

## Stem, Inc. Press Kit

### Company Overview

Stem, Inc. works with commercial, industrial, and public customers to lower their electric bills through real-time energy optimization, driven by its Athena™ artificial intelligence (AI) platform, to automatically lower electricity costs without manual intervention or having to buy expensive equipment. Stem's energy superintelligence™ combines advanced energy storage and artificial intelligence with an easy to use software user interface.

Stem's customers include public customers and leading Fortune 500 companies such as Adobe, Whole Foods, and Extended Stay Hotels, as well as independent businesses. Our customer satisfaction success is why 9 out of 10 customers highly recommend Stem according to an independent TechValidate survey.

For the utility or grid operator, Stem's AI-powered distributed energy storage network delivers fast-acting dispatchable capacity to help balance the grid at the system and local level when and where it's needed. By forming "virtual power plants," the Stem network offers localized, on-demand, modular capacity and services to provide flexibility and reliability while decarbonizing the grid.

Stem was founded in 2009 and is headquartered in Millbrae, California, with projects in California, Hawaii, Texas, New York, Massachusetts, Japan, and Ontario, Canada. As of May 2018, Stem has 150 employees.

### Projects & Services

#### *Athena*

Athena is the world's first AI for energy storage and virtual power plants. By using big data and machine learning to optimize the timing of energy, she connects facilities together into a single network that forms a virtual power plant that optimizes energy usage by making data-backed decision about when to buy energy. Athena has saved Stem customers \$8 million thus far.

#### *Projects*

As of May 2018, Stem has over 860 energy storage systems installed or under contract.

#### *Stem Financing*

Stem is the storage industry leader with over \$500 million available in project financing. Customers pay nothing upfront, and pay a small monthly subscription payment that is more than offset by their energy savings. With Stem financing, customers start saving from the day their system is installed.

## *Grid Services*

Customer-sited storage is a powerful resource that delivers “fatigueless” services that help modernize the electric grid, enhance reliability, and enable higher penetrations of renewable energy, all while helping customers understand and transform their energy use.

Stem works with leading utilities, grid operators and retailers to harness our aggregated storage network as a cost-competitive, controllable, and fast-acting resource where it matters most.

Stem solves a variety of grid challenges:

- Delivers capacity in congested areas
- Supports high penetrations of intermittent renewables like solar and wind
- Creates a guaranteed demand response resource
- Delivers powerful frequency regulation
- Provides visibility behind the meter

## *Partners*

Stem is actively engaged in contracts with Hawaii Electric Company (HECO), Southern California Edison (SCE), Pacific Gas and Electric Company (PG&E), San Diego Gas & Electric, and Austin Energy. For SCE’s Local Capacity Requirements procurement, Stem is developing 85 MW of customer-sited storage to be used as a fast-acting and precise capacity resource in the highly congested West Los Angeles Basin region, posited by Navigant Consulting as potentially the largest Virtual Power Plant in the world.

Stem also partners with other service providers to provide the maximum economic opportunities for the customer. We offer a “save and earn” proposition to save money on energy bills through traditional Demand Response (DR) with CPower and earn additional revenue opportunities for participation in grid services via Stem’s AI-based storage network. We partner with Constellation to offer onsite peak shaving and Independent System Operator cap tag alleviation in the Northeast. And we offer solar+storage offerings with a variety of top-tier solar developers.

## *Installation and Safety*

Stem systems are modularly designed for a simple and safe installation process. The Stem system is installed by a licensed electrician in a day, and does not require costly or time-consuming siting or construction.

Stem’s standardized installation process ensures safety and quality control, and Stem systems follow the most up-to-date industry standards in system certification and installation procedures. These codes and standards include National Fire Protection Association, UL (Underwriters Laboratories), IEEE (Institute of Electrical and Electronics Engineers), UN/DOT (United Nations Department of Transportation), OSHA (Occupational Safety and Health Association), NEC (National Electrical Code), IBC (International Building Code), and local fire codes. Stem is an active collaborator with these organizations to comply with and drive safety standards for the growing intelligent storage industry.

## **Investors**

Stem is directly funded by a consortium of leading investors including Activate Capital, Angeleno Group, Constellation Technology Ventures, Iberdrola (Inversiones Financieras Perseo), GE Ventures, Mithril Capital Management, Mitsui & Co. LTD., Ontario Teachers' Pension Plan, RWE Supply & Trading, Temasek, and Total Energy Ventures. As of May 2018, total corporate funding has surpassed \$150 million.

## **Awards**

2018 GTM Grid Edge Innovation  
2017 SEPA Innovative Partner of the Year  
2017 SAMCEDA Innovator  
2015 Bloomberg New Energy Pioneer  
2015 World Economic Forum Technology Pioneers  
2015 Energy Manager Today  
2014-2018 Global Cleantech 100

## **Energy Storage Industry**

Stem is the distributed storage leader in the rapidly growing market. According to Greentech Media, energy storage in the U.S. is expected to grow to 2.6 GW of annual installations in 2022 at a value of \$1.2 billion per year, with half the growth in customer-sited energy storage due to customer interest to control their energy decisions and reduce energy bills.

## **Brand**

We refer to the company as “Stem, Inc.” or “stem” but never as “STEM”. Stem, Athena, energy superintelligence, and the Stem logo are registered trademarks of Stem Incorporated in the U.S.

### *Mission and Vision*

Stem's mission is to build and operate the largest digitally connected energy storage network for our customers. Athena by Stem is the first AI for energy storage and virtual power plants. It optimizes the timing of energy use and facilitates consumers' participation in energy markets, yielding economic and societal benefits while decarbonizing the grid. Stem creates innovative technology services that transform the way energy is distributed and consumed.

### *Values*

Integrity > in everything we do  
One Team > success through collaboration  
Innovation > deliver the most compelling solutions  
Customer Centricity > enable customer value  
Execution > exceed commitments