SPECIAL COUNCIL MEETING
FOR PURPOSES OF A WORK SESSION
LITHIUM-ION BATTERY PROJECT
MONDAY, APRIL 12, 2021 - 4:30 P.M.

President Paul Hach called the Special Meeting to order at 4:30 PM. City Council convened for a work session in the City Hall Conference Room, with the following in attendance in person: Councilperson Paul Hach; City Manager Doug Lewis, Assistant City Manager Derek Feuerstein, and Administrative Secretary Helen Petersburg, and the following in attendance by video conference: Councilpersons Christine Shoop, Lori DiNallo, Katie Jenkins, Nick Augustine, Jim Fodor, Tom Fitzgerald; and Electric Power Superintendent Jeff McHugh.

On roll call for attendance, Mrs. Jenkins, Mr. Fodor, Mrs. DiNallo, Mrs. Shoop, Mr. Augustine, Mr. Fitzgerald, and Mr. Hach were present.

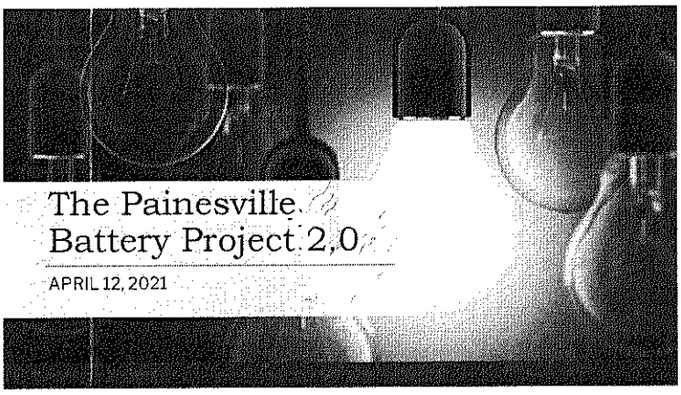
Mr. Hach turned the meeting over to Electric Power Superintendent Jeff McHugh, who presented information about the Lithium-Ion Battery Project. (see attached)

Council Members, Doug Lewis, and Jeff McHugh discussed interests and concerns. Council Members agreed to move forward and explore possibilities, but more information is needed to clarify agreement terms.

Motion to adjourn the work session was made by Mrs. Jenkins, seconded by Mr. Fitzgerald. All were in favor by answering answered "Aye". Motion carried. The meeting was adjourned at 5:34 p.m.

Helen Petersburg
Acting Clerk of Council

Paul W. Hach II
President of Council



The Painesville Battery Project 2.0

APRIL 12, 2021

Who is Convergent Energy ?

- Owned and financially backed by Energy Capital Partners Group.
- Has a ten year record of financing, developing, commissioning, and operating energy storage assets.
- Maintains ownership of projects and directly approaches all project risks/rewards.
- Combines "small company" flexibility with "large company" purchasing power.

The Goals :

- Addressing the power costs we cannot control- transmission and capacity costs
- Doing so in an effective manner without too large of a capital expense
  - As would be required in a number of other projects researched (ie: diesel/gas generators, solar panels, and Plant upgrades)

Introducing Convergent

- ✓ Financing
- ✓ Construction
- ✓ Maintenance
- ✓ Decommissioning

Timeline and History

- October 4, 2019 – Painesville is introduced to Convergent Energy, a company specializing in stored energy systems on a utility scale. A battery project I
- April 1, 2020 – After system information and load data exchange, the city receives the first proposal and term sheet.
- March 4, 2021 – A second proposal and term sheet is offered.
- April 5, 2021 – The third term sheet is received.

How Will This Work ?

Painesville will be given 50 windows per year to discharge battery during peak load.

- For reference, the plant is typically operated around 18 - 20 times in a peaking season.

Using both notifications from AMP Dispatch and Convergent's peaking algorithm, the Plant will discharge the battery during peak times. This insures hitting the goal of 1CP for transmission and 5CP for capacity.

Batteries will be recharged at the city's power cost. When outside of peaking season, Convergent will have the ability to supply PJM with "ancillary services" by discharging the battery.

- In this case, Convergent will pay for recharging as it will be metered.

Next Steps

Sign the term sheet to move project to next level.

Verify numbers presented and compare to other options available.

Follow up with listed contacts on the finished projects in Convergent presentation.

Begin negotiations on contract with Convergent.

Present numbers and offer recommendation to Council.

Questions ?