

Long Duration Storage

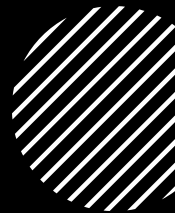
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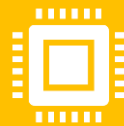
CAISO has
successfully
implemented
three long
duration
storage
models



Hydro (daily energy limit, monthly plan)



Pumped hydro (discrete pumping state,
commitment costs)



Hybrid (market participant manages state of charge,
provides telemetry so CAISO can verify feasibility
after the fact)



Each of these models has limitations in representing
other forms of long duration storage, such as
batteries, aggregated EVs or gravity storage, in the
wholesale markets



Another complication: California's decarbonization plans assume a long duration storage use case over periods longer than daily markets or monthly RA plans can capture



Seasonal energy shifting



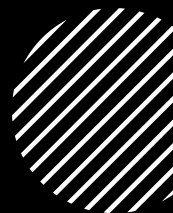
Backup energy to cover renewable unavailability



Potential for uses of stored energy to be used outside of electric markets



Potential model enhancements



Enhanced pumped storage model allowing variable pumping bid curve



Enhanced hydro model: throughput limits and monthly energy plan



Enhanced NGR model: incorporate charge/discharge state change and enable initial and final SOC values in DA markets to be bid in at an opportunity cost; spread bidding



“MSG”-style models: configurations and/or bids based on state of charge ranges