



NEWS RELEASE

Stem's Athena® Software Selected by Available Power to Optimize Up to 2GWh Energy Storage Portfolio in ERCOT

2/24/2022

Value of award expected to exceed \$500 million across the project portfolio

Partnership provides Stem exclusive rights to 100 standalone energy storage projects in Texas

SAN FRANCISCO & RALEIGH, N.C.--(BUSINESS WIRE)-- Stem, Inc. ("Stem" or "the Company") (NYSE: STEM), a global leader in artificial intelligence (AI)-driven energy storage software and services, today announced the Company has been selected to provide smart energy storage solutions in Texas to Available Power ("AP"), a developer that designs, develops, and deploys distributed energy resources and microgrid systems for commercial and industrial real estate.

This strategic partnership gives Stem exclusive rights to provide its proprietary Athena® smart energy storage software to energy storage systems at 100 front-of-the-meter (FTM) sites throughout the state of Texas. The project portfolio is expected to have a value of more than \$500 million and will be completed in phases, beginning with deployment of the first 20 systems by early 2023. Together, Stem and AP will be providing the state grid, operating under the Electric Reliability Council of Texas (ERCOT), with an additional one gigawatt (GW), or two gigawatt-hours (GWh), of flexible electric power for 20 years.

ERCOT is responsible for delivering 90 percent of the state's electric power to more than 25 million people throughout Texas. The market for energy storage in ERCOT is expected to grow more than 10 GWh over the next five years as renewable energy adoption increases and the state prioritizes grid resilience.

AP will be facilitating the entire scope of work on the projects, from development of the energy storage sites, to marketing and selling the assets as they reach operation. Stem will provide the battery storage hardware at each site, incorporate Athena Bidder™ to optimize the bidding and dispatch of the systems (based on real-time market

dynamics), and organize the portfolio of energy storage sites into a single, integrated energy intelligence platform. The full scope of Stem's software and services also includes revenue modeling, battery hardware consulting, and development support to successfully complete these projects.

John Carrington, Chief Executive Officer of Stem, commented, "This partnership with Available Power showcases Stem's ability to support developers across the project lifecycle and enable best-in-class management of large portfolios of energy storage projects. Our market-leading Athena® software, advanced Bidder™ application, system operating knowledge, and ability to rapidly deploy projects will help Available Power quickly go to market and generate exceptional value."

Daniel Gregory, Chief Executive Officer of AP, added, "We chose to partner with Stem for their unparalleled energy expertise and supply chain strength to support our range of needs from revenue optimization and cost savings to navigating energy markets. Their Athena® software brings us the unique ability to drive substantial operational value in our growing energy storage portfolio, and we look forward to working on these projects together."

About Stem

Stem (NYSE: STEM) provides solutions that address the challenges of today's dynamic energy market. By combining advanced energy storage solutions with Athena®, a world-class AI-powered analytics platform, Stem enables customers and partners to optimize energy use by automatically switching between battery power, onsite generation, and grid power. Stem's solutions help enterprise customers benefit from a clean, adaptive energy infrastructure and achieve a wide variety of goals, including expense reduction, resilience, sustainability, environmental and corporate responsibility, and innovation. Stem also offers full support for solar partners interested in adding storage to standalone, community or commercial solar projects – both behind and in front of the meter. With the acquisition of AlsoEnergy, Stem is now a leader in the solar asset management space, bringing project developers, asset owners, and commercial customers an integrated solution for solar and energy storage management and optimization. For more information, visit www.stem.com.

About Available Power

Available Power provides an integrated solution to monetize underutilized real estate by leasing the land and hosting reliable distributed energy systems to serve as a local resource to the wholesale power market. AP's highly qualified team of utility experts, professional engineers, and project managers evaluate individual sites within the context of the grid and tailor an end-to-end energy system designed to maximize productivity and returns at each location or as part of a larger portfolio. From site identification to system implementation, AP and its partners manage the entire scope of work and are responsible for sourcing project capital, securing permits and grid interconnections, procuring equipment and smart technology, supervising site construction and installation, as well as operating and maintaining the assets to ensure optimal performance and value over the long-term. For more information, visit: <https://www.available-power.com/>.

Cautionary Statement regarding Forward-Looking Statements

This press 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 expanding our operations in Texas, the success of the Stem-Available Power partnership; the rate of renewable energy adoption in Texas; the reduction of greenhouse gas (GHG) emissions; the integration and optimization of energy resources; the business strategies of Stem and those of its customers; the global commitment to decarbonization; Stem’s ability to secure new customers, or to retain current customers, and further penetrate existing markets or expand into new markets; Stem’s ability to mitigate supply chain risk and otherwise to manage supply chains and distribution channels; the continuing severity, magnitude and duration of the COVID-19 pandemic, and our future results of operations. 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. These forward-looking statements are based upon assumptions and estimates that, while considered reasonable by Stem and its management, depend upon inherently uncertain factors and risks that may cause actual results to differ materially from current expectations, including the expansion of our operations in Texas, the risk that the State of Texas does not adopt renewable energy as quickly as expected, or to the extent expected, the risk that the Stem-Available Power partnership is not as successful as anticipated, our inability to achieve our financial and performance targets and other forecasts and expectations; our inability to realize anticipated revenues from our long-term contracts; our inability to grow and manage profitably; risks relating to the development and performance of our energy storage systems and software-enabled services; our inability to help reduce GHG emissions; our inability to seamlessly integrate and optimize energy resources; 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 win new contracts with customers that we are pursuing, or to retain or upgrade current customers, further penetrate existing markets or expand into new markets; our inability to secure sufficient inventory from our suppliers to meet customer demand, and provide us with contracted quantities of equipment; supply chain failures or interruptions; manufacturing or delivery delays; disruptions in sales, production, service or other business activities; our inability to attract and retain qualified personnel; 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 the section entitled “Risk Factors” in the registration statement on Form S-1 filed with the SEC on July 19, 2021, and 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.

Stem Investor Contacts

Ted Durbin, Stem

Marc Silverberg, ICR

IR@stem.com

Stem Media Contact

Cory Ziskind, ICR

stemPR@icrinc.com

Available Power Media Contact

Benjamin W. Gregory

benjamin.gregory@available-power.com

Source: Stem, Inc.