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General Motors,

Google,

RMI Launches “Virtual Power Plant Partnership” With Support from General Motors & Google Nest

The “VP3” Initiative will Help Catalyze Potential for Rapid Growth of Virtual Power Plants

Denver, CO – RMI, a leading nonprofit dedicated to accelerating the global energy transformation, announced the formation of the Virtual Power Plant Partnership (VP3) Tuesday. In recognition of the critical work needed to tackle scaling the market for virtual power plants, initial funding of the VP3 effort was made possible by General Motors and Google Nest. Today, VP3 includes founding members Ford, General Motors, Google Nest, OhmConnect, Olivine, SPAN, SunPower, Sunrun, SwitchDin, and Virtual Peaker.

VP3 is an initiative based at RMI that works to catalyze industry and transform policy to support scaling VPPs in ways that help advance affordable, reliable electric sector decarbonization by overcoming barriers to VPP market growth. Virtual power plants are portfolios comprised of hundreds or thousands of households and businesses that offer the latent potential of their electric vehicles (EVs), smart thermostats, appliances, batteries, solar arrays, and additional energy assets to support the grid. VP3 follows in the path of successful institutional spinoffs in the electric sector space previously incubated by RMI including the Clean Energy Buyers Association and the Energy Web Foundation.

“Virtual power plants are poised for explosive growth, and RMI is committed to being at the forefront of their success by launching VP3,” said RMI CEO Jon Creyts. “Our analysis shows that VPPs can reduce peak power demand and improve grid resilience in a world of increasingly extreme climate events. A growing VPP market also means revenue opportunities for hardware, software, and energy-service companies in the buildings and automotive industries. For large energy users, VPPs can significantly reduce energy spend while providing new revenue streams.”

“The next 12 to 24 months are critical for policy and program development to seize the potential offered by virtual power plants, and VP3 is here to ensure that the energy transition doesn’t miss a beat,” said **Mark Dyson, RMI Managing Director for Carbon-Free Electricity**. “Policy change, customer and stakeholder education, and unilateral action by individual businesses or organizations all take time and resources. We’re excited to partner in this work with leading businesses in VPP-related sectors including electric vehicles, building controls, residential energy technologies, utility-facing software solutions, and more.”

MORE ABOUT VP3’s GOALS:

With the guidance and support of its members, VP3 is working toward a future where businesses, households, and communities are empowered through VPPs which can help to support cost-effective energy, emissions reductions, and a more resilient electricity grid. To achieve this, VP3 will work to:

1. Catalog, research, and communicate VPP benefits

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2. Develop industry-wide best practices, standards, and roadmaps
3. Inform and shape policy development

STATEMENTS FROM FOUNDING MEMBERS GENERAL MOTORS AND GOOGLE NEST:

GENERAL MOTORS:

*"Virtual power plants present an exciting opportunity to unlock additional value for homes, businesses and communities, helping to drive greater energy independence and grid decarbonization" **said Mark Bole, GM VP and Head of V2X and Battery Solutions.** "This collaboration underscores GM's commitment to creating a more resilient grid, with EVs and virtual power plants playing a key role in helping to advance our all-electric future."*

GOOGLE NEST:

*"We are thrilled to partner with RMI to scale Virtual Power Plants and bring their benefits to households and communities across the US," **said Parag Chokshi, Director, Nest Renew.** "Google is committed to building a more sustainable future and continues to lead and encourage others to join us in improving the health of our planet. VP3 will empower individuals and businesses alike to strengthen and decarbonize their local grid with the goal of making energy more affordable for all. Because when we each do a little, it adds up to a lot."*

MORE ABOUT VIRTUAL POWER PLANTS:

A virtual power plant (VPP) aggregates and coordinates distributed energy resources to benefit all those who rely on the electric grid. It is comprised of hundreds or thousands of households and businesses that offer the latent potential of their electric vehicles (EVs), smart thermostats, appliances, batteries, and solar arrays to support the grid.

In a VPP, these decentralized distributed energy resources (DERs) are aggregated into a portfolio. Customers themselves or their authorized energy management companies — with customer permission and the help of advanced software — can adjust charging, discharging, output, and demand from DERs in response to signals from markets and grid operators. In this way, VPPs can play an important role in seamlessly and efficiently matching energy supply and demand.

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