From Local to National: Scaling Storage Models

INVESTOR INSIGHTS | INCENTIVES & POLICY

Are These Revenue Models State-Specific?

Short answer? No. These Battery Energy Storage System (BESS) revenue models are not exclusive to New York or New Jersey. The opportunity to invest in critical energy infrastructure like BESS is increasingly viable across many states within the USA.

Why New York and New Jersey?

Our early-stage projects are rooted in New York and New Jersey because this is where we are headquartered and because these states offer some of the most advanced and supportive incentive programs for energy storage. These include:

- **New York's Value of Distributed Energy Resources (VDER) tariff**, which compensates BESS systems for the real value they bring to the grid.
- **New Jersey's Energy Storage Incentive Program (ESIP)**, which provides up-front incentives based on performance and storage capacity.

These local policies help derisk investment and maximize potential returns early on.

So, Can This Model Scale Nationwide?

Absolutely. Most other states are actively developing (and in some cases, already operating) programs that mirror the favorable conditions found in NY and NJ. That means our model is designed to be replicable in multiple jurisdictions, wherever market conditions and incentives align. Here are a few notable examples:

California

California is the leader in energy storage deployment, driven by:

- Self-Generation Incentive Program (SGIP), which provides upfront capital rebates.
- A dynamic energy market (CAISO) ideal for energy arbitrage and grid services.

Illinois

Illinois offers grants and rebates through programs like the Climate and Equitable Jobs Act (CEJA) and is actively building out its storage roadmap to meet 100% clean energy goals by 2050.

Massachusetts

The Clean Peak Energy Standard rewards storage systems that discharge during peak demand periods. Combined with the SMART solar program, this creates a strong revenue stack for co-located solar+BESS projects.

Texas

While Texas doesn't have a centralized incentive structure, its ERCOT wholesale energy market enables profitable energy arbitrage and ancillary service participation. The volatility in pricing actually creates more lucrative opportunities for storage operators.

There are so many more states with similar programs! Investing in BESS isn't about finding one "perfect" state; it's about leveraging a proven, adaptable model that fits wherever energy markets are evolving and the grid needs stability. As states without the same incentives catch on, we're ready to meet demand.