Press Releases

Leclanche CEO Cites Energy Storage as the Driving Force at the Center of Global Energy Sector Transition

Energy Storage Key Focus At Bloomberg 2017 Future of Energy Global Summit

NEW YORK, April 25, 2017 /PRNewswire/ -- The emergence of global energy storage as a driving force in today's energy sector transition was a key focus at the Bloomberg 2017 Future of Energy Global Summit held in New York City, April 24-25. Addressing the plenary session of over 1,000 global energy executives in attendance, Leclanché (www.leclanche.com) CEO Anil Srivasta told the audience it was "witnessing totally new thinking toward the financing of energy storage projects by investors who are now looking at storage as a new asset class offering multiple revenue streams with large terminal value."

Srivastava's remarks summarized an expert panel's findings on financing and investment models for grid energy storage systems sponsored by Leclanché SA (SIX: LECN), one of the world's leading energy storage solution companies. The Bloomberg New Energy Finance panel of experts, led by Srivastava, consisted of Andy Tang, senior vice president of development at Greensmith Energy; Will Demas, senior vice president of Macquarie Capital; andYayoi Sekine, senior energy storage analyst, Bloomberg New Energy Finance, who served as moderator. The session, entitled Financing and Investment Models for Grid Storage Systems, highlighted the growing applications and financing options for multiple grid, power plant, corporate and industrial and off-grid energy storage projects.

In his summary presentation to the Bloomberg Summit full plenary session, Srivastava added that the "fastest growth in energy storage was coming in the commercial and industrial sectors which are utilizing storage applications innovatively to better manage renewables integration and energy efficiency." He commented that investors were adopting financing structures that addressed scale concerns and performance guarantees.

Sekine initially set the scene for the panel discussion by providing an overview of the energy storage sector outlining its rapid growth in a two-year period where global storage projects increased by more than 200 percent from 244 megawatts of storage projects commissioned in 2014 to 790 megawatts in 2016. She noted, however, that the number of third-party financed projects as opposed to owner-financed projects was relatively low during this period with most following traditional financing structures.

Tang emphasized that most of Greensmith Energy's storage projects involve 'application stacking' which are more easily monetized than single application use. He advocated a rules-based approach to storage that prioritize the highest use first that will determine a project's returns and investment terms. Greensmith Energy is a global leader in energy storage software and integration services.

The trend was confirmed by Demas, whose company – a leading global infrastructure investor – recently closed on the largest energy storage project in the U.S. with Southern California Edison (SCE) for a 300 mega watt hour, distributed fleet of battery storage projects at a cost of $200 million. This project will allow SCE to shed up to 50 MW x 4 hours of peak load within its resource and grid-constrained West Los Angeles Basin service territory. While Demas noted that this project was financed in a similar structure to those used for solar energy development projects with similar guarantees, the SCE project also involves contracted use guarantees from counterparties including large host customers of the project from a large commercial real estate firm to a state university. This made the SCE portfolio financeable in traditional markets.

The panel concluded that energy storage has changed the accepted equations in the institutional structure of the power industry and has begun to provide meaningful solutions to major customers whose actions will have major impact on the energy establishment going forward.

About Leclanché

Leclanché is one of the world's leading fully vertically integrated energy storage solution providers. It delivers a wide range of energy storage solutions for homes, small offices, large industries, electricity grids, as well as hybridization for mass transport systems such as bus fleets and ferries. Established in 1909, Leclanché has been a trusted provider of battery energy storage solutions for over 100 years. Founded in the tradition of Georges Leclanché, the inventor of the dry cell battery, Leclanché today has a rich portfolio of Battery Energy Storage Systems (BESS) that include bespoke battery systems from industry leading lithium-ion solutions.

Leclanché is listed on the Swiss stock exchange, and is the only listed pure-play energy storage company in the world.

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