

Defining an Intelligent Business Model for Energy Storage Based on the Technical Requirements of Recent FERC Orders

SAND2013-8640C

Jacquelynne Hernández

Peer Review, October 2013

Electrical Power & Energy Storage Comparison

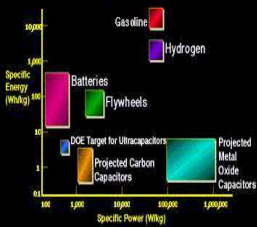
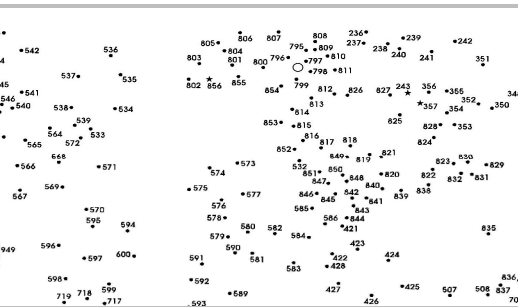


Image: Scientific American



Image from SDSU



Sandia
National
Laboratories

*Exceptional
service
in the
national
interest*

Problem:

Given the recent regulatory and policy challenges in FERC Orders (784, 1000, etc.) that relate to energy storage, how does one go about building an intelligent business model based on the varied technologies and applications associated with electrical energy storage?

Key Questions:

1. What is the business of an energy storage facility?
2. What is the legal structure of the energy storage transaction?
3. How does one measure energy storage services?
4. What is the product performance guarantee?
5. Which energy service does one guarantee?



Sandia National Laboratories is a multi-program laboratory managed and operated by Sandia Corporation, a wholly owned subsidiary of Lockheed Martin Corporation, for the U.S. Department of Energy's National Nuclear Security Administration under contract DE-AC04-94AL85000.