

ENERGY STORAGE SUMMIT

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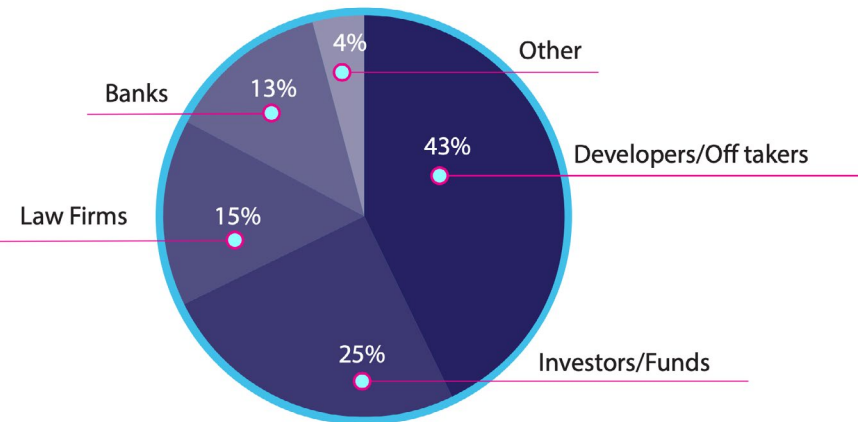
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COMPANY BREAKDOWN



25 JUNE 2024
THE VIEW, LONDON

 cQuant - Access cQuant's article on **Assessing the True Value of Battery Storage in Modern Energy Portfolio's** here.

FINANCING MAKES ENERGY STORAGE GO ROUND

The past year was less successful than originally predicted. While liquidity is available from lenders with plenty of BESS investment opportunities, the developer on the panel noted that it has gotten increasingly difficult to prove bankability over the past years. This is not an impossible task, as the panellists agreed that the key to demonstrating a future revenue case is to make sure that BESS projects have multiple revenue streams as well as geographically diversified portfolios.

DURATION REVOLUTION: BATTERIES

The panellists noted that there was no one-size-fits-all solution for duration. While shorter-duration projects can be built without much government intervention, longer-duration BESS requires government interventions and mechanisms to make the business case work.

THE BUILDING BLOCKS: DEVELOPERS SPOTLIGHT

The panel began by carrying on the momentum from the previous one by discussing the viability of long-term BESS projects in the UK. The panellists expressed some scepticism, noting that two and four-hour duration is optimal for risk-return profiles and power price curves provided by the UK market.

TO CO-LOCATE OR NOT TO CO-LOCATE?

One of the biggest benefits of co-locating renewable generation assets with energy storage is that both assets will be able to make the best use of the same grid connection and maximise its revenues out of the existing grid infrastructure.

NO RISK, NO REWARD

Not many projects depend on volatility as much as battery storage. BESS revenues shot through the roof in line with high gas prices off the back of Russia's invasion of Ukraine. However, the market is now seeing low prices due to an oversupply of gas, among other factors.

ITALY: MERCHANT VS REGULATED INVESTMENTS

A key factor driving this interest is Italy's new long-term procurement system of utility-scale storage capacity based on competitive auctions, known as the Mechanism for the Acquisition of Storage Capacity (MACSE).