

Attachment 3

Estimate of Revenues and Costs – Rule 2.401(c)

Per Energy Storage System:

Costs:

Battery Incentives ¹	\$ 950
Software Fees	\$ 346
A&G	<u>\$ 75</u>
Total Costs:	\$ 1,371

Revenues:²

FCM Value	\$ 407
RNS Value	\$ 859
Communication Fees	\$ 346
Total Revenues:	<u>\$ 1,612</u>
Net Value per System:	\$ 241

Three Year Estimate Assuming 2.5 MW³ Annual Enrollment Limit:

Year	1	2	3	NPV
Revenues				
FCM	\$0	\$91,007	\$214,391	\$2,951,024
RNS	\$236,483	\$520,031	\$825,647	\$6,241,846
Communication Fee	\$26,893	\$53,785	\$80,678	\$511,788
Total Revenue	\$263,376	\$664,824	\$1,120,716	\$9,704,658
Costs				
Incentive (3 Hour)	(\$1,125,000)	(\$1,125,000)	(\$1,125,000)	(\$2,993,835)
Incentive (4 Hour)	(\$1,250,000)	(\$1,250,000)	(\$1,250,000)	(\$3,326,484)
A&G	(\$188,575)	(\$188,575)	(\$188,575)	(\$501,833)
Software Fees	(\$26,893)	(\$53,785)	(\$80,678)	(\$511,788)
Total Costs	(\$2,590,468)	(\$2,617,360)	(\$2,644,253)	(\$7,333,940)
NET Benefit	(\$2,329,479)	(\$1,954,540)	(\$1,525,100)	\$2,373,150

Prepared By: Craig Ferriera
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¹ Data includes 1kW of energy with an assumed incentive of \$950.

² Costs/Revenues shown on NPV basis. Due to incentives and A&G only being allocated in year 1, these two values are not on an NPV basis.

³ The program will be open to 5MW annually, however based on Pilot enrollment and average customer chosen capacity, GMP is estimating approximately half of the total available annual capacity will be enrolled each year.