K&L GATES

THE ENERGIZER

13 December 2019

In this issue:

K&L Gates LLP. Global legal counsel across five continents. For more information, visit www.klgates.com.

K&L Gates' The Energizer – Volume 57

A biweekly update on blockchain technology applications, distributed energy resources, and other innovative technologies in the energy sector.

By Buck B. Endemann, Daniel S. Cohen, Olivia B. Mora, and Abraham F. Johns

There is a lot of buzz around blockchain technology, distributed energy resources ("DERs"), microgrids, and other technological innovations in the energy industry. As these innovations develop, energy markets will undergo substantial changes to which consumer and industry participants alike will need to adapt and leverage. Every other week, K&L Gates'The Energizer will highlight emerging issues or stories relating to the use of blockchain technology, DERs, and other innovations driving the energy industry forward. To subscribe to The Energizer newsletter, please click <u>here</u>.

LO3 Energy and Green Mountain Power Launch First Pilot Local Energy Marketplace.

- <u>Green Mountain Power</u> has <u>established</u> the country's first pilot commercial local energy marketplace for customers via the "Vermont Green" app. The platform, known as "Pando," and the app will use LO3 Energy's software to facilitate an app-based bidding auction between businesses and prosumers interested in selling their excess solar power. Pando will match bids with offers automatically and track all transactions using blockchain, which will provide an immutable record and ensure the traceability of transactions and ownership.
- This marketplace will be of particular interest to businesses and utilities that have mandatory or voluntary renewable energy standards. Green Mountain Power, for instance, announced its goal to become a 100 percent renewable provider by 2030. Establishing local energy markets that use local distributed energy resources will help achieve that target. The app's release, along with the increase in distributed energy resources and digitization, will test the ability of mobile technology to create a new means of managing local energy resources.
- LO3's partnership with Green Mountain Power is significant for the domestic transactive energy market, as it aligns an energy blockchain startup with an incumbent utility known for introducing novel business solutions to its customer base.

Power Ledger Announces New Projects in Australia and India.

 On November 28, 2019, <u>Power Ledger</u>, an Australian blockchain energy company, <u>announced</u> a pilot program with the Indian State of Uttar Pradesh ("UP"). <u>Uttar Pradesh</u> <u>Power Corporation Limited</u> and UP's <u>New and Renewable Energy Development Agency</u> selected Power Ledger, in partnership with the India Smart Grid Forum, for the program. The program will use Power Ledger's platform to facilitate peer-to-peer solar energy trading to demonstrate the viability of trading residential solar energy. According to Power Ledger, India is consuming energy at a greater rate than any other major economy, and this pilot

K&L Gates The Energizer — Volume 57

program is one of the first of its kind to test the ability of blockchain to improve energy market efficiency.

 Power Ledger has also entered into an agreement with its first commercial customer through Australia's National Electricity Market in the Capital Territory. The deal involves three parties that will exchange surplus solar power between one another from a shared photovoltaic system and battery. Power Ledger partnered with <u>EPC Solar Group</u> to install at the commercial site of <u>Dowell Windows</u>, a window supplier. The renewable energy supply will be shared by Dowell Windows and the owner of the commercial site. According to Power Ledger, the technology will allow the parties to reduce the cost of energy.

ENEL X Connects New York City's Largest Battery Storage System.

- <u>Enel X North America</u> has been operating a 4.8 MW/16.4 MWh battery storage system in Brooklyn, New York, the largest system in New York City. Hosted by <u>Related Companies</u> at one of its properties in East New York, the batteries will help support <u>Con Edison</u>'s grid during peak demand.
- The system is a product of Con Edison's Brooklyn-Queens Demand Management Program, an initiative designed to use demand response, energy efficiency, energy storage, and other behind-the-meter resources to relieve grid congestion. New York has set a goal 100 percent renewable electricity by 2040 and 3 GW of energy storage by 2030. The novel lease arrangement may help the city reach its goal and may provide a replicable model to help the state and other large cities meet their clean energy goals and relieve congestion using non-wires alternatives.

K&L GATES

K&L Gates is a fully integrated global law firm with lawyers located across five continents. The firm represents leading multinational corporations, growth and middle-market companies, capital markets participants and entrepreneurs in every major industry group as well as public sector entities, educational institutions, philanthropic organizations and individuals. For more information about K&L Gates or its locations, practices and registrations, visit www.klgates.com.

This publication is for informational purposes and does not contain or convey legal advice. The information herein should not be used or relied upon in regard to any particular facts or circumstances without first consulting a lawyer.

©2019 K&L Gates LLP. All Rights Reserved.