

**BUSINESS // ENERGY**

# Texas to get 15 utility-scale battery storage sites

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The growth of battery storage has been driven by growth in renewables and falling prices for batteries, turning what was once a science experiment into an increasingly affordable power source.

Photo: Billy Calzada

Broad Reach Power, a Houston energy storage company, said it will install 15 utility-scale batteries at sites in Houston and Odessa as it seeks to store electricity when it's cheap and sell it into wholesale power markets when prices jump.

Six sites, including five in the Houston area, are expected to be operating this summer. The other batteries will be installed in the fall

Each site will contain battery systems capable of storing and distributing up to 10 megawatts of power. One megawatt powers about 200 homes during a hot summer day in Texas.

The company, which gets funding from private equity investors, owns a 3,000-megawatt portfolio of utility scale solar and energy storage power projects in Montana, Wyoming, California, Utah and Texas.

Advancing technology and falling prices have turned what was once a science experiment into an increasingly affordable power source. Texas has become a leader in grid-scale storage, ranking fourth among states installed battery capacity.

Texas has a leg up in battery development because the state can design policies without waiting for the Federal Energy Regulatory Commission, where a contentious rule-making process for deploying batteries on the grid has delayed progress. The Texas power grid, which is not interconnected with other state systems, does not fall under FERC's jurisdiction.

In Texas, state officials are weighing issues such as how to regulate energy resources that both draw and generate power as well as more mundane interconnection concerns of how to effectively and efficiently link batteries from wind farms, solar farms and stand-alone storage units to the grid. At the same time, the opportunity that energy storage provides is driving up the value of renewables.

Renewables are growing so quickly that solar power is expected to generate 61 percent of new power capacity coming online in Texas between now and 2023, according to the state grid manager the Electric Reliability Council of Texas. Wind represents another 27 percent of new capacity. About 7 percent will come from battery storage.

Natural gas, the backbone of the state's electricity system and the source that has traditionally supplied about half the power capacity in Texas is expected to add only 5 percent of new capacity in the next three years.

Batteries are beginning to undercut one of the central features of natural gas-fired power plants: filling in for power produced by renewable generators when the sun isn't shining

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and the winds aren't blowing. Batteries can make renewable energy a reliable and steady source of power, something essential to its long-term growth and a potential boon for Texas, which produces more wind than any other state.

**On HoustonChronicle.com:** [Battery storage on verge of changing Texas power grid](#)

Broad Reach's battery systems will connect directly to the grid, rather than wind or solar farms. The company will buy and will store power during the times of the day when power is cheap, such as during evening hours when the wind is blowing and demand has dropped, said Broad Reach managing partner and CEO Steve Vavrik. Then it will sell the power during times of the day when prices typically spike — hot summer afternoons.

**On HoustonChronicle.com:** [How will batteries plug into Texas' power grid?](#)

Growth in battery development should make Texas a prime location for data centers, manufacturing and pharmaceutical companies looking to expand operations by providing affordable, clean power, said Vavrik.

Broad Reach was formed last year and is backed by investors including the Houston private equity firm EnCap Investments and New York private equity firm Yorktown Partners.

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