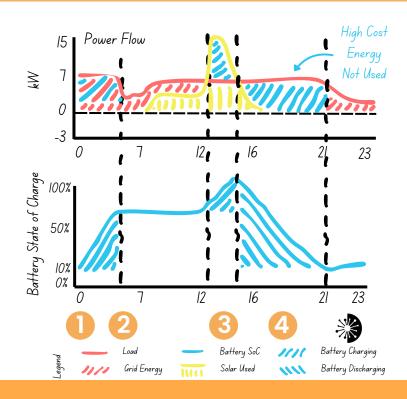
Partial-Sun Forecast

- Battery Min-State-of-Charge may be higher for outage protection
- Battery does not capture lowcost night time energy
- Battery receives minimal charge from excess solar in afternoon
- Battery energy runs out beforeevening demand, expensive grid energy is used instead.



Partial-Sun Forecast

- Sponge deems outage risk low, allows for more discharge previous day
- Battery is charged with low-cost night time energy
- Space is left in the battery to capture the small amount of excess solar
- Battery runs through evening demand spike, saving money





Up to

40%

Reduction in Energy Bills Up to



4 Yr

Reduction in Payback Period

Sponge Optimization Pricing Formula:

Sponge EMC

Pro <u>or</u> Pro+ Commissioning Fee

Based on Project Size (kW AC) 5 Yr Subscription

For Projects >30kW AC*



5 Year Subscription Price

= 1 Year Optimization Savings

Option 1: Pay Hardware + Commissioning Fee and Try Sponge Optimization Free for 1 year.

1 Year of Sponge Savings = Price of 5 Year Optimization Subscription. (How it Works)

Option 2: Use <u>Sponge Estimation Form</u> to give us info we need to simulate 1 year of savings.

1 year of Simulated Savings = Price of 5 Year Optimization Subscription

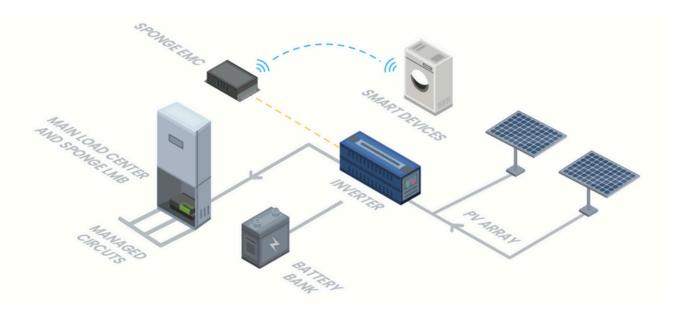
You can expect your Optimization quote in 5 business days or less.

*Sponge Optimization subscription is free for projects <30 kW AC



Sponge Offering

The Sponge solution includes the delivery and commissioning of our Energy Management Controller, which operates our proprietary control algorithms. But it doesn't stop there. Our team has full remote access to every system we deploy, enabling over-the-air updates, remote monitoring, system maintenance and most importantly, quality assurance.



Control Philosophy

At Sponge, we respect that system reliability is paramount. Thats why our control approach is simple and nonintrusive. Our controls operate completely outside the loop of mission critical system operations and simply make adjustments to targeted set points as required in order to instigate the performance we want to see. After the control action, defaults settings are restored. This means that there is no incremental complexity or reliability risk introduced, just added value and improved performance.

Order Information

- Reach out to your installer to confirm your decision to procure the Sponge Optimization Package.
- 1 The Sponge Optimization Package will be added to you existing payment schema.
- The Sponge EMC will be installed by your solar installer with commissioning support from Sponge Microgrids.

Looking for a quote? For projects <30kW AC, reach out directly to your installer for hardware pricing.

For Projects >30kW AC, Please use the <u>SPONGE ESTIMATION FORM</u> to submit information required to generate your subscription quote.

The <u>SPONGE ESTIMATION FORM</u> is also available on our website: <u>Sponge.to</u>



Paul.Kealey@sponge.to



519-362-2659



Monitor | Control | Optimize