California’s Energy Storage Opportunities

California businesses are saving on their energy spend and increasing their energy resilience with Athena®

California is the most dynamic U.S. market for behind-the-meter (BTM) energy storage, as high energy and demand prices make storage one of the most financially attractive energy projects C&I customers can undertake. Stem helps utility customers in California benefit from several programs to help deploy energy storage.

Self-Generation Incentive Program

California’s Self-Generation Incentive Program (SGIP) provides financial incentives to organizations for installing battery energy storage on-site. These incentives usually cover half or more of equipment and installation costs which supplements the 10-30% utility bill savings energy storage systems typically deliver. Energy storage can also provide several hours of backup power in the event of grid outages, which have become more common in California amid worsening heat waves and wildfires. As an approved SGIP provider, Stem will operate your energy storage system to maximize your SGIP performance incentive and achieve required GHG reductions.

Title 24 and Storage Mandate

Title 24 is California’s building energy code that affects all new construction within the state. The most recent update requires all new commercial and mixed-use developments to obtain a minimum required amount of solar PV and storage based on Climate Zone and conditioned floor area.

Stem has developed an easy-to-use Title 24 Calculator to help you determine your specifications for Title 24 and how to gain the most value out of this new requirement. When you share your results with Stem, we work with you to determine the best battery size for your building so you gain the most value. Learn more at stem.com/california-title-24.

Option S tariff in PG&E

Option S is a Pacific Gas & Electric (PG&E) tariff designed for customers with storage. Customers’ demand charges are split between a monthly demand charge and a daily demand charge. The daily demand charge, billed according to a customer’s daily peak demand, creates an additional cost savings opportunity for energy storage systems (ESS). Energy charges are consistent with those under PG&E’s solar-friendly Option R tariff.

Stem has helped reduce customers’ utility bills by 10-35% and generated a 30% return on investment (ROI) on the ESS. Option S is ideal for “peaky” loads over 400kW with low load factors. Examples of optimal load types include EV charging, aggregates and mining, heavy industrial, food processing, and arenas and event centers.

eMobility incentives

To comply with EV mandates and take advantage of available EV incentives, operators of commercial fleets are investing heavily in charging infrastructure. Stem’s Athena-Integrated EV Charging offering uses smart energy storage to help these organizations achieve their clean energy goals and maximize utility bill savings. Learn more at stem.com/ev-charging.
Entire Lifecycle Support for Energy Storage

Solar + Storage Expertise
Stem can help solar developers, EPCs, and end customers in California right-size storage systems not just to meet program requirements but to maximize economic returns based on a customer’s particular rate structure.

Incentive Management
Get application support, compliance, and reporting for SGIP and solar ITC.

EV Infrastructure
Storage-paired EV charging is expected to grow exponentially in the coming years, as CA has set aggressive targets to phase out internal combustion engine (ICE) cars by 2035.

Value Stream Optimization
Get demand charge management, TOU energy arbitrage, demand response, and CAISO market participation.

Resilience
Get design and engineering for Solar + Storage microgrids as well as SGIP Resilience incentive management.

Lifecycle Management
Get full support from project design, installation support, through operations management.

Project Highlights

Stockmans
San Bernardino County, CA
Facility Type: Wastewater Treatment Plant
Solutions: Energy Storage, Utility Bill Optimization, Backup Power
Storage System Size: 464kW / 1856kWh

Penske Truck Leasing
Ontario, CA
Facility Type: EV Fleet Charging Depot
Solutions: Energy Storage, Commercial EV Charging
Storage System Size: 350kW / 800kWh

Why Partner with Stem?
The application process for incentives and programs can be challenging to navigate. It can also be difficult to design effective storage systems that meet both organizational needs and incentive or program requirements – anything from standalone storage to complex solar + storage microgrids.

Stem is a global leader in AI-driven clean energy solutions and services, with more than a decade of experience partnering with organizations and developers to realize hundreds of successful projects. We helped create California’s energy storage market and remain a leading storage provider to the state’s commercial and industrial (C&I) customers.

If you’re interested in capitalizing on California’s incentives and programs, contact Stem today. As a longtime storage pioneer and California market leader, our experts would be happy to answer your questions, help you determine which incentives you qualify for, and design an ESS that works for you.

To learn more about Stem’s solutions for California, visit stem.com/california-energy-storage-opportunities.