



NEWS RELEASE

Stem, Regis Energy Partners, and Excelsior Energy Capital Announce \$400M Portfolio of Energy Storage Projects in Texas

12/8/2022

Demonstrate economically viable renewables opportunities in ERCOT

SAN FRANCISCO--(BUSINESS WIRE)-- Stem, Inc. (NYSE: STEM), a global leader in AI-driven clean energy solutions and services, today announced four 9.9 megawatts (MW) standalone energy storage projects in Texas with REX Storage Holdings, LLC (REX), an independent power producer focused on standalone battery energy storage systems (BESS) for ERCOT power customers. REX is a joint venture between Regis Energy Partners LP, an independent developer, owner, and operator of energy storage systems, and Excelsior Energy Capital (EEC), a leading investment fund focused on renewable power generation. The projects represent the first of a \$400M equity commitment by REX to acquire additional construction-ready projects from Regis' development pipeline within the Electric Reliability Council of Texas (ERCOT)'s territory, power supplier to more than 26 million customers representing approximately 90 percent of the state's electric load.

Regis is overseeing the projects' development while Stem is supplying the battery hardware, Athena®, its leading AI clean energy management platform, and services over each project's operating life. Stem's proven expertise across multiple jurisdictions and depth of market knowledge were instrumental in understanding the complexities of the evolving ERCOT marketplace to position the projects for short- and long-term success. As a result, the projects are poised for optimized returns over their lifetime. The initial four energy storage systems are currently under construction and are planned to come online in 2023.

John Carrington, CEO of Stem, commented, "The energy storage market in Texas represents a significant growth opportunity for leading renewable energy investors like Excelsior who recognize the rich merchant revenue opportunities in the ERCOT market. Stem has spent the past decade helping project developers and independent power producers (IPPs) get projects to commission and drive higher economic output with our AI-driven Athena platform, energy consulting and support services, and ability to manage and optimize projects over time. We will

continue to partner with regional developers like Regis to collectively help investors achieve their energy optimization goals in the region while accelerating the adoption of renewable assets.”

“Excelsior values long-term partnerships with trusted industry leaders. Stem and Regis bring the renewable energy expertise, technology, and regional insights to ensure we can quickly bring on resilient and successful clean energy projects across Texas. We look forward to progressing our business and environmental goals with this partnership,” said Anne Marie Denman, Co-Founder and Partner of Excelsior Energy Capital.

Daniel Senneff and Nathan Vajdos, co-founders and Managing Partners of Regis Energy Partners, added, “Distributed energy storage represents an unprecedented opportunity to rapidly modernize and strengthen Texas' electricity grid. With the incredible amount of support and expertise provided by Stem and Excelsior, Regis has been able to execute a focused business plan centered around speed and simplicity to develop this portfolio of high-value projects.”

About Stem

Stem (NYSE: STEM) provides clean energy solutions and services designed to maximize the economic, environmental, and resiliency value of energy assets and portfolios. Stem’s leading AI-driven enterprise software platform, Athena®, enables organizations to deploy and unlock value from clean energy assets at scale. Powerful applications, including AlsoEnergy’s PowerTrack, simplify and optimize asset management and connect an ecosystem of owners, developers, assets, and markets. Stem also offers integrated partner solutions to help improve returns across energy projects, including storage, solar, and EV fleet charging. For more information, visit www.stem.com.

About Excelsior Energy Capital

Excelsior Energy Capital is a pure-play renewable energy infrastructure fund focused on long-term investments in wind and solar power plants in North America. The Excelsior Team brings over 100 years of combined experience and a comprehensive set of strategic, financial, legal and operational expertise; making Excelsior Energy Capital a valuable partner for developers and operators, and a trusted manager for investors. For more information, visit <http://www.excelsiorcapital.com>.

About Regis Energy Partners LP

Regis is a private developer of utility-scale energy storage projects pursuing a portfolio of distribution-level assets in the ERCOT power market. The firm leverages a unique development strategy to identify opportunities at the highest demand-driven, volatility-persistent locations across the distribution grid where high voltage transmission-scale projects would be unviable. For more information, visit www.regis-energy.com.

Forward-Looking Statements

This release, as well as other statements we make, contain “forward-looking statements” within the meaning of the federal securities laws, which include any statements that are not historical facts. Such statements often contain words such as “expect,” “may,” “can,” “believe,” “predict,” “plan,” “potential,” “projected,” “projections,” “forecast,” “estimate,” “intend,” “anticipate,” “ambition,” “goal,” “target,” “think,” “should,” “could,” “would,” “will,” “hope,” “see,” “likely,” and other similar words. Forward-looking statements address matters that are, to varying degrees, uncertain, such as the success of the projects discussed in this release. Such forward-looking statements are subject to risks, uncertainties, and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements, including but not limited to changing business, economic and political conditions in the markets in which we operate; the ongoing effects of the COVID-19 pandemic on our workforce, operations, financial results and cash flows; the effects of the ongoing conflict in Ukraine; our inability to secure sufficient inventory from our suppliers to meet customer demand, and provide us with contracted quantities of equipment; supply chain interruptions and manufacturing or delivery delays; disruptions in sales, production, service or other business activities; the risk that the total addressable market as a result of the Inflation Reduction Act is not as expected; the results of operations and financial condition of our customers and suppliers; our inability to achieve our financial and performance targets and other forecasts and expectations; the risk that the global commitment to decarbonization may not materialize as we predict, or even if it does, that we might not be able to benefit therefrom; our inability to help customers reduce GHG emissions to the extent desired; our inability to integrate and optimize energy resources; pricing pressure; inflation; weather and seasonal factors; general economic, geopolitical and business conditions in key regions of the world, including inflationary pressures, general economic slowdown or a recession, increasing interest rates, and changes in monetary policy; challenges, disruptions and costs of integrating our company following our acquisition of AlsoEnergy and achieving anticipated synergies, or such synergies taking longer to realize than expected; risks that the integration disrupts current plans and operations that may harm our business; uncertainty as to the effects of the transaction on the long-term value of our common stock; our ability to continue to grow and to manage our growth effectively; our ability to attract and retain qualified employees and key personnel; our ability to comply with, and the effect on their businesses of, evolving legal standards and regulations, particularly concerning data protection and consumer privacy and evolving labor standards; risks relating to the development and performance of our energy storage systems and software-enabled services; our inability to retain or upgrade current customers, further penetrate existing markets or expand into new markets; the risk that our business, financial condition and results of operations may be adversely affected by other political, economic, business and competitive factors; and other risks and uncertainties set forth in our most recent Forms 10-K, 10-Q and 8-K filed with or furnished to the SEC. If one or more of these or other risks or uncertainties materialize (or the consequences of any such development changes), or should our underlying assumptions prove incorrect, actual outcomes may vary materially from those reflected in our forward-looking statements. Statements in this press release are made as of the date of this release, and Stem disclaims any intention or obligation to update publicly or revise such statements, whether as a result of new information, future events or otherwise.

Source: Stem, Inc.

For News Media:

Suraya Akbarzad, Stem

press@stem.com

Excelsior Energy Capital

info@excelsiorcapital.com

Regis Energy Partners, LP

info@regis-energy.com

For Investors:

Ted Durbin, Stem

Marc Silverberg, ICR

IR@stem.com

Source: Stem, Inc.